Transmittal No. 2018-03

Maui Electric Company, Limited

REVENUE BALANCING ACCOUNT PROVISION TARIFF

Filed March 29, 2018

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PUBLIC UTILITIES COMMISSION

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PUBLIC UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAI'I

In the Matter of the Application of	)	
	)	
MAUI ELECTRIC COMPANY, LIMITED	)	Transmittal No. 18-03 (Decoupling)
	)	
For approval to modify the RBA Rate Adjustment in its Revenue Balancing Account Provision Tariff	)	Effective Date: June 1, 2018
	)	

I

In accordance with the Final Decision and Order in Docket No. 2008-0274, Maui Electric Company, Limited ("Maui Electric" or "Company") files its annual 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 increase the RBA Rate Adjustment by $0.003612 from the current rate of $0.015654 per kilowatt-hour ("kWh") to the new rate of $0.019266 per kWh for all divisions, effective June 1, 2018 through May 31, 2019. The RBA Rate Adjustment is based on the Company's RBA balance at the end of 2017 and the Company's Rate Adjustment Mechanism ("RAM") Revenue Adjustment for calendar year 2018. The RAM Revenue Adjustment reflects the effects of the Tax Cuts and Jobs Act that was signed into law on December 22, 2017. The Company also proposes to revise its Rate Adjustment Mechanism Provision tariff to conform certain language on the RAM Revenue Adjustment Cap to be consistent with other aspects of the RAM mechanism, as explained herein.

II

Maui Electric, whose principal place of business and 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. 18-03 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. The proposed tariff revisions are in accordance with the Final Decision and Order in Docket No. 2008-0274, Order No. 32735 in Docket No. 2013-0141 and other orders as explained herein.

V

Pursuant to HAR §6-61-76, Maui Electric incorporates by reference its latest available balance sheet and income statement for the twelve months ending February 28, 2018, filed with the Commission on March 29, 2018.

VI

On August 31, 2010, the Commission issued its Final Decision and Order in Docket No. 2008-0274, approving the decoupling mechanism for the Hawaiian Electric Companies.[1] Beginning in 2013, Maui Electric filed tariff transmittals to annually establish an RBA Rate Adjustment, which the Commission subsequently approved.[2]

On February 7, 2014, the Commission issued Decision and Order No. 31908 on the Schedule A issues in Docket No. 2013-014, 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.[3]

In Decision and Order No. 31908 in Docket No. 2013-0141, the Commission also ordered the Companies to investigate the possibility that they may be able to defer payment of

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[1] The "Hawaiian Electric Companies" or "Companies" are Hawaiian Electric Company Inc. ("Hawaiian Electric"), Hawai'i Electric Light Company, Inc., ("Hawai'i Electric Light") and Maui Electric.

[2] Refer to Transmittal Nos. 13-01, 13-04, 14-05, 15-05, 16-03, and 17-04 filed March 28, 2013, May 1, 2013, March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 respectively and approved in *Order No. 31287 Consolidating Proceedings and Approving Multiple Tariff Transmittals, Order No. 32112 Consolidating Proceedings and Approving Tariff Transmittals*, and *Order No. 32883 Consolidating Proceedings and Approving Amended Tariff Transmittals, Order No. 33724 Consolidating Proceedings, Providing Clarifications, and Approving Tariff Transmittals As Amended*, and *Order No. 34581 Providing Clarifications and Approving Tariff Transmittals as Amended* respectively. 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.

[3] 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.

income taxes on the accrued amounts of decoupling revenue and make recommendations as to deferred tax treatment. On May 6, 2014, the Companies notified the Commission that they received approval from the Internal Revenue Service ("IRS") effective January 1, 2014 to change their accounting method from a book method of RBA revenue recognition to a recognition method based on when rates are adjusted for the RBA, and on May 19, 2014, provided information on how they will implement the change to reduce the amount of interest to be accrued.

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

1) The RBA shall be retained;

2) The RAM mechanism shall be modified to include a cap that shall be applied to the total annual RAM Revenue Adjustment. The cap shall limit the automatic component of RAM adjustment increases to an amount equal to or lower than the Gross Domestic Product Price Index ("GDPPI");

3) The 90% adjustment shall be removed in favor of the GDPPI cap;

4) The Commission will allow the Companies to apply for approval by the Commission, on a case by case basis, to recover revenues outside of and in addition to the capped RAM revenues.[4] The Companies and the Consumer

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

Advocate shall develop criteria for the Commission's review for recovery of these costs (which may include consolidated or "programmatic" baseline expenditures) through the RAM or the Renewable Energy Infrastructure Program ("REIP") surcharge;[5] and

5) The changes in items 1 through 4 above shall be made effective on an interim basis pending commission resolution of the proceedings concerning the Companies' Power Supply Improvement Plans in Docket No. 2014-0183.[6]

Among the modifications to the RAM, the Commission amended the RAM Revenue Adjustment to be the lesser of (a) the RAM Revenue Adjustment determined according to tariffs and procedures "existing" at the time of issuance of Order No. 32735 ("Original RAM Methodology") or (b) a RAM Revenue Adjustment Cap ("RAM Cap"). The RAM Cap shall be based on the target revenues[7] determined in accordance with the RBA and RAM tariffs times the cumulative annually compounded increase(s) in GDPPI for intervening years, adjusted to include applicable revenue taxes.[8] The RAM Cap will apply to the entire RAM Revenue Adjustment including the Operations and Maintenance ("O&M") RAM, Rate Base RAM (including major capital and baseline projects), and the Depreciation and Amortization RAM.[9]

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

[6] Order No. 32735 at 5-7.

[7] Order No. 32735 at 95-96.

[8] Order No. 32735 at 94.

[9] Order No. 32735 at 96.

VII

By this Transmittal, Maui Electric proposes to revise its decoupling RBA Rate Adjustment from the current rate of $0.015654 per kWh to the new rate of $0.019266 per kWh, effective June 1, 2018 through May 31, 2019.

The Company calculated its RBA Rate Adjustment according to its RBA and RAM tariff provisions[10] and the provisions of Order Nos. 32735 and 32866.[11] The 2018 RBA Rate Adjustment includes the recovery of the RBA balance at year end 2016 and the calculated RAM revenue adjustment for calendar year 2018. Approximately 30% of the RBA Rate Adjustment includes the recovery of the RBA balance at year end 2017 and 82% corresponds to the 2018 RAM Revenue Adjustment. Approximately -12% of the RBA Rate Adjustment includes an adjustment for the period January 1, 2018 through May 31, 2018 for the 2017 Tax Reform Act Adjustment. There are no adjustments to the RBA Rate Adjustment for earnings sharing revenue credits triggered for 2017 or for Commission-ordered major capital project credits or baseline capital project credits. (Refer to Schedule A of Attachment 2 described in Section VIII of this tariff transmittal.) Based on the revised rate, a monthly bill for a Maui Electric residential customer using 500 kWh of electricity in Maui would increase by $1.80 and for a household using 400 kWh of electricity in Lānaʻi and Molokaʻi would increase by $1.45.[12]

The 2018 RBA Rate Adjustment will replace the 2017 RBA Rate Adjustment in the Company's Revenue Balancing Account Provision tariff and, as more fully discussed below, reflects the RBA balance as of the end of 2017, and the RAM Revenue Adjustment based on the

[10] Maui, Lānaʻi and Molokaʻi Divisions have similar RBA and RAM tariff provisions. Refer to: Revised Sheet Nos. 96, 96A – 96 H, 97 and 97A – 97D for Maui Division; Revised Sheet Nos. 107, 107A – 107H, 108 and 108A – 108D for Lānaʻi Division; and Revised Sheet Nos. 151, 151A – 151H, 152 and 152A –152D for Molokaʻi Division.
[11] See Order No. 32866 in Transmittal Nos. 15-03, 15-04, and 15-05 (consolidated).
[12] The monthly bill impact for a household using 500 kWh with the revised rate would be $9.63 in Maui as compared to $7.83, based on the current rate. The monthly bill for a household using 400 kWh with the revised rate would be $7.71 on Lānaʻi and Molokaʻi as compared to $6.26, based on the current rate.

Original RAM Methodology. The following sections explain the amounts that make up the 2018 RBA Revenue Adjustment.

1. 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.[13] 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, in Docket No. 2013-0141. As a result, effective March 1, 2014, the annual rate used to calculate interest on the RBA balance changed from 6% to 1.25%, which is the short term debt rate as established in computing the consolidated cost of capital in the Company's last full rate case. Additionally, based on Decision and Order No. 31908 in Docket No. 2013-0141 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 2017 was $5.5 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 an increase of $2.9 million from the RBA balance at the end of 2016 of $2.6 million, and was the result of Maui Electric recovering $2.7 million of the RBA balance through the RBA Rate

[13] Refer to page 101 of Decision and Order No. 30365, issued May 2, 2012, in Docket No. 2009-0163.

Adjustment and recording $5.7 million in revenues,[14] adjustments, and interest for 2017. Therefore, the 2017 year-end balance of $5.5 million represents the unrecovered cumulative RBA balance and additional amounts due to a shortfall in revenues[15] resulting from lower sales in 2017. 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 2018. The 2017 year-end RBA balance of $5.5 million is grossed-up to $6.1 million to include revenue taxes.

Maui Electric's 2017 recorded sales totaled 1,094.8 gigawatt-hours ("GWh"), which was 107.0 GWh, or 8.9% lower than the 1,201.8 GWh test year amount (based on the March 2011 forecast) adopted in the Maui Electric 2012 test year rate case. Besides the slight increase in sales in 2015, 2017 sales continued the overall downward trend since 2012.[16]

The residential and commercial sectors both experienced lower sales in 2017 compared with 2012 test year levels, with the larger shortfall of 15.1% in the residential sector where customers decreased their average monthly usage by 17.6%, as compared to the commercial sales shortfall of 5.5% (see Table 1 below).

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[14] This represents the difference between target revenues and recorded adjusted revenues, plus any adjustments for 2017.

[15] That is, "recorded adjusted revenue" as defined in the RBA Tariff.

[16] 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 would have been lower, but the effective per kWh interim surcharge and final base rates resulting from the rate case would have been higher. As a result, the net impact on customers over the period between rate cases would have been the same.

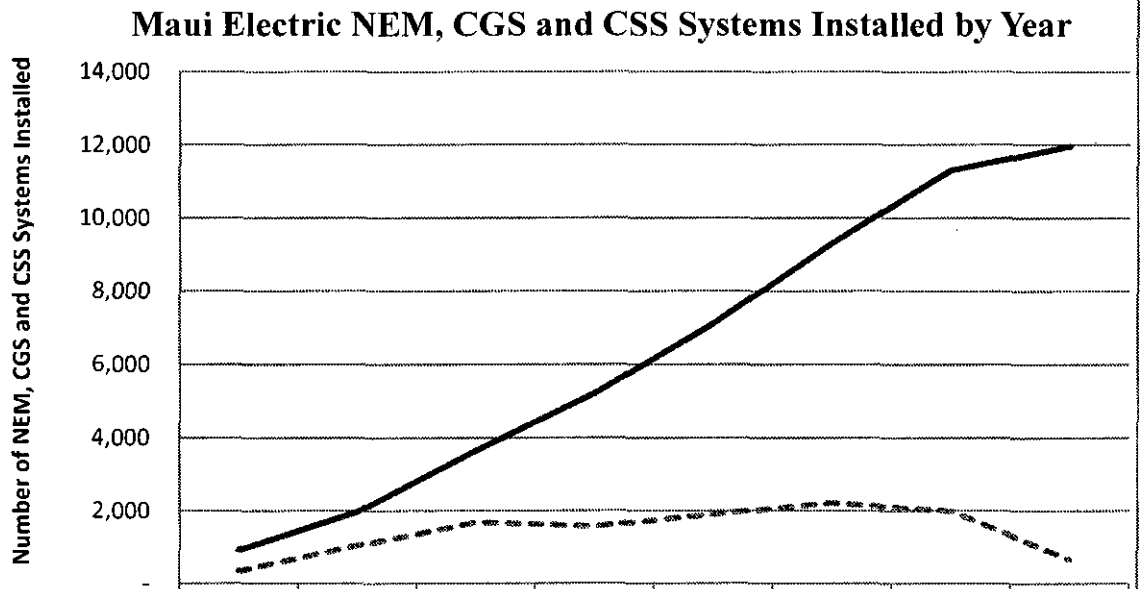
Table 1
Comparison of TY2012 to actuals

	TY2012	2012	2013	2014	2015	2016	2017	Diff Btw 2017 and TY2012	% Diff
Residential Sector									
Sales (GWh)	428.3	395.3	387.9	382.0	381.2	366.4	363.7	(64.6)	-15.1%
Customers	58,767	58,610	59,191	59,610	60,019	60,389	60,618	1,851.0	3.1%
Average Monthly Use (kWh/Customer)	607	562	546	534	529	506	500	(107.0)	-17.6%
Distributed Renewable Generation GWh Impacts[1]	7.2	17.1	31.9	46.2	64.3	84.9	97.7	90.5	1248.8%
Energy Efficiency Impacts (GWh)[2]	25.0	36.8	43.4	49.3	55.4	61.9	67.4	42.4	169.7%
Electricity Nominal Price ¢/kWh[3]	35.0	38.7	37.9	37.8	31.0	28.5	29.1	(5.9)	-16.8%
Commercial Sector									
Sales (GWh)	773.5	749.5	747.0	750.1	756.5	751.4	731.1	(42.4)	-5.5%
Customers	9,988	9,950	10,094	10,194	10,264	10,336	10,409	421.0	4.2%
Renewable Generation GWh Impacts[1]	8.5	10.6	19.2	24.8	31.3	40.0	50.3	41.8	493.1%
Energy Efficiency Impacts (GWh)[2]	57.6	63.9	69.0	73.7	79.5	86.0	97.9	40.3	69.9%
Electricity Nominal Price ¢/kWh[3]	33.0	37.4	36.2	36.1	29.0	26.5	27.0	(6.0)	-18.1%
Total Sales (GWh)	1,201.8	1,144.8	1,134.9	1,132.1	1,137.6	1,117.7	1,094.8	(107.0)	-8.9%

[1] *Cumulative impacts are from systems installed under the NEM, SIA, FIT, CGS, and CSS tariffs*
[2] Actuals include impacts provided by Hawaii Energy and are subject to change.
[3] Maui Only - excludes Schedule F

Several factors contributed to the lower than forecasted sales in 2017. First, significantly higher penetration of customer-sited renewable generation systems installed under Net Energy Metering ("NEM"), Standard Interconnection Agreements ("SIA"), Feed-In-Tariffs ("FIT"), Customer Grid-Supply ("CGS"), and Customer Self-Supply ("CSS") had a significant impact on sales. The cumulative 2017 impacts of systems installed under NEM, SIA, FIT[17], CGS, and CSS were higher than the 2012 test year assumed impacts by 1,248.8% for the residential sector and 493.1% for the commercial sector. As shown in the graph below, the cumulative number of rooftop solar systems installed on Maui Electric's grids jumped from 923 in 2010 to 11,959 in 2017, a 1,196% increase over seven years. Refer to the graph below for the number of rooftop solar systems installed by year.

[17] 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.



	2010	2011	2012	2013	2014	2015	2016	2017
Incremental	342	1,039	1,677	1,566	1,901	2,207	1,988	658
Cumulative	923	1,962	3,639	5,205	7,106	9,313	11,301	11,959

Sources: Hawaiian Electric Companies 2017 Net Energy Metering Status Report, filed 1/29/2018, page 3, Hawaiian Electric Companies Docket No. 2014-0192 - Distributed Energy Resource Policies Investigation Decision and Order No. 33258 Compliance Filing 1/31/17 and 1/31/18, pages 17 (Maui), 19 (Molokai), and 21 (Lanai).

Second, the actual impact to sales from the installation of energy efficient technologies was also greater than the 2012 test year rate case forecast. Forecasted impacts were consistent with those filed in the Integrated Resource Planning ("IRP") proceeding, Docket No. 04-0077, as a more updated demand side management ("DSM") forecast was not available at that time. From 2012 through 2017, the Public Benefits Fund Administrator achieved greater kWh reduction impacts than what was assumed in the test year.

In summary, declining sales in 2017 created a shortfall in electric sales revenue and the recovery of the Company's fixed costs for the provision of electric service to its customers. Overall, the RBA balance increased to $5.5 million at the end of 2017.

2. RAM Revenue Adjustment

Order No. 32735 states that the RAM Revenue Adjustment will be the lesser of (a) the RAM Revenue Adjustment calculated according to the existing tariffs and procedures at the time of the issuance of the Order No. 32735 ("Original RAM Methodology") or (b) a RAM Cap. For the 2018 decoupling annual filing, the Company calculated the RAM Revenue Adjustment to be lower using the Original RAM Methodology. Therefore, the RAM Cap is not applied for the 2018 RAM Revenue Adjustment. See Schedule A1 and the summary table below.

	RAM Cap[18]	Original RAM Methodology[19]
2018 RAM Revenue Adjustment	$18.6 million	$16.4 million

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

2.1. RAM Revenue Adjustment Cap

Order No. 32735 at 96, explains that following the issuance of a final decision and order in a rate case, the basis for the calculation of the RAM Cap shall be the target revenues determined in accordance with the RBA tariff based on the results of the Company's most recent

[18] 2018 RAM Cap $18,555,303 is calculated as 2018 RAM Cap ($18,194,523) + Exceptional And Other Matters ($360,780). See Schedule A1.

[19] 2018 RAM Under Existing Tariffs $16,428,671 calculated as: O&M RAM ($6,094,788) + Rate Base RAM-Return on Investment ($7,419,913) + Depreciation and Amortization Expense ($4,869,397) less Adjustment for Change in On-cost Clearing Allocation (-$1,955,428). See Schedule A1.
Order No. 32866, paragraph 18 required the Company to adjust its 2015 RAM Revenue Adjustment to reflect the O&M expense reduction impact associated with the change in on-cost clearing allocation identified by the Company in its response to CA-IR-1(b). The RAM calculation for 2015 included an adjustment based on the actual 2014 O&M impact due to the change in on-cost clearing allocation. Therefore, in calculating the 2018 RAM revenue adjustment under the Original RAM Methodology, the adjustment has been updated to reflect the actual 2017 O&M impact of the change in on-cost clearing allocation. See HECO-WP-A1-001.

final rate case decision. However, in the Hawai'i Electric Light 2016 test year rate case (Docket No. 2015-0170), the Consumer Advocate stated in its Statement of Position[20], at page 11:

> The Consumer Advocate understands Order No. 32735 to require the RAM Cap be reset whenever base rates are changed within "the next general rate case" of the HECO Companies. It is therefore necessary to reset the RAM Cap upon completion of a base rate case because a new target revenue requirement is established when interim base rates are effective and the new target revenues are intended to replace the cumulative RAM amounts being recovered to supplement previously authorized base rates.

The Hawaiian Electric Companies, in their Reply Statement of Position[21] at page 9, agree with the Consumer Advocate that upon the issuance of an **interim** or final decision and order in the Hawai'i Electric Light 2016 rate case, all future applications of the RAM Cap to Hawai'i Electric Light should start with the 2016 approved test year amounts, and that the RAM Cap reset should occur at the annual decoupling filing after the issuance of an interim or final decision and order in a rate case[22]. The Companies further state that the trigger for a RAM Cap reset at the next decoupling filing should be an interim or final decision and order because RAM base O&M and rate base amounts and the return on investment are reset according to the last issued "decision and order" in the Company's most recent test year general rate case. The last issued "decision and order" in a rate case could be either an interim or final decision and order. Further, the Final Decision and Order in Docket No. 2008-0274 stated the following: "As noted previously, the RBA target revenue will be the most recent Authorized Base Revenue approved by the commission in an interim or final decision and order in a rate case..." and "In addition,

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[20] *Division of Consumer Advocacy's Statement of Position Pursuant to Order No. 34581*, filed on June 23, 2017, in Docket No. 2015-0170.

[21] *Hawaiian Electric Companies Reply Statement of Position on the Transition of the RAM Revenue Adjustment upon Implementation of a Rate Increase in the Hawai'i Electric Light 2016 Test Year Rate Case*, filed on July 7, 2017, in Docket No. 2015-0170.

[22] Rate Adjustment Mechanism Provision tariff, Revised Sheet Nos. 89A (effective June 1, 2013), 89B, 89E, 89F (effective June 8, 2015).

the Amended Joint Proposal requires the HECO Companies to revise their RBA Rate Adjustment when necessary during the year to reset target revenues based on the commission's issuance of subsequent interim or final decision and orders in pending rate cases."[23]

Since target revenues, the RBA Rate Adjustment and elements of the RAM will be reset upon the issuance of an interim or final decision and order in a rate case, the RAM Cap, which is calculated based on target revenues, should also be reset at the same time.

In this filing, the Company is proposing to revise Sheet Nos. 96G, 107G, and 151G in its Rate Adjustment Mechanism Provision tariffs, as shown in Attachment 1, to formally allow the determination of RAM Cap target revenues to be based on the results of the Company's most recent **interim** or final rate case decision. This clarification would not impact any of the previous years' decoupling filings. Therefore, the first opportunity for reset of Maui Electric's RAM Cap would be in its 2019 annual decoupling filing, at which time the RAM Cap should reflect 2018 test year inputs as approved in the latest available interim or final rate order in Maui Electric's 2018 test year rate case (Docket No. 2017-0150).

As shown in Schedule J in Attachment 2, the adjusted 2016 Target Revenues is $146.0 million. This amount is then added to the adjusted 2017 RAM Cap increase of $2.9 million[24]. This results in a 2017 target revenue total of $149.0 million. The 2017 target revenue total is then multiplied by the 2018 GDPPI of 2.10% to calculate the 2018 RAM Cap increase (excluding Exceptional and Other Matters) of $3.1 million.

The incremental 2018 RAM Cap increase of $3.1 million is then added to the adjusted 2017 RAM Cap of $15.1 million to calculate the 2018 RAM Cap total of $18.2 million.

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[23] Final Decision and Order, issued August 31, 2010, Docket No. 2008-0274, pages 32, 35.

[24] The $2.92 million 2017 RAM Cap increase is calculated by multiplying the 2016 target revenues of $146.0 million by the 2017 GDPPI of 2.0%, as shown in Transmittal 17-04, Attachment 2, Schedule J, filed on March 31, 2017.

$0.4 million in "Exceptional and Other Matters" reflecting the RAM calculation for the Customer Information System ("CIS") deferred project cost is then added to the $18.2 million to arrive at a Total 2017 RAM Revenue Adjustment Cap of $18.6 million.

2.2. RAM Revenue Adjustment- Original RAM Methodology

The RAM Revenue Adjustment determined under the Original RAM Methodology totaled $16.4 million. Below is a description of the three components: 1) O&M RAM, 2) Rate Base RAM, and 3) Depreciation and Amortization RAM Expense. Because the total of the three components is lower than the 2018 RAM Cap shown above, the RAM Revenue Adjustment calculated under the Original RAM Methodology is applied for the 2018 RAM Revenue Adjustment.

2.2.1. O&M RAM Adjustment

The 2018 O&M RAM adjustment is $6.1 million, as calculated under the Original RAM Methodology. 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 2018, are based on bargaining unit wage increases as provided for in the current Collective Bargaining Agreement[25] with labor productivity offsets, plus applicable payroll taxes, and the GDPPI to escalate certain non-labor base expenses. (Refer to Attachment 2, Schedule C of this tariff transmittal.) The 2018 O&M RAM adjustment amount is higher than in 2017 because it covers six years of inflation and wage increases compared to the 2017 filing, which covered those increases for five years.

[25] The current Collective Bargaining Agreement was ratified by the IBEW, Local 1260, on November 1, 2012 and reflects a 3.00% increase effective January 1, 2014, January 1, 2015,January 1, 2017, and January 1, 2018, and a 3.25% increase effective January 1, 2016, based on January 1, 2013 wage rates.

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.

2.2.2. Rate Base RAM and Depreciation and Amortization RAM

The rate base RAM return on investment adjustment ("Rate Base RAM Adjustment") is $7.4 million, and the depreciation and amortization RAM expense is $4.9 million, as calculated under the Original RAM Methodology.

The $7.4 million Rate Base RAM Adjustment estimated for the rate base RAM covers the return for the following investments:

- $46.7 million in plant investments that went into service in 2017 and are currently serving customers[26]:
- $38.1 million in plant investments that went into service in 2016 and are currently serving customers.
- $33.3 million in plant investments that went into service in 2015 and are currently serving customers.
- $49.6 million in plant investments that went into service in 2014 and are currently serving customers.
- $58.0 million in plant investments that went into service in 2013 and are currently serving customers.

[26] For more details, please see the *Exemption From and Modification of General Order No. 7, Paragraph 2.3(g), Relating to Capital Improvements, Capital Projects Completed in 2017* ("2017 G.O. 7 Report") in Docket No. 03-0257, dated March 27, 2018.

- $48.3 million in plant investments that went into service in 2012 and are currently serving customers.[27]
- $47.4 million in 2018 baseline additions (based on a five-year historical average) and major project additions included in the rate base RAM on a simple average RAM year basis (i.e., one-half of the $47.4 million, or $23.7 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, 2017, plus a five-year average of the baseline CIAC, less amortization of CIAC for 2018.

The *Depreciation and Amortization RAM adjustment of $4.9 million reflects a* corresponding increase to depreciation and amortization expense above amounts in current revenue due to the net plant additions in 2012, 2013, 2014, 2015, 2016, 2017 and the inclusion of CIS deferred project costs amortization.

3. Tax Impacts Arising from the Tax Reform Act

On December 22, 2017, President Trump signed into law H.R. 1, originally known as the Tax Cuts and Jobs Act, as passed by Congress ("Tax Act" or "Tax Reform Act"). This Tax Act is the first comprehensive change in the law since the 1986 Tax Reform Act and will impact all U.S. taxpayers. As discussed in greater detail in the Company's February 26, 2018 filing in Docket No. 2017-0150 (Maui Electric's 2018 rate case), the Tax Reform Act makes several major changes relevant to the Company. First and foremost, it lowers the corporate income tax rate from 35% to 21%, for years beginning after December 31, 2017. The reduction in tax rate is

[27] The 2012 Rate Case included one-half of the 2012 test year estimate for 2012 plant additions. The 2013, 2014, 2015, 2016, and 2017 rate base RAMs include return on the full year actual 2012 plant additions.

of primary importance, as it will decrease the Company's income tax expense starting in 2018, and, accordingly, reduces the operating expenses included in revenue requirement. In addition to the lowering of the corporate income tax rate, other provisions from the Tax Act include, but are not limited to: (1) limiting bonus depreciation, (2) making CIAC received from any governmental entities taxable, and (3) repealing the domestic production activities deduction after 2017. The reduction in the corporate tax rate creates excess ADIT and necessitates a reclassification of this excess to a regulatory liability, which the Company will amortize to pass back to customers the excess ADIT through prospective rates.

In calculating the RAM under the Original RAM Methodology, the RAM Provision tariff includes provisions to incorporate the effects of changes in the tax law. Revised Sheet Nos. 96A, 107A, and 151A of the RAM Provision tariff states: "Exogenous Tax Changes shall be the changes in tax laws or regulations that are estimated to impact RBA Target Revenues by two million dollars ($2,000,000) or more." Revised Sheet Nos. 96E, 107E, 151E states: "The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.

In Hawaiian Electric's 2017 test year rate case, on March 5, 2018, Hawaiian Electric and the Consumer Advocate ("Parties") filed a stipulated settlement with respect to the Amended Statement of Issues as set forth in Order No. 35291 filed February 21, 2018 ("March 5th Settlement"). Among other things, the Parties agreed that the revenue requirements incorporating the Tax Act impacts will be the base for the annual decoupling filings and no further Exogenous Tax Change accounting for the Tax Act impacts will be required for Hawaiian Electric Company within its 2018 RBA rate change decoupling transmittal. However, because Maui Electric does not have interim rates in place at this time, the Parties agreed that the Tax Act

impacts would be addressed within Maui Electric Company's pending rate case, Docket No. 2017-0150 and as Exogenous Tax Changes within decoupling RAM rate calculations submitted and reviewed for implementation on June 1, 2018.[28]

Procedural Order No. 35152 in the Maui Electric 2018 test year rate case (Docket No. 2017-0150) schedules the issuance of an interim decision and order on August 13, 2018. Because an interim decision and order has not yet been issued, determining the impact of the Tax Act on Maui Electric's currently effective rates would require applying the new corporate tax rates to the 2012 test year revenue requirement. Exhibit 2 of this Transmittal provides the results of operations for the Maui Electric 2012 test year recalculated according to the reduction in the corporate income tax rate from 35% to 21% and the exclusion of the domestic production activities deduction ("DPAD"), as set forth in the Tax Act. The resulting revenue requirement is $412,980,000. Exhibit 1 of this Transmittal compares the 2012 test year results of operations with the lower Tax Act corporate income tax rate against the Maui Electric final 2012 test year results of operations approved by Order No. 31352 in Docket No. 2011-0092, and shows that Maui Electric's currently effective rates approved in the 2012 test year rate case would decrease by $5,907,000.

In order to provide customers with the Tax Act reductions back to January 1, 2018, Maui Electric used the $5,907,000 reduction amount to calculate the Daily Revenue Impact and multiplied that amount by 151 days, the number of days from January 1 through May 31, 2018.[29] This method is consistent with the formula used to calculate the Daily Revenue Impact of the Tax Act, as provided in Exhibit 1, page 22, of the *Parties' Stipulated Settlement on Remaining Issues* jointly filed by Hawaiian Electric and the Consumer Advocate in on March 5, 2018, and

[28] See Parties' Stipulated Settlement on Remaining Issues, Exhibit 1, pages 22-23.
[29] See Note 3 in Schedule A of Attachment 2.

as proposed by the Consumer Advocate (and corrected by *Division of Consumer Advocacy's Errata to Simultaneous Testimonies and Exhibits regarding the Amended Statement of Issues Filed on February 14, 2018*, filed on February 27, 2018) in Docket No. 2016-0328. The exception is that the Company used a comparison of revenue requirement runs to calculate the impact of the lower corporate income tax rate and the exclusion of the DPAD, as explained above. The total reduction for that period would be $2,443,718 which appears on line 7 of Schedule A of Attachment 2. Schedule B1 in Attachment 2 includes this amount in target revenues in columns (g) and (h). This "2017 Tax Reform Act Adjustment (1/1/18-5/31/18)" would remain in the RBA Rate Adjustment for one full year from June 1, 2018 through May 31, 2019, even after interim rates in the Maui Electric 2018 test year rate case go into effect.

In addition, Maui Electric revised Line No. 1 "Annual Electric Revenue at Approved Rate Levels" in columns (g) and (h) in Schedule B1 to $410,903,000 (per Exhibit 1, p. 1). The revised amount includes a reduction of $5,907,000 in electric revenues as discussed and shown in Exhibit 1. Maui Electric will flow through the revenue reduction to customers from June 1, 2018 until interim rates that incorporate the effects of the Tax Act go into effect[30] through lower target revenues in those months. Customers will benefit from a lower target revenue (and related lower RBA accruals) for the period between June 1 and the scheduled date of the interim decision and order in the current rate case.

The Original RAM Methodology and RAM Cap Methodology calculations that are shown in Attachment 2 of this transmittal incorporate these Tax Act provisions and benefits that were described in the March 5th Settlement and include the following:

[30] In accordance with Order No. 35276, on February 26, 2018, Maui Electric filed revised schedules that reflect the effects of the Tax Act in its 2018 test year rate case.

- Schedule D – Income tax factor reflects the lower federal corporate income tax rate
- Schedule D1 – Includes the excess ADIT regulatory liability and the reduction during the RAM period due to the amortization of this regulatory liability
- Schedule D4 – Recorded ADIT reflects the loss of bonus depreciation effective September 27, 2017
- Schedule D5 – Regulatory liability for excess ADIT and amortization of excess ADIT regulatory liability incorporated into Schedule D1
- Schedule E – Inclusion of excess ADIT regulatory liability amortization
- Schedule F – Incorporates the new federal tax rates in calculating the change in ADIT for RAM year tax depreciation and the amortization of the regulatory liability related to excess ADIT
- Schedule F1 – Reflects the loss of bonus depreciation

4. RBA Revenue Adjustment

In total, Maui Electric's 2018 RBA Revenue Adjustment is $20.1 million, consisting of $6.1 million for the RBA balance for year-end 2017, $16.4 million in RAM revenue adjustment for 2018, and a Tax Act reduction of -$2.4 million.

VIII

List of Attachments and Schedules

In Attachment 1 of this tariff transmittal, Maui Electric submits its proposed revisions to its Revenue Balancing Account Provision tariff, including the proposed RBA Rate Adjustment rate in Section E of Revised Sheet Nos. 97D (Maui), 108D (Lāna'i) and 152D (Moloka'i) and its proposed revisions to the Rate Adjustment Mechanism Provision tariff, including the revision to

Sheets No. 96D (Maui), 107D (Lana'i), and 151D (Moloka'i) discussed on pages 17-18. Attachment 1A provides the tariff sheets for the RBA and RAM Provision tariffs in blackline version.

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

Schedule A – Determination of 2018 RBA Rate Adjustment (Summary)

Schedule A1 – Determination of Total RAM Revenue Adjustment Allowed

Schedule B – Summary of Accumulated Revenue Balancing Account

Schedule B1 - Determination of Target Revenues

Schedule B2 – Determination of Recorded Adjusted Revenues

Schedule C – Determination of O&M RAM Adjustment

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

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

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

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

Schedule D2 – Determination of Baseline Capital Projects Additions

Schedule D3 – Determination of Major Capital Project Additions

Schedule D4 – Determination of Adjusted Recorded Deferred Income Taxes

Schedule D5 – Determination of Adjusted Recorded Excess ADIT Regulatory Liability

Schedule E – Determination of Depreciation and Amortization RAM Adjustment

Schedule F – Determination of Change in Deferred Income Taxes

Schedule F1 – Determination of Tax Depreciation

Schedule F2 – Tax Depreciation on Major Capital Projects Additions

Schedule G – CIAC Summary

Schedule G1 – Baseline Capital Project CIAC Additions

Schedule G2 – Major Capital Project CIAC Additions

Schedule G3 – CIAC Amortization

Schedule H – Earnings Sharing Calculations[31]

Schedule I – PUC-Ordered Adjustments

Schedule J – Determination of RAM Cap

Schedule K - Exceptional & Other Matters

Schedule K1 – Exceptional & Other Matters- Return on Investment

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 and Rate Adjustment mechanism Provision tariffs be allowed to become effective on June 1, 2018.

DATED: Honolulu, Hawai'i, March 29, 2018.

Brian Y. Hiyane
Attorney for
MAUI ELECTRIC COMPANY, LTD.

[31] The Company has provided its calculated ratemaking return on equity for year 2017 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

MAUI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
94-94E	"FIT"	December 30, 2011	Schedule FIT Tier 3
94.1-94.1DX	"FIT"	December 30, 2011	Schedule FIT Tier 3 Agreement
94.2-94.2E	"FIT"	December 30, 2011	Schedule FIT Tier 3 Queuing and Interconnection Proc.
95	"PPAC"	April 1, 2018	Purchase Power Adjustment Clause
95A	"PPAC"	April 1, 2018	Purchase Power Adjustment Clause
95B	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
96	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
96A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
96B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
96E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
96H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
97	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97B	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97D	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97E	"RBA"	June 1, 2018	Revenue Balancing Account Provision

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

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

MAUI ELECTRIC COMPANY, LTD.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculatedtarget revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

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

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

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

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

C: BALANCING ACCOUNT ENTRIES:

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

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter dated March 29, 2018.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

MAUI ELECTRIC COMPANY, LTD.

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
   i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
   ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.
b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.
c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.
d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.
e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.
f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accúmulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

g.) See also Settlement Agreement section below

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

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

applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

LANAI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
106	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
106A	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
106B	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
107	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
107A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
107B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
107E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
107H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
108	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108B	"RBA"	June 1, 2017	Revenue Balancing Account Provision
108C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108D	"RBA"	June 1, 2018	Revenue Balancing Account Provision
108E	"RBA"	January 1, 2018	Revenue Balancing Account Provision

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

Maui, Lanai, and Molokai Divisions

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculated target revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

The Commission and the Consumer Advocate will be notified of the target revenue revisions or corrections prior to implementation by the Company. There is no presumption that the target revenue changes are ultimately warranted or correct. In the annual RBA review transmittal ("RBA Review Transmittal") filed on or before March 31 of each year, the utility will have the burden to demonstrate that the interim changes for the previous calendar year are warranted and correctly applied. The Consumer Advocate will provide comments regarding the changes with its Statement of Position. The RBA balance and RBA Rate Adjustment for the following year will reflect

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

any appropriate modifications to the change made by the utility in the prior year if necessary.

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

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

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

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/kWh

F. NOTICE

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter dated March 29, 2018.

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

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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.

ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.

b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.

c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.

d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.

e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.

f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

g.) See also Settlement Agreement section below.

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

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

applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

MOLOKAI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
151A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
151B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
151E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
151H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
152	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152B	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152D	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152E	"RBA"	June 1, 2018	Revenue Balancing Account Provision
153	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot
153A	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot
153B	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot

REVENUE BALANCING ACCOUNT ("RBA") PROVISION

Maui, Lanai, and Molokai Divisions

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculated target revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

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

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

Entries to the RBA will be recorded monthly. A debit entry to the RBA will be made equal to the target revenue as defined in Section B. above, times the appropriate monthly allocation factor in the table above. A credit entry to the RBA will be made equal to the recorded adjusted revenue. The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased

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

power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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.

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
   i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
   ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.
b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.
c) The Rate Base RAM – Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.
d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.
e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.
f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

g.) See also Settlement Agreement section below.

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

The RAM Revenue Adjustment Cap for year 2015 and for each subsequent year until the issuance of a final decision and order in the next rate case shall be calculated as the RAM Basis, multiplied

by the cumulative annually compounded increase(s) in the GDPPI for the years between 2014 and the RAM Period, adjusted to include applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

ATTACHMENT 1A

Superseding Sheet No. 50D
Effective April 1, 2018

REVISED SHEET No. 50D
Effective June 1, 2018

Deleted: March 1, 2018

Deleted: April 1, 2018

MAUI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
94-94E	"FIT"	December 30, 2011	Schedule FIT Tier 3
94.1-94.1DX	"FIT"	December 30, 2011	Schedule FIT Tier 3 Agreement
94.2-94.2E	"FIT"	December 30, 2011	Schedule FIT Tier 3 Queuing and Interconnection Proc.
95	"PPAC"	April 1, 2018	Purchase Power Adjustment Clause
95A	"PPAC"	April 1, 2018	Purchase Power Adjustment Clause
95B	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
96	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
96A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
96B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
96E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
96H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
96I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
97	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97B	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97D	"RBA"	January 1, 2018	Revenue Balancing Account Provision
97E	"RBA"	June 1, 2018	Revenue Balancing Account Provision

Deleted: June 8, 2015

Deleted: January 1, 2018

Deleted: March 23, 2018

MAUI ELECTRIC COMPANY, LIMITED

Transmittal Letter dated March 29, 2018.

Superseding REVISED SHEET NO. 97
Effective June 1, 2017

REVISED SHEET NO. 97
Effective January 1, 2018

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

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

MAUI ELECTRIC COMPANY, LTD.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculatedtarget revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

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

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

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

C: BALANCING ACCOUNT ENTRIES:

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

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

Deleted: January 1, 2018

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/kWh

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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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

Deleted: Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.

Deleted: January 11, 2018

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter dated March 29, 2018.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

MAUI ELECTRIC COMPANY, LTD.

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
   i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
   ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.
b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.
c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.
d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.
e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.
f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated June 3, 2015.

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RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

g.) See also Settlement Agreement section below

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

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

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applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

Superseding Sheet No. 50H
Effective January 1, 2018

REVISED SHEET NO. 50H
Effective June 1, 2018

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LANAI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
106	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
106A	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
106B	"PPAC"	May 4, 2012	Purchase Power Adjustment Clause
107	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
107A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
107B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
107E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
107H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
107I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
108	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108B	"RBA"	June 1, 2017	Revenue Balancing Account Provision
108C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
108D	"RBA"	June 1, 2018	Revenue Balancing Account Provision
108E	"RBA"	January 1, 2018	Revenue Balancing Account Provision

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MAUI ELECTRIC COMPANY, LIMITED

Transmittal Letter dated March 29, 2018.

Superseding Sheet No. 108
Effective June 1, 2017

REVISED SHEET NO. 108
Effective January 1, 2018

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

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

MAUI ELECTRIC COMPANY, LTD.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculated target revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

The Commission and the Consumer Advocate will be notified of the target revenue revisions or corrections prior to implementation by the Company. There is no presumption that the target revenue changes are ultimately warranted or correct. In the annual RBA review transmittal ("RBA Review Transmittal") filed on or before March 31 of each year, the utility will have the burden to demonstrate that the interim changes for the previous calendar year are warranted and correctly applied. The Consumer Advocate will provide comments regarding the changes with its Statement of Position. The RBA balance and RBA Rate Adjustment for the following year will reflect

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

any appropriate modifications to the change made by the utility in the prior year if necessary.

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

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

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

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/kWh

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Deleted: Decision and Order No. 35165; Approving, With *Modifications, Proposed Revisions* To RBA Tariffs, Filed December 29, 2017.1

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F. NOTICE

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter dated March 29, 2018.

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

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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:

RATE ADJUSTMENT MECHANISM PROVISION (continued)

Maui, Lanai, and Molokai Divisions

i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.

ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.

b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.

c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.

d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.

e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.

f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

g.) See also Settlement Agreement section below.

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated June 3, 2015.

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RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

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

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RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

Superseding Sheet No. 100E
Effective January 1, 2018

REVISED SHEET NO. 100E
Effective June 1, 2018

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MOLOKAI DIVISION
RATE SCHEDULES (Continued)

Sheet	Schedule	Date Effective	Character of Service
151A	"RAM"	June 1, 2013	Rate Adjustment Mechanism Provision
151B	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151C	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151D	"RAM"	June 1, 2017	Rate Adjustment Mechanism Provision
151E	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151F	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151G	"RAM"	June 1, 2018	Rate Adjustment Mechanism Provision
151H	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
151I	"RAM"	June 8, 2015	Rate Adjustment Mechanism Provision
152	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152A	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152B	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152C	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152D	"RBA"	January 1, 2018	Revenue Balancing Account Provision
152E	"RBA"	June 1, 2018	Revenue Balancing Account Provision
153	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot
153A	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot
153B	EV-F	December 12, 2017	Commercial Public Electric Vehicle Charging Facility Service Pilot

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MAUI ELECTRIC COMPANY, LIMITED

Transmittal Letter Dated March 29, 2018.

Superseding Sheet No. 152
Effective June 1, 2017

REVISED SHEET NO. 152
Effective January 1, 2018

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

Supplement To:

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

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

A: PURPOSE:

The purpose of the Revenue Balancing Account ("RBA") is to record: 1) the difference between the Maui Electric Company's target revenue and recorded adjusted revenue, and 2) monthly interest applied to the simple average of the beginning and ending month balances in the RBA. In addition, the recovery provision of this tariff provides for collection or return of the calendar year-end balance in the RBA and recovery or refund of the RAM Revenue Adjustment, Earnings Sharing Revenue Credits, Major Capital Projects Credits, and Baseline Capital Projects Credits provided in the Rate Adjustment Mechanism ("RAM") Provision, and any revenue adjustment provided in accordance with the Performance Incentive Mechanism Provision, over the subsequent June 1st through May 31st period. Tracking of target revenue and recorded adjusted revenue commenced on the effective date of the tariff that implemented the Final Decision and Order in Maui Electric Company's 2010 test year rate case, Docket No. 2009-0163, consistent with the Final Decision and Order in the Decoupling case, Docket No. 2008-0274.

MAUI ELECTRIC COMPANY, LTD.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

B: TARGET REVENUE:

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

Plus: Any effective RAM Revenue Adjustment calculated under the RAM provision for years subsequent to the most recent rate case test year for which the Commission has issued a Decision & Order; and any Performance Incentive Adjustment provided for in accordance with the Performance Incentive Mechanism Provision; and

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

The target revenue shall be revised to correct for any errors in the calculation of the RAM Revenue Adjustment, Performance Incentive Adjustment, recorded adjusted revenues or other RBA accounting determinations (collectively "target revenue determinations") for any previous period and for revisions to RAM Revenue Adjustments or Performance Incentive Adjustments as a result of subsequent Commission orders that change the basis of previously calculated RAM Revenue Adjustments and/or Performance Incentive Adjustments. For any corrections of errors in previously calculated target revenue determinations, the target revenue shall be adjusted as of the date that the correct determinations would have been reflected in target revenue. For changes in the RAM Revenue Adjustment and/or Performance Incentive Adjustments as a result of subsequently issued Commission orders, the target revenue shall be adjusted as of the effective date of changes that are implemented pursuant to the subsequently issued Commission order.

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

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

Monthly Allocation Factors for the Target Revenue are as follows:

January	8.29%
February	7.35%
March	8.28%
April	7.88%
May	8.38%
June	8.51%
July	8.87%
August	9.00%
September	8.34%
October	8.78%
November	8.19%
December	8.13%
Total	100.00%

These factors are based on the MWH sales forecast that is approved by the Commission in Maui Electric Company's 2012 test year rate case and shall be updated in any subsequent test year rate case.

C: BALANCING ACCOUNT ENTRIES:

Entries to the RBA will be recorded monthly. A debit entry to the RBA will be made equal to the target revenue as defined in Section B. above, times the appropriate monthly allocation factor in the table above. A credit entry to the RBA will be made equal to the recorded adjusted revenue. The recorded adjusted revenue is defined to include the electric sales revenue from authorized base rates, plus revenue from any authorized interim rate increase, plus revenue from any RBA rate adjustment, but excluding revenue for fuel and purchased

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

power expenses, IRP/DSM, any Commission Ordered one-time rate refunds or credits or other surcharges, and adjusted to remove amounts for applicable revenue taxes.

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

D: RECOVERY OF BALANCING ACCOUNT AMOUNTS:

In its annual RBA Review Transmittal, the Company will file with the Commission a statement of the previous calendar year-end balance in the RBA and the RAM Revenue Adjustment for the current calendar year, along with supporting calculations.

Both an amortization of the previous calendar year-end balance in the RBA, adjusted for any Earnings Sharing Revenue Credits or Major Capital Projects Credits, Baseline Capital Projects Credits or corrections, any Performance Incentive Adjustment provided in accordance with the Performance Incentive Mechanism Provision and the RAM Revenue Adjustment will be recovered through a per-kWh RBA rate adjustment, over the 12 months from June 1 of the current calendar year to May 31 of the succeeding calendar year. The recovery through the RBA Rate Adjustment of a RAM Revenue Adjustment calculated for a calendar year that is also a rate case test year shall terminate on the effective date of tariff rates that implement a Commission approved base revenue level authorized in the Company's test year rate case.

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

Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.
Transmittal Letter dated January 11, 2018.

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

On or before March 31 of each year, the Company shall file with the Commission, the Consumer Advocate, and each party to the Company's most recent rate case proceeding, an RBA Review Transmittal supporting the implementation of the RBA Provision, including RBA reconciliation, implementation of applicable components of the RAM Provision and Performance Incentive Mechanism Provision, determination and adjustments of target revenues, determination of the RBA Rate Adjustment; and documenting any errors, corrections and adjustments to Target Revenues in the preceding calendar year and prior to the transmittal date.

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

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

E: REVENUE BALANCING ACCOUNT RATE ADJUSTMENT:

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

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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.

RBA Rate Adjustment

All Rate Schedules ..... 1.9266 ¢/kWh

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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 RBA Review Transmittal filing pursuant to this tariff. The notice to customers shall include the following information:

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

G: COMMISSION'S AUTHORITY

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

Deleted: Decision and Order No. 35165; Approving, With Modifications, Proposed Revisions To RBA Tariffs, Filed December 29, 2017.¶

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RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

Rate Adjustment Mechanism ("RAM") Provision

Purpose

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

Definitions

a) The Annual Evaluation Date shall be the Date the Company will make its annual filing under this mechanism. The Annual Evaluation Date shall be no later than March 31st of each year, commencing March 31, 2012.

b) The Evaluation Period is defined as the historical twelve month period ending December 31, of each calendar year preceding the Annual Evaluation Date. The Evaluation Period is used solely to determine achieved earnings and any sharing of such earnings above the Authorized Return on Equity.

c) The RAM Period is defined as the calendar year containing the Annual Evaluation Date.

d) The Labor Cost Escalation Rate shall be the applicable annual percentage general wage rate increase provided for in currently effective union labor agreements for use in escalating wage and salary Base Expenses for union employees to determine the RAM Revenue Adjustment for each RAM Period. In the event no union labor agreement exists for a RAM Period, the most recently effective annual general percentage increase rate shall apply.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

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

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated May 1, 2013.

RATE ADJUSTMENT MECHANISM PROVISION
Maui, Lanai, and Molokai Divisions

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

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

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

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

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

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

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

RBA Provision, commencing on June 1 of the calendar year containing the Annual Evaluation Date and over the subsequent 12 months after June 1.

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

Rate Adjustment Mechanism

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

Evaluation Period Earnings Sharing:

1. For the twelve month period ending December 31, of each year (the "Evaluation Period"), with the filing to be made no later than March 31, of the year following the conclusion of the Evaluation Period. The schedules will include the following:

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

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

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

c) Pro-forma adjustments to remove from recorded revenues any out-of-period Earnings Sharing Revenue Credits or Major Capital Projects Credits recorded during the Evaluation Period, and

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

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

RAM Period RAM Revenue Adjustment Calculation:

2) The Company shall provide additional schedules indicating the following proposed RAM Revenue Adjustment Calculation applicable for the RAM Period using the methodology set forth below:

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated March 31, 2017.

RATE ADJUSTMENT MECHANISM PROVISION (continued)
Maui, Lanai, and Molokai Divisions

a) The O&M RAM Adjustment shall adjust Base Expenses segregated between labor and non-labor components and treated as follows:
   i. The labor component shall be quantified for the RAM Period by application of the Labor Cost Escalation Rate, reduced to account for the Productivity Offset to labor expenses, including payroll taxes. The part of Base Expenses that represents labor costs for merit employees shall not be subject to application of the Labor Cost Escalation rate, nor be reduced by the Productivity Offset.
   ii. The Non-labor components shall be quantified for the RAM Period by application of the Non-labor Escalation Rate to non-labor Base Expenses. Non-labor components shall exclude fuel, purchased power, pension/OPEBs, IRP/DSM or other rate adjustment provisions.

b) Depreciation and Amortization RAM Adjustment shall be quantified for the RAM Period by application of Commission-approved accrual rates and methods to the actual recorded Plant in Service balances at the end of the Evaluation Period.

c) The Rate Base RAM - Return on Investment Adjustment shall be determined by multiplying the applicable Pretax Rate of Return times the change in Rate Base. The Pretax Rate of Return shall include related income taxes on the equity components of the Return on Investment rate approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. The quantification of Rate Base is specified in greater detail in part (f) of this Section 2.

d) The revenue impact of any Exogenous Tax Changes shall be included in the RAM Period calculation of the RAM Revenue Adjustment.

e) Revenue taxes shall be adjusted to account for the change in parts (a) through (e) of this Section 2.

f) Rate Base for the RAM Period shall be quantified as follows:

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a <u>two-point average</u> of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.

ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September 30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.

iii. Accumulated Depreciation at December 31 of the RAM Period shall be quantified by increasing the recorded balances at December 31 of the Evaluation Period by the amount set forth in Section 2 part (b) above, consistent with rate-making treatment.

iv. CIAC shall be quantified by adding to the recorded balance at December 31 of the Evaluation Period an estimate of the net change for the RAM Period. The net change shall be based on a simple average of cash and in-kind CIAC for the immediately preceding five calendar years for programs (i.e., numerous low cost capital projects) plus specific engineering estimates of any contributions for the Major Capital Projects anticipated to be in service by September 30 of the RAM Period.

v. Accumulated Deferred Income Taxes shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period the estimated tax effect of the depreciation timing difference (i.e., difference between book depreciation and tax depreciation) on the Baseline Capital Projects and Major Capital Projects added to rate base during the RAM Period.

vi. Working Cash and all other elements of rate base not specifically addressed above shall be fixed at the dollar amount approved by the Commission in the last issued Decision & Order in the Company's most recent test year general rate case. These elements of rate base shall be held constant until revised by a future Commission Decision & Order in a general rate case.

g.) See also Settlement Agreement section below.

MAUI ELECTRIC COMPANY, LTD.

Transmittal Letter Dated June 3, 2015.

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RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

RAM REVENUE ADJUSTMENT CAP

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

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

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

Exception to the calculation of the RAM Revenue Adjustment Cap:

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

The RAM Revenue Adjustment Cap for year 2015 and for each subsequent year until the issuance of a final decision and order in the next rate case shall be calculated as the RAM Basis, multiplied

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RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

by the cumulative annually compounded increase(s) in the GDPPI for the years between 2014 and the RAM Period, adjusted to include applicable revenue taxes.

Evaluation Procedures

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

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

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

Notice

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

RATE ADJUSTMENT MECHANISM PROVISION (Continued)
Maui, Lanai, and Molokai Divisions

a) A description of the proposed revision of revenues, Earnings Sharing Credits, and Major or Baseline Capital Projects Credits;

b) The effect on the rates applicable to each customer class and on the typical bill for residential customers; and

c) The Company's address, telephone number and website where information concerning the proposed Revenue Balancing Account Rate Adjustment may be obtained.

SETTLEMENT AGREEMENT

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

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

COMMISSION'S AUTHORITY

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

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.

Tayne S. Y. Sekimura

Tayne S. Y. Sekimura

Attachment 2 – List of Schedules and Workpapers

Schedule A	MECO-WP-A-001
Schedule A1	MECO-WP-A1-001
Schedule B	MECO-WP-B-001
Schedule B1	MECO-WP-B-002
Schedule B2	MECO-WP-B-003
Schedule C	MECO-WP-C-001
Schedule C1	MECO-WP-C-002
Schedule C2	MECO-WP-C-003
Schedule D	MECO-WP-D1-001
Schedule D1	MECO-WP-D1-002
Schedule D2	MECO-WP-D3-001
Schedule D3	MECO-WP-D4-001
Schedule D4	MECO-WP-D4-002
Schedule D5	MECO-WP-D5-001
Schedule E	MECO-WP-F-001
Schedule F	MECO-WP-F1-001
Schedule F1	MECO-WP-F1-002
Schedule F2	MECO-WP-H-001
Schedule G	MECO-WP-H-002
Schedule G1	MECO-WP-H-003
Schedule G2	MECO-WP-H-004
Schedule G3	MECO-WP-H-005
Schedule H	MECO-WP-H-006
Schedule I	MECO-WP-H-007
Schedule J	MECO-WP-K1-001
Schedule K	
Schedule K1	

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF 2018 REVENUE BALANCING ACCOUNT RATE ADJUSTMENT

Line No.	Description (a)	Reference (b)	Amount (c)	Rate Amount (d)
	RECONCILIATION OF RBA BALANCE:			
1	RBA Prior calendar year-end balance	Schedule B	$ 5,544,314	
2	Revenue Tax Factor	Schedule C	1.0975	
3	Revenue for RBA Balance			$ 6,084,885
	RATE ADJUSTMENT MECHANISM "RAM" AMOUNT:			
4	Total RAM Revenue Adjustment Allowed (Note 2)	Schedule A1		$ 16,428,671
5	EARNINGS SHARING REVENUE CREDITS - 2017 ROE:	Schedule H		$ -
6	PUC-ORDERED MAJOR OR BASELINE CAPITAL PROJECTS CREDITS:	Schedule I		$ -
7	2017 Tax Reform Act Adjustment (1/1/18-5/31/18)	Note (3)		$ (2,443,718)
8	TOTAL RBA REVENUE ADJUSTMENT	Sum Col. (d)		$ 20,069,837
9	GWH SALES VOLUME ESTIMATE JUNE 2018 - MAY 2019	MECO-WP-A-001		1,041.7
10	RBA RATE ADJUSTMENT, RBA Balance - ¢ per kWh	Note (1)		**1.9266**
11	MONTHLY BILL IMPACT @ 600 KWH - Maui Division			**$ 11.56**
	MONTHLY BILL IMPACT @ 500 KWH - Maui Division			**$ 9.63**
12	MONTHLY BILL IMPACT @ 400 KWH - Molokai and Lanai Divisions			**$ 7.71**

Note (1): 2018 RBA Rate Adjustment Breakdown

	Col. (d)	Rate Adjustment cents per kWh	Percentage Share
RBA Balance	$ 6,084,885	0.58413024	30.3186%
RAM Amount	$ 16,428,671	1.57710192	81.8575%
Earnings Sharing Revenue Credits	$ -	0.00000000	0.0000%
Major or Baseline Capital Projects Credits	$ -	0.00000000	0.0000%
2017 Tax Reform Act Adjustment	$ (2,443,718)	-0.23458942	-12.1761%
	$ 20,069,837	1.92664274	100.00%

Note (2): Total RAM Revenue Adjustment Allowed is the sum of the RAM Cap + Exeptional and Other Projects. See Order No. 32735, filed *March 31, 2015, paragraph 107, pages 94-95, which states that the Total RAM Revenue Adjustment is to be comprised of the RAM Cap plus* recovery of Exceptional And Other Matters.

Note (3): 2017 Tax Reform Act adjustments for period 1/1/18 - 5/31/18. Annualized adjustment for 2018 is $5,907,000 per MECO Tax Reform Act adjustment shown in Exhibit 1. ($5,907,000/365 days = $16,183.56/day. $16,183.56/day x 151 days = $2,443,718)

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF TOTAL RAM REVENUE ADJUSTMENT ALLOWED

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
	RAM REVENUE ADJUSTMENT DETERMINED ACCORDING TO EXISTING TARIFFS AND PROCEDURES		
1	O&M RAM	Schedule C	$ 6,094,788
2	Rate Base RAM - Return on Investment	Schedule D	$ 7,419,913
3	Depreciation & Amortization RAM Expense	Schedule E	$ 4,869,397
4	Total RAM Revenue Adjustment		$ 18,384,099
5	Less: Adjustment for Change in On-cost Clearing Allocation	Note 3	$ (1,955,428)
6	Total Adjusted RAM Revenue Adjustment		**$ 16,428,671**
	RAM REVENUE ADJUSTMENT CAP		
7	RAM Cap for 2018 RAM Revenue Adjustment	Schedule J	$ 18,194,523
8	Plus: Exceptional and Other Matters	Schedule K	360,780
9	2018 Cap - Total RAM Revenue Adjustment (Note 2)		**$ 18,555,303**
10	**Total RAM Revenue Adjustment Allowed** (Note 1)	Lesser of Line 6 or Line 9	**$ 16,428,671**
			To Sch A

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

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

Note 3 Order No. 32866, paragraph 18 required the Company to adjust its 2015 RAM Revenue Adjustment to reflect the O&M expense reduction impact associated with the change in on-cost clearing allocation identified by the Company. The adjustment made to the 2015 RAM revenue adjustment was based on the 2014 O&M expense impact of the change in on-cost clearing allocation. In calculating the 2018 RAM revenue adjustment determined according to existing tariffs and procedures, the adjustment has been updated to reflect the 2017 O&M impact of the change in on-cost clearing allocation. See MECO-WP-A1-001 for the calculation.

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

Line No.	Month (a)	Beginning Balance (b)	Target Revenues (c)	*Recorded* Adjusted Revenue (d)	Variance to RBA (e)	*Adjustment for* Prior Year RBA recovery (f)	Adjustment (g)	Tax-effected *Balances* Subject to Interest (h)	Interest at 1.25%/year (i)	Ending Balance (j)
	Monthly RBA Balance and Activity (Monthly PUC Rpt., Pg. 9A)									
1	2016 December	$ 2,403,742	$ 10,876,381	$ 10,451,215	$ 425,166	$ (241,157)	$ 23,899	$ 1,539,252	$ 1,603	$ 2,613,254
	February 2017 Adjustment - Note 1									$ 7,269
	REVISED 2016 December									$ 2,620,523
2										
3	2017 January	$ 2,613,254	$ 11,090,431	$ 10,316,851	$ 773,580	$ (228,115)	$ -	$ 1,763,049	$ 1,837	$ 3,160,555
4	February	$ 3,160,555	$ 9,832,891	$ 9,550,747	$ 282,144	$ (206,206)	$ 7,362	$ 1,958,476	$ 2,040	$ 3,245,895
5	March	$ 3,245,895	$ 11,077,053	$ 10,777,025	$ 300,028	$ (234,078)	$ -	$ 2,003,062	$ 2,087	$ 3,313,932
6	April	$ 3,313,932	$ 10,541,929	$ 10,754,300	$ (212,371)	$ (232,310)	$ -	$ 1,888,653	$ 1,967	$ 2,871,218
7	May	$ 2,871,218	$ 11,210,833	$ 10,681,883	$ 528,950	$ (232,069)	$ 3,125	$ 1,846,618	$ 1,924	$ 3,173,147
8	June	$ 3,173,147	$ 11,503,525	$ 10,963,016	$ 540,509	$ (224,998)	$ -	$ 2,034,848	$ 2,120	$ 3,490,777
9	July	$ 3,490,777	$ 11,990,161	$ 11,525,723	$ 464,438	$ (241,587)	$ -	$ 2,200,586	$ 2,292	$ 3,715,921
10	August	$ 3,715,921	$ 12,165,890	$ 11,724,830	$ 441,060	$ (244,147)	$ -	$ 2,330,203	$ 2,427	$ 3,915,261
11	September	$ 3,915,261	$ 11,273,725	$ 11,000,308	$ 273,417	$ (231,625)	$ -	$ 2,404,598	$ 2,505	$ 3,959,558
12	October	$ 3,959,558	$ 11,868,502	$ 11,372,485	$ 496,017	$ (239,447)	$ -	$ 2,497,263	$ 2,601	$ 4,218,729
13	November	$ 4,218,729	$ 11,070,960	$ 10,216,705	$ 854,255	$ (214,758)	$ -	$ 2,772,556	$ 2,888	$ 4,861,114
14	December	$ 4,861,114	$ 10,989,854	$ 10,098,926	$ 890,928	$ (211,037)	$ -	$ 3,177,327	$ 3,310	$ 5,544,314
15			$ 134,615,754	$ 128,982,801	$ 5,632,953	$ (2,740,377)	$ 10,487		$ 27,997	To Sch A
16										
17										
18	2018 January	$ -	$ 11,206,137	$ -	$ -	$ -	$ -	$ -	$ -	$ -
19	February	$ -	$ 9,935,477	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	March	$ -	$ 11,192,619	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	April	$ -	$ 10,651,913	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22	May	$ -	$ 11,327,795	$ -	$ -	$ -	$ -	$ -	$ -	$ -
23	*June*	$ -	$ 11,037,526	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	July	$ -	$ 11,504,448	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	August	$ -	$ 11,673,059	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26	September	$ -	$ 10,817,035	$ -	$ -	$ -	$ -	$ -	$ -	$ -
27	October	$ -	$ 11,387,718	$ -	$ -	$ -	$ -	$ -	$ -	$ -
28	November	$ -	$ 10,622,484	$ -	$ -	$ -	$ -	$ -	$ -	$ -
29	December	$ -	$ 10,544,664	$ -	$ -	$ -	$ -	$ -	$ -	$ -
			$ 131,900,875							
	Sources of Data:		Sch B1	Sch B2	Col (c) - (d)	Note (2)	Note (1)	Cols (b)+(g)+ ((e)+(f))/2)/(l)		Cols (b)+(e)+ (f)+(g)+(i)

Composite Federal & State Income Tax Rate	38.91%	(k)
Income Tax Factor (1 / 1-tax rate)	1.636929	(l)

Note (1): Adjustment Summary:

Year	Month	Workpaper Reference	RBA True-up Adjustment Sch B2, Line 22	RBA Interest Adjustments	Total Adjustment	Adjustment Description
2017	February	MECO-WP-B-002	$ 7,269	$ -	$ 7,269	Prior period adjustments
2017	February	MECO-WP-B-002	$ 93	$ -	$ 93	Prior period adjustments
2017	*May*	*MECO-WP-B-003*	*$ 3,125*	$ -	*$ 3,125*	*Prior period adjustments*

Pursuant to D&O No. 34581 issued on May 31, 2017, beginning June 2017, entries to the RBA to correct individual billing errors of $5,000 or greater have been eliminated.

Note (2):
Amounts represent recovery of prior years' RBA balance through the RBA rate adjustment effective June 1, 2016 for the period June 2016 through May 2017 and June 1, 2017 for the period June 2017 through May 2018. See MECO-WP-B-001.

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

Line No.	Description	Reference		D&O No. 31288 Docket No. 2011-0092 Amounts	D&O No. 31288 Docket No. 2011-0092 Amounts	D&O No. 31288 Docket No 2011-0092 Amounts	D&O No. 31288 Docket No. 2011-0092 Amounts	Tariff Transmittal Exhibit 1 3/29/2018 Amounts	Tariff Transmittal Exhibit 1 3/29/2018 Amounts
	(a)	(b)		(c)	(d)	(e)	(f)	(g)	(h)
1	*Last Rate Case Annual Electric Revenue at Approved Rate Levels*	*Note (1)*	$000s	$ 416,810	$ 416,810	$ 416,810	$ 416,810	$ 410,903	$ 410,903
2	Less: Fuel Expense	Note (1)	$000s	$ (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)
4	Revenue Taxes on Line 1 (8.885% statutory rates)		$000s	$ (37,034)	$ (37,034)	$ (37,034)	$ (37,034)	$ (36,509)	$ (36,509)
5	Last Rate Order Target Annual Revenues	Sum Lines 1 thru 4	$000s	$ 122,340	$ 122,340	$ 122,340	$ 122,340	$ 116,958	$ 116,958
6	(Not Used)								
7	Authorized RAM Revenues - Transmittal No. 16-03	Tariff Transmittal	$000s	$ 12,556	$ 12,556	$ -	$ -	$ -	$ -
8	Less: Revenue Taxes on Line 7 at 8.885%		$000s	$ (1,116)	$ (1,116)	$ -	$ -	$ -	$ -
9	Net RAM Adjustment - Test Year +4	Lines 7 + 8	$000s	$ 11,440	$ 11,440	$ -	$ -	$ -	$ -
10	Authorized RAM Revenues - Transmittal No. 17-04	Sch. A, line 4	$000s	$ -	$ -	$ 14,128	$ 14,128	$ -	$ -
11	Less: Revenue Taxes on Line 10 at 8.885%		$000s	$ -	$ -	$ (1,255)	$ (1,255)	$ -	$ -
12	Net RAM Adjustment - Test Year +5	Lines 11 + 12	$000s	$ -	$ -	$ 12,872	$ 12,872	$ -	$ -
13	*Authorized RAM Revenues - Transmittal No. 18-03*	Sch. A, line 4	$000s	$ -	$ -	$ -	$ -	$ 16,429	$ 16,429
14	Less: Revenue Taxes on Line 13 at 8.885%		$000s	$ -	$ -	$ -	$ -	$ (1,460)	$ (1,460)
15	Net RAM Adjustment - Test Year +5	Lines 14 + 15	$000s	$ -	$ -	$ -	$ -	$ 14,969	$ 14,969
16	Less EARNINGS SHARING REVENUE CREDITS:	Sch H or Sch A, Ln 5	$000s	$ -	$ -	$ (40)	$ (40)	$ -	$ -
17	Less: Revenue Taxes on Line 16 at 8.885%		$000s	$ -	$ -	$ 4	$ 4	$ -	$ -
18	Net Earnings Sharing Revenue Credits	Lines 16 + 17	$000s	$ -	$ -	$ (36)	$ (36)	$ -	$ -
19	Less: 2017 Tax Reform Act Adjustment (1/1/18-5/31/18)	Sch. A, line 7	$000s	$ -	$ -	$ -	$ -	$ (2,444)	$ (2,444)
20	Less: Revenue Taxes on Line 19 at 8.885%		$000s	$ -	$ -	$ -	$ -	$ 217	$ 217
21	Net 2017 Tax Reform Act Adjustment	Lines 19 + 20	$000s	$ -	$ -	$ -	$ -	$ (2,227)	$ (2,227)
22	PUC-ORDERED MAJOR OR BASELINE CAPITAL CREDITS:	Sch I or Sch A, Ln 6	$000s	$ -	$ -	$ -	$ -	$ -	$ -
23	Total Annual Target Revenues								
24	June 1, 2015 Annualized Revenues + 2015 RAM Revenues	Lines 5 + 9 + 18	$000s	$ 133,781	$ 133,781				
25	June 1, 2016 Annualized Revenues + 2016 RAM Revenues	Lines 5 + 12 + 18	$000s			$ 135,177	$ 135,177		
26	June 1, 2017 Annualized Revenues + 2017 RAM Revenues	Lines 5 + 15 + 18	$000s					$ 129,701	$ 129,701
							Note (4)		
27	Distribution of Target Revenues by Month in Dollars:	Note (2)	Note (3)	2016	2017	2017	2018	2018	2019
28	January	8.29%	8.46%		$11,090,431		$11,206,137		$10,752,185
29	February	7.35%	7.50%		$9,832,891		$9,935,477		$9,532,998
30	March	8.28%	8.45%		$11,077,053		$11,192,619		$10,739,214
31	April	7.88%	8.04%		$10,541,929		$10,651,913		$10,220,412
32	May	8.38%	8.55%		$11,210,633		$11,327,795		$10,868,915
33	June- effective date of RAM Change is June 8, 2015	8.51%	6.66%	$11,384,749		$11,503,525		$11,037,526	
34	July	8.87%	9.05%	$11,866,350		$11,990,161		$11,504,448	
35	August	9.00%	9.17%	$12,040,275		$12,165,890		$11,673,059	
36	September	8.34%	8.51%	$11,157,321		$11,273,725		$10,817,035	
37	October	8.78%	8.96%	$11,745,957		$11,868,502		$11,387,718	
38	November	8.19%	8.36%	$10,956,650		$11,070,960		$10,622,484	
39	December	8.13%	8.29%	$10,876,381		$10,989,854		$10,544,664	
40	Total Distributed Target Revenues	100.00%	100.00%	$80,027,693	$53,753,137	$80,862,617	$54,313,941	$77,586,934	$52,113,724

Footnotes:

1 Docket No. 2011-0092 Final amounts derived from MECO Revised Results of Operations, Exhibit 1A, Page 1, filed June 17, 2013. Columns g and h reflect final revenues including a $5.9 million reduction for the 2017 Tax Reform Act. Please see Exhibit 1.

2 RBA Tariff effective June 1, 2012 based on 2012 test year

3 Derivation of RAM and Earnings Sharing Revenue Allocation, for June 8, 2015 to May 31, 2016

	. June is a partial month	Scale to total 100.00%
January	8.29%	8.46%
February	7.35%	7.50%
March	8.28%	8.45%
April	7.88%	8.04%
May	8.38%	8.55%
June- effective date of RAM Change is June 8, 2015	6.52%	6.66%
July	8.87%	9.05%
August	9.00%	9.17%
September	8.34%	8.51%
October	8.78%	8.96%
November	8.19%	8.36%
December	8.13%	8.29%
Total Distributed Target Revenues	98.01%	100.00%

4 Target revenues for January through May 2018 presented in rows 32-36 do not include the impact of the $2,444,000, 2017 Tax Reform Act Adjustment. Target revenues in March through May will be manually adjusted to reflect this adjustment. Further, March will also include an additional true-up adjustment to reflect the impact of the adjustment on the previously recorded January & February targets. Revised targets and supporting documentation will be provided in the monthly packets.

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

Line No.	Description	January 2017	February 2017	March 2017	April 2017	May 2017	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	sum (b) - (m)	
	BILLED REVENUES:														
1	Current month's billed revenues (SAP014w)	25,414,850	24,353,139	24,757,713	26,733,585	26,398,032	27,867,920	29,641,133	29,016,215	26,932,923	26,715,257	27,685,634	26,592,352	322,308,753	
2	Remove PBF revenues	(310,185)	(285,910)	(288,429)	(298,576)	(297,647)	(312,105)	(282,169)	(249,005)	(244,754)	(241,002)	(236,277)	(224,836)	(3,270,895)	
3	Remove Solar Saver non-revenues	-	14	17	20,158	19,296	(3)	(1)	-	-	-	-	-	39,481	
4	Other entries - Note 1	-	-	-	-	-	-	-	-	(5,913)	(387)	3,618	(4,041)	(6,723)	
5 = sum 1-4	**BILLED REVENUES**	**25,104,665**	**24,067,242**	**24,469,302**	**26,455,168**	**26,119,681**	**27,555,813**	**29,358,962**	**28,767,210**	**26,682,256**	**26,473,868**	**27,852,975**	**26,363,475**	**319,070,617**	
	UNBILLED REVENUES														
6	Current month's unbilled revenue (Unbilled Sales and Revenue Est)	12,716,266	11,265,905	13,354,785	14,377,945	13,852,568	14,793,759	15,557,182	15,132,693	13,923,685	15,700,088	16,475,314	13,944,944	170,095,114	
7	Reverse prior month's unbilled revenues (Unbilled Sales and Revenue Est)	(12,314,187)	(12,716,266)	(11,265,905)	(13,354,785)	(14,377,945)	(13,852,568)	(14,793,759)	(15,557,182)	(15,132,693)	(13,923,685)	(15,700,088)	(15,475,314)	(168,464,357)	
8 = 6+7	Unbilled revenues per Unbilled Sales and Revenue Estimate	402,078	(1,450,361)	2,088,881	1,023,180	(525,376)	941,191	763,423	(424,489)	(1,209,008)	1,776,403	(224,774)	(1,530,370)	1,630,757	
9	*Recovery of 12-31-15 RBA balance through RBA Rate Adjustment beginning 6-1-16*	*(250,359)*	*(226,314)*	*(256,904)*	*(254,964)*	*(254,699)*	-	-	-	-	-	-	-	*(1,243,240)*	*MECO WP-B-001 page 1 of 2*
10	Recovery of 12-31-16 RBA balance through RBA Rate Adjustment beginning 6-1-17	-	-	-	-	-	(246,938)	(265,145)	(267,955)	(254,212)	(262,797)	(235,700)	(231,616)	(1,764,363)	MECO WP-B-001 page 2 of 2
11	ESM Refund Accrual	-	-	-	-	-	(39,677)	-	-	-	-	-	-	(39,677)	MECO WP-H-006
12	Reverse ESM Refund Previously Accrued	-	-	-	-	-	3,377	3,519	3,571	3,309	3,484	3,250	3,226	23,736	
13	Accrual of ECAC adjustment	(14,300)	496,200	(735,300)	(1,318,800)	151,800	(679,000)	(468,200)	(536,000)	(112,000)	(996,600)	(125,200)	(32,200)	(4,367,600)	
14	Reversal of ECAC accrual	367,202	391,800	391,800	391,800	84,467	84,467	84,466	615,333	615,333	615,334	371,400	371,400	4,384,802	
15	Accrual of PPAC adjustment	(5)	24	(41,299)	(21,700)	467	(41,987)	(19,423)	910	833	(148)	(648)	(708)	(123,684)	
16	Reversal of PPAC accrual	-	-	-	-	13,952	13,952	13,951	21,073	21,073	21,074	5,894	5,894	116,863	
17	Reclass Big Wind surcharge carrying costs	(35)	(30)	(25)	(20)	(15)	(10)	(5)	-	1	-	-	-	(139)	
18	Reclass excess DSM revenues	77	113	36	(860)	(857)	1,595	(104)	(114)	(72)	(928)	833	39	(242)	
19	Adjust prior period RBA balance	-	7,362	-	-	3,125	-	-	-	-	-	-	-	10,487	
20	Adjust prior period RBA related revenue taxes	-	718	-	-	306	-	-	-	-	-	-	-	1,024	
21	RBA gross up for revenue taxes	75,435	27,513	29,257	(20,709)	51,580	52,707	45,289	43,010	26,662	48,369	83,302	86,878	549,293	
22	Accrual of current month's RBA (PUC Monthly Financial Report pg 9A) - Note 1	773,580	282,144	300,028	(212,371)	528,950	540,509	464,438	441,060	273,417	496,017	854,255	890,928	5,632,953	
23 = sum 9-22	Miscellaneous unbilled accruals	951,594	979,530	(312,407)	(1,437,625)	579,075	(311,005)	(139,213)	320,887	574,345	(76,195)	957,386	1,093,641	3,180,213	
24 = 8+23	**UNBILLED REVENUES**	**1,353,672**	**(470,831)**	**1,776,453**	**(414,445)**	**53,699**	**630,186**	**624,210**	**(103,602)**	**(634,663)**	**1,700,207**	**732,612**	**(436,529)**	**4,810,969**	
25 = 5+24	**TOTAL REVENUES PER G/L (PUC Monthly Financial Report pg. 3) - Note 1**	**26,458,338**	**23,596,411**	**26,245,755**	**26,040,723**	**26,173,380**	**28,185,999**	**29,983,172**	**28,663,608**	**26,047,593**	**28,174,074**	**28,385,587**	**25,926,946**	**323,881,585**	
	Billed Adjustments to Determine Adjusted Revenues for RBA:														
26	*Remove interim refund/increase*	-	-	-	-	32	-	-	-	-	-	-	-	32	
27	Remove ECAC revenues	7,610,544	6,869,858	6,728,328	6,022,777	6,272,166	6,433,236	5,425,509	6,788,735	8,386,396	8,102,656	6,133,629	5,710,836	80,484,670	
28	Remove PPAC revenues	(5)	24	(1)	-	6,811	14,810	14,771	17,901	21,739	21,186	13,640	5,401	116,277	
29	Remove REIP revenues	(8,974)	(8,441)	(8,430)	(8,797)	(8,784)	(9,237)	(9,451)	(8,531)	(1,601)	-	-	-	(72,246)	
30	Remove DSM/IRP/SS revenues	(757)	(734)	(738)	(808)	(839)	(891)	(894)	(916)	(912)	(897)	(870)	(815)	(10,071)	
31	Remove revenue taxes of PBF revenues	(21,156)	(19,500)	(19,672)	(20,364)	(20,301)	(21,287)	(19,245)	(16,983)	(16,693)	(16,438)	(16,115)	(15,335)	(223,089)	
32	Remove Solar Saver revenues	-	-	1	886	848	-	-	-	-	1	-	-	1,736	
33	Remove revenue taxes on billed revenues	(2,904,002)	(2,746,216)	(2,769,347)	(2,883,081)	(2,876,040)	(3,018,452)	(3,089,284)	(3,158,388)	(3,116,075)	(3,072,466)	(3,001,643)	(2,848,847)	(35,483,841)	
34	Remove base fuel (adjusted for revenue taxes)	(15,996,353)	(14,960,007)	(15,070,816)	(15,612,276)	(15,684,672)	(16,374,431)	(16,814,435)	(17,260,819)	(17,044,997)	(16,810,550)	(16,481,396)	(15,646,748)	(193,747,498)	
35	Remove power purchase energy (adjusted for revenue taxes)	(3,227,924)	(3,002,445)	(3,036,686)	(3,151,485)	(3,144,065)	(3,301,187)	(3,388,677)	(3,473,351)	(3,434,207)	(3,388,561)	(3,323,611)	(3,151,003)	(39,023,202)	
36	Other adjustments	-	38,430	-	-	10,514	-	-	-	-	-	-	-	48,944	
37	Other adjustments - EV-U revenue net of revenue taxes	-	-	-	-	-	37	-	-	-	-	-	-	37	
38	Other adjustments - SMNP revenue net of revenue taxes	-	-	-	182	814	1,227	1,182	1,303	1,403	1,567	1,586	1,608	10,872	
	Unbilled Adjustments to Determine Adjusted Revenues for RBA:														
39= 11+12	Remove ESM Refund Reversal	-	-	-	-	-	36,300	(3,519)	(3,571)	(3,309)	(3,484)	(3,250)	(3,226)	15,941	
40	Remove ECAC revenues	(672,732)	(127,501)	93,135	(575,125)	1,122,909	(1,362,778)	388,644	1,272,443	535,540	(699,122)	(1,430,408)	1,087,681	(367,314)	
41 = 13 + 14	Remove ECAC accrual	(352,902)	(888,000)	343,500	927,000	(236,267)	594,533	381,734	(79,333)	(503,333)	381,268	(246,200)	(339,200)	(17,202)	
42	Remove PPAC revenues	-	-	-	-	7,608	(145)	59	4,082	168	(261)	(8,396)	(215)	2,900	
43 = 15 + 16	Remove PPAC accrual	5	(24)	41,299	21,700	(14,419)	28,035	5,472	(21,983)	(21,906)	(20,926)	(5,246)	(5,186)	6,821	
44	Remove REIP revenues	97	434	(552)	(146)	(145)	118	(344)	3,430	1,590	-	-	-	4,482	
45	Remove Big Wind surcharge carrying costs	35	30	25	20	15	10	5	-	(1)	-	-	-	139	
46	*Remove DSM revenues*	*11*	*23*	*(49)*	*(52)*	*(18)*	*17*	*(33)*	*(21)*	*18*	*(31)*	*57*	*31*	*(47)*	
47	Remove excess DSM revenues	(77)	(113)	(36)	860	857	(1,595)	104	114	72	928	(833)	(39)	242	
48	Remove prior month RBA adjustment	-	(8,060)	-	-	(3,431)	-	-	-	-	-	-	-	(11,511)	
49	Remove RBA accruals	(773,580)	(282,144)	(300,028)	212,371	(528,950)	(540,509)	(464,438)	(441,060)	(273,417)	(496,017)	(854,255)	(890,928)	(5,632,955)	
50	Remove RBA gross up for revenue taxes	(75,435)	(27,513)	(29,257)	20,709	(51,580)	(52,707)	(45,289)	(43,010)	(26,662)	(48,369)	(83,302)	(86,878)	(549,293)	
51	Remove revenue taxes on unbilled revenues	46,282	160,250	(170,991)	(17,138)	(31,122)	59,399	(78,775)	(52,198)	82,266	(72,341)	168,746	59,928	154,317	
52	Remove base fuel (adjusted for revenue taxes)	186,632	808,426	(1,058,868)	(193,624)	(265,658)	238,864	(627,849)	(386,168)	302,777	(587,274)	812,960	242,094	(507,688)	
53	Remove power purchase energy (adjusted for revenue taxes)	48,804	147,568	(209,547)	(30,032)	(67,781)	53,649	(132,695)	(80,453)	63,880	(112,458)	166,024	52,820	(100,241)	
55 = sum 26-54	Total billed and unbilled adjustments to determine adjusted revenues for RBA	(16,141,486)	(14,045,665)	(15,468,730)	(15,285,423)	(15,491,497)	(17,222,983)	(18,457,449)	(16,938,778)	(15,047,285)	(16,801,591)	(18,168,881)	(15,828,019)	(194,898,787)	
56 = 25 + 55	**RECORDED ADJUSTED REVENUES FOR RBA DETERMINATION (PUC Monthly Financial Report pg. 9A.1)**	**10,316,851**	**9,550,747**	**10,777,025**	**10,754,300**	**10,681,883**	**10,963,016**	**11,525,723**	**11,724,830**	**11,000,308**	**11,372,485**	**10,216,705**	**10,098,926**	**128,982,801**	Sch B

NOTE. Totals may not add exactly due to rounding

Note 1. The reversal of the September 2017 Manele CHP accrual ($5,913) was erroneously excluded from the October 2017 RBA calculation and corrected in November 2017. Therefore, in both October and November the RBA accrual recorded (Line 21) and the reconciliation of Total Revenues Per G/L (Line 26) presented in this schedule are incorrect. In October the RBA accrual is overstated by $5,913 and in November the RBA accrual is understated by $5,913 On a year-to-date basis the RBA accrual for 2017 is correct

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

Line No.	Description	Reference	D&O No. 31288 Docket No. 2011-0092 Approved	Footnote 4 Previously Approved RAM	O&M Subject to Escalation Col (c) + (d)	Net Inflation Indices Footnote 2	2018 O&M RAM Adjustment Col (e) * (f)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Base BU Labor Expenses	Schedule C1	$ 14,330		$ 14,330	13.41%	$ 1,922
2	Base Non-Labor Expense	Schedule C2	$ 33,338		$ 33,338	10.42%	$ 3,475
3	Payroll Taxes	Footnote 1	$ 1,167		$ 1,167	13.41%	$ 157
4	Subtotal Expense Increase - RAM Adjustment before revenue taxes						$ 5,553
5	Revenue Tax Factor (Footnote 3)						1.0975
6	O&M RAM (Subtotal Expenses x Rev Tax Factor)						**$ 6,095**
							To Schedule A1

* 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 — $ 1,849
Less: Portion of payroll taxes related to non-BU labor[A] (36.86% * 1,849) — $ (682)
Payroll Taxes related to Bargaining Unit labor — $ 1,167

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

(2) Escalation Rates

Labor:	2013	2014	2015	2016	2017	2018	
Bargaining Unit Wage Increase	2.88%	3.00%	2.91%	3.07%	2.75%	2.67%	(See MECO-WP-C-001)
Less: Labor Productivity Offset	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	Approved in Final D&O in Docket No. 2008-0274, page 51, filed on August 31, 2010
Labor Cost Escalation Rate	**2.12%**	**2.24%**	**2.15%**	**2.31%**	**1.99%**	**1.91%**	

2013 Labor Cost Escalation	1.0212	A (2013 labor escalation plus 1)
2014 Labor Cost Escalation	1.0224	B (2014 labor escalation plus 1)
2015 Labor Cost Escalation	1.0215	C (2015 labor escalation plus 1)
2016 Labor Cost Escalation	1.0231	D (2016 labor escalation plus 1)
2017 Labor Cost Escalation	1.0199	E (2017 labor escalation plus 1)
2018 Labor Cost Escalation	1.0191	F (2018 labor escalation plus 1)
2013-2018 Compounded Labor Cost Escalation	1.13	G = A * B * C * D * E * F
2013-2018 Compounded Labor Cost %	0.1341	H = G - 1

Non-Labor:	2013	2014	2015	2016	2017	2018	
GDP Price Index	***1.70%***	***1.60%***	***1.10%***	***1.50%***	***2.0%***	***2.1%***	*(See MECO-WP-C-002)*

2013 Non-Labor Cost Escalation	1.0170	I (2013 non-labor escalation plus 1)
2014 Non-Labor Cost Escalation	1.0160	J (2014 non-labor escalation plus 1)
2015 Non-Labor Cost Escalation	1.0110	K (2015 non-labor escalation plus 1)
2016 Non-Labor Cost Escalation	1.0150	L (2016 non-labor escalation plus 1)
2017 Non-Labor Cost Escalation	1.0200	M (2017 non-labor escalation plus 1)
2018 Non-Labor Cost Escalation	1.0210	N (2018 non-labor escalation plus 1)
2013-2018 Compounded Non-Labor Cost Escalation	1.10	O = I * J * K * L * M * N
2018 Compounded Non-Labor Cost %	0.1042	P = O - 1

(3) Computation of Revenue Tax Factor

Public Service Tax Rate	0.05885
PUC Fees Rate	0.00500
Franchise Tax Rate	0.02500
Total Revenue Tax Rate	0.08885
Revenue Tax Factor = 1 / (1 - Total Revenue Tax Rate)	1.0975

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

	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	DESCRIPTION	BU LABOR (Note 1)	Non-BU LABOR (Note 2)	TOTAL LABOR	NON-LABOR (Note 3)	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)
(130)	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.
8,366	

(3)

41,954	Transmittal No. 13-01 (Decoupling), Schedule C1 (With Settlement)
(3,272)	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-labor.
38,682	

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

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
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
11	(1- transfer rate of 30.3%)		page 24, Docket No. 2011-0092, dated May 21, 2012
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 &	38,682	Schedule C1
19	Order No. 31288		
20			
21	Non-Labor O&M Expense Base for		
22	O&M RAM base	33,338	Schedule C

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

Line No.	Description	AMOUNTS ($ 000)	PERCENT OF TOTAL	COST RATE	POST TAX WEIGHTED EARNINGS REQMTS	INCOME TAX FACTOR Note (1)	PRETAX WEIGHTED EARNINGS REQMTS
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	PUC APPROVED CAPITAL STRUCTURE & COSTS (Note (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%	1.3468354	0.13%
6	Common Equity	231,310	56.86%	9.00%	5.12%	1.3468354	6.89%
7	Total Capitalization	$ 406,800	100.00%		7.34%		**9.15%**
8	RAM CHANGE IN RATE BASE $000 (From Schedule D1)						$ 73,886.9
9	PRETAX RATE OF RETURN (Line 7, Col g)						9.15%
10	PRETAX RETURN REQUIREMENT						$ 6,760.7
11	REVENUE TAX FACTOR (1/(1-8.885%))						1.0975
12	RATE BASE RAM - RETURN ON INVESTMENT $000						**$ 7,419.9**
							To Schedule A1

* Amounts may not add due to rounding.

Notes:

(1) Composite Federal & State Income Tax Rate 25.75% MECO-WP-F-001
Income Tax Factor (1 / 1-tax rate) 1.3468354

(2) *Decision & Order No. 31288, Docket No. 2011-0092, page 113, dated May 31, 2013.*

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

Line No.	Description	MECO 2012 Test Year Rate Base Beg. Balance 12/31/2011	Note (2) Budgeted Balance 12/31/2012	MECO 2018 RAM Rate Base Adjusted Recorded at 12/31/2017	RAM Projected Amounts	Estimated at 12/31/2018
	(a)	(b)	(c)	(d)	(e)	(f)
				Note (1)	See Detail Below	
1	Net Cost of Plant in Service	$ 465,783	$ 493,298	$ 627,701	$ 20,549	$ 648,250
2	Property Held for Future Use	1,303	1,303	These Elements of Rate Case are Not Updated for RAM Purposes		
3	Fuel Inventory	18,577	18,577			
4	Materials & Supplies Inventories	13,387	13,387			
5	Unamort Net SFAS 109 Reg Asset	8,405	8,642			
6	Pension Asset	3,453	4,377			
7	Unamort OPEB Reg Asset	344	261			
8	Unamort Sys Dev Costs	1,240	1,487			
9	Contrib in Excess of NPPC	3,101	8,400			
10	CIS Deferred Cost (see MECO-WP-D1-001)			1,729	(233)	1,496
11	not used			Not Updated		
12	Total Additions	$ 515,593	$ 549,732	$ 682,552	$ 20,315	$ 702,867
13	Unamortized CIAC	$ (74,766)	$ (83,821)	$ (102,684)	$ (3,735)	$ (106,419)
14	Customer Advances	(4,649)	(4,599)	Not Updated		
15	Customer Deposits	(4,346)	(4,812)			
16	Accumulated Def Income Taxes	(42,143)	(55,666)	(56,481)	(437)	(56,918)
17	ADIT Excess Reg Liability (Note 4)	-	-	(53,334)	453	(52,880)
18	Unamortized State ITC (Gross)	(12,150)	(12,752)	Not Updated		
19	Unearned Interest Income	-	-			
20	Unamortized Gain on Sale	-	-			
21	Total Deductions	$ (138,054)	$ (161,650)	$ (234,152)	$ (3,719)	$ (237,871)
22	Working Cash (Note 3)	10,590	10,590	10,590	Not Updated	10,590
23	Rate Base at Proposed Rates	$ 388,129	$ 398,672	$ 458,990		$ 475,587
24	Average Rate Base		$ 393,401			$ 467,288
25	**Change in Rate Base**					**$ 73,887**
						To Schedule D

	Column (e) Projected Changes to Rate Base:	Reference	Amount
26			
27	Plant - Baseline Capital Project Additions	Schedule D2 Line 29	43,009
28	*Major CIP Project Additions*	*Schedule D3*	*4,382*
29	Accumulated Depreciation/Amortization Change	Schedule E Line 189	(26,842)
30	Net Plant	Sum Lines 26-28	20,549
31	Accum. Def Income Taxes - Baseline and Major Capital Projects	Schedule F Line 17	(437)
32	Excess ADIT Reg Liability Amortization	Schedule D5	453
33	Projected CIAC Additions - Baseline	Schedule G Line 4	(6,016)
34	Projected CIAC Additions - Major CIP	Schedule G2	-
35	Less: Amortization of CIAC	Schedule G Line 9	2,281
36	Total Change in CIAC in Rate Base	Sum: Lines 31-33	(3,735)

* Amounts may not add due to rounding

Notes:

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

	Plant in Service	Acc. Depr.	Schedule G CIAC Net	Schedule D4 ADIT	Schedule D5 ADIT
(A) Unadjusted Balance - recorded	$ 1,154,464	$ (499,355)	$ (102,684)	$ (56,481)	$ (53,334)
(A) Add: Asset Retirement Obligation	$ 1,325	$ (1,581)			
(A) Reg Liab-Cost of Removal (net salvage)		$ (29,793)			
Adjustment:					
Lanai CHP** MECO-WP-D1-002, p.2	3,500	(858)	-	-	-
Total Adjustment	$ 3,500	$ (858)	$ -	$ -	$ -
Adjusted Balance	$ 1,159,289	$ (531,588)	$ (102,684)	$ (56,481)	$ (53,334)

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

(A) Source: Maui Electric Company, Limited Monthly Financial Report - December 2017, filed March 1, 2018.

(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)

(4) As a result of the 2017 Tax Reform Act, regulatory liability accounts were created as of December 31, 2017 to isolate the 2017 excess accumulated deferred taxes resulting from the lower federal tax rate. The bifurcated regulatory liabilities are included as a reduction to rate base. See further discussion at Schedule F.

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)			3/28/2014 2013 (b)	3/27/2015 2014 (c)	3/29/2016 2015 (d)	3/30/2017 2016 (e)	3/27/2018 2017 (f)
1	**Total Plant Additions (Sum of Exhs. 1, 2, and 3 of Reports)**			**57,973,110**	**49,632,312**	**33,268,857**	**38,070,465**	**46,737,346**
2								
3	Less Major Projects: (+$2.5 Million)	Dkt No.	Item No.					
4								
5	2010 In-Service:							
6	6th Increment Distribution Rebuild	01-0148	M0000266			(4,435)		
7								
8	*2013 In-service:*			*(2,865,973)*	*80,406*			
9	Major Overhaul of M16 - NOTE (1)	2012-0038	M0001571					
10								
11	2017 In-service:							
12	Kuihelani Subtation	2015-0070	M0000107					(7,847,533)
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27	**Total Net Plant Additions (excluding major projects)**			**55,107,138**	**49,712,718**	**33,264,422**	**38,070,465**	**38,889,813**
28								
29	**Last Five-Year Average**							**$ 43,008,911**

To Schedule D1 Line 26

NOTE (1):
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	PUC Docket Reference	Estimated In Service Date	Amount
	(a)	(b)	(c)	(d)
1	2018 Major Capital Project Plant Additions by Project:			
2	Kuihelani Substation (X00004)	Decision and Order No. 33584, Docket No. 2015-0070		
	- M0000107: Kuihelani Substation		November-17	$ 140,065
	- M0001304: Kuihelani T&D		April-18	$ 1,900,481
	- M0001305: Kuihelani Communication		April-18	$ 1,445,416
	- M0001977: Kuihelani Substation Land		September-18	$ 895,563
11				
12				
13	**Total Major Capital Projects Qualifying for 2018 RAM**	See MECO-WP-D3-001		**$ 4,381,524**
				To Sch D1

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	Reference	Federal ADIT	State ADIT	Total ADIT
	(a)	(b)	(c)	(d)	(e)
1	Recorded Deferred Income Tax Balances at December 31, 2017				
2	Depreciation Related Account 282	MECO-WP-D4-001	(43,364,047)	(7,957,515)	(51,321,562)
3	Other Deferred Income Taxes	MECO-WP-D4-001	(4,600,537)	(558,896)	(5,159,433)
4	Total Recorded Deferred Income Taxes - Utility		(47,964,584)	(8,516,412)	(56,480,996)

To Schedule D1

MAUI ELECTRIC COMPANY, LTD.
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF ADJUSTED RECORDED EXCESS ADIT REGULATORY LIABILITY

Line No.	NARUC Account	Reference	DR/(CR) ADIT	DR/(CR) Reg Liab	DR/(CR) Adjusted/Recorded at 12/31/17	Life	Amortization	Est Bal at 12/31/18
	(a)	(b)	(c)	(d)	(e) = (c) + (d)	(f)	(g) = (e) / (f)	(h) = (e) + (g)
1	Recorded Excess ADIT Regulatory Liability Balances December 31, 2017 Recorded Balances							
2	Plant 282 - protected		(35,136,024)	(12,186,403)	(47,322,427)	0		(47,322,427)
3	Plant 283 - unprotected		(4,169,540)	(1,446,142)	(5,615,682)	15	374,379	(5,241,303)
4	Nonplant 283 - unprotected		(293,600)	(101,831)	(395,431)	5	79,086	(316,345)
5	Total Excess ADIT Regulatory Liability		(39,599,164)	(13,734,376)	(53,333,540)		453,465	(52,880,075)
					to Sch D1		to Sch D1 & E	to Sch D1

SOURCE: MECO-WP-D5-001

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF DEPRECIATION AND AMORTIZATION RAM ADJUSTMENT

Line No.	NARUC Account	Recorded Depreciable/Amort. Balance	Adjustments	Adjusted Depreciable/Amort. Balance	PUC Approved Accrual Rate Dkt 2009-0286	Annual Accrual
	(a)	(b) Footnote (1)	(c) Footnote (2)	(d)	(e)	(f)
1	**Plant Accounts**					
2	310.00	-		-	0.0000	-
3	311.00	6,893,367		6,893,367	0.0289	199,218
4	312.00	55,516,371	(1,325,000)	54,191,371	0.0375	2,032,176
5	314.00	51,178,752		51,178,752	0.0589	3,014,428
6	315.00	9,540,067		9,540,067	0.0419	399,729
7	**MAUI STEAM PRODUCTION**	123,128,557	(1,325,000)	121,803,557	0.0459	5,645,551
8						
9	340.00	-		-	0.0000	-
10	341.00	35,314,910		35,314,910	0.0117	413,185
11	342.00	4,531,267		4,531,267	0.0097	43,953
12	343.00	47,173,589		47,173,589	0.0080	377,389
13	344.00	109,008,910		109,008,910	0.0164	1,787,746
14	345.00	30,039,871		30,039,871	0.0157	471,626
15	**MAUI OTHER PRODUCTION**	226,068,547	-	226,068,547	0.0137	3,093,899
16				-		-
17	***MAUI TOTAL PRODUCTION***	*349,197,104*	*(1,325,000)*	*347,872,104*	*0.0250*	*8,739,450*
18						
19	350.20	-		-	0.0000	-
20	350.00	2,452,051		2,452,051	0.0158	38,742
21	352.00	7,258,739		7,258,739	0.0202	146,627
22	353.00	54,989,588		54,989,588	0.0158	868,835
23	355.00	34,506,762		34,506,762	0.0167	576,263
24	356.00	27,042,315		27,042,315	0.0175	473,241
25	357.00	691,536		691,536	0.0159	10,995
26	358.00	1,195,973		1,195,973	0.0198	23,680
27	**MAUI TRANSMISSION**	128,136,964	-	128,136,964	0.0167	2,138,384
28						
29	360.20	-		-	0.0000	-
30	360.00	1,769,905		1,769,905	0.0203	35,929
31	361.00	2,880,436		2,880,436	0.0120	34,565
32	362.00	62,322,080		62,322,080	0.0134	835,116
33	363.00	2,140,265		2,140,265	0.0192	41,093
34	364.00	44,036,032		44,036,032	0.0170	748,613
35	365.00	62,552,683		62,552,683	0.0165	1,032,119
36	366.00	63,681,154		63,681,154	0.0203	1,292,727
37	367.00	78,779,058		78,779,058	0.0117	921,715
38	368.00	68,297,392		68,297,392	0.0222	1,516,202
39	369.10	29,348,391		29,348,391	0.0378	1,109,369
40	369.20	66,187,647		66,187,647	0.0232	1,535,553
41	370.00	14,573,779		14,573,779	0.0192	279,817
42	373.00	15,936,841		15,936,841	0.0187	298,019
43	**MAUI DISTRIBUTION**	512,505,663	-	512,505,663	0.0189	9,680,838
44						
45	389.20	-		-	0.0000	-
46	390.00	11,746,496		11,746,496	0.0106	124,513
47	**MAUI GENERAL**	11,746,496	-	11,746,496	0.0106	124,513
48						
49	392.10	6,865,784		6,865,784	0.0536	368,006
50	392.20	4,500,754		4,500,754	0.0305	137,273
51	**MAUI TRANSPORTATION**	11,366,538	-	11,366,538	0.0445	505,279
52						
53	**TOTAL MAUI DIVISION**	1,012,952,765	(1,325,000)	1,011,627,765	0.0209	21,188,463
54						

Line No.	NARUC Account	Recorded Depreciable/Amort. Balance	Adjustments	Adjusted Depreciable/Amort. Balance	PUC Approved Accrual Rate Dkt. 2009-0286	Annual Accrual
	(a)	(b) Footnote (1)	(c) Footnote (2)	(d)	(e)	(f)
55	**LANAI**					
56	340.0L	-		-	0.0000	-
57	341.0L	4,085,725		4,085,725	0.0454	185,492
58	342.0L	1,978,695		1,978,695	0.0304	60,152
59	343.0L	1,693,466		1,693,466	0.0360	60,965
60	344.0L	8,584,594		8,584,594	0.0234	200,880
61	345.0L	3,810,221		3,810,221	0.0253	96,399
62	**LANAI OTHER PRODUCTION**	20,152,701	-	20,152,701	0.0300	603,887
63						
64	360.1L	154,398		154,398	0.0203	3,134
65	362.0L	2,401,517		2,401,517	0.0165	39,625
66	364.0L	2,376,627		2,376,627	0.0185	43,968
67	365.0L	3,108,166		3,108,166	0.0165	51,285
68	366.0L	1,280,128		1,280,128	0.0211	27,011
69	367.0L	2,339,144		2,339,144	0.0122	28,537
70	368.0L	1,131,957		1,131,957	0.0208	23,545
71	369.1L	1,240,567		1,240,567	0.0380	47,142
72	369.2L	1,161,897		1,161,897	0.0256	29,745
73	370.0L	435,239		435,239	0.0195	8,487
74	373.0L	265,072		265,072	0.0166	4,400
75	**LANAI DISTRIBUTION**	15,894,712	-	15,894,712	0.0193	306,878
76						
77	389.2L	-		-	0.0000	-
78	390.0L	803,024		803,024	0.0138	11,082
79	**LANAI GENERAL**	803,024	-	803,024	0.0138	11,082
80						
81	392.1L	836,933		836,933	0.0086	7,198
82	392.2L	292,057		292,057	0.0875	25,555
83	**LANAI TRANSPORTATION**	1,128,990	-	1,128,990	0.0290	32,753
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	**LANAI RATEMAKING ADJUSTMENT**	-	3,500,000	3,500,000	0.0307	107,289
88						
89	**TOTAL LANAI DIVISION**	37,979,427	3,500,000	41,479,427	0.0256	1,061,888
90						
91	**MOLOKAI**					
92	302.0M	-		-	0.0000	-
93	**INTANGIBLE PLANT**	-	-	-	0.0000	-
94						
95	340.0M	-		-	0.0000	-
96	341.0M	3,001,052		3,001,052	0.0447	134,147
97	342.0M	2,010,598		2,010,598	0.0452	90,879
98	343.0M	2,322,344		2,322,344	0.0256	59,452
99	344.0M	12,661,884		12,661,884	0.0354	448,231
100	345.0M	4,892,600		4,892,600	0.0266	130,143
101	**MOLOKAI OTHER PRODUCTION**	24,888,478	-	24,888,478	0.0347	862,852
102						
103	350.1M	-		-	0.0000	-
104	353.0M	631,045		631,045	0.0232	14,640
105	354.0M	38,669		38,669	0.0233	901
106	355.0M	216,284		216,284	0.0077	1,665
107	356.0M	272,998		272,998	0.0097	2,648
108	**MOLOKAI TRANSMISSION**	1,158,996	-	1,158,996	0.0171	19,855
109						
110	360.1M	32,420		32,420	0.0202	655
111	361.1M	59,259		59,259	0.0066	391
112	362.0M	1,311,964		1,311,964	0.0163	21,385
113	363.0M	3,300,818		3,300,818	0.0210	69,317
114	364.0M	4,733,741		4,733,741	0.0224	106,036
115	365.0M	3,278,803		3,278,803	0.0177	58,035
116	366.0M	136,064		136,064	0.0227	3,089
117	367.0M	3,857,609		3,857,609	0.0174	67,122
118	368.0M	1,655,899		1,655,899	0.0225	37,258
119	369.1M	1,709,720		1,709,720	0.0406	69,415
120	369.2M	1,258,796		1,258,796	0.0261	32,855
121	370.0M	519,099		519,099	0.0121	6,281
122	373.0M	344,554		344,554	0.0152	5,237
123	**MOLOKAI DISTRIBUTION**	22,198,746	-	22,198,746	0.0215	477,075
124						
125	389.2M	56,383		56,383	0.0003	17
126	390.0M	860,890		860,890	0.0085	7,318
127	**MOLOKAI TOTAL GENERAL**	917,273	-	917,273	0.0080	7,334
128						
129	392.1M	617,904		617,904	0.0000	-
130	392.2M	398,781		398,781	0.0000	-
131	**MOLOKAI TRANSPORTATION**	1,016,685	-	1,016,685	0.0000	-
132						
133	**TOTAL MOLOKAI DIVISION**	50,180,178	-	50,180,178	0.0272	1,367,116
134						
135				-		
136	**UTILITY TOTAL DEPRECIATION**	1,101,112,370	2,175,000	1,103,287,370	0.0214	23,617,467
137						

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)
138	**Amortization Amounts**					
139						
140	**MAUI**					
141	316.00	3,248,644		3,248,644	0.0500	$ 162,432
142	346.00	16,681,287		16,681,287	0.0500	834,064
143	**MAUI PRODUCTION**	19,929,931	-	19,929,931	0.0500	996,497
144						
145	391.10	1,641,548		1,641,548	0.2000	328,310
146	391.20	384,083		384,083	0.1000	38,408
147	391.30	1,073,252		1,073,252	0.0667	71,586
148	393.00	507,752		507,752	0.0400	20,310
149	394.00	6,871,895		6,871,895	0.0400	274,876
150	395.00	405,989		405,989	0.0667	27,079
151	396.00	140,554		140,554	0.0556	7,815
152	397.00	18,073,067		18,073,067	0.0667	1,205,474
153	398.00	1,157,405		1,157,405	0.0667	77,198
154	**MAUI GENERAL**	30,255,545	-	30,255,545	0.0678	2,051,056
155						
156	**TOTAL MAUI DIVISION**	50,185,476	-	50,185,476	0.0607	3,047,552
157						
158	**LANAI**					
159	346.0L	294,582		294,582	0.0500	14,729
160	**LANAI OTHER PRODUCTION**	294,582	-	294,582	0.0500	14,729
161						
162	391.1L	25,521		25,521	0.2000	5,104
163	391.2L	2,331		2,331	0.1000	233
164	391.3L	7,724		7,724	0.0667	515
165	394.0L	51,495		51,495	0.0400	2,060
166	397.0L	847,668		847,668	0.0667	56,540
167	398.0L	52,254		52,254	0.0667	3,485
168	**LANAI GENERAL**	986,993	-	986,993	0.0688	67,938
169						
170	**TOTAL LANAI DIVISION**	1,281,575	-	1,281,575	0.0645	82,667
171						
172						
173	**MOLOKAI**					
174	346.0M	164,917		164,917	0.0500	8,246
175	**MOLOKAI OTHER PRODUCTION**	164,917	-	164,917	0.0500	8,246
176						
177	391.1M	10,308		10,308	0.2000	2,062
178	391.2M	-		-	0.1000	-
179	391.3M	17,963		17,963	0.0667	1,198
180	394.0M	154,962		154,962	0.0400	6,198
181	397.0M	1,093,059		1,093,059	0.0667	72,907
182	398.0M	53,315		53,315	0.0667	3,556
183	**MOLOKAI GENERAL**	1,329,607	-	1,329,607	0.0646	85,921
184						
185	**TOTAL MOLOKAI DIVISION**	1,494,524	-	1,494,524	0.0630	94,167
186						
187	**UTILITY TOTAL AMORTIZATION**	52,961,575	-	52,961,575	0.0609	3,224,387
188						

189	TOTAL RAM DEPRECIATION / AMORTIZATION	Line 136 + Line 187	**$ 26,841,854**
190	*LESS: Vehicle Depreciation (A/C 392 above)*	*sum of lines 51,83,131*	***$ (538,032)***
191	LESS. Depreciation & Amortization in Current Revenues	Footnote (3)	**$ (20,933,000)**
192			
193	RAM Adjustment for Depreciation & Amortization		**$ 5,370,822**
194	RAM Adjustment for CIAC Amortization	Schedule G Line 15	**$ (713,648)**
195	RAM Adjustment for CIS Amortization	MECO-WP-D1-001, page 3	**$ 233,099**
196	Amortization of ADIT Excess Reg Liability	Schedule D5	**$ (453,465)**
197	Total RAM Adjustment for Depreciation & Amortization		**$ 4,436,808**
198	Times: Factor for Revenue Taxes	Schedule C Line 5	1.0975
199			
200	RAM DEPRECIATION & AMORTIZATION	Line 197 * Line 198	**$ 4,869,397**
			To Sch A1

Footnotes:

(1) Depreciable Balance

Depreciable Balance	$ 1,101,112,370	Line 136
Amortizable Balance	52,961,575	Line 187
Total Utility Plant per Schedule	$ 1,154,073,945	
Add: Land, Land Rights, Franchises & Consents as of 12/31/17 not included in Schedule	1,714,890	
Total Utility Plant per G/L	$ 1,155,788,836	December 2017 Monthly Financial Report filed 3/1/18

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

Lanai CHP	3,500,000	MECO-RWP-1401 (Revised 3/28/12), Dkt. No 2011-0092, page 10
Asset Retirement Obligation Entries	(1,325,000)	Schedule D1, Note 1
Total Adjustment	$ 2,175,000	Column (c)

(3) Depreciation & Amortization in Current Revenues[1]:

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

[1] 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	1,489,519
2	Amortization of Excess Deferreds	Schedule D5	453,465
3	Subtotal		1,942,984
4	Effective Federal Tax Rate	MECO-WP-F-001	19.7368%
5	Federal Deferred Tax on State Tax Depreciation	Line 1 * Line 4	383,484
6	Add back State Tax Depreciation	Line 1	(1,489,519)
7	Federal Tax Depreciation	Schedule F1	1,489,519
8	Federal/State Difference	Line 6 + Line 7	-
9	Tax Rate on Federal Only Adjustment	MECO-WP-F-001	21.00%
10	Federal Deferred Tax Adjustment	Line 8 * Line 9	-
11	Total Federal Deferred Taxes Before Proration		383,484
12	Proration Adjustment	MECO-WP-F1-003	(63,317)
13	Total Federal Deferred Taxes After Proration	Line 9 + Line 10	320,167
	STATE DEFERRED TAXES		
14	State Tax Depreciation	Schedule F1	1,489,519
15	Amortization of Excess Deferreds	Schedule D5	453,465
16	Subtotal		1,942,984
15	Effective State Tax Rate	MECO-WP-F-001	6.0150%
16	Total State Deferred Taxes	Line 14 * Line 15	116,871
17	TOTAL FED AND STATE DEFERRED TAXES	Line 13 + Line 16	**437,038**
			To Schedule D1

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

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

Line No.		LIFE	MECO-WP-F1-002 PROJECTS	PROGRAMS	TOTAL	PROJECTS	PROGRAMS	TOTAL
1	Computers	5	237,540	104,241	341,781	0.55%	0.24%	0.79%
2	Off/Furn/Tools	7	36,114	286,608	322,722	0.08%	0.67%	0.75%
3	Street Lights	7	417,753	502,522	920,275	0.97%	1.17%	2.14%
4	Non-Steam Production	15	6,196,325	421,571	6,617,896	14.41%	0.98%	15.39%
5	Transmission > 69kv	15	325,839	7,607	333,446	0.76%	0.02%	0.78%
6	Communication	20	1,198,099	85,974	1,284,073	2.79%	0.20%	2.99%
7	Steam Production	20	521,068	80,876	601,944	1.21%	0.19%	1.40%
8	General	20	438,815	293,956	732,771	1.02%	0.68%	1.70%
9	Transmission	20	1,618,109	592,592	2,210,701	3.76%	1.38%	5.14%
10	Distribution	20	10,783,645	17,092,636	27,876,281	25.07%	39.74%	64.82%
11	Structural	39	608,068	33,261	641,329	1.41%	0.08%	1.49%
12	ROW	50	1,639	118,777	120,416	0.00%	0.28%	0.28%
13	Land	-		(3,842)	(3,842)	0.00%	-0.01%	-0.01%
14	Vehicles	-	128,655	880,463	1,009,118	0.30%	2.05%	2.35%
15	TOTAL		22,511,669	20,497,242	43,008,911	52.34%	47.66%	100.00%

Project and Program % Totals by Depreciable Life:

5 yr	0.55%	0.24%	0.79%
7 yr	1.06%	1.83%	2.89%
15 yr	15.17%	1.00%	16.16%
20 yr	33.85%	42.19%	76.04%
39 yr	1.41%	0.08%	1.49%
50 yr	0.00%	0.28%	0.28%
Land	0.00%	-0.01%	-0.01%
Vehicles	0.30%	2.05%	2.35%
Total	52.34%	47.66%	100.00%

						BASIS	FED YR 1 DEPR RATE	FED YR 1 TAX DEPR	STATE YR 1 DEPR RATE	STATE YR 1 TAX DEPR
					Vintage 2018 - Bonus Depreciation					
NOTE (1)	Basis subject to bonus depreciation	0%	0%							
	5 yr	0.00%	0.00%	0.00%	5 yr	-	60.000%	-	20.00%	-
	7 yr	0.00%	0.00%	0.00%	7 yr	-	57.145%	-	14.29%	-
	15 yr	0.00%	0.00%	0.00%	15 yr	-	52.500%	-	5.00%	-
	20 yr	0.00%	0.00%	0.00%	20 yr	-	51.875%	-	3.75%	-
	39 yr	n/a	n/a	n/a						
	50 yr	n/a	n/a	n/a						
	Land	n/a	n/a	n/a						
	Vehicles	n/a	n/a	n/a						
	Total	0.00%	0.00%	0.00%						
					Vintage 2018 - Regular Depreciation					
	Basis subject to regular depreciation	(Total less amounts subject to bonus depr)								
	5 yr	0.55%	0.24%	0.79%	5 yr	253,748	20.00%	50,750	20.00%	50,750
	7 yr	1.06%	1.83%	2.89%	7 yr	923,272	14.29%	131,936	14.29%	131,936
	15 yr	15.17%	1.00%	16.16%	15 yr	5,165,404	5.00%	258,270	5.00%	258,270
	20 yr	33.85%	42.19%	76.04%	20 yr	24,302,294	3.75%	911,336	3.75%	911,336
	39 yr	1.41%	0.08%	1.49%	39 yr	476,497	1.177%	5,608	1.177%	5,608
	50 yr	0.00%	0.28%	0.28%	50 yr	89,483	1.000%	895	1.000%	895
	Land	n/a	n/a	n/a						
	Vehicles	n/a	n/a	n/a						
		52.04%	45.62%	97.66%						
	TOTAL ASSETS	52.04%	45.62%	97.66%						

Net Depreciable Baseline Plant Adds	31,210,698	1,358,795	1,358,795
Major Capital Projects from Schedule F2	4,381,524	130,724	130,724
Total Depreciable Plant Adds	35,592,222	1,489,519	1,489,519
		Fed Tax Depreciation To Schedule F	*St. Tax Depreciation To Schedule F*

Reconciliation from Baseline Plant Adds to Net Depreciable Plant Adds:

Baseline Capital Projects Plant Adds		43,008,911	**Schedule D2**
Less: Repairs deduction	**MECO-WP-F1-001, pg. 1**	11,050,710	<<supported by Special Study each year.
Net plant add basis		*31,958,201*	
Less: Land and Vehicles (2.34% x $31,958,201) & rdg		747,503	
		31,210,698	

NOTE (1)
The 2017 Tax Cut and Jobs Act (TCJA) excludes property used in trade or business by public utility companies from bonus depreciation for otherwise qualified property acquired and placed in service after September 27, 2017.

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

Line No.	Description		PUC Docket	Estimated In Service Date	Amount	
	(a)	(b)	(c)	(d)	(e)	
1	Assumed Value of 2018 Major Capital Projects Plant Items				$ 4,381,524	*Schedule D3*
2	Assumed Value of 2018 Major Capital Projects - CIAC nontaxable				$ -	*Schedule G2*
3	Assumed Value of 2018 Major Capital Projects - Total				$ 4,381,524	

		Tax Basis	FED YR 1	FED YR 1	STATE YR 1	STATE YR 1
4	Tax Classification of Major Capital Project Additions	Distribution	DEPR RATE	TAX DEPR	DEPR RATE	TAX DEPR
5	7 yr	-	14.29%	-	14.29%	-
6	15 yr	-	5.00%	-	5.00%	-
7	20 yr	3,485,961	3.75%	130,724	3.75%	130,724
8	39 yr	n/a				
9	Land	895,563				
10	Vehicles	n/a				
11	Total	$ 4,381,524		$ 130,724		$ 130,724
		From Schedule D3		*To Schedule F1*		*To Schedule F1*

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
CIAC SUMMARY

Line No.	Description	Reference	Unamortized CIAC	CIAC Amortization
	(a)	(b)	(c)	(d)
1	12/31/17 Beginning Balance	Sch. G1	$ (102,683,611)	
2				
3	2018 CIAC Additions:			
4	Baseline 5-Yr Average	Sch. G1	(6,015,706)	
5	Major Projects	Sch. G2	-	
6	Net Additions		(6,015,706)	
7				
8	2018 CIAC Amortization:			
9	Estimated Amortization	Sch. G3	2,280,648	$ (2,280,648)
10				
11	**12/31/18 Ending Balance**		**$ (106,418,669)**	(2,280,648)
12				
13	LESS: CIAC Amortization in Current Revenues - NOTE (1)			(1,567,000)
14				
15	**RAM Adjustment for CIAC Amortization**			**$ (713,648)**
				To Sch E p.3 Line 194

Note (1):

Per Attachment 1A, page 62, of MECO-DCA Revised Updated Joint Statement of Probable Entitlement, dated May 14, 2012 in Maui Electric'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:

Line No.	Description	Dkt No.	Item No.	2/21/2014	2/26/2015	2/23/2016	2/24/2017	3/1/2018
				2013	2014	2015	2016	2017
	(a)			(b)	(c)	(d)	(e)	(f)
1	CIAC Balance, January 1 (Dec Rpt. pg. 10)			(82,211,127)	(85,047,271)	(88,217,709)	(91,061,643)	(97,870,217)
2	Less: CIAC Amortization (Dec Rpt. pg. 1)			1,733,766	1,816,855	1,907,533	1,993,924	2,153,969
3	Less: CIAC Balance, December 31 (Dec Rpt. pg. 10)			85,047,271	88,217,709	91,061,643	97,870,217	102,683,611
4								
5	**Total CIAC Additions**			**4,569,910**	**4,987,293**	**4,751,467**	**8,802,498**	**6,967,363**
6								
7	Less Major Projects:	Dkt No.	Item No.					
8								
9	2010 In-service:							
10	6th Increment Distribution Rebuild	01-0148	M0000266	-	-			
11								
12	2013 In-Service:							
13	Major Overhaul of M16	2012-0038	M0001571			-		
14								
15	2017 In-service:							
16	Kuihelani Subtation	2015-0070	M0000107					-
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27	**Total Net CIAC Additions**			**4,569,910**	**4,987,293**	**4,751,467**	**8,802,498**	**6,967,363**
28								
29	**Last Five-Year Average**							**6,015,706**
								To Schedule D1

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

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

Line No.	Description (a)	PUC Docket Reference (b)	Estimated In Service Date (c)	Amount (d)
1	2018 Major Capital Project CIAC Additions by Project:			
2	None			$ -
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13	**Total Major Project CIAC Additions for 2018 RAM**			**$ -**

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
CIAC AMORTIZATION

Line No.	Description		2016 Balance	2017 Amortization	2017 Balance	2018 Amortization
	(a)		(b)	(c)	(d)	(e)
1	CIAC by Vintage:					
2		1980	$ 2,433	$ (137)	$ 2,296	(138)
3		1981	$ 25,410	$ (1,303)	$ 24,107	(1,304)
4		1981 L	$ 69	$ (4)	$ 65	(3)
5		1982	$ 38,463	$ (1,864)	$ 36,599	(1,865)
6		1982	$ 90,396	$ (4,383)	$ 86,013	(4,382)
7		1982 L	$ 20	$ (1)	$ 19	(1)
8		1983	$ 14,457	$ (666)	$ 13,791	(667)
9		1983 L	$ 6	$ (1)	$ 5	(0)
10		1984	$ 45,137	$ (1,987)	$ 43,150	(1,986)
11		1984 L	$ 5	$ -	$ 5	(0)
12		1985	$ 109,405	$ (4,606)	$ 104,799	(4,606)
13		1986	$ 147,425	$ (5,951)	$ 141,474	(5,951)
14		1986 L	$ 83	$ (3)	$ 80	(3)
15		1987	$ 143,471	$ (5,564)	$ 137,907	(5,563)
16		1987 L	$ 2,082	$ (81)	$ 2,001	(81)
17		1988	$ 197,096	$ (7,353)	$ 189,743	(7,354)
18		1988 L	$ 29,352	$ (1,096)	$ 28,256	(1,095)
19		1989	$ 356,466	$ (12,816)	$ 343,650	(12,816)
20		1989 L	$ 56,065	$ (2,016)	$ 54,049	(2,016)
21		1989 MO	$ 74,862	$ (2,698)	$ 72,164	(2,698)
22		1990	$ 456,374	$ (15,833)	$ 440,541	(15,833)
23		1990 L	$ 26,131	$ (906)	$ 25,225	(907)
24		1990 MO	$ 4,739	$ (165)	$ 4,574	(164)
25		1991	$ 614,068	$ (20,584)	$ 593,484	(20,583)
26		1991 L	$ 24,914	$ (835)	$ 24,079	(835)
27		1991 MO	$ 8,570	$ (288)	$ 8,282	(287)
28		1992	$ 473,744	$ (15,361)	$ 458,383	(15,361)
29		1992 L	$ 55,994	$ (1,816)	$ 54,178	(1,816)
30		1992 MO	$ 24,811	$ (804)	$ 24,007	(805)
31		1993 IK	$ 2,093,885	$ (65,757)	$ 2,028,128	(65,758)
32		1993	$ 409,243	$ (12,850)	$ 396,393	(12,850)
33		1993 L	$ 59,812	$ (1,879)	$ 57,933	(1,878)
34		1993 MO	$ 17,053	$ (535)	$ 16,518	(535)
35		1994	$ 409,653	$ (12,469)	$ 397,184	(12,469)
36		1994 L	$ (10,540)	$ 321	$ (10,219)	321
37		1994 MO	$ 7,443	$ (227)	$ 7,216	(227)
38		1993 IK	$ 254,634	$ (7,995)	$ 246,639	(7,995)
39		1995	$ 428,212	$ (12,647)	$ 415,565	(12,646)
40		1995 L	$ 3,277	$ (96)	$ 3,181	(97)
41		1995 MO	$ 62,363	$ (1,842)	$ 60,521	(1,842)
42		1996	$ 492,628	$ (14,129)	$ 478,499	(14,129)
43		1996 L	$ 9,971	$ (286)	$ 9,685	(286)
44		1996 MO	$ 68,772	$ (1,973)	$ 66,799	(1,972)
45		1996 IK	$ 90,882	$ (2,606)	$ 88,276	(2,607)
46		1997	$ 391,186	$ (10,906)	$ 380,280	(10,905)
47		1997 L	$ 59,115	$ (1,648)	$ 57,467	(1,648)
48		1997 MO	$ 51,077	$ (1,424)	$ 49,653	(1,424)
49		1998	$ 698,984	$ (18,956)	$ 680,028	(18,955)
50		1998 L	$ 21,737	$ (589)	$ 21,148	(589)
51		1998 MO	$ 15,809	$ (428)	$ 15,381	(429)
52		1999	$ 916,075	$ (24,184)	$ 891,891	(24,184)
53		1999 L	$ 5,366	$ (141)	$ 5,225	(142)
54		1999 MO	$ (728)	$ 20	$ (708)	19
55		2000	$ 827,551	$ (21,282)	$ 806,269	(21,283)
56		2000 L	$ 3,775	$ (97)	$ 3,678	(97)
57		2000 MO	$ 20,705	$ (533)	$ 20,172	(532)
58		2001	$ 1,293,915	$ (32,439)	$ 1,261,476	(32,439)
59		2001 L	$ 90,364	$ (2,266)	$ 88,098	(2,265)
60		2001 MO	$ 34,181	$ (857)	$ 33,324	(857)

Line No.	Description (a)			2016 Balance (b)	2017 Amortization (c)	2017 Balance (d)	2018 Amortization (e)
61		2002		$ 926,693	$ (22,662)	$ 904,031	(22,663)
62		2002	L	$ 10,739	$ (263)	$ 10,476	(263)
63		2002	MO	$ 8,346	$ (204)	$ 8,142	(204)
64		2003		$ 6,001,916	$ (143,265)	$ 5,858,651	(143,264)
65		2003	L	$ 476,882	$ (11,383)	$ 465,499	(11,383)
66		2003	MO	$ 17,308	$ (413)	$ 16,895	(413)
67		2004		$ 1,916,707	$ (44,681)	$ 1,872,026	(44,682)
68		2004	L	$ 96,985	$ (2,261)	$ 94,724	(2,261)
69		2004	MO	$ 31,379	$ (732)	$ 30,647	(731)
70		2005		$ 5,655,071	$ (128,817)	$ 5,526,254	(128,817)
71		2005	L	$ 328,765	$ (7,489)	$ 321,276	(7,489)
72		2005	MO	$ 1,354,359	$ (30,852)	$ 1,323,507	(30,851)
73		2006		$ 8,208,973	$ (182,817)	$ 8,026,156	(182,817)
74		2006	L	$ 78,243	$ (1,742)	$ 76,501	(1,743)
75		2006	MO	$ 376,007	$ (8,374)	$ 367,633	(8,374)
76		2007		$ 7,659,663	$ (166,859)	$ 7,492,804	(166,858)
77		2007	L	$ 32,847	$ (715)	$ 32,132	(716)
78		2007	MO	$ 101,265	$ (2,206)	$ 99,059	(2,206)
79		2008		$ 7,468,238	$ (159,211)	$ 7,309,027	(159,212)
80		2008	L	$ 463,624	$ (9,884)	$ 453,740	(9,884)
81		2008	MO	$ 35,168	$ (750)	$ 34,418	(750)
82		2009		$ 6,883,637	$ (143,678)	$ 6,739,959	(143,679)
83		2009	L	$ 340,230	$ (7,102)	$ 333,128	(7,101)
84		2009	MO	$ 59,593	$ (1,244)	$ 58,349	(1,244)
85		2010		$ 3,813,442	$ (77,961)	$ 3,735,481	(77,961)
86		2010	L	$ (4,614)	$ 94	$ (4,520)	94
87		2010	MO	$ 14,562	$ (297)	$ 14,265	(298)
88		2011		$ 2,501,573	$ (50,115)	$ 2,451,458	(50,115)
89		2011	L	$ 9,708	$ (195)	$ 9,513	(194)
90		2011	MO	$ 44,169	$ (884)	$ 43,285	(885)
91		2012		$ 8,434,679	$ (165,386)	$ 8,269,293	(165,386)
92		2012	L	$ 52,126	$ (1,022)	$ 51,104	(1,022)
93		2012	MO	$ 29,332	$ (575)	$ 28,757	(575)
94		2013		$ 4,206,255	$ (80,890)	$ 4,125,365	(80,889)
95		2013	L	$ 48,619	$ (935)	$ 47,684	(935)
96		2013	MO	$ 65,769	$ (1,265)	$ 64,504	(1,264)
97		2014		$ 4,668,811	$ (88,091)	$ 4,580,720	(88,091)
98		2014	L	$ 86,691	$ (1,635)	$ 85,056	(1,636)
99		2014	MO	$ 50,435	$ (951)	$ 49,484	(952)
100		2015		$ 4,592,716	$ (85,050)	$ 4,507,666	(85,050)
101		2015	L	$ 23,654	$ (438)	$ 23,216	(438)
102		2015	MO	$ 48,706	$ (902)	$ 47,804	(902)
103		2016		$ 6,867,570	$ (124,865)	$ 6,742,705	(124,865)
104		2016	L	$ 34,543	$ (628)	$ 33,915	(628)
105		2016	MO	$ 1,900,384	$ (34,552)	$ 1,865,832	(34,552)
106		2017				$ 6,767,726	(123,050)
107		2017	L			$ 91,355	(1,661)
108		2017	MO			$ 108,282	(1,969)
109	**Total CIAC Amortization for 2018 RAM**			**97,870,217**	**(2,153,969)**	**102,683,611**	**(2,280,648)**
							To Schedule G

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

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

Line No.	Description (a)	Reference (b)	Ratemaking Basis Return on Equity: Operating Income (c)	Rate Base (d)	Rate of Return (e)
1	Reported Operating Income before ratemaking adj.	PUC Report, p. 2A and MECO-WP-H-001	$ 26,358	$ 438,514	
2	Ratemaking Adjustments to Line 1:				
2a	Incentive Compensation Expenses (net of tax)	MECO-WP-H-002	253		
2b	Discretionary and Other Expenses Not Recoverable (net of tax)	MECO-WP-H-002	81		
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	(3,533)		
2e	Remove Accrued Earnings Sharing Refund	MECO-WP-H-006	22		
2f	Remove Special Medical Needs Program discount (net of tax)	MECO-WP-H-007	7		
3	Ratemaking Basis Amounts - Post Tax	Sum Lines 1 & 2	$ 23,198	$ 438,514	

Line No.	Description	Reference	Balances	Ratios	Cost Rate	Weighted Cost
4	Ratemaking Capitalization					
5	Short-Term Debt (12 mo. Avg)		$ -	0.00%	0.00%	0.00%
6	Long-Term Debt (Simple Avg)		$ 178,830	39.05%	4.88%	1.91%
7	Hybrid Securities (Simple Avg)		$ 9,553	2.09%	7.18%	0.15%
8	Preferred Stock (Simple Avg)		$ 4,794	1.05%	8.16%	0.09%
9	Common Equity (Simple Avg)		$ 264,828	57.82%	9.00%	5.20%
10	Total Capitalization	MECO-WP-H-004	$ 458,005	100.00%		7.34%
11	Line 3 Rate Base Amount				$ 438,514	
12	Weighted Cost of Debt	Sum lines 5-7			2.06%	
13	Synchronized Interest Expense				$ 9,013	
	Income Tax Factor	Note 1			1.6369	
13a	Synchronized interest Expense, net of tax				$ 5,506	
14	Post Tax Income Available for Preferred & Common (Line 3 - Line 13a)					$ 17,691
17	Less: Preferred Income Requirement (Line 8 Weighted Cost times Rate Base)					$ 374
18	Income Available for Common Stock					$ 17,317
19	Ratemaking Equity Investment (Line 9 Ratio times Rate Base)					$ 253,558
20	Return on Equity for Decoupling Earnings Sharing	Line 18/Line 19				6.83%
21	Earnings Sharing Revenue Credits:		Basis Points			
22	Achieved ROE (basis points)		683			
23	Authorized Return (basis points) (D&O 31288 in Dkt No. 2011-0092 filed May 31, 2013)		900			
24	ROE for sharing (basis points)		-			
25	Sharing Grid per RAM Provision		First 100 bp	Next 200 bp	All over 300 bp	Ratepayer Total
26	Distribution of Excess ROE (basis points)		0	0	0	
27	Ratepayer Share of Excess Earnings		25%	50%	90%	
28	Ratepayer Earnings Share - Basis Points		-	-	-	-
29	Revenue Credit per Basis Point (Note 2)					46
30	Earnings Sharing Revenue Credits (thousands)					$ -
						To Sch A, line 5

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)	$ 253,558
	Basis Point = 1/100 of a percent	0.01%
	Earnings Required per Basis Point (thousands)	$ 25.36
	Times: Income Tax Conversion Factor	1.636929121
	Pretax Income Required per Basis Point (thousands)	$ 42
	Times: Revenue Tax Conversion Factor	1.0975
	Revenue Requirement per Basis Point (thousands)	$ 46

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

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

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

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
DETERMINATION OF RAM CAP

Line No.	*Decription*	*Reference*	*Amount $000*	
	(a)	(b)	(c)	
1	2016 Target Revenues subject to escalation	5/22/17 Decoupling, Sch J	146,047	
2	2017 RAM Cap Increase excluding Exceptional & Other Matters	5/22/17 Decoupling, Sch J	2,921	
3	2017 Target Revenues subject to escalation		148,968	
4	2018 GDP Price Index	MECO-WP-C-002	2.1%	
5	2018 RAM Cap Increase excluding Exceptional & Other Matters	Line 3 x Line 4	3,128	
6	*RAM Cap for 2017 RAM Revenue Adjustment, Adjusted*	*5/22/17 Decoupling, Sch J*	*15,066*	
7	RAM Cap for 2018 RAM Revenue Adjustment	Line 5 + Line 6	18,195	Sch A1

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
EXCEPTIONAL & OTHER MATTERS

Line No.	Description	Reference	Amount $000
	(a)	(b)	(c)
1	CIS Deferred Cost	Schedule K1	$ 360.8
2	2018 Revenue Adjustment for Exceptional & Other Matters		$ 360.8
			To Sch A1

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

Footnote 149 to the referenced paragraph 107 above stipulates that such applicable matters include adjustments accounting for CT-1 costs (for Hawaiian Electric) and CIS costs (for all of the Hawaiian Electric Companies) as provided in a stipulated agreement approved by the commission as amended in Order No. 31126 in Docket No. 2008-0083.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
EXCEPTIONAL & OTHER MATTERS - RETURN ON INVESTMENT
$ in thousands

Line No.	Description	Reference	MECO 2018 RAM Rate Base (Note 1) Recorded at 12/31/2017	RAM Projected Amounts	Estimated at 12/31/2018
	(a)	(b)	(e)	(f)	(g)
1	CIS Def Cost	MECO-WP-D1-001, page 1	$ 1,729	$ (233)	$ 1,496
2	CIS ADIT - 28400	MECO-WP-K1-001	(415)	56	(359)
3	CIS Excess ADIT				
4	CIS Project	Note 2	(212)	42	(170)
5	Adjustment	Note 2	12	(2)	9
6	Total	Line 1 + Line 2	$ 1,114	$ (137)	$ 977
7	2018 Average Balance				$ 1,045.1
8	Change in Rate Base				$ 1,045.1
9	Pretax Rate of Return	Schedule D Line 7			9.15%
10	Pretax Return Requirement	Line 8 x Line 9			$ 95.6
11	Revenue Requirement $000	Line 10 x Line 13			$ 105.0
11	CIS Amortization	MECO-WP-D1-001, page 1			$ 233.1
12	Revenue Requirement $000	Line 11 x Line 13			$ 255.8
13	Revenue Tax Factor (1/(1-8.885%))	Schedule D Line 11			1.0975
14	Total Return on/of Investment $000	Line 11 + Line 12			**$ 360.8**
					To Sch K

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

Note 2 The Tax Cuts and Jobs Act reduced corporate federal tax rates from 35% to 21%, resulting in excess ADIT balance adjustments. This adjustment was recognized by Hawaiian Electric Company and its subsidiaries as of December 31, 2017. Amortization of the excess ADIT is reflected in accordance with the methodology described at WP-D5-001.

Excess ADIT Amortization		Project	Adjustment*
Balance at 12/31/17	MECO-WP-K1-001/WP- D4-002	(212,127)	11,849
Remaining Life - Months (5 years starting 1/1/2018)		60	60
Monthly Amortization		3,535	(197)
Annual Amortization		42,425	(2,370)
Excess Balance at 12/31/18		(169,702)	9,479

* adjustment for additional interest recorded for book purposes only.

Maui Electric Company, Ltd.
(Consolidated) Sales Forecast for June 2018 to May 2019
in GWh

	2018							2019					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Total
R	26.5	27.9	28.0	27.2	28.8	28.8	31.5	29.3	26.2	27.6	24.9	25.6	332.2
G	6.6	6.9	7.0	6.9	7.0	6.7	6.7	6.5	6.0	6.4	6.2	6.6	79.6
J	23.0	23.9	24.2	23.6	24.1	23.0	22.7	22.4	20.7	22.1	21.7	22.9	274.2
P	29.7	31.2	31.3	29.9	30.7	29.1	29.2	28.5	26.2	28.7	28.1	29.4	352.1
F	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.2	0.2	0.2	0.2	0.2	3.7
Total	86.1	90.3	90.9	88.0	90.9	88.0	90.5	86.9	79.3	85.0	81.1	84.7	1,041.7

Source: Maui Electric Company, Ltd. Sales Forecast completed in March 2017.

Maui Electric Company, Limited
Energy Delivery Methodology Comparison

Line	Account Group	Ind		A Current Method	B Old Method	C = A - B Difference
1	G10	BE	Billable O&M expense	10,995	22,941	(11,946)
2	G20	NE	Non-billable O&M expense other than supervision	66	281	(215)
3	G30	NE	Non-billable O&M expense other than supervision	3,798,690	5,373,349	(1,574,659)
4		NS	Non-billable O&M expense supervision	6	-	6
5	G40	NN	Non-Regulated Expense	0	1,018	(1,018)
6	G50	NI	Non-billable Install (Capital)	6,448,829	4,433,600	2,015,229
7		NR	Non-billable Removal	793,206	1,192,939	(399,732)
8	G60	BE,BC	Billable O&M expense, clearing	326	427	(102)
9	G70	BE	Billable O&M expense	1,925	12,148	(10,223)
10		BT	Billable Temporary Facilities	29,715	47,054	(17,340)
11	G80	NC	Non-billable Clearing	-	-	-
12		NP	Non-billable Preliminary Engineering	-	-	-
13			Totals	11,083,757	11,083,757	(0)
14			O&M expense items (Line 2 + Line 3 + Line 4)			(1,574,868)

Note 1: The total 2017 O&M impact of the change in on-cost clearing allocation amount is calculated as follows:

Energy Delivery (ED) impact	Line 14	(1,574,868)
Power Supply (PS) impact	MECO-WP-A1-001 p 2, Line 14	(206,843)
		(1,781,711)
Revenue Tax Factor	Schedule C	1.0975
Adjustment for Change in On-cost Clearing		(1,955,428)
		To Sch A1

Maui Electric Company, Limited
Power Supply Methodology Comparison

Line	Account Group	Ind		A Current Method	B Old Method	C = A - B Difference
1	G10	BO	Billable Incidental Electric Revenue	3	53	(50)
2	G20	NE	Non-billable O&M expense other than supervision	1,296	1,825	(530)
3	G30	NE	Non-billable O&M expense other than supervision	1,292,758	1,499,071	(206,313)
4		NS	Non-billable O&M expense supervision	-	-	-
5	G40	NN	Non-billable, Non-regulated expense	8	65	(57)
6	G50	NI	Non-billable Install (Capital)	282,947	70,799	212,148
7		NR	Non-billable Removal	5,987	5,005	982
8	G60	BE	Billable O&M expense	0	-	0
9	G70	ND	Non-billable Deferred	(5,880)	296	(6,176)
10		BT	Billable Temporary Facilities	1	3	(3)
11	G80	NC	Non-billable Clearing	-	-	-
12		NP	Non-billable Preliminary Engineering	-	-	-
13			Totals	1,577,118	1,577,118	(0)
14			O&M expense items (Line 2 + Line 3 + Line 4)			(206,843)

To MECO-WP-A1-001 page 1

Maui Electric Company, Ltd.
Adjustment for Prior Year RBA Accrual
Recovery of December 31, 2015 RBA Balance

Line			2017 January	February	March	April	May	Total
1	Billed RBA Revenues	**Note 1**	1,276,396	1,200,378	1,209,613	1,264,249	1,262,436	6,213,071
2	Net Unbilled Revenues	**Note 1**	(15,001)	(60,130)	84,761	20,347	20,828	50,804
3	Total billed + Unbilled		1,261,394	1,140,248	1,294,374	1,284,595	1,283,263	6,263,875
4	x % Share for RBA	**Note 2**	19.8478%	19.8478%	19.8478%	19.8478%	19.8478%	
5	RBA Revenues (Recovery of 12/31/15 RBA balance)		250,359	226,314	256,904	254,964	254,699	1,243,240
6			←		**Schedule B2**		→	
7	Less: Revenue Taxes	0.08885	(22,244)	(20,108)	(22,826)	(22,654)	(22,630)	(110,462)
8	RBA Revenues (Recovery of 12/31/15 RBA balance),		228,115	206,206	234,078	232,310	232,069	1,132,778
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, 2016 - May 31, 2017 is per Transmittal No. 16-03 (Decoupling) - RBA Rate Adjustment (Filed March 31, 2016), Schedule A, Note (1).

Maui Electric Company, Ltd.
Adjustment for Prior Year RBA Accrual
Recovery of December 31, 2016 RBA Balance

Line			2017 June	July	August	September	October	November	December	Total
1	Billed RBA Revenues	**Note 1**	1,397,677	1,509,549	1,546,444	1,527,022	1,502,874	1,467,448	1,389,274	10,340,288
2	Net Unbilled Revenues	**Note 1**	58,857	54,377	34,051	(27,583)	47,202	(77,202)	(23,119)	66,583
3	Total billed + Unbilled		1,456,534	1,563,926	1,580,495	1,499,438	1,550,076	1,390,246	1,366,155	10,406,870
4	x % Share for RBA	**Note 2**	16.9538%	16.9538%	16.9538%	16.9538%	16.9538%	16.9538%	16.9538%	
5	RBA Revenues (Recovery of 12/31/16 RBA balance)		246,938	265,145	267,955	254,212	262,797	235,700	231,616	1,764,363
6			←			**Schedule B2**			→	
7	Less: Revenue Taxes	0.08885	(21,940)	(23,558)	(23,808)	(22,587)	(23,350)	(20,942)	(20,579)	(156,764)
8	RBA Revenues (Recovery of 12/31/16 RBA balance),		224,998	241,587	244,147	231,625	239,447	214,758	211,037	1,607,599
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, 2017 - May 31, 2018 is per Transmittal No. 17-04 (Decoupling) - RBA Rate Adjustment (Filed May 22, 2017), Schedule A, Note (1).

MECO-WP-B-002
MAUI ELECTRIC COMPANY, LTD.
FEB 2017 ADJUSTMENT - CUSTOMER BILLING ADJUSTMENTS DUE TO REMOVAL OF UNMETERED STREETLIGHTS

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
L1		Monthly Target Revenue	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
L2		Recorded Adjusted Revenue	8,652,750	10,010,824	10,559,619	10,721,765	9,965,380	10,746,703	10,037,724	10,446,078	10,266,700	9,145,923	10,198,393	10,061,265
L3	L1 - L2	Target vs. Actual Revenue	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
L4		Reversal of Previous Year Accrual	-	-	-	-	-	-	-	-	-	-	-	-
L5	L4 + L3	Net RBA Change	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
		Adjustment(s) to Beginning Balance	-	(2,641)	(22,522)	-	(2,198)	-	(1,007)	(4,005)	1,806	-	(10,838)	-
L6		Beginning RBA Balance	-	235,452	1,241,182	2,188,819	3,104,999	3,950,087	4,585,948	5,167,308	5,270,171	5,759,143	6,143,799	6,692,645
L7	L6 + L5	End Balance Before Interest	237,500	1,237,500	2,160,315	3,094,040	3,932,493	4,565,666	5,146,981	5,242,341	5,731,639	6,124,927	6,660,633	6,828,963
L8	(L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	72,544	449,913	1,038,987	1,607,540	2,149,602	2,601,137	2,972,923	3,179,627	3,360,503	3,629,989	3,911,114	4,130,175
L9	L8 x 1.25% ÷ 12	Interest	594	26,204	8,504	13,157	17,594	21,289	24,332	26,024	27,505	29,710	32,011	33,804
L10	L7 + L9	Ending RBA Balance	238,093	1,263,704	2,168,819	3,107,197	3,950,087	4,586,955	5,171,313	5,268,365	5,759,143	6,154,637	6,692,645	6,862,767
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	8,652,750	10,010,824	10,559,619	10,721,765	9,965,380	10,746,703	10,037,724	10,446,078	10,266,700	9,145,923	10,198,393	10,061,265
		Billing Adjustments	(131)	(137)	(135)	(128)	(126)	(128)	(136)	(138)	(136)	(131)	(131)	(132)
		Revised Revenues	8,652,619	10,010,687	10,559,484	10,721,637	9,965,254	10,746,575	10,037,588	10,445,940	10,266,564	9,145,792	10,198,262	10,061,133
		Target	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
			237,631	1,002,185	919,268	925,349	827,620	615,707	561,169	75,171	461,604	365,913	516,965	136,450

AS REVISED			May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
L1		Monthly Target Revenue	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
L2		Recorded Adjusted Revenue	8,652,619	10,010,687	10,559,484	10,721,637	9,965,254	10,746,575	10,037,588	10,445,940	10,266,564	9,145,792	10,198,262	10,061,133
L3	L1 - L2	Target vs. Actual Revenue	237,631	1,002,185	919,268	925,349	827,620	615,707	561,169	75,171	461,604	365,915	516,965	136,450
L4		Reversal of Previous Year Accrual	-	-	-	-	-	-	-	-	-	-	-	-
L5	L4 + L3	Net RBA Change	237,631	1,002,185	919,268	925,349	827,620	615,707	561,169	75,171	461,604	365,915	516,965	136,450
		Adjustment(s) to Beginning Balance	-	(2,641)	(22,522)	-	(2,198)	-	(1,007)	(4,005)	1,806	-	(10,838)	-
L6		Beginning RBA Balance	-	233,106	1,208,230	2,124,358	3,052,720	3,898,723	4,556,983	5,138,335	5,241,192	5,730,156	6,114,799	6,663,630
L7	L6 + L5	End Balance Before Interest	237,631	1,235,291	2,127,498	3,049,707	3,880,340	4,514,430	5,118,152	5,213,506	5,702,796	6,096,071	6,631,764	6,800,080
L8	(L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	118,816	734,199	1,667,864	2,587,033	3,466,530	4,206,577	4,837,568	5,175,921	5,471,994	5,913,114	6,373,282	6,731,855
L9	L8 x 1.25% ÷ 12	Interest	(1,884)	(4,539)	(3,140)	5,211	18,383	43,560	24,188	25,880	27,360	29,566	31,866	33,659
L10	L7 + L9	Ending RBA Balance	235,747	1,230,752	2,124,358	3,054,918	3,898,723	4,557,990	5,142,340	5,239,386	5,730,156	6,125,637	6,663,630	6,833,739
		Revised Adjustment to Revenue	237,631	1,002,185	919,268	925,349	827,620	615,707	561,169	75,171	461,604	365,915	516,965	136,450
		RBA Adjustment Recorded to Revenue	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
		Adjustment to Revenue	131	137	135	128	126	128	136	138	136	131	131	132

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

Income Tax Factor (1 / 1-tax rate) 1.636929121

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

Note [3]
The Company recorded an adjustment to the RBA related to billing adjustments for two customers due to an error in not removing three unmetered streetlights from the customer accounts on the billing system. The streetlights were removed but not from the customer account resulting in the customers continuing to be billed the flat service fee until the error was discovered in January 2017. The Company recalculated the RBA based on the billing adjustment in the prior months incurred. No interest impact was calculated as the adjustment did not meet the interest recalculation threshold of $50,000 per the Revenue Balancing Account provision tariff

MECO-WP-B-002
MAUI ELECTRIC COMPANY, LTD.
FEB 2017 ADJUSTMENT - CUSTOMER BILLING ADJUSTMENTS DUE TO REMOVAL OF UNMETERED STREETLIGHTS

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-13	June-13	July-13	Aug-13	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
L1		Monthly Target Revenue	10,844,638	11,277,895	11,754,986	11,273,201	10,446,499	10,997,633	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345	9,870,313
L2		Recorded Adjusted Revenue	10,484,131	10,229,839	10,959,708	10,519,629	9,948,158	10,349,009	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482	9,675,102
L3	L1 - L2	Target vs. Actual Revenue	360,507	1,048,056	795,278	753,572	498,341	648,624	521,895	87,858	590,450	7,232	439,863	195,211
L4		Reversal of Previous Year Accrual	-	(430,688)	(460,539)	(469,093)	(439,193)	(501,987)	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)	(416,736)
L5	L4 + L3	Net RBA Change	360,507	617,368	334,739	284,479	59,148	146,637	121,969	(367,413)	157,571	(393,806)	13,438	(221,525)
		Adjustment(s) to Beginning Balance	-	70,890	-	-	35	32,369	-	(68,595)	(9,226)		10,643	
L6		*Beginning RBA Balance*	*6,862,767*	*7,329,379*	*7,984,936*	*8,360,437*	*8,687,464*	*8,822,567*	*9,013,684*	*9,112,432*	*8,780,437*	*8,982,304*	*8,643,068*	*8,665,517*
L7	L6 + L5	End Balance Before Interest	7,223,274	7,946,747	8,319,675	8,644,916	8,746,612	8,969,204	9,135,653	8,745,019	8,938,008	8,588,498	8,656,506	8,443,992
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	4,302,581	4,666,093	4,980,243	5,194,285	5,325,238	5,434,496	5,543,715	5,454,558	5,412,099	5,367,001	5,284,155	5,226,100
L9	L8 x 1.25% ÷ 12	Interest	35,215	38,190	40,762	42,513	43,585	44,479	45,373	44,644	44,286	43,927	9,010	8,911
L10	L7 + L9	Ending RBA Balance	7,258,489	7,984,936	8,360,437	8,687,429	8,790,198	9,013,684	9,181,027	8,789,663	8,982,304	8,632,425	8,665,517	8,452,903
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	10,484,131	10,229,839	10,959,708	10,519,629	9,948,158	10,349,009	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482	9,675,102
		Billing Adjustments	(131)	(131)	(129)	(133)	(135)	(137)	(138)	(137)	(136)	(137)	(137)	(136)
		Revised Revenues	10,484,000	10,229,708	10,959,579	10,519,496	9,948,023	10,348,872	9,736,580	10,095,463	9,793,284	9,199,078	9,931,345	9,674,966
		Target	10,844,638	11,277,895	11,754,986	11,273,201	10,446,499	10,997,633	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345	9,870,313
			360,638	*1,048,187*	*795,407*	*753,705*	*498,476*	*648,761*	*522,033*	*87,995*	*590,586*	*7,369*	*440,000*	*195,347*

AS REVISED			May-13	June-13	July-13	Aug-13	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
L1		*Monthly Target Revenue*	*10,844,638*	*11,277,895*	*11,754,986*	*11,273,201*	*10,446,499*	*10,997,633*	*10,258,613*	*10,183,458*	*10,383,870*	*9,206,447*	*10,371,345*	*9,870,313*
L2		Recorded Adjusted Revenue	10,484,000	10,229,708	10,959,579	10,519,496	9,948,023	10,348,872	9,736,580	10,095,463	9,793,284	9,199,078	9,931,345	9,674,966
L3	L1 - L2	Target vs. Actual Revenue	360,638	1,048,187	795,407	753,705	498,476	648,761	522,033	87,995	590,586	7,369	440,000	195,347
L4		Reversal of Previous Year Accrual	-	(430,688)	(460,539)	(469,093)	(439,193)	(501,987)	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)	(416,736)
L5	L4 + L3	Net RBA Change	360,638	617,499	334,868	284,612	59,283	146,774	122,107	(367,276)	157,707	(393,669)	13,575	(221,389)
		Adjustment(s) to Beginning Balance	-	70,890	-	-	35	32,369	-	(68,595)	(9,226)	-	10,643	-
L6		Beginning RBA Balance	6,833,739	7,300,337	7,955,881	8,331,366	8,658,381	8,793,473	8,984,581	9,246,184	9,095,169	9,492,491	9,358,759	9,419,161
L7	L6 + L5	End Balance Before Interest	7,194,377	7,917,836	8,290,749	8,615,978	8,717,664	8,940,247	9,106,688	8,878,908	9,252,876	9,098,822	9,372,333	9,197,772
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	7,014,058	7,609,087	8,123,315	8,473,672	8,688,023	8,866,860	9,045,634	9,062,546	9,174,023	9,295,657	9,365,544	9,308,467
L9	L8 x 1.25% ÷ 12	Interest	35,070	38,045	40,617	42,368	43,440	44,334	208,092	225,487	239,615	249,294	46,828	46,542
L10	L7 + L9	Ending RBA Balance	7,229,447	7,955,881	8,331,366	8,658,346	8,761,104	8,984,581	9,314,779	9,104,395	9,492,491	9,348,116	9,419,161	9,244,314
		Revised Adjustment to Revenue	360,638	1,048,187	795,407	753,705	498,476	648,761	522,033	87,995	590,586	7,369	440,000	195,347
		RBA Adjustment Recorded to Revenue	360,507	1,048,056	795,278	753,572	498,341	648,624	521,895	87,858	590,450	7,232	439,863	195,211
		Adjustment to Revenue	131	131	129	133	135	137	138	137	136	137	137	136

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-14	Jun-14	Jul-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
L1		Monthly Target Revenue	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
L2		Recorded Adjusted Revenue	10,112,790	10,228,912	10,860,195	11,006,364	10,430,754	10,940,596	10,209,693	10,185,837	9,939,745	9,434,237	10,198,183	10,180,422
L3	L1 - L2	Target vs. Actual Revenue	383,812	821,976	658,181	680,827	399,376	460,908	425,650	371,592	825,456	110,302	554,032	52,363
L4		Reversal of Previous Year Accrual	(443,005)	(739,833)	(803,716)	(806,393)	(771,042)	(819,165)	(744,615)	(734,758)	(725,533)	(675,641)	(714,676)	(728,434)
L5	L4 + L3	Net RBA Change	(59,193)	82,143	(145,535)	(125,566)	(371,666)	(358,257)	(318,965)	(363,166)	99,923	(565,339)	(160,644)	(676,071)
		Adjustment(s) to Beginning Balance	(41,405)		(1,948)	-	(90)			-				
L6		Beginning RBA Balance	8,411,498	8,357,638	8,443,178	8,302,970	8,182,558	7,815,981	7,462,584	7,148,266	6,789,533	6,893,808	6,332,676	6,176,011
L7	L6 + L5	End Balance Before Interest	8,352,305	8,439,781	8,297,643	8,177,404	7,810,892	7,457,724	7,143,619	6,785,100	6,889,456	6,328,469	6,172,032	5,499,940
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 + [1]	Balance Subject to Interest	5,120,503	5,130,772	5,113,483	5,033,929	4,885,198	4,665,352	4,461,465	4,255,947	4,178,247	4,038,744	3,819,563	3,566,419
L9	L8 x 1.25% ÷ 12	Interest	5,334	5,345	5,327	5,244	5,089	4,860	4,647	4,433	4,352	4,207	3,979	3,715
L10	L7 + L9	Ending RBA Balance	8,357,638	8,445,126	8,302,970	8,182,648	7,815,981	7,462,584	7,148,266	6,789,533	6,893,808	6,332,676	6,176,011	5,503,655
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	10,112,790	10,228,912	10,860,195	11,006,364	10,430,754	10,940,596	10,209,693	10,185,837	9,939,745	9,434,237	10,198,183	10,180,422
		Billing Adjustments	(137)	(138)	(138)	(137)	(136)	(136)	(137)	(141)	(141)	(134)	(123)	(122)
		Revised Revenues	10,112,653	10,228,774	10,860,057	11,006,227	10,430,618	10,940,460	10,209,556	10,185,696	9,939,604	9,434,103	10,198,060	10,180,300
		Target	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
			383,949	822,114	658,319	680,964	399,512	461,044	425,787	371,733	825,597	110,436	554,155	52,485

AS REVISED			May-14	Jun-14	Jul-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
L1		Monthly Target Revenue	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
L2		Recorded Adjusted Revenue	10,112,653	10,228,774	10,860,057	11,006,227	10,430,618	10,940,460	10,209,556	10,185,696	9,939,604	9,434,103	10,198,060	10,180,300
L3	L1 - L2	Target vs. Actual Revenue	383,949	822,114	658,319	680,964	399,512	461,044	425,787	371,733	825,597	110,436	554,155	52,485
L4		Reversal of Previous Year Accrual	(443,005)	(739,833)	(803,716)	(806,393)	(771,042)	(819,165)	(744,615)	(734,758)	(725,533)	(675,641)	(714,676)	(728,434)
L5	L4 + L3	Net RBA Change	(59,056)	82,281	(145,397)	(125,429)	(371,530)	(358,121)	(318,828)	(363,025)	100,064	(565,205)	(160,521)	(675,949)
		Adjustment(s) to Beginning Balance	(41,405)	-	(1,948)	-	(90)	-	-	-	-	-	-	-
L6		Beginning RBA Balance	9,202,909	9,189,720	9,316,208	9,217,030	9,137,284	8,810,513	8,495,549	8,218,402	7,895,561	8,035,352	7,508,911	7,385,533
L7	L6 + L5	End Balance Before Interest	9,143,853	9,272,001	9,170,811	9,091,601	8,765,754	8,452,392	8,176,721	7,855,377	7,995,624	7,470,147	7,348,390	6,709,584
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 + [1]	Balance Subject to Interest	9,173,381	9,230,860	9,243,510	9,154,316	8,951,519	8,631,452	8,336,135	8,036,889	7,945,593	7,752,750	7,428,651	7,047,559
L9	L8 x 1.25% ÷ 12	Interest	45,867	46,154	46,218	45,772	44,758	43,157	41,681	40,184	39,728	38,764	37,143	35,238
L10	L7 + L9	Ending RBA Balance	9,189,720	9,318,156	9,217,030	9,137,374	8,810,513	8,495,549	8,218,402	7,895,561	8,035,352	7,508,911	7,385,533	6,744,822
		Revised Adjustment to Revenue	383,949	822,114	658,319	680,964	399,512	461,044	425,787	371,733	825,597	110,436	554,155	52,485
		RBA Adjustment Recorded to Revenue	*383,812*	*821,976*	*658,181*	*680,827*	*399,376*	*460,908*	*425,650*	*371,592*	*825,456*	*110,302*	*554,032*	*52,363*
		Adjustment to Revenue	137	138	138	137	136	136	137	141	141	134	123	122

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-15	June-15	July-15	Aug-15	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
L1		Monthly Target Revenue	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
L2		Recorded Adjusted Revenue	10,207,877	10,237,283	11,423,249	11,708,274	11,065,359	11,009,673	10,771,707	10,471,833	10,520,008	9,960,137	10,598,661	10,344,812
L3	L1 - L2	Target vs. Actual Revenue	674,196	756,540	220,089	104,605	(117,667)	515,685	(20,648)	199,698	362,139	(311,976)	270,378	(1,004)
L4		Reversal of Previous Year Accrual	(715,196)	(463,870)	(663,323)	(681,384)	(653,422)	(635,852)	(618,469)	(594,904)	(600,129)	(555,010)	(579,183)	(570,792)
L5	L4 + L3	Net RBA Change	(41,000)	292,670	(443,234)	(576,779)	(771,089)	(120,167)	(639,117)	(395,206)	(237,990)	(866,986)	(308,805)	(571,796)
		Adjustment(s) to Beginning Balance												
L6		Beginning RBA Balance	5,503,655	5,466,144	5,762,386	5,322,678	4,749,103	3,980,791	3,863,120	3,226,258	2,832,978	2,596,714	1,731,105	1,423,303
L7	L6 + L5	End Balance Before Interest	5,462,655	5,758,814	5,319,152	4,745,899	3,978,014	3,860,625	3,224,003	2,831,051	2,594,988	1,729,728	1,422,300	851,506
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	3,349,659	3,428,663	3,384,856	3,075,447	2,665,698	2,395,161	2,164,762	1,850,205	1,657,972	1,321,512	963,208	694,840
L9	L8 x 1.25% ÷ 12	Interest	3,489	3,572	3,526	3,204	2,777	2,495	2,255	1,927	1,727	1,377	1,003	724
L10	L7 + L9	Ending RBA Balance	5,466,144	5,762,386	5,322,678	4,749,103	3,980,791	3,863,120	3,226,258	2,832,978	2,596,714	1,731,105	1,423,303	852,230
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	10,207,877	10,237,283	11,423,249	11,708,274	11,065,359	11,009,673	10,771,707	10,471,833	10,520,008	9,960,137	10,598,661	10,344,812
		Billing Adjustments	(125)	(127)	(131)	(131)	(128)	(124)	(120)	(119)	(119)	(115)	(116)	(117)
		Revised Revenues	10,207,752	10,237,156	11,423,118	11,708,143	11,065,231	11,009,549	10,771,587	10,471,714	10,519,889	9,960,022	10,598,545	10,344,695
		Target	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
			674,321	756,667	220,220	104,736	(117,539)	515,809	(20,528)	199,817	362,258	(311,861)	270,494	(887)

AS REVISED			May-15	June-15	July-15	Aug-15	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
L1		Monthly Target Revenue	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
L2		Recorded Adjusted Revenue	10,207,752	10,237,156	11,423,118	11,708,143	11,065,231	11,009,549	10,771,587	10,471,714	10,519,889	9,960,022	10,598,545	10,344,695
L3	L1 - L2	Target vs. Actual Revenue	674,321	756,667	220,220	104,736	(117,539)	515,809	(20,528)	199,817	362,258	(311,861)	270,494	(887)
L4		Reversal of Previous Year Accrual	(715,196)	(463,870)	(663,323)	(681,384)	(653,422)	(635,852)	(618,469)	(594,904)	(600,129)	(555,010)	(579,183)	(570,792)
L5	L4 + L3	Net RBA Change	(40,875)	292,797	(443,103)	(576,648)	(770,961)	(120,043)	(638,997)	(395,087)	(237,871)	(866,871)	(308,689)	(571,679)
		Adjustment(s) to Beginning Balance												
L6		Beginning RBA Balance	6,744,822	6,713,753	7,016,554	6,579,505	6,008,462	5,242,510	5,127,085	4,492,371	4,101,109	3,866,786	3,002,974	2,696,823
L7	L6 + L5	End Balance Before Interest	6,703,947	7,006,550	6,573,451	6,002,857	5,237,501	5,122,468	4,488,088	4,097,283	3,863,238	2,999,915	2,694,285	2,125,143
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	6,724,384	6,860,151	4,151,067	3,843,283	3,435,080	3,165,983	2,936,954	2,623,710	2,432,710	2,097,434	1,740,228	1,472,870
L9	L8 x 1.25% ÷ 12	Interest	9,806	10,004	6,054	5,605	5,009	4,617	4,283	3,826	3,548	3,059	2,538	2,148
L10	L7 + L9	Ending RBA Balance	6,713,753	7,016,554	6,579,505	6,008,462	5,242,510	5,127,085	4,492,371	4,101,109	3,866,786	3,002,974	2,696,823	2,127,291
		Revised Adjustment to Revenue	674,321	756,667	220,220	104,736	(117,539)	515,809	(20,528)	199,817	362,258	(311,861)	270,494	(887)
		RBA Adjustment Recorded to Revenue	674,196	756,540	220,089	104,605	(117,667)	515,685	(20,648)	199,698	362,139	(311,976)	270,378	(1,004)
		Adjustment to Revenue	125	127	131	131	128	124	120	119	119	115	116	117

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	
L1		Monthly Target Revenue	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	
L2		Recorded Adjusted Revenue	10,811,738	10,566,147	11,376,537	11,605,752	10,623,562	11,260,145	10,292,656	10,451,215	10,316,851	9,550,747	
L3	L1 - L2	Target vs. Actual Revenue	188,390	818,602	489,823	434,523	533,759	485,812	663,994	425,166	773,580	282,144	
L4		Reversal of Previous Year Accrual	(593,929)	(236,315)	(255,023)	(281,504)	(241,006)	(253,072)	(229,230)	(241,157)	(228,115)	(206,206)	
L5	L4 + L3	Net RBA Change	(405,539)	582,287	234,800	173,019	292,753	232,740	434,764	184,009	545,465	75,938	
		Adjustment(s) to Beginning Balance				639				23,899		7,362	
L6		Beginning RBA Balance	852,230	447,104	1,029,861	1,286,030	1,439,909	1,733,671	1,967,588	2,427,641	2,613,254	3,167,917	
L7	L6 + L5	End Balance Before Interest	446,691	1,029,391	1,264,661	1,439,048	1,732,662	1,966,411	2,402,352	2,611,650	3,158,719	3,243,855	
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	396,756	450,995	700,862	826,266	969,062	1,130,190	1,334,798	1,539,251	1,763,049	1,958,476	
L9	L8 x 1.25% ÷ 12	Interest	413	470	730	861	1,009	1,177	1,390	1,603	1,837	2,040	
L10	L7 + L9	Ending RBA Balance	447,104	1,029,861	1,265,391	1,439,909	1,733,671	1,967,588	2,403,742	2,613,254	3,160,555	3,245,895	
		Target vs Actual Difference:											Total Billing
		Recorded Adjusted Revenues - Unadjusted	10,811,738	10,566,147	11,376,537	11,605,752	10,623,562	11,260,145	10,292,656	10,451,215	10,316,851	9,550,747	Adjustment
		Billing Adjustments	(115)	(118)	(121)	(121)	(120)	(119)	(115)	(115)	(120)	-	(7,362)
		Revised Revenues	10,811,623	10,566,029	11,376,416	11,605,631	10,623,442	11,260,026	10,292,541	10,451,100	10,316,731	9,550,747	
		Target	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	
			188,505	818,720	489,944	434,644	533,879	485,931	664,109	425,281	773,700	282,144	

AS REVISED			May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	
L1		Monthly Target Revenue	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	
L2		Recorded Adjusted Revenue	10,811,623	10,566,029	11,376,416	11,605,631	10,623,442	11,260,026	10,292,541	10,451,100	10,316,731	9,550,747	
L3	L1 - L2	Target vs. Actual Revenue	188,505	818,720	489,944	434,644	533,879	485,931	664,109	425,281	773,700	282,144	
L4		Reversal of Previous Year Accrual	(593,929)	(236,315)	(255,023)	(281,504)	(241,006)	(253,072)	(229,230)	(241,157)	(228,115)	(206,206)	
L5	L4 + L3	Net RBA Change	(405,424)	582,405	234,921	173,140	292,873	232,859	434,879	184,124	545,585	75,938	
		Adjustment(s) to Beginning Balance	-	-	-	639	-	-	-	23,899	-	7,362	
L6		Beginning RBA Balance	2,127,291	1,723,582	2,307,782	2,545,503	2,720,987	3,016,415	3,252,065	3,713,934	2,720,987	3,276,601	
L7	L6 + L5	End Balance Before Interest	1,721,867	2,305,987	2,542,703	2,718,642	3,013,860	3,249,274	3,686,944	3,898,058	3,266,572	3,352,539	
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	1,175,725	1,230,832	1,481,581	1,607,933	1,751,709	1,913,855	2,119,520	2,325,083	1,828,900	2,024,871	
L9	L8 x 1.25% ÷ 12	Interest	1,715	1,795	2,161	2,345	2,555	2,791	3,091	3,391	2,667	2,953	
L10	L7 + L9	Ending RBA Balance	1,723,582	2,307,782	2,544,864	2,720,987	3,016,415	3,252,065	3,690,035	3,901,449	3,269,239	3,355,492	
		Revised Adjustment to Revenue	188,505	818,720	489,944	434,644	533,879	485,931	664,109	425,281	773,700	282,144	Total RBA
		RBA Adjustment Recorded to Revenue	188,390	818,602	489,823	434,523	533,759	485,812	663,994	425,166	773,580	282,144	Adjustment
		Adjustment to Revenue	115	118	121	121	120	119	115	115	120	-	7,362
													Sch B, Note 1

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
L1		Monthly Target Revenue	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
L2		Recorded Adjusted Revenue	8,652,750	10,010,824	10,559,619	10,721,765	9,965,380	10,746,703	10,037,724	10,446,078	10,266,700	9,145,923	10,198,393	10,061,265
L3	L1 - L2	Target vs. Actual Revenue	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
L4		Reversal of Previous Year Accrual	-	-	-	-	-	-	-	-	-	-	-	-
L5	L4 + L3	Net RBA Change	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
		Adjustment(s) to Beginning Balance	-	(2,641)	(22,522)	-	(2,198)	-	(1,007)	(4,005)	1,806	-	(10,838)	-
L6		Beginning RBA Balance	-	235,452	1,241,182	2,168,819	3,104,999	3,950,087	4,585,948	5,167,308	5,270,171	5,759,143	6,143,799	6,692,645
L7	L6 + L5	End Balance Before Interest	237,500	1,237,500	2,160,315	3,094,040	3,932,493	4,565,666	5,146,981	5,242,341	5,731,639	6,124,927	6,680,633	6,828,963
L8	(L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	72,544	449,913	1,038,987	1,607,540	2,149,602	2,601,137	2,972,923	3,179,627	3,360,503	3,629,989	3,911,114	4,130,175
L9	L8 x 1.25% ÷ 12	Interest	594	26,204	8,504	13,157	17,594	21,289	24,332	26,024	27,505	29,710	32,011	33,804
L10	L7 + L9	Ending RBA Balance	238,093	1,263,704	2,168,819	3,107,197	3,950,087	4,586,955	5,171,313	5,268,365	5,759,143	6,154,637	6,692,645	6,862,767
		Target vs Actual Difference												
		Recorded Adjusted Revenues - Unadjusted	8,652,750	10,010,824	10,559,619	10,721,765	9,965,380	10,746,703	10,037,724	10,446,078	10,266,700	9,145,923	10,198,393	10,061,265
		Billing Adjustments		(43)	(53)	(66)	(68)	(42)	(46)	(47)	(41)	(35)	(52)	(43)
		Revised Revenues	8,652,750	10,010,781	10,559,566	10,721,699	9,965,312	10,746,661	10,037,678	10,446,031	10,266,659	9,145,888	10,198,341	10,061,222
		Target	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
			237,500	1,002,091	919,186	925,287	827,562	615,621	561,079	75,080	461,509	365,817	516,886	136,361

AS REVISED			May-12	Jun-12	Jul-12	Aug-12	Sept-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13
L1		Monthly Target Revenue	8,890,250	11,012,872	11,478,752	11,646,986	10,792,874	11,362,282	10,598,757	10,521,111	10,728,168	9,511,705	10,715,227	10,197,583
L2		Recorded Adjusted Revenue	8,652,750	10,010,781	10,559,566	10,721,699	9,965,312	10,746,661	10,037,678	10,446,031	10,266,659	9,145,888	10,198,341	10,061,222
L3	L1 - L2	Target vs. Actual Revenue	237,500	1,002,091	919,186	925,287	827,562	615,621	561,079	75,080	461,509	365,819	516,886	136,361
L4		Reversal of Previous Year Accrual	-	-	-	-	-	-	-	-	-	-	-	-
L5	L4 + L3	Net RBA Change	237,500	1,002,091	919,186	925,287	827,562	615,621	561,079	75,080	461,509	365,819	516,886	136,361
		Adjustment(s) to Beginning Balance	-	(2,641)	(22,522)	-	(2,198)	-	(1,007)	(4,005)	1,806	-	(10,838)	-
L6		Beginning RBA Balance	-	232,975	1,208,005	2,124,051	3,052,351	3,898,296	4,556,470	5,137,729	5,240,491	5,729,356	6,113,898	6,662,646
L7	L6 + L5	End Balance Before Interest	237,500	1,235,066	2,127,191	3,049,338	3,879,913	4,513,917	5,117,549	5,212,809	5,702,000	6,095,175	6,630,784	6,799,007
L8	(L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	118,750	734,021	1,667,598	2,586,695	3,466,132	4,206,107	4,837,010	5,175,269	5,471,246	5,912,266	6,372,341	6,730,827
L9	L8 x 1.25% ÷ 12	Interest	(1,884)	(4,539)	(3,140)	5,211	18,383	43,560	24,185	25,876	27,356	29,561	31,862	33,654
L10	L7 + L9	Ending RBA Balance	235,616	1,230,527	2,124,051	3,054,549	3,898,296	4,557,477	5,141,734	5,238,685	5,729,356	6,124,736	6,662,646	6,832,661
		Revised Adjustment to Revenue	*237,500*	*1,002,091*	*919,186*	*925,287*	*827,562*	*615,621*	*561,079*	*75,080*	*461,509*	*365,819*	*516,886*	*136,361*
		RBA Adjustment Recorded to Revenue	237,500	1,002,048	919,133	925,221	827,494	615,579	561,033	75,033	461,468	365,784	516,834	136,318
		Adjustment to Revenue	-	43	53	66	68	42	46	47	41	35	52	43

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

Income Tax Factor (1 / 1-tax rate) 1.636929121

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

Note [3]
The Company recorded an adjustment to the RBA related to billing adjustments for one customer due to the Company not timely receiving the customer's Certificate of Occupancy for his home. Due to not receiving this information the customer was billed on the incorrect rate schedule. The customer inquired with the Company regarding his current rate schedule which led to the discovery of the billing adjustment. The Company recalculated the RBA based on the billing adjustment in the prior months incurred. No interest impact was calculated as the adjustment did not meet the interest recalculation threshold of $50,000 per the Revenue Balancing Account provision tariff.

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-13	June-13	July-13	Aug-13	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
L1		Monthly Target Revenue	10,844,638	11,277,895	11,754,986	11,273,201	10,446,499	10,997,633	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345	9,870,313
L2		Recorded Adjusted Revenue	10,484,131	10,229,839	10,959,708	10,519,629	9,948,158	10,349,009	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482	9,675,102
L3	L1 - L2	Target vs. Actual Revenue	360,507	1,048,056	795,278	753,572	498,341	648,624	521,895	87,858	590,450	7,232	439,863	195,211
L4		Reversal of Previous Year Accrual	-	(430,688)	(460,539)	(469,093)	(439,193)	(501,987)	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)	(416,736)
L5	L4 + L3	Net RBA Change	360,507	617,368	334,739	284,479	59,148	146,637	121,969	(367,413)	157,571	(393,806)	13,438	(221,525)
		Adjustment(s) to Beginning Balance	-	70,890	-	-	35	32,369	-	(68,595)	(9,226)		10,643	
L6		Beginning RBA Balance	6,862,767	7,329,379	7,984,936	8,360,437	8,687,464	8,822,567	9,013,684	9,112,432	8,780,437	8,982,304	8,643,068	8,665,517
L7	L6 + L5	End Balance Before Interest	7,223,274	7,946,747	8,319,675	8,644,916	8,746,612	8,969,204	9,135,653	8,745,019	8,938,008	8,588,498	8,656,506	8,443,992
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	4,302,581	4,666,093	4,980,243	5,194,285	5,325,236	5,434,496	5,543,715	5,454,558	5,412,099	5,367,001	5,284,155	5,226,100
L9	L8 x 1.25% ÷ 12	Interest	35,215	38,190	40,762	42,513	43,585	44,479	45,373	44,644	44,296	43,927	9,010	8,911
L10	L7 + L9	Ending RBA Balance	7,258,489	7,984,936	8,360,437	8,687,429	8,790,198	9,013,684	9,181,027	8,789,663	8,982,304	8,632,425	8,665,517	8,452,903
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	10,484,131	10,229,839	10,959,708	10,519,629	9,948,158	10,349,009	9,736,718	10,095,600	9,793,420	9,199,215	9,931,482	9,675,102
		Billing Adjustments	(44)	(45)	(53)	(59)	(72)	(55)	(50)	(45)	(44)	(54)	(46)	(43)
		Revised Revenues	10,484,087	10,229,794	10,959,655	10,519,570	9,948,086	10,348,954	9,736,668	10,095,555	9,793,376	9,199,161	9,931,436	9,675,059
		Target	10,844,638	11,277,895	11,754,986	11,273,201	10,446,499	10,997,633	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345	9,870,313
			360,551	1,048,101	795,331	753,631	498,413	648,679	521,945	87,903	590,494	7,286	439,909	195,254

AS REVISED			May-13	June-13	July-13	Aug-13	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
L1		Monthly Target Revenue	10,844,638	11,277,895	11,754,986	11,273,201	10,446,499	10,997,633	10,258,613	10,183,458	10,383,870	9,206,447	10,371,345	9,870,313
L2		Recorded Adjusted Revenue	10,484,087	10,229,794	10,959,655	10,519,570	9,948,086	10,348,954	9,736,668	10,095,555	9,793,376	9,199,161	9,931,436	9,675,059
L3	L1 - L2	Target vs Actual Revenue	360,551	1,048,101	795,331	753,631	498,413	648,679	521,945	87,903	590,494	7,286	439,909	195,254
L4		Reversal of Previous Year Accrual	-	(430,688)	(460,539)	(469,093)	(439,193)	(501,987)	(399,926)	(455,271)	(432,879)	(401,038)	(426,425)	(416,736)
L5	L4 + L3	Net RBA Change	360,551	617,413	334,792	284,538	59,220	146,692	122,019	(367,368)	157,615	(393,752)	13,484	(221,482)
		Adjustment(s) to Beginning Balance	-	70,890	-	-	35	32,369	-	(68,595)	(9,226)		10,643	
L6		Beginning RBA Balance	6,832,661	7,299,167	7,954,619	8,330,021	8,656,955	8,791,977	8,982,996	9,244,511	9,093,404	9,490,634	9,356,819	9,417,120
L7	L6 + L5	End Balance Before Interest	7,193,212	7,916,580	8,289,411	8,614,559	8,716,175	8,938,669	9,105,015	8,677,143	9,251,019	9,096,882	9,370,302	9,195,638
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	7,012,937	7,607,874	8,122,015	8,472,290	8,686,565	8,865,323	9,044,005	9,060,827	9,172,212	9,293,758	9,363,559	9,306,379
L9	L8 x 1.25% ÷ 12	Interest	35,065	38,039	40,610	42,361	43,433	44,327	208,092	225,487	239,615	249,294	46,818	46,532
L10	L7 + L9	Ending RBA Balance	7,228,277	7,954,619	8,330,021	8,656,920	8,759,608	8,982,996	9,313,106	9,102,630	9,490,634	9,346,176	9,417,120	9,242,170
		Revised Adjustment to Revenue	360,551	1,048,101	795,331	753,631	498,413	648,679	521,945	87,903	590,494	7,286	439,909	195,254
		RBA Adjustment Recorded to Revenue	360,507	1,048,056	795,278	753,572	498,341	648,624	521,895	87,858	590,450	7,232	439,863	195,211
		Adjustment to Revenue	44	45	53	59	72	55	50	45	44	54	46	43

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REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-14	Jun-14	Jul-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
L1		Monthly Target Revenue	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
L2		Recorded Adjusted Revenue	10,112,790	10,228,912	10,860,195	11,006,364	10,430,754	10,940,596	10,209,693	10,185,837	9,939,745	9,434,237	10,198,183	10,180,422
L3	L1 - L2	Target vs Actual Revenue	383,812	821,976	658,181	680,827	399,376	460,908	425,650	371,592	825,456	110,302	554,032	52,363
L4		Reversal of Previous Year Accrual	(443,005)	(739,833)	(803,716)	(806,393)	(771,042)	(819,165)	(744,615)	(734,758)	(725,533)	(675,641)	(714,676)	(728,434)
L5	L4 + L3	Net RBA Change	(59,193)	82,143	(145,535)	(125,566)	(371,666)	(358,257)	(318,965)	(363,166)	99,923	(565,339)	(160,644)	(676,071)
		Adjustment(s) to Beginning Balance	(41,405)	-	(1,948)	-	(90)			-		-		
L6		Beginning RBA Balance	8,411,498	8,357,638	8,443,178	8,302,970	8,182,558	7,815,981	7,462,584	7,148,266	6,789,533	6,893,808	6,332,676	6,176,011
L7	L6 + L5	End Balance Before Interest	8,352,305	8,439,781	8,297,643	8,177,404	7,810,892	7,457,724	7,143,619	6,785,100	6,889,456	6,328,469	6,172,032	5,499,940
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	5,120,503	5,130,772	5,113,483	5,033,929	4,885,198	4,565,352	4,461,465	4,255,947	4,178,247	4,038,744	3,819,563	3,586,419
L9	L8 x 1.25% ÷ 12	Interest	5,334	5,345	5,327	5,244	5,089	4,860	4,647	4,433	4,352	4,207	3,979	3,715
L10	L7 + L9	Ending RBA Balance	8,357,638	8,445,126	8,302,970	8,182,648	7,815,981	7,462,584	7,148,266	6,789,533	6,893,808	6,332,676	6,176,011	5,503,655
		Target vs Actual Difference.												
		Recorded Adjusted Revenues - Unadjusted	10,112,790	10,228,912	10,860,195	11,006,364	10,430,754	10,940,596	10,209,693	10,185,837	9,939,745	9,434,237	10,198,183	10,180,422
		Billing Adjustments	(38)	(63)	(48)	(62)	(57)	(60)	(49)	(56)	(56)	(41)	(48)	(57)
		Revised Revenues	10,112,752	10,228,849	10,860,147	11,006,302	10,430,697	10,940,536	10,209,644	10,185,781	9,939,689	9,434,196	10,198,135	10,180,365
		Target	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
			383,850	822,039	658,229	680,889	399,433	460,968	425,699	371,648	825,512	110,343	554,080	52,420

AS REVISED			May-14	Jun-14	Jul-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
L1		Monthly Target Revenue	10,496,602	11,050,888	11,518,376	11,687,191	10,830,130	11,401,504	10,635,343	10,557,429	10,765,201	9,544,539	10,752,215	10,232,785
L2		Recorded Adjusted Revenue	10,112,752	10,228,849	10,860,147	11,006,302	10,430,697	10,940,536	10,209,644	10,185,781	9,939,689	9,434,196	10,198,135	10,180,365
L3	L1 - L2	Target vs. Actual Revenue	383,850	822,039	658,229	680,889	399,433	460,968	425,699	371,648	825,512	110,343	554,080	52,420
L4		Reversal of Previous Year Accrual	(443,005)	(739,833)	(803,716)	(806,393)	(771,042)	(819,165)	(744,615)	(734,758)	(725,533)	(675,641)	(714,676)	(728,434)
L5	L4 + L3	Net RBA Change	(59,155)	82,206	(145,487)	(125,504)	(371,609)	(358,197)	(318,916)	(363,110)	99,979	(565,298)	(160,596)	(676,014)
		Adjustment(s) to Beginning Balance	(41,405)	-	(1,948)	-	(90)	-	-	-	-	-	-	-
L6		Beginning RBA Balance	9,200,765	9,187,466	9,313,868	9,214,588	9,134,754	8,807,891	8,492,838	8,215,589	7,892,649	8,032,340	7,505,790	7,382,321
L7	L6 + L5	End Balance Before Interest	9,141,610	9,269,672	9,168,381	9,089,084	8,763,145	8,449,694	8,173,922	7,852,479	7,992,627	7,467,042	7,345,194	6,706,307
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	9,171,188	9,228,569	9,241,125	9,151,836	8,948,950	8,628,792	8,333,380	8,034,034	7,942,638	7,749,691	7,425,492	7,044,314
L9	L8 x 1.25% ÷ 12	Interest	45,856	46,143	46,206	45,759	44,745	43,144	41,667	40,170	39,713	38,748	37,127	35,222
L10	L7 + L9	Ending RBA Balance	9,187,466	9,315,816	9,214,588	9,134,844	8,807,891	8,492,838	8,215,589	7,892,649	8,032,340	7,505,790	7,382,321	6,741,529
		Revised Adjustment to Revenue	383,850	822,039	658,229	680,889	399,433	460,968	425,699	371,648	825,512	110,343	554,080	52,420
		RBA Adjustment Recorded to Revenue	383,812	821,976	658,181	680,827	399,376	460,908	425,650	371,592	825,456	110,302	554,032	52,363
		Adjustment to Revenue	38	63	48	62	57	60	49	56	56	41	48	57

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MAUI ELECTRIC COMPANY, LTD.
MAY 2017 ADJUSTMENT - CUSTOMER BILLING ADJUSTMENT DUE TO INCORRECT RATE SCHEDULE

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-15	June-15	July-15	Aug-15	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
L1		Monthly Target Revenue	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
L2		Recorded Adjusted Revenue	10,207,877	10,237,283	11,423,249	11,708,274	11,065,359	11,009,673	10,771,707	10,471,833	10,520,008	9,960,137	10,598,661	10,344,812
L3	L1 - L2	Target vs Actual Revenue	674,196	756,540	220,089	104,605	(117,667)	515,685	(20,648)	199,698	362,139	(311,976)	270,378	(1,004)
L4		Reversal of Previous Year Accrual	(715,196)	(463,870)	(663,323)	(681,384)	(653,422)	(635,852)	(618,469)	(594,904)	(600,129)	(555,010)	(579,183)	(570,792)
L5	L4 + L3	Net RBA Change	(41,000)	292,670	(443,234)	(576,779)	(771,089)	(120,167)	(639,117)	(395,206)	(237,990)	(866,986)	(308,805)	(571,796)
		Adjustment(s) to Beginning Balance												
L6		Beginning RBA Balance	5,503,655	5,466,144	5,762,386	5,322,678	4,749,103	3,980,791	3,863,120	3,226,258	2,832,978	2,596,714	1,731,105	1,423,303
L7	L6 + L5	End Balance Before Interest	5,462,655	5,758,814	5,319,152	4,745,899	3,978,014	3,860,625	3,224,003	2,831,051	2,594,988	1,729,728	1,422,300	851,506
L8	*(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]*	*Balance Subject to Interest*	*3,349,659*	*3,428,663*	*3,384,656*	*3,075,447*	*2,665,698*	*2,395,161*	*2,164,762*	*1,850,205*	*1,657,972*	*1,321,512*	*963,208*	*694,840*
L9	L8 x 1.25% ÷ 12	Interest	3,489	3,572	3,526	3,204	2,777	2,495	2,255	1,927	1,727	1,377	1,003	724
L10	L7 + L9	Ending RBA Balance	5,466,144	5,762,386	5,322,678	4,749,103	3,980,791	3,863,120	3,226,258	2,832,978	2,596,714	1,731,105	1,423,303	852,230
		Target vs Actual Difference:												
		Recorded Adjusted Revenues - Unadjusted	10,207,877	10,237,283	11,423,249	11,708,274	11,065,359	11,009,673	10,771,707	10,471,833	10,520,008	9,960,137	10,598,661	10,344,812
		Billing Adjustments	(50)	(48)	(47)	(61)	(59)	(44)	(49)	(51)	(54)	(41)	(54)	(55)
		Revised Revenues	10,207,827	10,237,235	11,423,202	11,708,213	11,065,300	11,009,629	10,771,658	10,471,782	10,519,954	9,960,096	10,598,607	10,344,757
		Target	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
			674,246	756,588	220,136	104,666	(117,608)	515,729	(20,599)	199,749	362,193	(311,935)	270,432	(949)

AS REVISED			May-15	June-15	July-15	Aug-15	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
L1		Monthly Target Revenue	10,882,073	10,993,823	11,643,338	11,812,879	10,947,692	11,525,358	10,751,059	10,671,531	10,882,147	9,648,161	10,869,039	10,343,808
L2		Recorded Adjusted Revenue	10,207,827	10,237,235	11,423,202	11,708,213	11,065,300	11,009,629	10,771,658	10,471,782	10,519,954	9,960,096	10,598,607	10,344,757
L3	L1 - L2	Target vs. Actual Revenue	674,246	756,588	220,136	104,666	(117,608)	515,729	(20,599)	199,749	362,193	(311,935)	270,432	(949)
L4		Reversal of Previous Year Accrual	(715,196)	(463,870)	(663,323)	(681,384)	(653,422)	(635,852)	(618,469)	(594,904)	(600,129)	(555,010)	(579,183)	(570,792)
L5	L4 + L3	Net RBA Change	(40,950)	292,718	(443,187)	(576,718)	(771,030)	(120,123)	(639,068)	(395,155)	(237,936)	(866,945)	(308,751)	(571,741)
		Adjustment(s) to Beginning Balance												
L6		Beginning RBA Balance	6,741,529	6,710,381	7,013,098	6,575,962	6,004,846	5,238,822	5,123,314	4,488,526	4,097,193	3,862,801	2,998,911	2,692,694
L7	L6 + L5	End Balance Before Interest	6,700,579	7,003,099	6,569,911	5,999,244	5,233,816	5,118,700	4,484,246	4,093,370	3,859,257	2,995,856	2,690,160	2,120,952
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	6,721,054	6,856,740	4,148,930	3,841,097	3,432,849	3,163,705	2,934,629	2,621,340	2,430,298	2,094,977	1,737,727	1,470,328
L9	L8 x 1.25% ÷ 12	Interest	9,802	9,999	6,051	5,602	5,006	4,614	4,280	3,823	3,544	3,055	2,534	2,144
L10	L7 + L9	Ending RBA Balance	6,710,381	7,013,098	6,575,962	6,004,846	5,238,822	5,123,314	4,488,526	4,097,193	3,862,801	2,998,911	2,692,694	2,123,096
		Revised Adjustment to Revenue	674,246	756,588	220,136	104,666	(117,608)	515,729	(20,599)	199,749	362,193	(311,935)	270,432	(949)
		RBA Adjustment Recorded to Revenue	674,196	756,540	220,089	104,605	(117,667)	515,685	(20,648)	199,698	362,139	(311,976)	270,378	(1,004)
		Adjustment to Revenue	50	48	47	61	59	44	49	51	54	41	54	55

MECO-WP-B-003
MAUI ELECTRIC COMPANY, LTD.
MAY 2017 ADJUSTMENT - CUSTOMER BILLING ADJUSTMENT DUE TO INCORRECT RATE SCHEDULE

REVENUE BALANCING ACCOUNT - REVENUE TRACKER

AS PREVIOUSLY STATED			May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
L1		Monthly Target Revenue	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	11,077,053	10,541,929	11,210,833
L2		Recorded Adjusted Revenue	10,811,738	10,566,147	11,376,537	11,605,752	10,623,562	11,260,145	10,292,656	10,451,215	10,316,851	9,550,747	10,777,025	10,754,300	10,681,883
L3	L1 - L2	Target vs. Actual Revenue	188,390	818,602	489,823	434,523	533,759	485,812	663,994	425,166	773,580	282,144	300,028	(212,371)	528,950
L4		Reversal of Previous Year Accrual	(593,929)	(236,315)	(255,023)	(261,504)	(241,006)	(253,072)	(229,230)	(241,157)	(228,115)	(206,206)	(234,078)	(232,310)	(232,069)
L5	L4 + L3	Net RBA Change	(405,539)	582,287	234,800	173,019	292,753	232,740	434,764	184,009	545,465	75,938	65,950	(444,681)	296,881
		Adjustment(s) to Beginning Balance				*639*				*23,899*		*7,362*			*3,125*
L6		Beginning RBA Balance	852,230	447,104	1,029,861	1,266,030	1,439,909	1,733,671	1,967,588	2,427,641	2,613,254	3,167,917	3,245,895	3,313,932	2,874,343
L7	L6 + L5	End Balance Before Interest	446,691	1,029,391	1,264,661	1,439,048	1,732,662	1,966,411	2,402,352	2,611,650	3,158,719	3,243,855	3,311,845	2,869,251	3,171,224
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	396,756	450,995	700,862	826,266	969,062	1,130,190	1,334,798	1,539,251	1,763,049	1,958,476	2,003,061	1,888,653	1,846,618
L9	L8 x 1.25% ÷ 12	Interest	413	470	730	861	1,009	1,177	1,390	1,603	1,837	2,040	2,087	1,967	1,924
L10	L7 + L9	Ending RBA Balance	447,104	1,029,861	1,265,391	1,439,909	1,733,671	1,967,588	2,403,742	2,613,254	3,160,555	3,245,895	3,313,932	2,871,218	3,173,147

		Target vs Actual Difference:													Total Billing
		Recorded Adjusted Revenues - Unadjusted	10,811,738	10,566,147	11,376,537	11,605,752	10,623,562	11,260,145	10,292,656	10,451,215	10,316,851	9,550,747	10,777,025	10,754,300	10,681,883	Adjustment
		Billing Adjustments	(52)	(59)	(50)	(47)	(63)	(62)	(60)	(61)	(53)	(56)	(54)	(51)	(63)	(3,125)
		Revised Revenues	10,811,686	10,566,088	11,376,487	11,605,705	10,623,499	11,260,083	10,292,596	10,451,154	10,316,798	9,550,691	10,776,971	10,754,249	10,681,820	
		Target	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	11,077,053	10,541,929	11,210,833	
			188,442	818,661	489,873	434,570	533,822	485,874	664,054	425,227	773,633	282,200	300,082	(212,320)	529,013	

AS REVISED			May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
L1		Monthly Target Revenue	11,000,128	11,384,749	11,866,360	12,040,275	11,157,321	11,745,957	10,956,650	10,876,381	11,090,431	9,832,891	11,077,053	10,541,929	11,210,833
L2		Recorded Adjusted Revenue	10,811,686	10,566,088	11,376,487	11,605,705	10,623,499	11,260,083	10,292,596	10,451,154	10,316,798	9,550,691	10,776,971	10,754,249	10,681,820
L3	L1 - L2	Target vs. Actual Revenue	188,442	818,661	489,873	434,570	533,822	485,874	664,054	425,227	773,633	282,200	300,082	(212,320)	529,013
L4		Reversal of Previous Year Accrual	(593,929)	(236,315)	(255,023)	(261,504)	(241,006)	(253,072)	(229,230)	(241,157)	(228,115)	(206,206)	(234,078)	(232,310)	(232,069)
L5	L4 + L3	Net RBA Change	(405,487)	582,346	234,850	173,066	292,816	232,802	434,824	184,070	545,518	75,994	66,004	(444,630)	296,944
		Adjustment(s) to Beginning Balance				*639*				*23,899*		*7,362*			*3,125*
L6		Beginning RBA Balance	2,123,096	1,719,320	2,303,457	2,541,103	2,716,509	3,011,876	3,247,465	3,709,275	2,716,509	3,272,052	3,350,995	3,420,014	2,981,358
L7	L6 + L5	End Balance Before Interest	1,717,609	2,301,666	2,538,307	2,714,168	3,009,325	3,244,678	3,682,289	3,893,345	3,262,027	3,348,046	3,416,999	2,975,384	3,278,302
L8	(L6 + L7) ÷ 2 or (L6 + L7) ÷ 2 ÷ [1]	Balance Subject to Interest	1,173,143	1,228,210	1,478,917	1,605,223	1,748,956	1,911,064	2,116,693	2,322,220	1,826,144	2,022,109	2,067,284	1,953,475	1,912,013
L9	L8 x 1.25% ÷ 12	Interest	1,711	1,791	2,157	2,341	2,551	2,787	3,087	3,387	2,663	2,949	3,015	2,849	2,788
L10	L7 + L9	Ending RBA Balance	1,719,320	2,303,457	2,540,464	2,716,509	3,011,876	3,247,465	3,685,376	3,896,732	3,264,690	3,350,995	3,420,014	2,978,233	3,281,090

		Revised Adjustment to Revenue	188,442	818,661	489,873	434,570	533,822	485,874	664,054	425,227	773,633	282,200	300,082	(212,320)	529,013	Total RBA
		RBA Adjustment Recorded to Revenue	188,390	818,602	489,823	434,523	533,759	485,812	663,994	425,166	773,580	282,144	300,028	(212,371)	528,950	Adjustment
		Adjustment to Revenue	52	59	50	47	63	62	60	61	53	56	54	51	63	3,125

Sch B, Note 1

Maui Electric Company, Ltd.
Bargaining Unit Wage Increase per Collective Bargaining Agreements
Effective January 1, 2011 and July 1, 2013

Wage Increases:	1/1/2011	1.75%	(Note 1)
(non-compounded)	1/1/2012	2.50%	(Note 1)
	1/1/2013	3.00%	(Note 1)
	1/1/2014	3.00%	(Note 2)
	1/1/2015	3.00%	(Note 2)
	1/1/2016	3.25%	(Note 2)
	1/1/2017	3.00%	(Note 2)
	1/1/2018	3.00%	(Note 2)

	Increase effective	Increase Amount (a)	Wage Rate With Increase (b) prev (b) + (a)	Labor Cost Escalation Rate (c) (b) / prev (b) -1	
1.00	1.75% 1/1/2011	0.0175	1.0175		
	2.50% 1/1/2012	0.0250	1.0425	0.0246	2.46%
	3.00% 1/1/2013	0.0300	1.0725	0.0288	2.88%
1.00	3.00% 1/1/2014	0.0300	1.0300		
	3.00% 1/1/2015	0.0300	1.0600	0.0291	2.91%
	3.25% 1/1/2016	0.0325	1.0925	0.0307	3.07%
	3.00% 1/1/2017	0.0300	1.1225	0.0275	2.75%
	3.00% 1/1/2018	0.0300	1.1525	0.0267	2.67%

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

(2) Agreement ratified by the IBEW, Local 1260 on November 1, 2012, reflects a 3.00% increase effective 1/1/2014, 1/1/2015, 1/1/2017 and 1/1/2018 and a 3.25% increase effective 1/1/2016, based on 1/1/2013 rates. See HECO's Form 10-Q dated November 8, 2012 filed with Securities and Exchange Commission at www.hei.com, under SEC filings. See also MECO-WP-C-003.

Blue Chip Economic Indicators®

Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead

Vol. 43, No. 2, February 10, 2018

Wolters Kluwer

2018 Real GDP Forecast Rises To 2.8%

FEBRUARY 2018 Forecast For 2018 SOURCE:	--------- Percent Change 2018 From 2017 (Full Year-Over-Prior Year) ----------									- Average For 2018 ----			- Total Units-2018 ----		--2018---
	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$)
Amherst Pierpont Securities	3.3 H	2.3	5.6	2.9 H	3.6	2.4	2.9	6.3	8.0	1.8	3.1	3.9	1.29	17.0	-661.0
Action Economics	3.1	2.1	5.2	2.4	3.7	2.7	3.3	5.8	11.4	1.9	2.8	3.9	1.31	17.6	-622.7
BNP Paribas North America	3.1	na	na	2.3	3.6	na	3.6 H	7.0	na	na	2.8	3.8	na	na	-710.0
Georgia State University*	3.1	1.9	5.0	2.4	3.7	4.1 H	3.1	6.6	8.5	1.6	3.2	3.7 L	1.25	17.1	-693.0
NatWest Markets	3.1	2.0	5.2	2.2	3.8	2.5	2.6	8.1 H	10.0	1.9	2.6	4.0	1.35	16.5	-654.0
SOM Economics, Inc.	3.1	1.9	5.1	2.2	3.2	2.8	2.7	6.2	6.5	1.9	3.0	3.9	1.27	17.0	-641.0
ACT Research	3.0	2.0	5.0	2.3	3.5	3.2	2.8	6.0	na	1.8	2.9	3.9	1.25	16.7	-692.0
Comerica*	3.0	2.0	5.0	2.1	0.6 L	2.0	2.2	6.5	na	1.8	3.0	4.0	1.28	16.7	-622.0
FedEx Corporation	3.0	2.0	5.0	2.4	3.6	3.0	2.9	6.5	5.5	1.8	3.0	3.9	1.31	17.3	-700.7
Naroff Economic Advisors*	3.0	2.3	5.3	2.8	3.8	1.7	3.1	5.9	7.8	1.8	3.1	3.9	1.34	17.3	-657.0
National Assn of Realtors	3.0	2.4	5.4	2.8	2.4	3.0	2.9	5.5	6.5	1.9	2.9	3.9	1.34	18.0 H	-645.0
Turning Points (Micrometrics)	3.0	2.1	5.1	2.3	3.0	2.3	2.9	3.9	8.5	1.7	2.8	4.0	1.27	17.5	-651.1
Conference Board*	2.9	2.0	4.9	2.2	na	3.2	3.0	5.8	6.4	1.8	3.0	3.9	1.27	na	-678.0
Goldman Sachs & Co **	2.9	2.0	4.9	2.4	3.5	2.2	2.9	4.8	na	1.9	2.9	3.8	1.26	na	-673.8
Moody's Analytics	2.9	2.1	5.1	2.5	2.9	1.8	2.7	5.6	4.0	1.7	3.1	3.8	1.45 H	16.9	-727.9
Moody's Capital Markets*	2.9	2.0	4.9	2.4	3.2	1.6 L	2.8	4.7	4.8	1.6	2.7	4.0	1.27	17.1	-626.8
RBC Capital Markets	2.9	2.1	5.0	2.2	na	na	2.8	5.5	na	na	3.1	3.8	1.24	17.5	-672.0
UCLA Business Forecasting Proj.*	2.9	2.5	5.5	2.3	2.8	2.8	3.1	5.3	13.0 H	1.7	3.3 H	3.9	1.30	17.3	-640.9
Wells Fargo	2.9	2.3	5.2	2.5	3.9	2.2	2.9	6.0	3.2	1.9	2.9	4.0	1.31	16.8	-684.2
Oxford Economics	2.8	2.1	5.0	2.3	3.8	2.7	2.9	6.4	8.8	1.7	2.9	4.0	1.28	17.1	-682.3
Econoclast	2.8	2.1	4.9	2.5	3.1	2.7	2.8	7.2	6.8	1.8	2.9	4.0	1.29	16.7	-670.0
High Frequency Economics	2.8	2.1	5.0	2.3	4.3 H	2.3	3.0	5.0	2.5	1.9	2.8	3.7 L	1.24	16.9	-679.0
Inforum - Univ. of Maryland	2.8	2.0	4.9	2.3	3.2	2.6	2.6	5.4	6.2	1.8	2.8	4.0	1.28	17.1	-655.3
MUFG Union Bank	2.8	2.0	4.8	2.6	3.5	na	2.9	7.0	6.0	1.9	2.8	3.9	1.35	17.4	-660.0
Northern Trust Company*	2.8	2.3	5.2	2.3	2.8	na	2.8	5.8	na	1.9	3.0	4.0	1.25	16.7	-682.7
Regions Financial Corporation	2.8	1.9	4.8	2.7	3.6	2.4	2.5	5.8	5.4	1.8	2.9	4.0	1.30	16.8	-649.9
S&P Gobal*	2.8	1.8	4.6	2.2	3.5	2.8	2.7	6.3	6.6	1.5 L	2.6	3.9	1.26	16.9	-634.6
AIG	2.7	1.7 L	4.4 L	1.7	3.7	3.7	2.7	5.7	1.5 L	1.7	2.7	3.9	1.25	16.9	-639.0
Bank of America Merrill Lynch	2.7	1.9	4.7	2.3	3.1	na	3.0	5.9	na	1.7	2.7	3.9	1.27	16.7	-698.0
Barclays*	2.7	2.0	4.8	2.3	na	na	2.8	5.9	na	na	2.6	3.8	1.24	na	-669.2
Credit Suisse	2.7	1.9	4.6	1.9	3.2	na	2.5	5.9	na	na	na	4.0	na	na	-644.6
[illegible]wa Capital Markets America	2.7	2.2	4.9	2.4	4.0	1.9	2.6	5.5	8.0	1.9	3.0	3.9	1.25	16.8	-645.3
[illegible]nt Thorton/Diane Swonk	2.7	1.9	4.7	2.4	3.6	3.2	2.8	5.4	5.0	1.9	3.0	3.9	1.29	16.6	-694.4
Eaton Corporation	2.7	1.7 L	4.5	1.8	2.9	3.8	2.7	5.8	na	1.8	3.0	3.8	1.27	16.9	-665.3
Fannie Mae	2.7	1.8	4.6	2.3	3.3	3.2	2.9	5.8	4.7	2.0 H	2.8	3.9	1.27	17.0	-705.1
General Motors	2.7	1.7 L	4.4 L	1.7	3.8	3.7	2.7	5.6	2.6	1.8	3.0	3.9	1.25	na	-666.1
Macroeconomic Advisers by IHS Markit*	2.7	1.9	4.7	2.3	3.6	3.2	2.9	5.4	5.0	1.8	3.0	4.0	1.29	16.9	-701.4
MacroFin Analytics	2.7	2.0	4.7	2.1	3.5	2.4	2.7	4.5	5.2	1.8	3.0	4.0	1.27	17.0	-656.3
Morgan Stanley*	2.7	2.0	4.7	2.3	2.6	2.2	3.1	4.7	na	1.8	2.1 L	3.8	1.22 L	16.4 L	-679.9
National Assn. of Home Builders	2.7	1.9	4.5	2.1	3.3	3.1	2.9	5.0	na	1.8	3.0	4.0	1.25	16.9	-693.6
Nomura Securities	2.7	3.3 H	6.0 H	2.4	3.9	2.0	2.6	5.0	na	na	2.9	3.9	1.24	16.9	-668.4
PNC Financial Services Group	2.7	2.1	4.8	2.4	2.2	2.5	2.3	5.0	na	1.6	2.5	3.9	1.29	17.0	-633.1
RDQ Economics	2.7	2.1	4.9	2.3	3.6	2.3	2.8	7.5	6.1	1.9	2.8	3.9	1.25	17.5	-736.4 L
U.S. Chamber of Commerce	2.7	2.0	4.7	1.9	2.3	2.1	2.9	4.2	5.0	1.8	3.0	4.0	1.30	na	-675.4
UBS	2.7	2.0	4.8	2.3	2.9	3.4	3.0	6.6	na	1.8	2.5	3.8	1.30	na	-695.4
Wells Capital Management	2.7	2.2	5.0	2.5	3.7	2.1	2.8	5.0	5.8	2.0 H	3.1	4.0	1.22 L	17.1	-664.0
BMO Capital Markets*	2.6	2.0	4.7	2.4	3.3	2.8	3.0	4.0	6.1	1.8	2.9	3.9	1.27	16.7	-679.0
Point72 Asset Management*	2.6	2.2	4.8	2.7	3.9	1.9	2.6	5.5	8.6	1.8	2.9	3.8	1.30	16.7	-702.2
ACIMA Private Wealth	2.5	1.9	4.4 L	1.5 L	2.8	2.1	2.1 L	3.7 L	na	2.0 H	2.3	4.0	1.26	17.1	-590.0 H
Economist Intelligence Unit	2.5	2.2	4.7	2.2	3.2	2.9	2.6	4.9	na	1.9	2.9	3.8	1.27	16.9	-643.0
Ford Motor Company*	2.5	1.9	4.5	2.1	3.1	2.1	2.6	5.5	na	na	2.8	4.1 H	1.22 L	na	-691.6
J P MorganChase	2.5	2.1	4.7	2.5	2.2	2.4	2.8	6.7	4.1	na	2.6	3.9	1.29	17.1	-671.3
Swiss Re	2.5	2.0	4.6	2.3	2.8	2.0	2.8	4.8	5.6	1.8	2.7	4.0	1.29	16.5	-726.0
Societe Generale	2.4 L	2.0	4.5	2.0	na	3.6	2.7	4.6	5.4	1.7	2.7	3.8	1.28	16.8	-686.0
2018 Consensus: February Avg.	**2.8**	**2.1**	**4.9**	**2.3**	**3.3**	**2.6**	**2.8**	**5.6**	**6.3**	**1.8**	**2.9**	**3.9**	**1.28**	**17.0**	**-670.1**
Top 10 Avg.	3.1	2.4	5.4	2.7	3.9	3.5	3.1	7.0	9.3	1.9	3.1	4.0	1.34	17.5	-629.3
Bottom 10 Avg.	2.6	1.8	4.5	1.9	2.4	1.9	2.5	4.4	3.7	1.7	2.5	3.8	1.24	16.6	-710.3
January Avg.	2.7	2.0	4.7	2.1	2.9	2.7	2.6	5.3	6.1	1.8	2.7	3.9	1.27	17.0	-644.4
Historical data 2014	2.6	1.8	4.4	1.6	3.1	3.6	2.9	6.9	5.3	0.0	2.5	6.2	1.00	16.4	-427.7
2015	2.9	1.1	4.0	0.1	-0.7	4.2	3.6	2.3	-1.1	0.1	2.2	5.3	1.11	17.4	-545.3
2016	1.5	1.3	2.8	1.3	-1.2	1.4	2.7	-0.6	-2.1	0.3	1.8	4.9	1.17	17.5	-586.3
2017	2.3	1.8	4.1	2.1	1.8	1.2	2.7	4.7	na	0.9	2.4	4.4	1.20	17.2	-621.5
Number Of Forecasts Changed From A Month Ago:															
Down	3	8	4	3	8	25	1	12	6	6	4	10	14	7	38
Same	28	19	9	14	8	7	10	9	11	16	19	33	19	28	7
Up	19	23	37	33	30	12	39	29	15	22	26	7	16	6	5
February Median	2.8	2.0	4.9	2.3	3.4	2.5	2.8	5.7	6.1	1.8	2.9	3.9	1.27	16.9	-670.7
February Diffusion Index	66 %	65 %	83 %	80 %	74 %	35 %	88 %	67 %	64 %	68 %	72 %	47 %	52 %	49 %	17 %

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

MAUI ELECTRIC COMPANY, LIMITED
EXHIBIT A

JOB CODE		JOB TITLE	1/1/2013	7/1/2013	1/1/2014	7/1/2014	1/1/2015	7/1/2015	1/1/2016	7/1/2016	1/1/2017	7/1/2017	1/1/2018	7/1/2018
					3%		3% (2.91%)		3.25% (3.07%)		3.00% (2.75%)		3.00% (2.67%)	
CL6		METER READER												
		1st 3 mos.	20.83	X 1.03 =	21.45	x 1.0291 =	22.07	x 1.0307	22.75	x 1.0275=	23.37	x 1.0267=	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		35.96	
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	X 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, Limited
CIS in 2018 RAM Calculations
Summary
($ in 000's)

Line	Description (Note 1)	Rate Base CIS Deferred Costs Recoverable at 12/31/17 (Note 2)	2018 Amortization (12 months) (Note 3)	Rate Base CIS Deferred Costs Recoverable at 12/31/18
1	CIS Deferred Cost	$ 4,476	(606)	$ 3,870
2	CIS Deferred O&M Reclass	350	(47)	303
3	Carrying charges	288	(38)	249
4	Write-Off	(3,386)	458	(2,927)
5 = sum 1 - 4	CIS deferred costs recoverable	1,729	(233)	1,496
		←	To Sch D1	→

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

(2) See Transmittal No. 17-04 (Decoupling) - Maui Electric 's RBA Provision Tariff Filing, MECO-WP-D1-001, filed on May 5, 2017.

(3) Amortized over 12 years, per Exhibit 1, page 2 of 3, footnote 2 of the 2013 Stipulation referenced in note (1) above. Refer to CIS Amortization schedule included in pages 2 to 4 of this workpaper.

Maui Electric Company, Limted
CIS in 2017 RAM Calculations
CIS Amortization Schedule

		Amortization (Rate Base Impact)		Rounded ($ in 000's)
Amort. Period		**144**	**months**	
Reg Asset Balance				
Bal. 5/2013		**2,797,191**		
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	
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	1,962
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	1,729

Maui Electric Company, Limted
CIS in 2017 RAM Calculations
CIS Amortization Schedule

		Amortization (Rate Base Impact)			Rounded ($ in 000's)
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)	2018 Amortization	1,612,269.81	
62	Jul-18	(19,424.94)	(233,099)	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	1,496
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	
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	

Maui Electric Company, Limted
CIS in 2017 RAM Calculations
CIS Amortization Schedule

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

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

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

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

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

Maui Electric Company, Ltd.
CHP Investment
Estimated Book Depreciation
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			Cost:			Rate:				
			Total	Production	Distribution	Production	Distribution	Depreciation	A/D	NBV
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
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

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

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

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

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

			Cost:			Rate:				
			Total	Production	Distribution	Production	Distribution	Depreciation	A/D	NBV
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:				
			Total	Production	Distribution	Production	Distribution	Depreciation	A/D	NBV
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

ui Electric Company, Ltd.
IP Investment
Estimated Book Depreciation
Docket No. 2009-0286 Depreciation Rates

			Cost:			Rate:				
			Total	Production	Distribution	Production	Distribution	Depreciation	A/D	NBV
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
2018 Plant Additions - Major Projects Support

Project	Functional Category	Plant Addition Date	PUC Approved, Net [1]	CIAC Received/ Estimated CIAC	Gross PUC Approved	Gross Plant Adds thru 12/31/17 [2]	2018 Gross Plant Additions [3]	Estimated Gross Plant Adds thru 12/31/18	Over/ (Under) PUC Approved	2018 Plant Addition Qualifying for RB RAM (Note A)	Future Years [3]
			A	B	C = A - B	D	E	F = D + E	G = F - C		
M0000107: Kuihelani Substation	Production-Other	2018/09	13,136,759	-	13,136,759	7,847,533	4,381,524	12,229,057	(907,702)	4,381,524	
										4,381,524	
										To Sch D3	

NOTE A:

Amount qualifying for 2018 rate base RAM recovery is limited to the lower of the 2018 gross plant addition (column E) or the PUC approved amount (column C). In the case of straggling costs, the amount qualifying for 2018 rate base RAM recovery is limited to the lower of the 2018 gross plant addition (column E) or the remaining unused balance of the PUC approved amount.

[1] Per the Final Decision & Order No. 33584, filed on March 11, 2016, in Docket No. 2015-0070 For Approval to Commit Funds in Excess of $2,500,000 (excluding customer contributions) for Item X00004, Kuihelani Substation, Kuihelani Transformer #1, Kuihelani Transmission and Distribution 69 kV and 12.47 kV Circuites, Kuihelani Telecommunication, and Kuihelani

[2] Source: Schedule D2 & Attachment 3, page 10 of the Capital Projects Completed in 2017 report filed on March 27, 2018.

[3] Source: UIPlanner Budget files. CA-IR-256 in the MECO 2018 Test Year Rate Case Docket No. 2017-0150.

Maui Electric Company
Accumulated Deferred Taxes

	Description	FEDERAL 12/31/17 Balance	STATE 12/31/17 Balance	COMBINED 12/31/17 Balance
	ACCOUNT 282			
1	Accelerated Depreciation	(52,704,001)	(10,803,977)	(63,507,978)
2	Excess AccDep -Reg Asset 2017 Adj	-	-	-
3	Excess AccDep -Reg Liab 2017 Adj	9,339,954	2,846,462	12,186,416
4	TOTAL ACCOUNT 282 - UTILITY DEPR	(43,364,047)	(7,957,515)	(51,321,562)
	ACCOUNT 283			
5	Bad Debts	47,562	14,495	62,057
6	Bonuses - Non-executives	11,145	19,846	30,990
7	BPI Project Costs	0	(3)	(2)
8	Capital loss caryforward	2,622	488	3,110
9	Capitalized Interest	1,187,159	465,503	1,652,662
10	Charitable Deduction Limitation CF	-	0	0
11	CHP Direct Lease vs. Book Depreciation	5,296	1,614	6,909
12	CIAC	7,321,790	3,458,077	10,779,868
13	Cost of Removal	5,930,791	1,807,479	7,738,270
14	Customer Advances	658,872	200,798	859,670
15	CWIP Debt (AFUDC Debt)	(1,294,783)	(394,600)	(1,689,383)
16	CWIP Debt Transition	(19,103)	(5,822)	(24,925)
17	Emissions Fees	92,096	28,068	120,164
18	Exec Comp - EICP	19,455	5,930	25,385
19	Exec Comp - LTIP	23,099	7,040	30,139
20	Exec Comp - RSUs	13,783	4,202	17,985
21	Fed ITC	52,179	15,902	68,081
22	Fed Energy Tax Credit	48,887	14,897	63,784
23	FIN 48 - Interest Component	4,307	1,312	5,619
24	FIN 48 - Tax Component	178,520	116,070	294,590
25	Franchise Taxes	113,022	34,445	147,467
26	Gain/(Loss) on Post-'80 Vint Ret	(1,703,124)	(584,369)	(2,287,493)
27	Hawaii R&D Credit	449	137	586
28	Interest - RAR	46,137	(3,988)	42,149
29	IRP/DSM Costs - DSM Fast Demand Response	(137)	(42)	(179)
30	IRP/DSM Costs - IRP	(0)	(16,047)	(16,047)
31	Legal Fees Capitalized (PPA)	53,270	16,236	69,505
32	Liability Reserves - Brownfield Site	589,993	179,808	769,801
33	Liability Reserves - Other	10,679	3,253	13,932
34	Manele Bay Direct Financing Lease	164,112	50,015	214,127
35	NOL	-	-	-
36	OPEB	(62,449)	(19,035)	(81,484)
37	OPEB Executive Life	324,639	102,400	427,039
38	OPEB Trackers	670,196	204,250	874,446
39	Other	(1,600)	20,733	19,134
40	Pension (Qualified)	(631,521)	(192,471)	(823,991)
41	Pension Excess (Non-qualified)	(1,079)	(327)	(1,406)
42	Pension Tracker	(2,503,356)	(762,929)	(3,266,285)
43	Percentage Repair Allowance (PRA)	(219,756)	(170,514)	(390,271)
44	Post Norm Cap OH's - Depr	(4,461)	(1,359)	(5,820)
45	Prepaids	(218,457)	(66,577)	(285,034)
46	QUIPS Amortization	(51,333)	(15,644)	(66,978)
47	Rate Case Costs	(99,175)	(30,227)	(129,402)
48	RBA Revenues	245,767	74,900	320,667
49	RBA Revenues - §481(a) Adjustment	(1,340,041)	(408,393)	(1,748,434)
50	Repairs Allowance	(10,728,583)	(3,269,692)	(13,998,275)
51	Repairs - §481(a) Adjustment	(2,379,120)	(1,043,187)	(3,422,307)
52	Rev Bond Differential/Redemptions	(320,349)	(113,135)	(433,484)
53	Software - CIS	(29,904)	(12,936)	(42,841)
54	Software - CIS 2013 Carrying Costs	(4,038)	(1,231)	(5,269)
55	Software - ERP	186,471	56,829	243,300
56	Software - HR Suites	(84,395)	(25,721)	(110,116)
57	Software - IVR	(39,529)	(12,046)	(51,575)
58	Software - OBF	-	-	-
59	Software - UI Planner (Budget System Replacement)	(35,781)	(10,906)	(46,687)

Maui Electric Company
Accumulated Deferred Taxes

	Description	FEDERAL 12/31/17 Balance	STATE 12/31/17 Balance	COMBINED 12/31/17 Balance	
60	Software - Other Computer Software Costs	1,440	(1,326)	114	
61	Solar Saver	10,861	3,311	14,173	
62	State ITC (State Cap Goods Tax Credit)	2,891,277	881,151	3,772,428	
63	State Energy Credit	9,123	2,782	11,904	
64	SunPower for Schools	2,283	696	2,979	
65	Vacation Accrual	(47,705)	(19,140)	(66,845)	
66	Workers Compensation	(12,377)	50,111	37,735	
67	Rounding	(7)	(1)	(9)	
	FAS 109: Regulatory Assets/Liabilities		-	-	
68	Reg Asset - SFAS 109 (18673510)	0	-	0	
69	Reg Asset - SFAS 109 Flow Through	(180)	(55)	(234)	
70	Reg Asset - Plant Transition (AFUDC)	(99,437)	(30,305)	(129,741)	
71	Reg Asset - CWIP Equity Gr Up	(1,426,844)	(434,849)	(1,861,693)	
72	Reg Asset - CWIP Equity Net	(2,240,118)	(682,703)	(2,922,820)	
73	Reg Asset - CWIP Equity Transition	(46,286)	(14,106)	(60,393)	
74	Reg Liab - Fed ITC	27,344	8,334	35,678	
75	Reg Liab - Fed Energy Credit	25,617	7,811	33,428	
76	Reg Asset - Deficit Def - Oth	3,964	1,208	5,172	
77	Reg Liab - Excess Def - Oth	-	-	-	
78	Reg Asset - Excess ADIT 2017 (Oth)	(2,408,937)	(734,152)	(3,143,089)	
79	Reg Liab - Excess ADIT 2017 (Oth)	2,786,372	849,181	3,635,552	
80	TOTAL ACCOUNT 283 - UTILITY	(4,293,385)	(368,526)	(4,661,911)	
81	TOTAL ADIT BEFORE RATE BASE ADJUSTMENTS	(47,657,432)	(8,326,041)	(55,983,473)	
	RATE BASE CALCULATION				
82	Account 283 - Utility	(4,293,385)	(368,526)	(4,661,911)	
	Less:				
83	Bad Debts	47,562	14,495	62,057	
84	Bonuses - Non-executives (fka included in Exec Incen Comp)	11,145	19,846	30,990	
85	Exec Comp - EICP	19,455	5,930	25,385	
86	Exec Comp - LTIP	23,099	7,040	30,139	
87	Exec Comp - RSUs	13,783	4,202	17,985	
88	IRP/DSM Costs	(138)	(16,089)	(16,226)	
89	FIN 48 Interest	4,307	1,312	5,619	
90	FIN 48 Adj	178,520	116,070	294,590	
91	Franchise Taxes on Unbilled Revenues	113,022	34,445	147,467	
92	General Liability Reserve	600,673	183,061	783,733	
93	Interest - CIS Carrying Costs at Full Debt rate	(17,774)	(5,418)	(23,192)	MECO-WP-D4-002
94	Interest - RAR	46,137	(3,988)	42,149	
95	OPEB Executive Life	324,639	102,400	427,039	
96	Pension Excess (Non-qualified)	(1,079)	(327)	(1,406)	
97	Rate Case Costs	(99,175)	(30,227)	(129,402)	
98	RBA Revenue	(1,094,274)	(333,493)	(1,427,766)	
99	Software - ERP	186,471	56,829	243,300	
100	Solar Saver	10,861	3,311	14,173	
101	Vacation Accrual	(47,705)	(19,140)	(66,845)	
102	Workers Compensation	(12,377)	50,111	37,735	
103	Subtotal Account 283 Adjustments	307,152	190,370	497,523	
104	Total Account 283 for Rate Base	(4,600,537)	(558,896)	(5,159,434)	To Schedule D4
105	Account 282 - Utility	(43,364,047)	(7,957,515)	(51,321,562)	To Schedule D4
106	TOTAL ADIT AFTER RATE BASE ADJUSTMENTS	(47,964,584)	(8,516,412)	(56,480,996)	To Schedule D4

MAUI ELECTRIC COMPANY, LTD.
ADIT Rate Base Adjustment for Additional CIS Carrying Costs

		DR / (CR)	DR / (CR)	DR / (CR)
2017 & Prior (2)		32.8947%	6.0150%	
Eff 1/1/2018 (2)		19.7368%	6.0150%	Total
	Add'l Debt	Def Fed	Def State	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
Total Additional Costs	145,706	47,929	8,764	56,693
CIS amort beg 6/13	(7,083)	(2,330)	(426)	(2,756)
Balance as of 12/31/13	138,623	45,599	8,338	53,937
2014 Amortization	(12,142)	(3,994)	(730)	(4,724)
Balance as of 12/31/14	126,481	41,605	7,608	49,213
2015 Amortization	(12,142)	(3,994)	(730)	(4,724)
Balance as of 12/31/15	114,339	37,611	6,878	44,489
2016 Amortization	(12,142)	(3,994)	(730)	(4,724)
Balance as of 12/31/16	102,197	33,617	6,148	39,765
2017 Amortization	(12,142)	(3,994)	(730)	(4,724)
Excess Deferred Tax Adjustment (3)	-	(11,849)	-	(11,849)
Balance as of 12/31/17	90,054	17,774	5,418	23,192
		MECO-WP-D4-001	*MECO-WP-D4-001*	*MECO-WP-D4-001*
2018 Amortization	(12,142)	(2,396)	(730)	(3,126)
Balance as of 12/31/18	77,912	15,378	4,688	20,066

NOTES:
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.

(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.

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

(2) The Tax Cuts and Jobs Act reduced the corporate federal tax rate for years ending after December 31, 2017.

(3) Excess ADIT adjustment is the result of the Federal tax rate reduction from 35% to 21%.

MAUI ELECTRIC COMPANY, LIMITED
AMORTIZATION OF 2017 EXCESS

MECO	ADIT	0.346835 Reg Liab	Total	Life	Rev Settlement Amortization
Plant 282 - protected	(35,136,024)	(12,186,403)	(47,322,427)		0
Plant 283	(4,169,540)	(1,446,142)	(5,615,682)	15	(374,379)
NonPlant 283 before rate base adj	549,068	190,436	739,504		
Rate Base Adj 283	(842,668)	(292,267)	(1,134,935)		
Total Fed Util 283	(293,600)	(101,831)	(395,431)	5	(79,086)
Total Rate Base ADIT	(39,599,164)	(13,734,376)	(53,333,540)		
				Total Amort	(453,465)

Credit to Depr Expense (in 000's) (453)

NOTE: Calculation adopts the methodology and assumptions used in Hawaiian Electric Company Docket No. 2016-0328, Hawaiian Electric 2017 Test Year Rate Case Revised Attachment to the Parties' Stipulated Settlement on Remaining Issues, filed March 8, 2018, HECO T-26, Attachment 2A, Page 1.

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

Composite Federal and State Effective Income Tax Rate

	Eff 1/1/2018	*2017 & Prior*
Federal Effective Income Tax Rate	19.7368421%	32.8947368%
State Effective Income Tax Rate	6.0150376%	6.0150376%
	25.7518797%	38.9097744%

Calculation of Effective Rates

Assumptions:
ST = State Income Tax Expense
FT = Federal Income Tax Expense
Pre-Tax Income = $1.00

	Eff 1/1/2018	*2017 & Prior*
State Statutory Income Tax Rate*	6.4%	6.4%
*Federal Statutory Income Tax Rate***	21.0%	35.0%

Calculation of State Effective Income Tax Rate

State Income Tax Expense = Statutory Rate x (Pre-Tax Income - State Income Tax Expense)
ST = .064 x (1 - ST)
ST = .064 - .064(ST)
1.064(ST) = .064
ST = .060150376 or 6.0150376% 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)

Effective 1/1/18
FT = .21 x (1 - ST)
FT = .21 x (1 - .060150376)
FT = .21 - .01263157896
FT = .197368421 or 19.7368421% of Pre-Tax Income

2017 & Prior
FT = .35 x (1 - ST)
FT = .35 x (1 - .060150376)
FT = .35 - .01263157896
FT = .328947368 or 32.8947368% of Pre-Tax Income

* Hawaii Revised Statutes §235.71 was amended for tax years beginning after 1986.

** The Tax Cuts and Jobs Act changed the Federal tax rate for tax years ending after December 31, 2017.

MAUI ELECTRIC COMPANY, Ltd.
TAX REPAIRS ADJUSTMENT
2018

	LIFE	*MECO-WP-F1-002* 5-Year AVERAGE	A Plant Adds	B MECO-WP-*F1-001 pg.2* Repairs Allocation	C = A x B Repairs Deduction	D = A - C Depreciable Basis
Structural	39	641,329				
Steam Production	20	601,944	601,944	30.37%	182,827	419,117
Non-Steam Production	15	6,617,896	6,617,896	30.37%	2,010,034	4,607,862
ROW	50	120,416				
Transmission	20	2,210,701	2,210,701	46.07%	1,018,502	1,192,199
Transmission > 69kv	15	333,446	333,446	46.07%	153,623	179,823
Distribution	20	27,876,281	27,876,281	26.68%	7,437,577	20,438,704
Distribution - Street Lights	7	920,275	920,275	26.68%	245,535	674,740
Distribution - EV Fast Charger	7	9,789	9,789	26.68%	2,612	7,177
Computer Data	5	341,781				
Comp/Off/Furn/Tools	7	312,933				
Vehicles	-	1,009,118				
General	20	732,771				
Communication	20	1,284,073				
Land	-	(3,842)				
TOTAL		43,008,911	38,570,332		**11,050,710**	27,519,622
		from Sch D2			*to Sch F1*	

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
2018

	Repairs %: Note 1		Distribution	Transmission	Generation
	Book basis repairs				
1	2013		8,212,829	2,099,894	1,540,122
2	2014		14,013,631	1,683,160	3,499,360
3	2015		7,612,680	1,040,218	1,904,525
4	2016		8,198,634	587,979	2,139,964
5	2017		2,485,802	449,380	2,726,386
6	Total book basis repairs		40,523,576	5,860,631	11,810,357
	Book basis adds				
7	2013	MECO WP-F1-002	33,883,264	3,523,926	10,736,684
8	2014	MECO WP-F1-002	33,671,758	2,573,753	7,469,383
9	2015	MECO WP-F1-002	23,291,027	2,733,604	4,613,674
10	2016	MECO WP-F1-002	27,633,351	1,347,355	7,893,380
11	2017	MECO WP-F1-002	33,404,290	2,542,099	8,171,646
12	Total book basis adds		151,883,690	12,720,737	38,884,767
	Repairs % (Line 6 / Line 12)		**26.680663%**	**46.071472%**	**30.372708%**

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.*

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

Programs:

Description	Life	2017	2016	2015	2014	2013	Less: Major Projects	Total	Average	% Average
Structural	39	-	-	-	-	166,307	-	166,307	**33,261**	0.16%
Steam Production	20	143,623	97,425	94,434	24,566	44,332	-	404,380	**80,876**	0.40%
Other Production	15	520,015	504,666	518,990	438,231	125,953	-	2,107,855	**421,571**	2.06%
Right of Way	50	203,382	106,996	102,817	92,351	88,340	-	593,886	**118,777**	0.58%
Transmission	20	792,928	526,860	416,860	482,017	744,297	-	2,962,962	**592,592**	2.89%
Transmission >69kv	15	*30,230*	*(79,091)*	*86,897*			-	*38,036*	***7,607***	0.04%
Distribution	20	16,269,357	12,557,923	14,071,211	23,908,822	18,655,863	-	85,463,176	**17,092,636**	83.39%
Distribution - Street Lights	7	735,590	567,346	754,399	297,151	158,125	-	2,512,611	**502,522**	2.45%
Computers	5	113,632	97,571	38,043	114,774	157,187	-	521,207	**104,241**	0.51%
Office Furniture & Eq	7	50,637	85,495	604,447	690,592	1,867	-	1,433,038	**286,608**	1.40%
Transportation		*1,307,662*	*692*	*840,243*	*1,109,813*	*1,143,903*	-	*4,402,313*	***880,463***	*4.30%*
General	20	277,315	322,823	68,856	125,820	674,966	-	1,469,780	**293,956**	1.43%
Communications	20	142,860	133,437	115,517	56,599	(18,541)	-	429,872	**85,974**	0.42%
Land		33,282	(22,272)	677	(30,898)			(19,211)	**(3,842)**	-0.02%
Total - Programs		20,620,513	14,899,871	17,713,391	27,309,838	21,942,599	-	102,486,212	**20,497,242**	100.00%

Projects:

Description	Life	2017	2016	2015	2014	2013	Less: Major Projects	Total	Average	% Average
Structural	39	*155,816*	*467,558*	*87,886*	*252,940*	*2,076,141*	-	*3,040,341*	***608,068***	2.70%
Steam Production	20	1,409,356	57,774	467,182	451,191	219,839	-	2,605,342	**521,068**	2.31%
Other Production	15	6,098,652	7,233,515	3,533,068	6,555,395	10,346,560	(2,785,567) (1)	30,981,623	**6,196,325**	27.53%
Right of Way	50		-	-	5,696	2,494	-	8,190	**1,639**	0.01%
Transmission	20	1,232,799	883,143	1,103,239	2,091,736	2,779,629	-	8,090,546	**1,618,109**	7.19%
Transmission >69kv	15	486,142	16,443	1,126,608				1,629,193	**325,839**	1.45%
Distribution	20	14,732,043	14,487,207	8,313,036	9,280,483	14,957,425	(7,851,968) (2)	53,918,226	**10,783,645**	47.90%
Distribution - Street Lights	7	1,667,300	20,875	152,381	185,304	62,907	-	2,088,767	**417,753**	1.86%
Distribution - EV Fast Charger	7		-			48,944	-	48,944	**9,789**	0.04%
Computers	5	68,983	-	7,552	446,767	664,400	-	1,187,702	**237,540**	1.06%
Office Furniture & Eq	7	51,334	-	80,288	-	-	-	131,622	**26,325**	0.12%
Transportation			-	-	-	643,277	-	643,277	**128,655**	0.57%
General	20	184	(10,538)	371,601	1,742,078	90,748	-	2,194,073	**438,815**	1.95%
Communication	20	214,223	14,617	312,625	1,310,885	4,138,147	-	5,990,497	**1,198,099**	5.32%
Total - Projects		26,116,832	23,170,594	15,555,466	22,322,474	36,030,511	(10,637,535)	112,558,342	**22,511,669**	100.00%
Total		46,737,345	38,070,465	33,268,857	49,632,312	57,973,110	(10,637,535)	215,044,554	43,008,911	

Summary	Life	2017	2016	2015	2014	2013			Total Average	Allocation %
Structural	39	155,816	467,558	87,886	252,940	2,242,448		Structural - 39 yrs	641,329	1.49%
Steam Production	20	1,552,979	155,199	561,616	475,757	254,171	WP-F1-001 p. 2	Steam Production - 20 yrs	601,944	1.40%
Other Production	15	6,618,667	7,738,181	4,052,058	6,993,626	10,472,513		Other Production - 15 yrs	6,617,896	15.39%
Right of Way	50	203,382	106,996	102,817	98,048	90,834		Right of Way - 50 yrs	120,416	0.28%
Transmission	20	2,025,727	1,410,003	1,520,099	2,573,753	3,523,926	WP-F1-001 p. 2	Transmission - 20 yrs	2,210,701	5.14%
Transmission >69kv	15	516,372	(62,648)	1,213,505	-	-		Transmission - 15 yrs	333,446	0.78%
Distribution	20	31,001,400	27,045,130	22,384,247	33,189,304	33,613,288		Distribution - 20 yrs	27,876,281	64.82%
Distribution - Street Lights	7	2,402,890	588,221	906,780	482,454	221,032	WP-F1-001 p. 2	Street Lights - 7 yrs	920,275	2.14%
Distribution - EV Fast Charger	7					48,944		EV Fast Charger - 7 yrs	9,789	0.02%
Computers	5	182,615	97,571	45,595	561,542	821,587		Computer Data - 5yrs	341,781	0.79%
Office Furniture & Eq	7	101,971	85,495	684,735	690,592	1,867		Furniture, Fixtures & Equip - 7 yrs	312,933	0.73%
Transportation		1,307,662	692	840,243	1,109,813	1,787,180		Transportation	1,009,118	2.35%
General	20	277,499	312,285	440,457	1,867,898	765,714		General - 20 yrs	732,771	1.70%
Communication	20	357,083	148,054	428,142	1,367,483	4,119,606		Communications - 20 yrs	1,284,073	2.99%
Land		33,282	*(22,272)*	*677*	*(30,898)*	-		*Land*	*(3,842)*	*-0.01%*
Total - Programs & Projects		46,737,345	38,070,465	33,268,857	49,632,312	57,973,110		Total (net of Major Projects)	43,008,911	100.00%
									WP-F1-001 p. 1	

Notes:

	Major Projects	Plant Additions	
(1)	M16 Capital Overhaul	2,865,973	Schedule D2 (2013)
	M16 Capital Overhaul adjustment	(80,406)	Schedule D2 (2014)
	Total	2,785,567	
(2)	6th Increment Distribution Rebuild - 2015	4,435	Schedule D2 (2015)
	Kuihelani Substation - 2017	7,847,533	Schedule D2 (2017)
	Total	7,851,968	

Maui Electric
Proration Ajdustment for Normalization Compliance
2018

ADIT account 282 --Federal accelerated depreciation		Federal ADIT DR/(CR)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Beginning balance	Sch D4	(43,364,047)												
Effective date of rates--6/1/18														
Net ADIT accrued 2018	Sch F	(383,484)												
Monthly Accrued evenly over 12 months		(31,957)												

WITHOUT PRORATION

		Beg of Yr	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	End of Yr
Federal 282 ADIT Balance		(43,364,047)													
Monthly Additions			(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	
Cumulative Balance		(43,364,047)	(43,396,004)	(43,427,961)	(43,459,918)	(43,491,875)	(43,523,832)	(43,555,789)	(43,587,746)	(43,619,703)	(43,651,660)	(43,683,617)	(43,715,574)	(43,747,531)	(43,747,531)
													Simple Year Average--rate base methodology		**(43,555,789)**

WITH PRORATION (Note 1)

Days new rates in effect	6/1/2018	214													
Revised Monthly Additions			(31,957)	(31,957)	(31,957)	(31,957)	(31,957)	(27,626)	(22,997)	(18,368)	(13,888)	(9,259)	(4,779)	(149)	
Cumulative ADIT balance with proration		(43,364,047)	(43,396,004)	(43,427,961)	(43,459,918)	(43,491,875)	(43,523,832)	(43,551,458)	(43,574,455)	(43,592,823)	(43,606,711)	(43,615,970)	(43,620,748)	(43,620,898)	(43,620,898)
													Simple Year Average--rate base methodology		**(43,492,472)**

												Adjustment to ADIT	**(63,317)** To Sch F
Days new rate in effect	335	307	276	246	215	185	154	123	93	62	32	1	
Days in the month	31	28	31	30	31	30	31	31	30	31	30	31	365

Methodology based on IRS Private Letter Ruling 9313008

Note 1 Per letter to the Public Utilities Commission dated January 31, 2018 for Docket No. 2016-0328 - Hawaiian Electric 2017 Test Year Rate Case - Hawaiian Electric Estimated Tax Impacts Arising from the Tax Reform Act, the tax effects of the Act are incorporated in the RAM Revenue Adjustment for the 2018 RAM Period effective June 1, 2018. The "With Proration" calculation is based on the number of days the rates will be effective from June 1, 2018 through December 31, 2018.

MAUI ELECTRIC COMPANY, LIMITED
AVERAGE RATE BASE AND RATE OF RETURN
($ Thousands)

RATE BASE	Reference	Month End Dec-17	Month End Dec-16
TOTAL UTILITY PLANT	Note (2), p. 8	685,697	652,897
Adjustments:			
Construction Work in Progress	Note (2), p. 8	(25,322)	(19,038)
Retirement Work in Progress	Note (2), p. 8	(2,639)	(2,492)
Asset Retirement Obligation	Note (2), p. 10	(1,581)	(256)
Regulatory Liability for Cost of Removal	Note (2), p. 10	(29,793)	(29,061)
DEPRECIATED COST OF UTILITY PLANT IN SERVICE *	Note 1	626,362	602,051
REGULATORY ASSETS - SFAS 109	Note (2), p. 9	4,687	8,478
REGULATORY ASSETS - 2017 EXCESS ADIT		12,205	0
REG ASSET- CONTRIB vs. NPPC	GL #18676030	3,100	3,100
REGULATORY ASSET - PENSION NPPC vs. Rates	GL #18676040	12,684	12,540
REGULATORY ASSET - OPEB NPBC vs. Rates	GL #18677040	17	76
MATERIALS & SUPPLIES INVENTORIES	Note (2), p. 8	16,881	16,025
FUEL STOCK	Note (2), p. 8	13,190	10,948
UNAMORTIZED DEFERRED IVR	GL #18670400	200	224
UNAMORTIZED DEFERRED HR SUITE-PHASE 1	GL #186060	477	604
UNAMORTIZED DEFERRED BUDGET SYSTEM PROJECT	GL#186077	189	220
UNAMORTIZED DEFERRED CIS COSTS	MECO-WP-D1-001	1,729	1,962
CHP LEASE RECEIVABLE, NET	Note (3)	2,668	1,611
WORKING CASH:	MECO-WP-H-005	6,240	4,868
DEDUCTIONS:			
Unamortized Contributions in Aid of Construction	Note (2), p. 10	102,684	97,870
Customer Advances for Construction	Note (2), p. 10	9,764	6,801
Deferred Income Taxes	Schedule D4	56,481	111,221
Unamortized Investment Tax Cr - 1962 Revenue Act & STC	GL #255200	14,695	14,599
Customer Deposits	GL #23501000	2,568	2,883
Regulatory Liability other	GL #'25400007/25400010	71	93
Regulatory Liability Tracker True-up	GL#25400004	0	0
Regulatory Liability - 2017 Excess ADIT - Dep	GL#25400023	47,322	0
Regulatory Liability - 2017 Excess ADIT - Other	GL#25400024	14,118	0
Regulatory Liability OPEB True-up	GL #25400002	2,544	2,594
TOTAL DEDUCTIONS		250,247	236,060
MONTH ENDED RATE BASE		450,381	426,647
SIMPLE AVERAGE RATE BASE		438,514	

To Schedule H Line 1(d)

Notes:
(1) Includes Property Held for Future Use balance of $1,302,500 at December 31, 2017 and 2016.
(2) See Maui Electric Company, Ltd. Monthly Financial Report - December 2017, page 8, 9 or 10, filed March 1, 2018.
- Regulatory Assets - SFAS 109 + Regulatory Assets - 2017 Excess ADIT ties to Monthly Financial Report total of $16,892.
- Materials & Supplies inventory includes an adjustment of ($301) and ($233) representing payment lag in 2017 and 2016, respectively.
- Fuel Stock excludes Hana inventory balance of $13 and $14 for 2017 and 2016, respectively.
(3) CHP Lease Receivable, net is computed as follows:

CHP Lease Receivable			
Current	17401800	422	-
Non-current	18601800	4,238	4,477
CHP Unearned Interest			
Current	24201800	(282)	(321)
Non-current	25301800	(1,709)	(2,546)
		2,668	1,611

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

Line	Description	Account/Activity No.	2017	Net of Tax @ 38.91%	Rounded 000s	Schedule H Reference
1	Executive Compensation and Incentive Compensation					
2	LTIP and EICP expense (credit)	M8M723MAUNENMAZZZZZ900	204,364			
3	LTIP share expense	MAA700MAUNENMAZZZZZ900	71,925			
4	Other incentive awards	M8M723MAUNENMAZZZZZ900	75,786			
5	HEI charges for incentive compensation	Provided by HEI	61,908			
6	Subtotal		413,983	252,903	253	Line 2a
7						
8	Discretionary and Other Expenses Not Recoverable					
9	Executive Life expense ***not tax deduct***	HR000120	(66,563)			
10	Executive Life in OPEB	Provided by HEI	64,013			
11	HEIRS	HR000067, HR000089, HR000143	50,707			
12	EEI Dues (allowed portion) ***not tax deduct***	Invoiced amount allocated to MECO	12,612			
13	HEI charges for non-incentive compensation and outside services (plan admin, legal fees, audit fees) - Executives	Provided by HEI	105,418			
14	Service awards	AD000249	706			
15						
16	Subtotal		166,893	80,963	81	Line 2b
17						
18	Total adjustment to operating income		580,876	333,867		

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

Line	Description	Source	2017	Rounded 000s	Schedule H Reference
1	Total Interest Charges	Dec. 2017 PUC report	$ 9,674,912		
2					
3	Less:				
4	Interest on Customer Deposits	Account 43105000	(153,584)		
5	AFUDC-Debt	NARUC 420030	(451,100)		
6					
7	Add:				
8	Amort of Inv Inc Differential	NARUC 403030	10,662	11	Line 2c
9					
10	Total		9,080,891		
11		Tax rate	38.91%		
12					
13			3,533,375	(3,533)	Line 2d

MAUI ELECTRIC COMPANY, LIMITED
Ratemaking Capitalization
2017

		Simple Average Balance* ($ Thousands)	Ratios	Cost Rate	Weighted Cost of Debt
Short-Term Debt	To Sch H lines 5 - 10	0	0.00%	0.00%	0.00%
Long-Term Debt		178,830	39.05%	4.88%	1.91%
Hybrid Securities		9,553	2.09%	7.18%	0.15%
Preferred Stock		4,794	1.05%	8.16%	0.09%
Common Equity		264,828	57.82%	9.00%	5.20%
		458,005	100.00%		7.34%

	NARUC/ GL Code	YTD Dec 2017	Rounded (000s)	Cost Rate
Short-Term Debt:				
Interest on Debt Assoc Co	430	652,485		
Less: Interest on QUIDS	43006000	(650,000)		
Int Exp-Commercial Paper	43100000	0		
Int Inc-Assoc Cos.	419300	(25,247)		
		(22,762)	-23	0.00%
Long-Term Debt:				
Amort of Debt Disc & Exp	428	617,203		
Less: Hybrid Sec Amort of Iss Exp	see a below	(36,168)		
Interest on Long-Term Debt	427	8,135,985		
Int Exp-SCF Loans	43108000	0		
Amort Inv Inc Differential	403030	10,662		
		8,727,682	8,728	4.88%
Hybrid Securities:				
Interest on QUIDS	43006000	650,000		
Amort Exp-QUID1 Iss Exp	428QUID1	13,548		
Amort Exp-QUID2 Iss Exp	428QUID2	12,252	sum = 36,168 a	
Amort Exp-QUID3 Iss Exp	428QUID3	10,368		
Equity in Net Inc of Trust	421070	0		
		686,168	686	7.18%
Preferred Stock:				
Amort of Pfd Stk Iss Exp	42501000	10,060		
Preferred Stock dividends	437	381,240		
		391,300	391	8.16%

Common Equity: D&O 31288 in Dkt No. 2011-0092 filed May 31, 2013 9.00%

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

MAUI ELECTRIC COMPANY, LIMITED
WORKING CASH
2017

Line No.	Description	Reference		2017	Net Collection	Amount
	(a)	(b)		(c)	(d) Note (1)	(e)=(c)/365x(d)
1	Fuel Oil					
2	Maui	*GL #501 and 547 less Hana (#54700001)*		106,032,248	22.6	6,565,284
3	Lanai	*GL #547L*		5,090,775	17.7	246,868
4	Molokai	*GL #547M*		4,522,923	18.7	231,722
5						
6	Purchased Power					
7	Maui	*GL #555 and 55508M*		44,118,386	-5.9	(713,147)
8	Lanai	*GL #555L*		554,827	-11.2	(17,025)
9						
10	Current Income Taxes					
11	Income Tax	*PUC Monthly Fin'l Rpt pg 2*		4,701,975		
12	Reversal of Tax Related to Int Synch Replacemen	*Sch H-Line 2d*		3,533,355		
13	Tax Eff of AFUDC Equity	*GL #420100*		(657,854)		
14	Tax Related to Int Synch	*Sch H Line 13 - Line 13a*		(3,507,045)		
15	Total	*Sum of Lines 11 - 14*		4,070,431	-3.2	(35,686)
16						
17	Revenue Taxes					
18	Franchise					
19	Maui	GL #40801000	7,574,981			
20	Lanai	GL #40801L00	268,016			
21	Molokai	GL #40801M00	242,999			
22	PSC					
23	Maui	GL #40802000	18,116,965			
24	Lanai	GL #40802L00	639,592			
25	Molokai	GL #40802M00	584,996			
26	PUC Fee					
27	Maui	*GL #40803000*	*1,539,249*			
28	Lanai	GL #40803L00	54,341			
29	Molokai	GL #40803M00	49,702			
30	Total	*Sum of Lines 19 - 29*		29,070,841	-50.5	(4,022,130)
31						
32	Total Operations	*Trial Balance p. 21*	48,316,857			
33	Total Maintenance	*Trial Balance p. 21*	23,800,295			
34	*Total O&M*		72,117,152			
35	Total O&M Labor	*Labor in O&M report*	21,591,446	21,591,446	23.9	1,413,796
36	O&M Non-Labor	*Line 34 - Line 35*	50,525,706			
37	Bad Debt Expense	*GL #904*	(241,676)			
38	Pension Reg Asset/Liab Amort	*MECO-WP-H005 pg.2*	(752,984)			
39	OPEB Reg Asset/Liab Amort	*MECO-WP-H005 pg.2*	(44,876)			
40	Sys Develop Amortization	*MECO-WP-H005 pg.2*	(394,301)			
41	Payroll Taxes	*GL #408050/L/M*	1,737,968			
42	Interest on Customer Deposits	*GL #43105000*	153,584			
43	Total O&M Non-Labor	*Sum of Lines 36 - 42*		50,983,421	18.4	2,570,123
44						
45	Working Cash	*Sum of Lines 2 - 4, 7 - 8,15,30,35,43*				6,239,805
						To WP-H-001

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

MAUI ELECTRIC COMPANY, LIMITED
O&M Non-Labor
2017

Pension Regulatory Asset Amortization

18676040	O&M % Portion 76.00% Note 1
990,768	752,984

To WP-H-005 p 1, line 38

OPEB Regulatory Asset Amortization

18677040	O&M % Portion 76.00% Note 1
59,048	44,876

To WP-H-005 p 1, line 39

System Development Amortization

18605005 CIS	18606004 HRS Ph 1	18607704 Budg. Sys.	18670400 IVR	Total
212,630	127,264	31,074	23,333	394,301

To WP-H-005 p 1, line 40

Footnote:
1 MECO 2012 TY Rate Case, Docket No. 2011-0092, MECO-RWP-1707

MAUI ELECTRIC COMPANY, LIMITED
Earning Sharing Credits Recorded (net of tax)
2017
($ thousands)

Earnings Sharing Credits Recorded - Note 1	$	40
Revenue Taxes @ 8.885%		(4)
Income Taxes @38.9097744%		(14)
Reduction to operating income	$	22
	To Sch H, Line 2(e)	

(1) See Transmittal No. 17-04 (Decoupling) - Maui Electric 's RBA Provision Tariff Filing, Schedule A, filed on May 22, 2017.

MAUI ELECTRIC COMPANY, LIMITED
Special Medical Needs Program Discount (net of tax)
2017
($ thousands)

Sprecial Medical Needs Program Discount	$	12
Revenue Taxes @ 8.885%	$	(1)
Income Taxes @38.9097744%		(4)
Reduction to operating income	$	7
	To Sch H, line 2(f)	

Source: CIS Special Medical Needs (SMN) report.

MAUI ELECTRIC COMPANY, LIMITED
DECOUPLING CALCULATION WORKBOOK
CIS PROJECT COSTS - ADIT

Line No.		Basis Book	Basis Fed Tax	Basis State Tax	Fed Book - Tax Diff	State Book - Tax Diff	ADIT Federal 21.00% / 35.00% (Note 2)	ADIT State 6.01504%	ADIT Total	
1	CIS Book Basis	8,051,557	8,051,557	8,051,557						
2	AFUDC		(1,084,396)	(1,084,396)						
3	Writedown of CIS Costs	(5,500,000)	(5,500,000)	(5,500,000)						
4		2,551,557	1,467,161	1,467,161						
5	Book Tax Differences		95,239	95,239						
6	Post Go Live carrying charge	56,885								
7	Amortization - 2012	-	(954,800)	(347,200)						
8	Amortization - 2013	(126,798)	(260,400)	(520,800)						
9	Balance as of 12/31/13	2,481,644	347,200	694,400	2,134,444	1,787,244	(709,429)	(107,503)	(816,933)	
10	Amortization - 2014	(217,370)	(260,400)	(520,800)	43,030	303,430	(8,672)	(18,251)	(26,924)	
11	Balance as of 12/31/14	2,264,274	86,800	173,600	2,177,474	2,090,674	(718,102)	(125,755)	(843,857)	
12	Amortization - 2015	(217,370)	(86,800)	(173,600)	(130,570)	(43,770)	44,778	2,633	47,411	
13	Balance as of 12/31/15	2,046,904	-	-	2,046,904	2,046,904	(673,324)	(123,122)	(796,446)	
14	Amortization - 2016	(217,370)	-	-	(217,370)	(217,370)	71,503	13,075	84,578	
15	Balance as of 12/31/16	1,829,534	-	-	1,829,534	1,829,534	(601,820)	(110,047)	(711,868)	
15	Amortization - 2017	(217,370)	-	-	(217,370)	(217,370)	71,503	13,075	84,578	
16	Excess Deferred (Note 3)						212,127	-	212,127	
17	Balance as of 12/31/17	1,612,164	-	-	1,612,164	1,612,164	(318,190)	(96,972)	(415,162)	*Schedule K1*
18	Amortization - 2018	(217,370)	-	-	(217,370)	(217,370)	42,902	13,075	55,977	*Schedule K1*
19	Balance as of 12/31/18	1,394,794	-	-	1,394,794	1,394,794	(275,288)	(83,897)	(359,186)	*Schedule K1*

Notes:

1 For tax purposes, CIS costs are amortized over 36 months and were fully amortized in 2015.
2 The Tax Cuts and Jobs Act changed the Federal tax rate for tax years ending after December 31, 2017.
3 Excess ADIT resulting from Federal tax rate change from 35% to 21%.

Maui Electric Company, Ltd.

Comparison of 2012 Final D&O with and without Income Tax Expense Impacts of the 2017 Tax Act[1]

Total Company
Results of Operations
2012
(Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirement TY 2012 Final D&O without Income Tax Expense Impacts	Additional Amount	Revenue Requirement TY 2012 Final D&O with Income Tax Expense Impacts
Electric Sales Revenue	411,657	5,153	416,810	(5,907)	410,903
Other Operating Revenue	1,910	167	2,077	0	2,077
Gain on Sale of Land	0		0		0
TOTAL OPERATING REVENUES	413,567	5,320	418,887	(5,907)	412,980
Fuel	212,580		212,580		212,580
Purchased Power	44,856		44,856		44,856
Production	27,456		27,456		27,456
Transmission	2,774		2,774		2,774
Distribution	9,743		9,743		9,743
Customer Accounts	4,683		4,683		4,683
Allowance for Uncoll. Accounts	301	0	301		301
Customer Service	1,180		1,180		1,180
Administration & General	15,241		15,241		15,241
Operation and Maintenance	318,814	0	318,814	0	318,814
Depreciation & Amortization	19,687		19,687		19,687
Amortization of State ITC	(272)		(272)		(272)
Taxes Other Than Income	38,519	469	38,988	(527)	38,461
Interest on Customer Deposits	280		280		280
Income Taxes	10,629	1,887	12,516	(5,396)	7,120
TOTAL OPERATING EXPENSES	387,657	2,356	390,013	(5,923)	384,090
OPERATING INCOME	25,910	2,964	28,874	16	28,890
AVERAGE RATE BASE	393,484	(82)	393,402	118	393,520
RATE OF RETURN ON AVERAGE RATE BASE	6.58%		7.34%		7.34%

	Amount
Maui	(5,564.0)
Lanai	(162.0)
Molokai	(181.0)
Total Tax Act Impact to Base Rate	(5,907.0)

[1] The results of operations were recalculated to incorporate the Federal Income Tax rate reduction from 35% to 21% and the repeal of the Domestic Production Activities Deduction ("DPAD").

Maui Electric Company, Ltd.

Comparison of 2012 Final D&O with and without Income Tax Expense Impacts of the 2017 Tax Act[1]

Maui Division

Results of Operations

2012

(Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirement TY 2012 Final D&O without Income Tax Expense Impacts	Additional Amount	Revenue Requirement TY 2012 Final D&O with Income Tax Expense Impacts
Electric Sales Revenue	387,638	4,854	392,492	(5,564)	386,928
Other Operating Revenue	1,677	149	1,826	0	1,826
Gain on Sale of Land	0		0		0
TOTAL OPERATING REVENUES	389,315	5,003	394,318	(5,564)	388,754
Fuel	198,340		198,340		198,340
Purchased Power	44,104		44,104		44,104
Production	24,002		24,002		24,002
Transmission	2,623		2,623		2,623
Distribution	8,894		8,894		8,894
Customer Accounts	4,235		4,235		4,235
Allowance for Uncoll. Accounts	301	0	301		301
Customer Service	1,176		1,176		1,176
Administration & General	14,012		14,012		14,012
Operation and Maintenance	297,687	0	297,687	0	297,687
Depreciation & Amortization	17,713		17,713		17,713
Amortization of State ITC	(250)		(250)		(250)
Taxes Other Than Income	36,208	440	36,648	(494)	36,154
Interest on Customer Deposits	260		260		260
Income Taxes	11,351	1,775	13,126	(5,536)	7,590
TOTAL OPERATING EXPENSES	362,969	2,215	365,184	(6,030)	359,154
OPERATING INCOME	26,346	2,788	29,134	466	29,600
AVERAGE RATE BASE	363,195	(76)	363,119	116	363,235
RATE OF RETURN ON AVERAGE RATE BASE	7.25%		8.02%		8.15%

[1] The results of operations were recalculated to incorporate the Federal Income Tax rate reduction from 35% to 21% and the repeal of the Domestic Production Activities Deduction ("DPAD").

Maui Electric Company, Ltd.
Comparison of 2012 Final D&O with and without Income Tax Expense Impacts of the 2017 Tax Act[1]
Lanai Division
Results of Operations
2012
(Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirement TY 2012 Final D&O without Income Tax Expense Impacts	Additional Amount	Revenue Requirement TY 2012 Final D&O with Income Tax Expense Impacts
Electric Sales Revenue	11,300	141	11,441	(162)	11,279
Other Operating Revenue	103	4	107		107
Gain on Sale of Land	0		0		0
TOTAL OPERATING REVENUES	11,403	145	11,548	(162)	11,386
Fuel	6,729		6,729		6,729
Purchased Power	747		747		747
Production	1,614		1,614		1,614
Transmission	0		0		0
Distribution	283		283		283
Customer Accounts	194		194		194
Allowance for Uncoll. Accounts	0	0	0		0
Customer Service	3		3		3
Administration & General	470		470		470
Operation and Maintenance	10,040	0	10,040	0	10,040
Depreciation & Amortization	973		973		973
Amortization of State ITC	(11)		(11)		(11)
Taxes Other Than Income	1,088	14	1,102	(16)	1,086
Interest on Customer Deposits	7		7		7
Income Taxes	(406)	51	(355)	89	(266)
TOTAL OPERATING EXPENSES	11,691	65	11,756	73	11,829
OPERATING INCOME	(288)	80	(208)	(235)	(443)
AVERAGE RATE BASE	15,221	(3)	15,218	0	15,218
RATE OF RETURN ON AVERAGE RATE BASE	-1.89%		-1.36%		-2.91%

[1] The results of operations were recalculated to incorporate the Federal Income Tax rate reduction from 35% to 21% and the repeal of the Domestic Production Activities Deduction ("DPAD").

Maui Electric Company, Ltd.
Comparison of 2012 Final D&O with and without Income Tax Expense Impacts of the 2017 Tax Act[1]
Molokai Division
Results of Operations
2012
(Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirement TY 2012 Final D&O without Income Tax Expense Impacts	Additional Amount	Revenue Requirement TY 2012 Final D&O with Income Tax Expense Impacts
Electric Sales Revenue	12,719	158	12,877	(181)	12,696
Other Operating Revenue	130	14	144		144
Gain on Sale of Land	0		0		0
TOTAL OPERATING REVENUES	12,849	172	13,021	(181)	12,840
Fuel	7,511		7,511		7,511
Purchased Power	5		5		5
Production	1,840		1,840		1,840
Transmission	151		151		151
Distribution	566		566		566
Customer Accounts	254		254		254
Allowance for Uncoll. Accounts	0	0	0		0
Customer Service	1		1		1
Administration & General	759		759		759
Operation and Maintenance	11,087	0	11,087	0	11,087
Depreciation & Amortization	1,001		1,001		1,001
Amortization of State ITC	(11)		(11)		(11)
Taxes Other Than Income	1,223	15	1,238	(17)	1,221
Interest on Customer Deposits	13		13		13
Income Taxes	(316)	61	(255)	51	(204)
TOTAL OPERATING EXPENSES	12,997	76	13,073	34	13,107
OPERATING INCOME	(148)	96	(52)	(215)	(267)
AVERAGE RATE BASE	15,068	(3)	15,065	2	15,067
RATE OF RETURN ON AVERAGE RATE BASE	-0.98%		-0.34%		-1.78%

[1] The results of operations were recalculated to incorporate the Federal Income Tax rate reduction from 35% to 21% and the repeal of the Domestic Production Activities Deduction ("DPAD").

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
Results of Operations
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirements to Produce 7.34% Return on Average Rate Base
Electric Sales Revenue	411,657	(754)	410,903
Other Operating Revenue	1,910	167	2,077
Gain on Sale of Land	0		0
TOTAL OPERATING REVENUES	413,567	(587)	412,980
Fuel	212,580		212,580
Purchased Power	44,856		44,856
Production	27,456		27,456
Transmission	2,774		2,774
Distribution	9,743		9,743
Customer Accounts	4,683		4,683
Allowance for Uncoll. Accounts	301	0	301
Customer Service	1,180		1,180
Administration & General	15,241		15,241
Operation and Maintenance	318,814	0	318,814
Depreciation & Amortization	19,687		19,687
Amortization of State ITC	(272)		(272)
Taxes Other Than Income	38,519	(58)	38,461
Interest on Customer Deposits	280		280
Income Taxes	7,258	(138)	7,120
TOTAL OPERATING EXPENSES	384,286	(196)	384,090
OPERATING INCOME	29,281	(391)	28,890
AVERAGE RATE BASE	393,512	8	393,520
RATE OF RETURN ON AVERAGE RATE BASE	7.44%		7.34%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
COMPOSITE EMBEDDED COST OF CAPITAL
Estimated 2012 Average

	A	B	C	D
	Capitalization			
	Amount in Thousands	Percent of Total	Earnings Reqmts	Weighted Earnings Reqmts (B) x (C)
Short-Term Debt	5,003	1.23	1.25%	0.015%
Long-Term Debt	156,370	38.44	5.06%	1.943%
Hybrid Securities	9,373	2.30	7.32%	0.169%
Preferred Stock	4,744	1.17	8.25%	0.096%
Common Equity	231,310	56.86	9.00%	5.117%
Total	406,800	100.00		

Estimated Composite Cost of Capital 7.340%

or 7.34%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
2012 AVERAGE RATE BASE
($ Thousands)

	Beginning Balance	End of Year Balance	Average Balance
Investments in Assets Serving Customers			
Net Cost of Plant in Service	465,783	493,298	479,541
Property Held for Future Use	1,303	1,303	1,303
Fuel Inventory	18,577	18,577	18,577
Materials & Supplies Inventories	13,387	13,387	13,387
Unamort. Net SFAS 109 Reg. Asset	8,405	8,642	8,524
Pension Reg Asset	3,453	4,377	3,915
OPEB Reg Asset	344	261	303
Unamort Sys Dev Costs	1,240	1,487	1,364
Contributions in Excess of NPPC Regulatory Asset	3,101	8,400	5,751
Total Investments in Assets	515,593	549,732	532,663
Funds From Non-Investors			
Unamortized CIAC	74,766	83,821	79,294
Customer Advances	4,649	4,599	4,624
Customer Deposits	4,346	4,812	4,579
Accumulated Def. Income Taxes	42,143	55,666	48,905
Unamort State ITC (Gross)	12,150	12,752	12,451
Unamortized Gain on Sale	0	0	0
Pension Liability	0	0	0
OPEB Reg Liability	0	0	0
Total Deductions	138,054	161,650	149,852
Difference			382,811
Working Cash at TY 2010 Final Rates			10,701
Rate Base at TY 2010 Final Rates			393,512
Change in Rate Base - Working Cash			8
Rate Base at Proposed Rates			393,520

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
COMPUTATION OF INCOME TAX EXPENSE
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Operating Revenues	413,567	(591)	412,976
Operating Expenses:			
Fuel Oil and Purchased Power	257,436		257,436
Other Operation & Maintenance Expense	61,378	0	61,378
Depreciation	19,687		19,687
Amortization of State ITC	(272)		(272)
Taxes Other than Income	38,519	(58)	38,461
Interest on Customer Deposits	280		280
Total Operating Expenses	377,028	(58)	376,970
Operating Income Before Income Taxes	36,539	(533)	36,006
Tax Adjustments:			
Interest Expense	(8,370)		(8,370)
Meals and Entertainment	19		19
	(8,351)	0	(8,351)
Taxable Income at Ordinary Rates	28,188	(533)	27,655
Income Tax Exp at Ordinary Rates	7,259	(137)	7,122
Tax Benefit of Domestic Production Activities Deduction	0		0
Tax Effect of Deductible Preferred Stock Dividends	0		0
R&D Credit	0		0
Total Adjustments to Income Tax Expense	0	0	0
TOTAL INCOME TAX EXPENSE	7,258	(137)	7,122

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
TAXES OTHER THAN INCOME TAX
2012
($ Thousands)

	Rate	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Public Service Tax	5.885%	24,320	(35)	24,285
Public Utility Fee	0.500%	2,066	(3)	2,063
Franchise Tax	2.500%	10,284	(20)	10,264
Payroll Tax		1,849		1,849
TOTAL TAXES OTHER THAN INCOME TAX		38,519	(58)	38,461

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
SUPPORT WORKSHEET
2012

OPERATING REVENUES:	
Electric Sales Revenues	411,657
Other Operating Revenues	1,910
Gain on Sale of Land	0
TOTAL OPERATING REVENUES	413,567
FUEL OIL AND PURCHASE POWER EXPENSES:	
Fuel Oil Expense	212,204
Fuel Related Non-labor Exp	363
Fuel Handling Labor Expense	13
Fuel Oil Expense	212,580
Purchased Power Expense	44,856
TOTAL FUEL OIL AND PURCHASE POWER EXPENSES	257,436
OTHER OPERATION & MAINTENANCE EXPENSES:	
Production	27,456
Transmission	2,774
Distribution	9,743
Customer Account	4,683
Allowance for Uncollectible Accounts	301
Customer Service	1,180
Administration & General	15,241
TOTAL OTHER OPERATION & MAINTENANCE EXPENSES	61,378

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
SUPPORT WORKSHEET
2012

TOTAL FUEL OIL & PP AND OTH O&M EXPENSES (LABOR/NONLABOR)		
Fuel Oil Expense		212,580
Purchase Power Expense		44,856
O&M Labor Expense		22,696
Total Nonlabor Expense		
O&M Nonlabor Expense		38,682
Bad Debt Expense		(301)
Other Excluded Items		(1,211)
		37,170
REVENUE TAX		
Public Service Tax		
Electric Sales Revenues		411,657
Other Operating Revenues		1,910
Less: Bad Debt Expense		(301)
Operating Revenues subject to PSC Tax		413,266
Public Service Tax Rate	x	5.885%
Total PSC Tax		24,320
PUC Fees		
Electric Sales Revenues		411,657
Other Operating Revenues		1,910
Less: Bad Debt Expense		(301)
Operating Revenues subject to PSC Tax		413,266
PUC Tax Rate	x	0.500%
Total PUC Tax		2,066

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
SUPPORT WORKSHEET
2012

Franchise Tax		
Electric Sales Revenues		411,657
Less: Bad Debt Expense		(301)
		411,356
Franchise Tax Rate	x	2.500%
Total Franchise Tax		10,284
TOTAL REVENUE TAX		36,670
INTEREST EXPENSE:		
Weighted Cost of Debt		
Short-Term Debt		0.015%
Long-Term Debt		1.943%
Hybrid Securities		0.169%
Total		2.127%
Rate Base at Proposed Rates	x	393,520
TOTAL INTEREST EXPENSE		8,370
INCOME TAX EXPENSE SUMMARY		
Current		(7,139)
Deferred		13,523
State ITC		874
Pension Asset Amortization		0
TOTAL INCOME TAX EXPENSE		7,258
CALCULATIONS OF REVENUE TAX RATE:		
Franchise Tax Rate adjusted for Change in Oth Oper Revenues and Bad Debt		0.03037
PSC Tax Rate adjusted for Bad Debt		0.05885
PUC Tax Rate adjusted for Bad Debt		0.00500
REVENUE TAX RATE		0.09422
CALCULATIONS OF COMPOSITE INCOME TAX RATE:		
State Tax Rate		0.06015
Federal Tax Rate		0.21000
State Tax Rate		0.06015
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Tax		(0.01263)
COMPOSITE INCOME TAX RATE		0.25752

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Total Company
SUPPORT WORKSHEET
2012

CALCULATIONS OF COMPOSITE CAPITAL GAINS TAX RATE:		
State Capital Gains Tax Rate		0.03759
Federal Tax Rate		0.21000
State Capital Gains Tax Rate		0.03759
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Capital Gains Tax Rate		(0.00789)
COMPOSITE CAPITAL GAINS TAX RATE		0.23970
CALCULATIONS OF EFFECTIVE INCOME TAX RATE:		
PSC Tax & PUC Fees Rates adjusted for Bad Debt		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev and Bad Debt		0.03037
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Revenue Tax and Bad Debt rate		0.09422
Rev Tax & Bad Debt Reciprocal	(1 - 0.09422)	0.90578
Composite Income Tax Rate	x	0.25752
EFFECTIVE INCOME TAX RATE AFTER CONSIDERING REVENUE TAX & BAD DEBT		0.23325
CALCULATIONS OF OPERATING INCOME DIVISOR:		
PSC Tax & PUC Fees Rates		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev		0.03037
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Effective Income Tax Rate after considering revenue tax & bad debt		0.23325
		0.32748
OPERATING INCOME DIVISOR	(1 - 0.32748)	0.67252

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
Results of Operations
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirements to Produce 8.15% Return on Average Rate Base
Electric Sales Revenue	387,638	(710)	386,928
Other Operating Revenue	1,677	149	1,826
Gain on Sale of Land	0		0
TOTAL OPERATING REVENUES	389,315	(561)	388,754
Fuel	198,340		198,340
Purchased Power	44,104		44,104
Production	24,002		24,002
Transmission	2,623		2,623
Distribution	8,894		8,894
Customer Accounts	4,235		4,235
Allowance for Uncoll. Accounts	301	0	301
Customer Service	1,176		1,176
Administration & General	14,012		14,012
Operation and Maintenance	297,687	0	297,687
Depreciation & Amortization	17,713		17,713
Amortization of State ITC	(250)		(250)
Taxes Other Than Income	36,208	(54)	36,154
Interest on Customer Deposits	260		260
Income Taxes	7,722	(132)	7,590
TOTAL OPERATING EXPENSES	359,340	(186)	359,154
OPERATING INCOME	29,975	(375)	29,600
AVERAGE RATE BASE	363,227	8	363,235
RATE OF RETURN ON AVERAGE RATE BASE	8.25%		8.15%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
COMPOSITE EMBEDDED COST OF CAPITAL
Estimated 2012 Average

	A	B	C	D
	Capitalization			
	Amount in Thousands	Percent of Total	Earnings Reqmts	Weighted Earnings Reqmts (B) x (C)
Short-Term Debt	5,003	1.23	1.25%	0.015%
Long-Term Debt	156,370	38.44	5.06%	1.943%
Hybrid Securities	9,373	2.30	7.32%	0.169%
Preferred Stock	4,744	1.17	8.25%	0.096%
Common Equity	231,310	56.86	10.42%	5.924%
Total	406,800	100.00		
Estimated Composite Cost of Capital				8.147%
			or	8.15%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
2012 AVERAGE RATE BASE
($ Thousands)

	Beginning Balance	End of Year Balance	Average Balance
Investments in Assets			
Serving Customers			
Net Cost of Plant in Service	429,048	455,979	442,514
Property Held for Future Use	1,303	1,303	1,303
Fuel Inventory	17,463	17,463	17,463
Materials & Supplies Inventories	12,739	12,739	12,739
Unamort. Net SFAS 109 Reg. Asset	7,679	7,890	7,785
Pension Reg Asset	3,207	4,081	3,644
OPEB Reg Asset	320	244	282
Unamort Sys Dev Costs	1,152	1,386	1,269
Contributions in Excess of NPPC Regulatory Asset	2,881	7,831	5,356
Total Investments in Assets	475,792	508,916	492,355
Funds From Non-Investors			
Unamortized CIAC	69,490	78,494	73,992
Customer Advances	4,548	4,488	4,518
Customer Deposits	4,043	4,478	4,261
Accumulated Def. Income Taxes	38,681	51,102	44,892
Unamort State ITC (Gross)	11,150	11,703	11,427
Unamortized Gain on Sale	-	-	-
Pension Liability	-	-	-
OPEB Reg Liability	-	-	-
Total Deductions	127,912	150,265	139,090
Difference			353,265
Working Cash at TY 2010 Final Rates			9,962
Rate Base at TY 2010 Final Rates			363,227
Change in Rate Base - Working Cash			8
Rate Base at Proposed Rates			363,235

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
WORKING CASH ITEMS
2012
($ Thousands)

	A COLLECTION LAG (DAYS)	B PAYMENT LAG (DAYS)	C NET COLLECTION LAG (DAYS) (A - B)	D ANNUAL AMOUNT
Fuel Oil Expense	35.6	13.0	22.6	198,340
Purchased Power	35.6	41.5	(5.9)	44,104
O&M Labor	35.6	11.7	23.9	20,682
O&M Nonlabor & Other	35.6	17.2	18.4	35,079
Revenue Taxes	35.6	86.1	(50.5)	34,521
Income Taxes-TY 2010 Final Rat	35.6	38.8	(3.2)	(5,502)
Income Taxes-Proposed Rates	35.6	38.8	(3.2)	(5,634)

	E AVERAGE DAILY AMOUNT (D/365)	F WORKING CASH (TY10 FINAL RATES) (C X E)	G AVERAGE DAILY AMOUNT (PROPOSED)	H WORKING CASH (PROPOSED RATES) (C X G)
Fuel Oil Expense	543.4	12,281	543.4	12,281
Purchased Power	120.8	(713)	120.8	(713)
O&M Labor	56.7	1,354	56.7	1,354
O&M Nonlabor & Other	96.1	1,768	96.1	1,768
Revenue Taxes	94.6	(4,776)	94.4	(4,769)
Income Taxes-TY 2010 Final Rat	(15.1)	48		
Income Taxes-Proposed Rates	(15.4)	-	(15.4)	49
Total		9,962		9,970
Change in Working Cash				8

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
COMPUTATION OF INCOME TAX EXPENSE
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Operating Revenues	389,315	(566)	388,749
Operating Expenses:			
Fuel Oil and Purchased Power	242,444		242,444
Other Operation & Maintenance Expense	55,243	0	55,243
Depreciation	17,713		17,713
Amortization of State ITC	(250)		(250)
Taxes Other than Income	36,208	(54)	36,154
Interest on Customer Deposits	260		260
Total Operating Expenses	351,618	(54)	351,564
Operating Income Before Income Taxes	37,697	(512)	37,185
Tax Adjustments:			
Interest Expense	(7,726)		(7,726)
Meals and Entertainment	17		17
	(7,709)	0	(7,709)
Taxable Income at Ordinary Rates	29,988	(512)	29,476
Income Tax Exp at Ordinary Rates	7,722	(132)	7,590
Tax Benefit of Domestic Production Activities Deduction	0		0
Tax Effect of Deductible Preferred Stock Dividends	0		0
R&D Credit	0		0
Total Adjustments to Income Tax Expense	0	0	0
TOTAL INCOME TAX EXPENSE	7,722	(132)	7,590

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
TAXES OTHER THAN INCOME TAX
2012
($ Thousands)

	Rate	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Public Service Tax	5.885%	22,893	(33)	22,860
Public Utility Fee	0.500%	1,945	(3)	1,942
Franchise Tax	2.500%	9,683	(18)	9,665
Payroll Tax		1,687		1,687
TOTAL TAXES OTHER THAN INCOME TAX		36,208	(54)	36,154

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

OPERATING INCOME AT TY 2010 FINAL RATES:			
Operating Revenues		389,315	
Fuel and Purchased Power Expenses		242,444	
Other O&M Expenses		55,243	
Depreciation & Amortization Expense		17,713	
Amortization of State ITC		(250)	
Taxes Other than Income		36,208	
Interest on Customer Deposits		260	
Income Taxes		7,722	
Total Operating Expenses		359,340	
OPERATING INCOME AT TY 2010 FINAL RATES		29,975	
CALCULATIONS OF REVENUE REQUIREMENTS:			
OPERATING INCOME			
Rate Base at Proposed Rates		363,235	
Proposed Rate of Return on Rate Base	x	8.15%	
Operating Income		29,594	
Less: Operating Income at TY 2010 Final Rates		29,975	
INCREASE IN OPERATING INCOME		(381)	
OPERATING REVENUES:			
Increase in Operating Income		(381)	
Operating Income Divisor	(divided by)	0.6727473	
INCREASE IN OPERATING REVENUES		(566)	
Increase in Electric Sales Revenue		(710)	
Other Operating Revenue Rate	x	-20.28169%	
Increase in Other Operating Revenues		[redacted]	Note: changed amount to tie to Final D&O filing
INCREASE IN OPERATING REVENUES (check)		(561)	

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

BAD DEBT:		
Increase in Electric Revenues		(710)
Bad Debt Rate	x	0.0000
INCREASE IN BAD DEBT EXPENSE		0
REVENUE TAX:		
Increase in Operating Revenues		(566)
Less: Increase in Bad Debt Expense		0
		(566)
PSC Tax & PUC Fees Rate	x	6.385%
		(36)
Increase in Electric Revenues		(710)
Less: Increase in Bad Debt Expense		0
		(710)
Franchise Tax Rate	x	2.500%
		(18)
INCREASE IN REVENUE TAX		(54)
INCOME TAX:		
Increase in Operating Revenues		(566)
Effective Income Tax Rate after considering revenue tax & bad debt	x	23.333%
INCREASE IN INCOME TAX		(132)
INCREASE IN OPERATING INCOME (check)		(380)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

CHANGE IN RATE BASE:

	A EXPENSE AMOUNT	B AVERAGE DAILY AMOUNT (A/365)	C NET COLLECTION LAG (DAYS)	D WORKING CASH REQMT (B)x(C)
Increase in Revenue Tax	(54)	(0.1)	(50.5)	7
Income Tax at TY 2010 Final rate	(5,502)	(15.1)	(3.2)	(48)
Income Tax at proposed rates	(5,634)	(15.4)	(3.2)	49
CHANGE IN RATE BASE - WORKING CASH				8
Rate Base at TY 2010 Final Rates				363,227
PROPOSED RATE BASE				363,235
Operating Income at TY 2010 Final Rates				29,975
Increase in Operating Income				(381)
OPERATING INCOME AT PROPOSED RATES				29,594
PROPOSED RATE OF RETURN ON RATE BASE (check)				8.15%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
SUPPORT WORKSHEET
2012

OPERATING REVENUES:	
Electric Sales Revenues	387,638
Other Operating Revenues	1,677
Gain on Sale of Land	0
TOTAL OPERATING REVENUES	389,315
FUEL OIL AND PURCHASE POWER EXPENSES:	
Fuel Oil Expense	197,975
Fuel Related Non-labor Exp	352
Fuel Handling Labor Expense	13
Fuel Oil Expense	198,340
Purchased Power Expense	44,104
TOTAL FUEL OIL AND PURCHASE POWER EXPENSES	242,444
OTHER OPERATION & MAINTENANCE EXPENSES:	
Production	24,002
Transmission	2,623
Distribution	8,894
Customer Account	4,235
Allowance for Uncollectible Accounts	301
Customer Service	1,176
Administration & General	14,012
TOTAL OTHER OPERATION & MAINTENANCE EXPENSES	55,243

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
SUPPORT WORKSHEET
2012

TOTAL FUEL OIL & PP AND OTH O&M EXPENSES (LABOR/NONLABOR)		
Fuel Oil Expense		198,340
Purchase Power Expense		44,104
O&M Labor Expense		20,682
Total Nonlabor Expense		
O&M Nonlabor Expense		34,561
Bad Debt Expense		(301)
Other Excluded Items		(1,128)
		33,132
REVENUE TAX		
Public Service Tax		
Electric Sales Revenues		387,638
Other Operating Revenues		1,677
Less: Bad Debt Expense		(301)
Operating Revenues subject to PSC Tax		389,014
Public Service Tax Rate	x	5.885%
Total PSC Tax		22,893
PUC Fees		
Electric Sales Revenues		387,638
Other Operating Revenues		1,677
Less: Bad Debt Expense		(301)
Operating Revenues subject to PSC Tax		389,014
PUC Tax Rate	x	0.500%
Total PUC Tax		1,945

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
SUPPORT WORKSHEET
2012

Franchise Tax		
Electric Sales Revenues		387,638
Less: Bad Debt Expense		(301)
		387,337
Franchise Tax Rate	x	2.500%
Total Franchise Tax		9,683
TOTAL REVENUE TAX		34,521
INTEREST EXPENSE:		
Weighted Cost of Debt		
Short-Term Debt		0.015%
Long-Term Debt		1.943%
Hybrid Securities		0.169%
Total		2.127%
Rate Base at Proposed Rates	x	363,235
TOTAL INTEREST EXPENSE		7,726
INCOME TAX EXPENSE SUMMARY		
Current		(5,502)
Deferred		12,421
State ITC		803
Pension Asset Amortization		0
TOTAL INCOME TAX EXPENSE		7,722
CALCULATIONS OF REVENUE TAX RATE:		
Franchise Tax Rate adjusted for Change in Oth Oper Revenues and Bad Debt		0.03007
PSC Tax Rate adjusted for Bad Debt		0.05885
PUC Tax Rate adjusted for Bad Debt		0.00500
REVENUE TAX RATE		0.09392
CALCULATIONS OF COMPOSITE INCOME TAX RATE:		
State Tax Rate		0.06015
Federal Tax Rate		0.21000
State Tax Rate		0.06015
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Tax		(0.01263)
COMPOSITE INCOME TAX RATE		0.25752

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Maui Division
SUPPORT WORKSHEET
2012

CALCULATIONS OF COMPOSITE CAPITAL GAINS TAX RATE:		
State Capital Gains Tax Rate		0.03759
Federal Tax Rate		0.21000
State Capital Gains Tax Rate		0.03759
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Capital Gains Tax Rate		(0.00789)
COMPOSITE CAPITAL GAINS TAX RATE		0.23970
CALCULATIONS OF EFFECTIVE INCOME TAX RATE:		
PSC Tax & PUC Fees Rates adjusted for Bad Debt		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev and Bad Debt		0.03007
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Revenue Tax and Bad Debt rate		0.09392
Rev Tax & Bad Debt Reciprocal (1 - 0.09392)		0.90608
Composite Income Tax Rate	x	0.25752
EFFECTIVE INCOME TAX RATE AFTER CONSIDERING REVENUE TAX & BAD DEBT		0.23333
CALCULATIONS OF OPERATING INCOME DIVISOR:		
PSC Tax & PUC Fees Rates		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev		0.03007
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Effective Income Tax Rate after considering revenue tax & bad debt		0.23333
		0.32725
OPERATING INCOME DIVISOR (1 - 0.32725)		0.67275

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
Results of Operations
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirements to Produce -2.91% Return on Average Rate Base
Electric Sales Revenue	11,300	(21)	11,279
Other Operating Revenue	103	4	107
Gain on Sale of Land	0		0
TOTAL OPERATING REVENUES	11,403	(17)	11,386
Fuel	6,729		6,729
Purchased Power	747		747
Production	1,614		1,614
Transmission	0		0
Distribution	283		283
Customer Accounts	194		194
Allowance for Uncoll. Accounts	0	0	0
Customer Service	3		3
Administration & General	470		470
Operation and Maintenance	10,040	0	10,040
Depreciation & Amortization	973		973
Amortization of State ITC	(11)		(11)
Taxes Other Than Income	1,088	(2)	1,086
Interest on Customer Deposits	7		7
Income Taxes	(262)	(4)	(266)
TOTAL OPERATING EXPENSES	11,835	(6)	11,829
OPERATING INCOME	(432)	(11)	(443)
AVERAGE RATE BASE	15,218	0	15,218
RATE OF RETURN ON AVERAGE RATE BASE	-2.84%		-2.91%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
COMPOSITE EMBEDDED COST OF CAPITAL
Estimated 2012 Average

	A	B	C	D
	Capitalization			
	Amount in Thousands	Percent of Total	Earnings Reqmts	Weighted Earnings Reqmts (B) x (C)
Short-Term Debt	5,003	1.23	1.25%	0.015%
Long-Term Debt	156,370	38.44	5.06%	1.943%
Hybrid Securities	9,373	2.30	7.32%	0.169%
Preferred Stock	4,744	1.17	8.25%	0.096%
Common Equity	231,310	56.86	-9.03%	-5.135%
Total	406,800	100.00		

Estimated Composite Cost of Capital -2.912%

or -2.91%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
2012 AVERAGE RATE BASE
($ Thousands)

	Beginning Balance	End of Year Balance	Average Balance
Investments in Assets Serving Customers			
Net Cost of Plant in Service	18,724	18,782	18,753
Property Held for Future Use	-	-	-
Fuel Inventory	456	456	456
Materials & Supplies Inventories	250	250	250
Unamort. Net SFAS 109 Reg. Asset	227	242	235
Pension Reg Asset	104	125	115
OPEB Reg Asset	10	7	9
Unamort Sys Dev Costs	37	43	40
Contributions in Excess of NPPC Regulatory Asset	93	241	167
Total Investments in Assets	19,901	20,146	20,025
Funds From Non-Investors			
Unamortized CIAC	2,549	2,523	2,536
Customer Advances	32	35	34
Customer Deposits	104	114	109
Accumulated Def. Income Taxes	1,673	2,221	1,947
Unamort State ITC (Gross)	461	485	473
Unamortized Gain on Sale	-	-	-
Pension Liability	-	-	-
OPEB Reg Liability	-	-	-
Total Deductions	4,819	5,378	5,099
Difference			14,926
Working Cash at TY 2010 Final Rates			292
Rate Base at TY 2010 Final Rates			15,218
Change in Rate Base - Working Cash			-
Rate Base at Proposed Rates			15,218

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
WORKING CASH ITEMS
2012
($ Thousands)

	A COLLECTION LAG (DAYS)	B PAYMENT LAG (DAYS)	C NET COLLECTION LAG (DAYS) (A - B)	D ANNUAL AMOUNT
Fuel Oil Expense	32.3	14.6	17.7	6,729
Purchased Power	32.3	43.5	(11.2)	747
O&M Labor	32.3	11.7	20.6	950
O&M Nonlabor & Other	32.3	17.2	15.1	1,660
Revenue Taxes	32.3	86.1	(53.8)	1,011
Income Taxes-TY 2010 Final Rat	32.3	38.8	(6.5)	(845)
Income Taxes-Proposed Rates	32.3	38.8	(6.5)	(849)

	E AVERAGE DAILY AMOUNT (D/365)	F WORKING CASH (TY10 FINAL RATES) (C X E)	G AVERAGE DAILY AMOUNT (PROPOSED)	H WORKING CASH (PROPOSED RATES) (C X G)
Fuel Oil Expense	18.4	326	18.4	326
Purchased Power	2.0	(23)	2.0	(23)
O&M Labor	2.6	54	2.6	54
O&M Nonlabor & Other	4.5	69	4.5	69
Revenue Taxes	2.8	(149)	2.8	(149)
Income Taxes-TY 2010 Final Rat	(2.3)	15		
Income Taxes-Proposed Rates	(2.3)	-	(2.3)	15
Total		292		292
Change in Working Cash				0

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
COMPUTATION OF INCOME TAX EXPENSE
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Operating Revenues	11,403	(16)	11,387
Operating Expenses:			
Fuel Oil and Purchased Power	7,476		7,476
Other Operation & Maintenance Expense	2,564	0	2,564
Depreciation	973		973
Amortization of State ITC	(11)		(11)
Taxes Other than Income	1,088	(2)	1,086
Interest on Customer Deposits	7		7
Total Operating Expenses	12,097	(2)	12,095
Operating Income Before Income Taxes	(694)	(14)	(708)
Tax Adjustments:			
Interest Expense	(324)		(324)
Meals and Entertainment	1		1
	(323)	0	(323)
Taxable Income at Ordinary Rates	(1,017)	(14)	(1,031)
Income Tax Exp at Ordinary Rates	(262)	(4)	(266)
Tax Benefit of Domestic Production Activities Deduction	0		0
Tax Effect of Deductible Preferred Stock Dividends	0		0
R&D Credit	0		0
Total Adjustments to Income Tax Expense	0	0	0
TOTAL INCOME TAX EXPENSE	(262)	(4)	(266)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
TAXES OTHER THAN INCOME TAX
2012
($ Thousands)

	Rate	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Public Service Tax	5.885%	671	(1)	670
Public Utility Fee	0.500%	57	0	57
Franchise Tax	2.500%	283	(1)	282
Payroll Tax		77		77
TOTAL TAXES OTHER THAN INCOME TAX		1,088	(2)	1,086

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

OPERATING INCOME AT TY 2010 FINAL RATES:		
Operating Revenues		11,403
Fuel and Purchased Power Expenses		7,476
Other O&M Expenses		2,564
Depreciation & Amortization Expense		973
Amortization of State ITC		(11)
Taxes Other than Income		1,088
Interest on Customer Deposits		7
Income Taxes		(262)
Total Operating Expenses		11,835
OPERATING INCOME AT TY 2010 FINAL RATES		(432)
CALCULATIONS OF REVENUE REQUIREMENTS:		
OPERATING INCOME		
Rate Base at Proposed Rates		15,218
Proposed Rate of Return on Rate Base	x	-2.91%
Operating Income		(443)
Less: Operating Income at TY 2010 Final Rates		(432)
INCREASE IN OPERATING INCOME		(11)
OPERATING REVENUES:		
Increase in Operating Income		(11)
Operating Income Divisor (divided by)		0.6729764
INCREASE IN OPERATING REVENUES		(16)
Increase in Electric Sales Revenue		(21)
Other Operating Revenue Rate	x	-19.04762%
Increase in Other Operating Revenues		4
INCREASE IN OPERATING REVENUES (check)		(17)

Note: changed amount to tie to Final 2012 D&O filing

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

BAD DEBT:		
Increase in Electric Revenues		(21)
Bad Debt Rate	x	0.0000
INCREASE IN BAD DEBT EXPENSE		0
REVENUE TAX:		
Increase in Operating Revenues		(16)
Less: Increase in Bad Debt Expense		0
		(16)
PSC Tax & PUC Fees Rate	x	6.385%
		(1)
Increase in Electric Revenues		(21)
Less: Increase in Bad Debt Expense		0
		(21)
Franchise Tax Rate	x	2.500%
		(1)
INCREASE IN REVENUE TAX		(2)
INCOME TAX:		
Increase in Operating Revenues		(16)
Effective Income Tax Rate after considering revenue tax & bad debt	x	23.341%
INCREASE IN INCOME TAX		(4)
INCREASE IN OPERATING INCOME (check)		(10)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

CHANGE IN RATE BASE:

	A EXPENSE AMOUNT	B AVERAGE DAILY AMOUNT (A/365)	C NET COLLECTION LAG (DAYS)	D WORKING CASH REQMT (B)x(C)
Increase in Revenue Tax	(2)	(0.0)	(53.8)	0
Income Tax at TY 2010 Final rate	(845)	(2.3)	(6.5)	(15)
Income Tax at proposed rates	(849)	(2.3)	(6.5)	15
CHANGE IN RATE BASE - WORKING CASH				0
Rate Base at TY 2010 Final Rates				15,218
PROPOSED RATE BASE				15,218
Operating Income at TY 2010 Final Rates				(432)
Increase in Operating Income				(11)
OPERATING INCOME AT PROPOSED RATES				(443)
PROPOSED RATE OF RETURN ON RATE BASE (check)				-2.91%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
SUPPORT WORKSHEET
2012

OPERATING REVENUES:	
Electric Sales Revenues	11,300
Other Operating Revenues	103
Gain on Sale of Land	0
TOTAL OPERATING REVENUES	11,403
FUEL OIL AND PURCHASE POWER EXPENSES:	
Fuel Oil Expense	6,726
Fuel Related Non-labor Exp	3
Fuel Handling Labor Expense	0
Fuel Oil Expense	6,729
Purchased Power Expense	747
TOTAL FUEL OIL AND PURCHASE POWER EXPENSES	7,476
OTHER OPERATION & MAINTENANCE EXPENSES:	
Production	1,614
Transmission	0
Distribution	283
Customer Account	194
Allowance for Uncollectible Accounts	0
Customer Service	3
Administration & General	470
TOTAL OTHER OPERATION & MAINTENANCE EXPENSES	2,564

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
SUPPORT WORKSHEET
2012

TOTAL FUEL OIL & PP AND OTH O&M EXPENSES (LABOR/NONLABOR)		
Fuel Oil Expense		6,729
Purchase Power Expense		747
O&M Labor Expense		950
Total Nonlabor Expense		
O&M Nonlabor Expense		1,614
Bad Debt Expense		0
Other Excluded Items		(38)
		1,576
REVENUE TAX		
Public Service Tax		
Electric Sales Revenues		11,300
Other Operating Revenues		103
Less: Bad Debt Expense		0
Operating Revenues subject to PSC Tax		11,403
Public Service Tax Rate	x	5.885%
Total PSC Tax		671
PUC Fees		
Electric Sales Revenues		11,300
Other Operating Revenues		103
Less: Bad Debt Expense		0
Operating Revenues subject to PSC Tax		11,403
PUC Tax Rate	x	0.500%
Total PUC Tax		57

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
SUPPORT WORKSHEET
2012

Franchise Tax		
Electric Sales Revenues		11,300
Less: Bad Debt Expense		0
		11,300
Franchise Tax Rate	x	2.500%
Total Franchise Tax		283
TOTAL REVENUE TAX		1,011
INTEREST EXPENSE:		
Weighted Cost of Debt		
Short-Term Debt		0.015%
Long-Term Debt		1.943%
Hybrid Securities		0.169%
Total		2.127%
Rate Base at Proposed Rates	x	15,218
TOTAL INTEREST EXPENSE		324
INCOME TAX EXPENSE SUMMARY		
Current		(845)
Deferred		548
State ITC		35
Pension Asset Amortization		0
TOTAL INCOME TAX EXPENSE		(262)
CALCULATIONS OF REVENUE TAX RATE:		
Franchise Tax Rate adjusted for Change in Oth Oper Revenues and Bad Debt		0.02976
PSC Tax Rate adjusted for Bad Debt		0.05885
PUC Tax Rate adjusted for Bad Debt		0.00500
REVENUE TAX RATE		0.09361
CALCULATIONS OF COMPOSITE INCOME TAX RATE:		
State Tax Rate		0.06015
Federal Tax Rate		0.21000
State Tax Rate		0.06015
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Tax		(0.01263)
COMPOSITE INCOME TAX RATE		0.25752

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Lanai Division
SUPPORT WORKSHEET
2012

CALCULATIONS OF COMPOSITE CAPITAL GAINS TAX RATE:		
State Capital Gains Tax Rate		0.03759
Federal Tax Rate		0.21000
State Capital Gains Tax Rate		0.03759
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Capital Gains Tax Rate		(0.00789)
COMPOSITE CAPITAL GAINS TAX RATE		0.23970
CALCULATIONS OF EFFECTIVE INCOME TAX RATE:		
PSC Tax & PUC Fees Rates adjusted for Bad Debt		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev and Bad Debt		0.02976
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Revenue Tax and Bad Debt rate		0.09361
Rev Tax & Bad Debt Reciprocal (1 - 0.09361)		0.90639
Composite Income Tax Rate	x	0.25752
EFFECTIVE INCOME TAX RATE AFTER CONSIDERING REVENUE TAX & BAD DEBT		0.23341
CALCULATIONS OF OPERATING INCOME DIVISOR:		
PSC Tax & PUC Fees Rates		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev		0.02976
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Effective Income Tax Rate after considering revenue tax & bad debt		0.23341
		0.32702
OPERATING INCOME DIVISOR (1 - 0.32702)		0.67298

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
Results of Operations
2012
($ Thousands)

	Revenues at TY 2010 Final Rates	Additional Amount	Revenue Requirements to Produce -1.78% Return on Average Rate Base
Electric Sales Revenue	12,719	(23)	12,696
Other Operating Revenue	130	14	144
Gain on Sale of Land	0		0
TOTAL OPERATING REVENUES	12,849	(9)	12,840
Fuel	7,511		7,511
Purchased Power	5		5
Production	1,840		1,840
Transmission	151		151
Distribution	566		566
Customer Accounts	254		254
Allowance for Uncoll. Accounts	0	0	0
Customer Service	1		1
Administration & General	759		759
Operation and Maintenance	11,087	0	11,087
Depreciation & Amortization	1,001		1,001
Amortization of State ITC	(11)		(11)
Taxes Other Than Income	1,223	(2)	1,221
Interest on Customer Deposits	13		13
Income Taxes	(202)	(2)	(204)
TOTAL OPERATING EXPENSES	13,111	(4)	13,107
OPERATING INCOME	(262)	(5)	(267)
AVERAGE RATE BASE	15,067	0	15,067
RATE OF RETURN ON AVERAGE RATE BASE	-1.74%		-1.78%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
COMPOSITE EMBEDDED COST OF CAPITAL
Estimated 2012 Average

	A	B	C	D
	Capitalization			
	Amount in Thousands	Percent of Total	Earnings Reqmts	Weighted Earnings Reqmts (B) x (C)
Short-Term Debt	5,003	1.23	1.25%	0.015%
Long-Term Debt	156,370	38.44	5.06%	1.943%
Hybrid Securities	9,373	2.30	7.32%	0.169%
Preferred Stock	4,744	1.17	8.25%	0.096%
Common Equity	231,310	56.86	-7.04%	-4.003%
Total	406,800	100.00		

Estimated Composite Cost of Capital -1.780%

or -1.78%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
2012 AVERAGE RATE BASE
($ Thousands)

	Beginning Balance	End of Year Balance	Average Balance
Investments in Assets			
Serving Customers			
Net Cost of Plant in Service	18,011	18,537	18,274
Property Held for Future Use	-	-	-
Fuel Inventory	658	658	658
Materials & Supplies Inventories	398	398	398
Unamort. Net SFAS 109 Reg. Asset	499	510	505
Pension Reg Asset	142	171	157
OPEB Reg Asset	14	10	12
Unamort Sys Dev Costs	51	58	55
Contributions in Excess of NPPC Regulatory Asset	127	328	228
Total Investments in Assets	19,900	20,670	20,287
Funds From Non-Investors			
Unamortized CIAC	2,727	2,804	2,766
Customer Advances	69	76	73
Customer Deposits	199	220	210
Accumulated Def. Income Taxes	1,789	2,343	2,066
Unamort State ITC (Gross)	539	564	552
Unamortized Gain on Sale	-	-	-
Pension Liability	-	-	-
OPEB Reg Liability	-	-	-
Total Deductions	5,323	6,007	5,667
Difference			14,620
Working Cash at TY 2010 Final Rates			447
Rate Base at TY 2010 Final Rates			15,067
Change in Rate Base - Working Cash			-
Rate Base at Proposed Rates			15,067

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
WORKING CASH ITEMS
2012
($ Thousands)

	A COLLECTION LAG (DAYS)	B PAYMENT LAG (DAYS)	C NET COLLECTION LAG (DAYS) (A - B)	D ANNUAL AMOUNT
Fuel Oil Expense	36.9	18.2	18.7	7,511
Purchased Power	36.9	49.1	(12.2)	5
O&M Labor	36.9	11.7	25.2	1,064
O&M Nonlabor & Other	36.9	17.2	19.7	2,560
Revenue Taxes	36.9	86.1	(49.2)	1,138
Income Taxes-TY 2010 Final Rat	36.9	38.8	(1.9)	(792)
Income Taxes-Proposed Rates	36.9	38.8	(1.9)	(794)

	E AVERAGE DAILY AMOUNT (D/365)	F WORKING CASH (TY10 FINAL RATES) (C X E)	G AVERAGE DAILY AMOUNT (PROPOSED)	H WORKING CASH (PROPOSED RATES) (C X G)
Fuel Oil Expense	20.6	385	20.6	385
Purchased Power	0.0	0	0.0	0
O&M Labor	2.9	73	2.9	73
O&M Nonlabor & Other	7.0	138	7.0	138
Revenue Taxes	3.1	(153)	3.1	(153)
Income Taxes-TY 2010 Final Rat	(2.2)	4		
Income Taxes-Proposed Rates	(2.2)	-	(2.2)	4
Total		447		447
Change in Working Cash				0

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
COMPUTATION OF INCOME TAX EXPENSE
2012
($ *Thousands*)

	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Operating Revenues	12,849	(9)	12,840
Operating Expenses:			
Fuel Oil and Purchased Power	7,516		7,516
Other Operation & Maintenance Expense	3,571	0	3,571
Depreciation	1,001		1,001
Amortization of State ITC	(11)		(11)
Taxes Other than Income	1,223	(2)	1,221
Interest on Customer Deposits	13		13
Total Operating Expenses	13,313	(2)	13,311
Operating Income Before Income Taxes	(464)	(7)	(471)
Tax Adjustments:			
Interest Expense	(320)		(320)
Meals and Entertainment	1		1
	(319)	0	(319)
Taxable Income at Ordinary Rates	(783)	(7)	(790)
Income Tax Exp at Ordinary Rates	(202)	(2)	(204)
Tax Benefit of Domestic Production Activities Deduction	0		0
Tax Effect of Deductible Preferred Stock Dividends	0		0
R&D Credit	0		0
Total Adjustments to Income Tax Expense	0	0	0
TOTAL INCOME TAX EXPENSE	(202)	(2)	(204)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
TAXES OTHER THAN INCOME TAX
2012
($ Thousands)

	Rate	Revenues at TY 2010 Final Rates	Adjustment	At Proposed Rates
Public Service Tax	5.885%	756	(1)	755
Public Utility Fee	0.500%	64	0	64
Franchise Tax	2.500%	318	(1)	317
Payroll Tax		85		85
TOTAL TAXES OTHER THAN INCOME TAX		1,223	(2)	1,221

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

OPERATING INCOME AT TY 2010 FINAL RATES:		
Operating Revenues		12,849
Fuel and Purchased Power Expenses		7,516
Other O&M Expenses		3,571
Depreciation & Amortization Expense		1,001
Amortization of State ITC		(11)
Taxes Other than Income		1,223
Interest on Customer Deposits		13
Income Taxes		(202)
Total Operating Expenses		13,111
OPERATING INCOME AT TY 2010 FINAL RATES		(262)
CALCULATIONS OF REVENUE REQUIREMENTS:		
OPERATING INCOME		
Rate Base at Proposed Rates		15,067
Proposed Rate of Return on Rate Base	x	-1.78%
Operating Income		(268)
Less: Operating Income at TY 2010 Final Rates		(262)
INCREASE IN OPERATING INCOME		(6)
OPERATING REVENUES:		
Increase in Operating Income		(6)
Operating Income Divisor (divided by)		0.6652134
INCREASE IN OPERATING REVENUES		(9)
Increase in Electric Sales Revenue		(23)
Other Operating Revenue Rate	x	-60.86957%
Increase in Other Operating Revenues		[illegible]
INCREASE IN OPERATING REVENUES (check)		(9)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

BAD DEBT:		
Increase in Electric Revenues		(23)
Bad Debt Rate	x	0.0000
INCREASE IN BAD DEBT EXPENSE		0
REVENUE TAX:		
Increase in Operating Revenues		(9)
Less: Increase in Bad Debt Expense		0
		(9)
PSC Tax & PUC Fees Rate	x	6.385%
		(1)
Increase in Electric Revenues		(23)
Less: Increase in Bad Debt Expense		0
		(23)
Franchise Tax Rate	x	2.500%
		(1)
INCREASE IN REVENUE TAX		(2)
INCOME TAX:		
Increase in Operating Revenues		(9)
Effective Income Tax Rate after considering revenue tax & bad debt	x	23.072%
INCREASE IN INCOME TAX		(2)
INCREASE IN OPERATING INCOME (check)		(5)

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
CALCULATIONS OF REVENUE REQUIREMENTS
2012
($ Thousands)

CHANGE IN RATE BASE:

	A EXPENSE AMOUNT	B AVERAGE DAILY AMOUNT (A/365)	C NET COLLECTION LAG (DAYS)	D WORKING CASH REQMT (B)x(C)
Increase in Revenue Tax	(2)	(0.0)	(49.2)	0
Income Tax at TY 2010 Final rate	(792)	(2.2)	(1.9)	(4)
Income Tax at proposed rates	(794)	(2.2)	(1.9)	4
CHANGE IN RATE BASE - WORKING CASH				0
Rate Base at TY 2010 Final Rates				15,067
PROPOSED RATE BASE				15,067
Operating Income at TY 2010 Final Rates				(262)
Increase in Operating Income				(6)
OPERATING INCOME AT PROPOSED RATES				(268)
PROPOSED RATE OF RETURN ON RATE BASE (check)				-1.78%

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
SUPPORT WORKSHEET
2012

OPERATING REVENUES:	
Electric Sales Revenues	12,719
Other Operating Revenues	130
Gain on Sale of Land	0
TOTAL OPERATING REVENUES	12,849
FUEL OIL AND PURCHASE POWER EXPENSES:	
Fuel Oil Expense	7,503
Fuel Related Non-labor Exp	8
Fuel Handling Labor Expense	0
Fuel Oil Expense	7,511
Purchased Power Expense	5
TOTAL FUEL OIL AND PURCHASE POWER EXPENSES	7,516
OTHER OPERATION & MAINTENANCE EXPENSES:	
Production	1,840
Transmission	151
Distribution	566
Customer Account	254
Allowance for Uncollectible Accounts	0
Customer Service	1
Administration & General	759
TOTAL OTHER OPERATION & MAINTENANCE EXPENSES	3,571

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
SUPPORT WORKSHEET
2012

TOTAL FUEL OIL & PP AND OTH O&M EXPENSES (LABOR/NONLABOR)		
Fuel Oil Expense		7,511
Purchase Power Expense		5
O&M Labor Expense		1,064
Total Nonlabor Expense		
O&M Nonlabor Expense		2,507
Bad Debt Expense		0
Other Excluded Items		(45)
		2,462
REVENUE TAX		
Public Service Tax		
Electric Sales Revenues		12,719
Other Operating Revenues		130
Less: Bad Debt Expense		0
Operating Revenues subject to PSC Tax		12,849
Public Service Tax Rate	x	5.885%
Total PSC Tax		756
PUC Fees		
Electric Sales Revenues		12,719
Other Operating Revenues		130
Less: Bad Debt Expense		0
Operating Revenues subject to PSC Tax		12,849
PUC Tax Rate	x	0.500%
Total PUC Tax		64

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
SUPPORT WORKSHEET
2012

Franchise Tax		
Electric Sales Revenues		12,719
Less: Bad Debt Expense		0
		12,719
Franchise Tax Rate	x	2.500%
Total Franchise Tax		318
TOTAL REVENUE TAX		1,138
INTEREST EXPENSE:		
Weighted Cost of Debt		
Short-Term Debt		0.015%
Long-Term Debt		1.943%
Hybrid Securities		0.169%
Total		2.127%
Rate Base at Proposed Rates	x	15,067
TOTAL INTEREST EXPENSE		320
INCOME TAX EXPENSE SUMMARY		
Current		(792)
Deferred		554
State ITC		36
Pension Asset Amortization		0
TOTAL INCOME TAX EXPENSE		(202)
CALCULATIONS OF REVENUE TAX RATE:		
Franchise Tax Rate adjusted for Change in Oth Oper Revenues and Bad Debt		0.04022
PSC Tax Rate adjusted for Bad Debt		0.05885
PUC Tax Rate adjusted for Bad Debt		0.00500
REVENUE TAX RATE		0.10407
CALCULATIONS OF COMPOSITE INCOME TAX RATE:		
State Tax Rate		0.06015
Federal Tax Rate		0.21000
State Tax Rate		0.06015
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Tax		(0.01263)
COMPOSITE INCOME TAX RATE		0.25752

Maui Electric Company, Ltd.
2012 Final D&O at 9% ROE, w/ 21% Fed Inc Tax, DPAD Repealed
Molokai Division
SUPPORT WORKSHEET
2012

CALCULATIONS OF COMPOSITE CAPITAL GAINS TAX RATE:		
State Capital Gains Tax Rate		0.03759
Federal Tax Rate		0.21000
State Capital Gains Tax Rate		0.03759
Federal Tax Rate	x	0.21000
Federal Tax Effect on State Capital Gains Tax Rate		(0.00789)
COMPOSITE CAPITAL GAINS TAX RATE		0.23970
CALCULATIONS OF EFFECTIVE INCOME TAX RATE:		
PSC Tax & PUC Fees Rates adjusted for Bad Debt		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev and Bad Debt		0.04022
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Revenue Tax and Bad Debt rate		0.10407
Rev Tax & Bad Debt Reciprocal (1 - 0.10407)		0.89593
Composite Income Tax Rate	x	0.25752
EFFECTIVE INCOME TAX RATE AFTER CONSIDERING REVENUE TAX & BAD DEBT		0.23072
CALCULATIONS OF OPERATING INCOME DIVISOR:		
PSC Tax & PUC Fees Rates		0.06385
Franchise Tax adjusted for Change in Oth Oper Rev		0.04022
Bad Debt Rate adjusted for Change in Oth Oper Rev		-
Effective Income Tax Rate after considering revenue tax & bad debt		0.23072
		0.33479
OPERATING INCOME DIVISOR (1 - 0.33479)		0.66521

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
13	RATE BASE							
14								
15	Net Cost of Plant in Svc		D. Lee	BEG BAL	465,783.0		465,783.0	
16			D. Lee	END BAL	493,298.0		493,298.0	
17				AVG BAL (calcd)	479,540.5		479,540.5	
18	Prop Held for Future Use		J. Mauri	BEG BAL	1,303.0		1,303.0	
19			J. Mauri	END BAL	1,303.0		1,303.0	
20				AVG BAL (calcd)	1,303.0		1,303.0	
21	Fuel Inventory		E.Nowak	BEG BAL	18,577.0		18,577.0	
22			E.Nowak	END BAL	18,577.0		18,577.0	
23				AVG BAL (calcd)	18,577.0		18,577.0	
27	T&D Stores Inventory		J. Kentz	BEG BAL	4,139.0		4,139.0	
28			J. Kentz	END BAL	4,139.0		4,139.0	
29				AVG BAL (calcd)	4,139.0		4,139.0	
30	Production Stores Inventory		J. Mauri	BEG BAL	9,248.0		9,248.0	
31			J. Mauri	END BAL	9,248.0		9,248.0	
32				AVG BAL (calcd)	9,248.0		9,248.0	
33	Unamortized Net SFAS109		L.Okada	BEG BAL	8,405.0		8,405.0	
34	Regulatory Asset		L.Okada	END BAL	8,642.0		8,642.0	
35				AVG BAL (calcd)	8,523.5		8,523.5	
36	Pension Reg Asset		L. Matsunaga	BEG BAL	3,453.0		3,453.0	
37			L. Matsunaga	END BAL	4,377.0		4,377.0	
38				AVG BAL (calcd)	3,915.0		3,915.0	
39	OPEB Reg Asset		L. Matsunaga	BEG BAL	344.0		344.0	
40			L. Matsunaga	END BAL	261.0		261.0	
41				AVG BAL (calcd)	302.5		302.5	
45	Unamort Sys Dev Costs		L. Matsunaga	BEG BAL	1,240.0		1,240.0	
46			L. Matsunaga	END BAL	1,487.0		1,487.0	
47				AVG BAL (calcd)	1,363.5		1,363.5	
48	Contributions in Excess of		L. Matsunaga	BEG BAL	3,101.0		3,101.0	
49	NPPC Regulatory Asset		L. Matsunaga	END BAL	8,400.0		8,400.0	
50				AVG BAL (calcd)	5,750.5		5,750.5	
51								
52	Unamortized CIAC		D. Lee	BEG BAL	74,766.0		74,766.0	
53			D. Lee	END BAL	83,821.0		83,821.0	
54				AVG BAL (calcd)	79,293.5		79,293.5	
55	Customer Advances		D. Takahata	BEG BAL	4,649.0		4,649.0	
56			D. Takahata	END BAL	4,599.0		4,599.0	
57				AVG BAL (calcd)	4,624.0		4,624.0	
58	Customer Deposits		A. Arase	BEG BAL	4,346.0		4,346.0	
59			A. Arase	END BAL	4,812.0		4,812.0	
60				AVG BAL (calcd)	4,579.0		4,579.0	
61	Accum Deferred Taxes		L.Okada	BEG BAL	42,143.0		42,143.0	
62			L.Okada	END BAL	55,666.0		55,666.0	
63				AVG BAL (calcd)	48,904.5		48,904.5	
64	Unamort ITC (keep at zero)		L.Okada	BEG BAL	-		-	
65			L.Okada	END BAL	-		-	
66				AVG BAL (calcd)	-		-	
67	Unamort State ITC (Gross)		L.Okada	BEG BAL	12,150.0		12,150.0	
68			L.Okada	END BAL	12,752.0		12,752.0	
69				AVG BAL (calcd)	12,451.0		12,451.0	
70	Unamort Gain on Sales		N/A	BEG BAL	-		-	
71			N/A	END BAL	-		-	
72				AVG BAL (calcd)	-		-	
73	Pension Liability		L. Matsunaga	BEG BAL	-		-	
74			L. Matsunaga	END BAL	-		-	
75				AVG BAL (calcd)	-		-	
76	OPEB Reg Liability		L. Matsunaga	BEG BAL	-		-	
77			L. Matsunaga	END BAL	-		-	
78				AVG BAL (calcd)	-		-	
80								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV.REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax, DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
81	COST OF CAPITAL ($ Thous)							
83	ST Debt Amount		T.Sekimura	BEG BAL	-		-	
84			T.Sekimura	END BAL	10,005.0		10,005.0	
85				AVG BAL (calcd)	5,002.5		5,002.5	
86	LT Debt		T.Sekimura	BEG BAL	156,344.0		156,344.0	
87			T.Sekimura	END BAL	156,396.0		156,396.0	
88				AVG BAL (calcd)	156,370.0		156,370.0	
92	Hybrid Amount		T.Sekimura	BEG BAL	9,354.0		9,354.0	
93			T.Sekimura	END BAL	9,391.0		9,391.0	
94				AVG BAL (calcd)	9,372.5		9,372.5	
95	Pfd Stock Amount		T.Sekimura	BEG BAL	4,739.0		4,739.0	
96			T.Sekimura	END BAL	4,749.0		4,749.0	
97				AVG BAL (calcd)	4,744.0		4,744.0	
98	Common Stock Amount		T.Sekimura	BEG BAL	230,435.0		230,435.0	
99			T.Sekimura	END BAL	232,184.0		232,184.0	
100				AVG BAL (calcd)	231,309.5		231,309.5	
101								
105	ST Debt Rate		T.Sekimura	BEG RATE	0.0125		0.0125	
106			T.Sekimura	END RATE	0.0125		0.0125	
107				AVG RATE (calcd)	0.0125		0.0125	
108	LT Debt		T.Sekimura	BEG RATE	0.0506		0.0506	
109			T.Sekimura	END RATE	0.0506		0.0506	
110				AVG RATE (calcd)	0.0506		0.0506	
114	Hybrid Rate		T.Sekimura	BEG RATE	0.0732		0.0732	
115			T.Sekimura	END RATE	0.0732		0.0732	
116				AVG RATE (calcd)	0.0732		0.0732	
117	Pfd Stock Rate		T.Sekimura	BEG RATE	0.0825		0.0825	
118			T.Sekimura	END RATE	0.0825		0.0825	
119				AVG RATE (calcd)	0.0825		0.0825	
120	Common Stock Rate		T.Sekimura	BEG RATE	0.0900		0.0900	
121			T.Sekimura	END RATE	0.0900		0.0900	
122				AVG RATE (calcd)	0.0900		0.0900	
123								
124	Est Composite Cost of Capital to achieve				xxxx		xxxx	
128	INCOME STATEMENT ITEMS ($ Thous)							
130	Elec Sales Rev (see below)				411,656.5		411,656.5	
131	Other Operating Revenue (see below)				1,910.0		1,910.0	
132	Gain on Sale of Land (see below)				-		-	
133								
134	Fuel Oil Expense		G. Imamura		212,204.0		212,204.0	
135	Purchase Power Expense (see below)				44,856.0		44,856.0	
136	Fuel Related Non-labor Exp		E.Nowak		363.0		363.0	
137	Fuel Handling Labor Expense		E.Nowak		13.0		13.0	
138								
139	Production		J. Mauri		27,456.0		27,456.0	
140	Transmission		J. Kentz		2,774.0		2,774.0	
141	Distribution		J. Kentz		9,743.0		9,743.0	
142	Customer Account		A. Arase		4,683.0		4,683.0	
143	Allowance for Uncoll Accts		A. Arase		301.0		301.0	
144	Customer Service		S. Suzuki		1,180.0		1,180.0	
145	Administration & General		L. Matsunaga		15,241.0		15,241.0	
146								
147	Book Depreciation		T. Mukai		20,933.0		20,933.0	
148	Amort of CIAC		T. Mukai		(1,567.0)		(1,567.0)	
149	Amort. of Reg Asset, net		T. Mukai		344.0		344.0	
150	Amort. of Federal ITC		T. Mukai		(23.0)		(23.0)	
152	Depreciation and Amortization				19,687.0		19,687.0	
153								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax; DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
154	Taxes Other Than Inc Taxes							
155	Payroll Taxes		L. Okada		1,849.0		1,849.0	
156	Interest on Cust Deposit		A. Arase		280.0		280.0	
157								
158	Income Taxes							
159	Amort of State ITC, gross (neg #)		L.Okada		(272.0)		(272.0)	
160	Tax Ben of Domestic Prod Act Ded (pres		L.Okada		339.0	(339.0)	-	
161	R&D Credit		L.Okada		-		-	
162	Meals and Entertainment		K. Nouchi		19.0		19.0	
163	Tax Effect of Ded Pref Stock Dividends		L.Okada		-		-	
164	Additional Oth Oper Rev (computed)							
165								
166								
167	MISCELLANEOUS RATES							
169	Franchise Tax Rate		L.Okada		0.025		0.025	
170	PSC Rate		L.Okada		0.05885		0.05885	
171	PUC Rate		L.Okada		0.005		0.005	
172	State Income Tax Rate		L.Okada		0.06015		0.06015	
173	Fed Income Tax Rate		L.Okada		0.35	(0.14)	0.21	
174	State Capital Gains Rate		L.Okada		0.037594		0.037594	
175	Bad Debt Rate		A. Arase		0		0	
176	Late Payment Fee Rate		A. Arase		0.00102		0.00102	
177	Oth Oper Revenue Rate (computed)							
178	Operating Income Divisor							
179								
180	WORKING CASH ITEMS ($ Thous)							
182	Deferred Tax expense (benefit)		L.Okada		13,523.0		13,523.0	
183	Labor Expense (EXclude fuel hand		L. Matsunaga		22,696.0		22,696.0	
184	(unused-Payroll Tax on Merit Salary Incr (reverse signs))				-		-	
185	(unused-Payroll Tax on Bargaining Unit Wage Incr (reverse s				-		-	
186	State ITC (gross)		L.Okada		874.0		874.0	
187	Other Excluded Items		D. Lee		1,211.0		1,211.0	
188	Pension Asset Amortization, net				-		-	
189	Pension Expense				-		-	
190								
191	WORKING CASH LAG DAYS							
193	Elec Rev (collection days)		A. Arase		N/A		N/A	
194	Fuel Oil		D. Lee		N/A		N/A	
195	Purchase Power		D. Lee		N/A		N/A	
196	Labor Expense		D. Lee		N/A		N/A	
197	Non-Labor Expense & Other		D. Lee		N/A		N/A	
198	Revenue Tax		D. Lee		N/A		N/A	
199	Income Tax (Positive Tax)		D. Lee		N/A		N/A	
200								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax DPAD Propated	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
201	SALES AND REVENUES (in thousands)							
202								
203	Mwh Sales							
204	R		P. Young		428.3		428.3	
205	G		P. Young		98.9		98.9	
206	J		P. Young		260.4		260.4	
207	H		P. Young		17.4		17.4	
208	P		P. Young		390.6		390.6	
209	F		P. Young		6.2		6.2	
210					1,201.8		1,201.8	
211	No Charge		G. Imamura		1.8		1.8	
212								
213	Base Revenue							
214	R		P. Young		115,964.0		115,964.0	
215	G		P. Young		30,723.3		30,723.3	
216	J		P. Young		73,538.8		73,538.8	
217	H		P. Young		-		-	
218	P		P. Young		94,673.5		94,673.5	
219	F		P. Young		1,583.5		1,583.5	
220					316,483.1		316,483.1	
221	ECAC Revenue							
222	R		P. Young		33,167.4		33,167.4	
223	G		P. Young		7,882.8		7,882.8	
224	J		P. Young		21,326.3		21,326.3	
225	H		P. Young		-		-	
226	P		P. Young		30,265.8		30,265.8	
227	F		P. Young		482.2		482.2	
228					93,124.5		93,124.5	
229	Interim Rate Relief & Firm Capacity Surcharge (Pioneer Mill)							
230	R		P. Young		828.8		828.8	
231	G		P. Young		207.5		207.5	
232	J		P. Young		442.2		442.2	
233	H		P. Young		-		-	
234	P		P. Young		554.7		554.7	
235	F		P. Young		15.7		15.7	
236					2,048.9		2,048.9	
237	Total Revenue							
238	R				149,960.2		149,960.2	
239	G				38,813.6		38,813.6	
240	J				95,307.3		95,307.3	
241	H				-		-	
242	P				125,494.0		125,494.0	
243	F				2,081.4		2,081.4	
244					411,656.5		411,656.5	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE, 21% fed tax, DPAD, Bonus, etc	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
246	FUEL EXPENSE							
247	Fuel Oil Expense				See above		See above	
248	Fuel Related Expense				See above		See above	
249	Generation - GWH		G. Imamura		1,008.8		1,008.8	
250	Purchase Power - GWH		J. Mauri		269.4		269.4	
251	MBTU (Co. gen)		G. Imamura		10,395,400.0		10,395,400.0	
252								
253	Hawaiian Commercial Sugar							
254	Energy		J. Mauri		16,019.0		16,019.0	
255	Capacity		J. Mauri		1,810.0		1,810.0	
256	O&M Component		J. Mauri		-		-	
257	Other		J. Mauri		-		-	
258					17,829.0		17,829.0	
259	KWP							
260	Energy		J. Mauri		12,794.0		12,794.0	
261	Capacity		J. Mauri		-		-	
262	O&M Component		J. Mauri		-		-	
263	Other		J. Mauri		-		-	
264					12,794.0		12,794.0	
265	Makila							
266	Energy		J. Mauri		40.0		40.0	
267	Capacity		J. Mauri		-		-	
268	O&M Component		J. Mauri		-		-	
269	Other		J. Mauri		-		-	
270					40.0		40.0	
271	Other							
272	Energy		J. Mauri		14,193.0		14,193.0	
273	Capacity		J. Mauri		-		-	
274	O&M Component		J. Mauri		-		-	
275	Other		J. Mauri		-		-	
276					14,193.0		14,193.0	
277	Total							
278	Energy				43,046.0		43,046.0	
279	Capacity				1,810.0		1,810.0	
280	O&M Component				-		-	
281	Penalty/Bonus/Other				-		-	
282					44,856.0		44,856.0	
283								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Total Company							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR.	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax DPAD Repairs	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
284	Other Operating Revenues - (dr)cr							
285								
287	451.03	Service Est. Fee		A. Arase	324.0		324.0	
288		Returned Check Charge		A. Arase	35.0		35.0	
289		Field Collection Charge		A. Arase	121.0		121.0	
290		ACCESS Late Pmt Chg		A. Arase	431.0		431.0	
291		OCARS Late Pmt Chg		A. Arase	-		-	
292	451.04	Temporary Facilities		A. Arase	-		-	
293	451.05	Reconnect Charge		A. Arase	29.0		29.0	
294	451.00	Other		A. Arase	-		-	
295	454.01	Rent from elec prop-carpool		A. Arase	-		-	
296	454.02	Rent from elec prop-cable tv		A. Arase	-		-	
297	454.03	Rent - ward parking		A. Arase	-		-	
298	454.04	Rent from elec prop - land		A. Arase	-		-	
299	454.05	Rent - meters & transformers		A. Arase	-		-	
300		CHP Thermal & Facilities		P. Young	54.0		54.0	
301	454.07	Rent - Telecom		A. Arase	916.0		916.0	
303								
304	456.01	Other elec rev - gross rev		A. Arase	-		-	
305	456.02	Other elec rev - mtrng chrg		A. Arase	-		-	
306	456.03	Payment protection program		A. Arase	-		-	
307	456.04	Engineering services		A. Arase	-		-	
308					-		-	
309	454.94	Elec prop rent exp		A. Arase	-		-	
315								
316	Subtotal Other Oper Rev				1,910.0		1,910.0	
317								
318	414	Gain on Sale of land		A. Arase	-		-	
319		CHP Minimum Lease Pmt		N/A	-		-	
320								
321	Additional Amount - Other Operating Revenues							
322								
323	Service Estab. Fee increase				-		-	
324	Returned Check Charge Increase				-		-	
325	Streetlight Fixture Charge Increase				162.0		162.0	
326	OCARS late payment fee increase				-		-	
327	Reconnect Charge				-		-	
328								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax, DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
13	RATE BASE							
14								
15	Net Cost of Plant in Svc		D. Lee	BEG BAL	429,048.0		429,048.0	
16			D. Lee	END BAL	455,979.0		455,979.0	
17				AVG BAL (calcd)	442,513.5		442,513.5	
18	Prop Held for Future Use		J. Mauri	BEG BAL	1,303.0		1,303.0	
19			J. Mauri	END BAL	1,303.0		1,303.0	
20				AVG BAL (calcd)	1,303.0		1,303.0	
21	Fuel Inventory		E.Nowak	BEG BAL	17,463.0		17,463.0	
22			E.Nowak	END BAL	17,463.0		17,463.0	
23				AVG BAL (calcd)	17,463.0		17,463.0	
27	T&D Stores Inventory		J. Kentz	BEG BAL	3,774.0		3,774.0	
28			J. Kentz	END BAL	3,774.0		3,774.0	
29				AVG BAL (calcd)	3,774.0		3,774.0	
30	Production Stores Inventory		J. Mauri	BEG BAL	8,965.0		8,965.0	
31			J. Mauri	END BAL	8,965.0		8,965.0	
32				AVG BAL (calcd)	8,965.0		8,965.0	
33	Unamortized Net SFAS109		L.Okada	BEG BAL	7,679.0		7,679.0	
34	Regulatory Asset		L.Okada	END BAL	7,890.0		7,890.0	
35				AVG BAL (calcd)	7,784.5		7,784.5	
36	Pension Reg Asset		L. Matsunaga	BEG BAL	3,207.0		3,207.0	
37			L. Matsunaga	END BAL	4,081.0		4,081.0	
38				AVG BAL (calcd)	3,644.0		3,644.0	
39	OPEB Reg Asset		L. Matsunaga	BEG BAL	320.0		320.0	
40			L. Matsunaga	END BAL	244.0		244.0	
41				AVG BAL (calcd)	282.0		282.0	
45	Unamort Sys Dev Costs		L. Matsunaga	BEG BAL	1,152.0		1,152.0	
46			L. Matsunaga	END BAL	1,386.0		1,386.0	
47				AVG BAL (calcd)	1,269.0		1,269.0	
48	Contributions in Excess of		L. Matsunaga	BEG BAL	2,881.0		2,881.0	
49	NPPC Regulatory Asset		L. Matsunaga	END BAL	7,831.0		7,831.0	
50				AVG BAL (calcd)	5,356.0		5,356.0	
51								
52	Unamortized CIAC		D. Lee	BEG BAL	69,490.0		69,490.0	
53			D. Lee	END BAL	78,494.0		78,494.0	
54				AVG BAL (calcd)	73,992.0		73,992.0	
55	Customer Advances		D. Takahata	BEG BAL	4,548.0		4,548.0	
56			D. Takahata	END BAL	4,488.0		4,488.0	
57				AVG BAL (calcd)	4,518.0		4,518.0	
58	Customer Deposits		A. Arase	BEG BAL	4,043.0		4,043.0	
59			A. Arase	END BAL	4,478.0		4,478.0	
60				AVG BAL (calcd)	4,260.5		4,260.5	
61	Accum Deferred Taxes		L.Okada	BEG BAL	38,681.0		38,681.0	
62			L.Okada	END BAL	51,102.0		51,102.0	
63				AVG BAL (calcd)	44,891.5		44,891.5	
64	Unamort Fed ITC (keep at zero)		L.Okada	BEG BAL	-		-	
65	(amort. incl. with depr.)		L.Okada	END BAL	-		-	
66				AVG BAL (calcd)	-		-	
67	Unamort State ITC (Gross)		L.Okada	BEG BAL	11,150.0		11,150.0	
68			L.Okada	END BAL	11,703.0		11,703.0	
69				AVG BAL (calcd)	11,426.5		11,426.5	
70	Unamort Gain on Sales		N/A	BEG BAL	-		-	
71			N/A	END BAL	-		-	
72				AVG BAL (calcd)	-		-	
73	Pension Liability		L. Matsunaga	BEG BAL	-		-	
74			L. Matsunaga	END BAL	-		-	
75				AVG BAL (calcd)	-		-	
76	OPEB Reg Liability		L. Matsunaga	BEG BAL	-		-	
77			L. Matsunaga	END BAL	-		-	
78				AVG BAL (calcd)	-		-	
80								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax, DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
81	COST OF CAPITAL ($ Thous)							
83	ST Debt Amount		T.Sekimura	BEG BAL				
84			T.Sekimura	END BAL	10,005.0		10,005.0	
85				AVG BAL (calcd)	5,002.5		5,002.5	
86	LT Debt		T.Sekimura	BEG BAL	156,344.0		156,344.0	
87			T.Sekimura	END BAL	156,396.0		156,396.0	
88				AVG BAL (calcd)	156,370.0		156,370.0	
92	Hybrid Amount		T.Sekimura	BEG BAL	9,354.0		9,354.0	
93			T.Sekimura	END BAL	9,391.0		9,391.0	
94				AVG BAL (calcd)	9,372.5		9,372.5	
95	Pfd Stock Amount		T.Sekimura	BEG BAL	4,739.0		4,739.0	
96			T.Sekimura	END BAL	4,749.0		4,749.0	
97				AVG BAL (calcd)	4,744.0		4,744.0	
98	Common Stock Amount		T.Sekimura	BEG BAL	230,435.0		230,435.0	
99			T.Sekimura	END BAL	232,184.0		232,184.0	
100				AVG BAL (calcd)	231,309.5		231,309.5	
101								
105	ST Debt Rate		T.Sekimura	BEG RATE	0.0125		0.0125	
106			T.Sekimura	END RATE	0.0125		0.0125	
107				AVG RATE (calcd)	0.0125		0.0125	
108	LT Debt		T.Sekimura	BEG RATE	0.0506		0.0506	
109			T.Sekimura	END RATE	0.0506		0.0506	
110				AVG RATE (calcd)	0.0506		0.0506	
114	Hybrid Rate		T.Sekimura	BEG RATE	0.0732		0.0732	
115			T.Sekimura	END RATE	0.0732		0.0732	
116				AVG RATE (calcd)	0.0732		0.0732	
117	Pfd Stock Rate		T.Sekimura	BEG RATE	0.0825		0.0825	
118			T.Sekimura	END RATE	0.0825		0.0825	
119				AVG RATE (calcd)	0.0825		0.0825	
120	Common Stock Rate		T.Sekimura	BEG RATE	0.0900		0.1042	
121			T.Sekimura	END RATE	0.0900		0.1042	
122				AVG RATE (calcd)	0.0900		0.1042	
123								
124	Est Composite Cost of Capital to achieve				xxxx		xxxx	
128	INCOME STATEMENT ITEMS ($ Thous)							
130	Elec Sales Rev (see below)				387,637.6		387,637.6	
131	Other Operating Revenue (see below)				1,677.0		1,677.0	
132	Gain on Sale of Land (see below)				-		-	
133								
134	Fuel Oil Expense		G. Imamura		197,975.0		197,975.0	
135	Purchase Power Expense (see below)				44,104.0		44,104.0	
136	Fuel Related Non-labor Exp		E.Nowak		352.0		352.0	
137	Fuel Handling Labor Expense		E.Nowak		13.0		13.0	
138								
139	Production		J. Mauri		24,002.0		24,002.0	
140	Transmission		J. Kentz		2,623.0		2,623.0	
141	Distribution		J. Kentz		8,894.0		8,894.0	
142	Customer Account		A. Arase		4,235.0		4,235.0	
143	Allowance for Uncoll Accts		A. Arase		301.0		301.0	
144	Customer Service		S. Suzuki		1,176.0		1,176.0	
145	Administration & General		L. Matsunaga		14,012.0		14,012.0	
146								
147	Book Depreciation		T. Mukai		18,860.0		18,860.0	
148	Amort of CIAC		T. Mukai		(1,455.0)		(1,455.0)	
149	Amort. of Reg Asset, net		T. Mukai		322.0		322.0	
150	Amort. of Federal ITC		T. Mukai		(14.0)		(14.0)	
152	Depreciation and Amortization				17,713.0		17,713.0	
153								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 3 - Fed Tax D&O Remand	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
154	*Taxes Other Than Inc Taxes*							
155	Payroll Taxes		L. Okada		1,587.0		1,587.0	
156	Interest on Cust Deposit		A. Arase		260.0		260.0	
157								
158	Income Taxes							
159	Amort of State ITC, gross (neg #)		L.Okada		(260.0)		(260.0)	
160	Tax Ben of Domestic Prod Act Ded (pres		L.Okada		318.0	(318.0)	-	
161	R&D Credit		L.Okada				-	
162	Meals and Entertainment		K. Nouchi		17.0		17.0	
163	Tax Effect of Ded Pref Stock Dividends		L.Okada					
164	Additional Oth Oper Rev (computed)							
165								
166								
167	MISCELLANEOUS RATES							
168								
169	Franchise Tax Rate		L.Okada		0.026		0.026	
170	PSC Rate		L.Okada		0.05885		0.05885	
171	PUC Rate		L.Okada		0.005		0.005	
172	State Income Tax Rate		L.Okada		0.05015		0.05015	
173	Fed Income Tax Rate		L.Okada		0.35	(0.14)	0.21	
174	State Capital Gains Rate		L.Okada		0.037594		0.037594	
175	Bad Debt Rate		A. Arase		0		0	
176	Late Payment Fee Rate		A. Arase		0.00102		0.00102	
177	Oth Oper Revenue Rate (computed)							
178	Operating Income Divisor							
179								
180	WORKING CASH ITEMS ($ Thous)							
181								
182	Deferred Tax expense (benefit)		L.Okada		12,421.0		12,421.0	
183	Labor Expense (EXclude fuel hand		L. Matsunaga		20,682.0		20,682.0	
184	(unused-Payroll Tax on Merit Salary Incr (reverse signs))						-	
185	(unused-Payroll Tax on Bargaining Unit Wage Incr (reverse s						-	
186	State ITC (gross)		L.Okada		803.0		803.0	
187	Other Excluded Items		D Lee		1,128.0		1,128.0	
188	Pension Asset Amortization, net						-	
189	Pension Expense						-	
190								
191	WORKING CASH LAG DAYS							
192								
193	Elec Rev (collection days)		A. Arase		35.8		35.8	
194	Fuel Oil		D. Lee		13		13	
195	Purchase Power		D. Lee		41.5		41.5	
196	Labor Expense		D. Lee		11.7		11.7	
197	Non-Labor Expense & Other		D. Lee		17.2		17.2	
198	Revenue Tax		D. Lee		86.1		86.1	
199	Income Tax (Positive Tax)		D. Lee		39.8		39.8	
200								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL				Final D&O at 9% ROE		2012 FD&O at 9% ROE 9.1% Fed Tax DRAD Reversal	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
201	SALES AND REVENUES (in thousands)							
202								
203	Mwh Sales							
204	R		P. Young		408.9		408.9	
205	G		P. Young		92.8		92.8	
206	J		P. Young		247.9		247.9	
207	H		P. Young		15.3		15.3	
208	P		P. Young		374.5		374.5	
209	F		P. Young		5.5		5.5	
210					1,145.0		1,145.0	
211	No Charge		G. Imamura		1.7		1.7	
212								
213	Base Revenue							
214	R		P. Young		109,500.4		109,500.4	
215	G		P. Young		28,149.5		28,149.5	
216	J		P. Young		66,678.8		66,678.8	
217	H		P. Young		-		-	
218	P		P. Young		89,784.5		89,784.5	
219	F		P. Young		1,366.5		1,366.5	
220					297,479.7		297,479.7	
221	ECAC Revenue							
222	R		P. Young		31,464.7		31,464.7	
223	G		P. Young		7,312.3		7,312.3	
224	J		P. Young		20,088.7		20,088.7	
225	H		P. Young		-		-	
226	P		P. Young		26,820.3		26,820.3	
227	F		P. Young		423.0		423.0	
228					86,109.0		86,109.0	
229	Firm Capacity urcharge (Pioneer Mill)							
230	R		P. Young		628.8		628.8	
231	G		P. Young		207.6		207.6	
232	J		P. Young		442.2		442.2	
233	H		P. Young		-		-	
234	P		P. Young		554.7		554.7	
235	F		P. Young		15.7		15.7	
236					2,048.9		2,048.9	
237	Total Revenue							
238	R				141,793.9		141,793.9	
239	G				35,669.3		35,669.3	
240	J				89,209.7		89,209.7	
241	H				-		-	
242	P				119,159.5		119,159.5	
243	F				1,805.2		1,805.2	
244					387,637.6		387,637.6	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FC&O at 9% ROE, 34% Fed Tax, D&O Reported	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
246	FUEL EXPENSE							
247	Fuel Oil Expense				See above		See above	
248	Fuel Related Expense				See above		See above	
249	Generation - GWH		G. Imamura		960.0		960.0	
250	Purchase Power - GWH		J. Mauri		266.0		266.0	
251	MBTU (Co. gen)		G. Imamura		9,792,000.0		9,792,000.0	
252								
253	Hawaiian Commercial Sugar							
254	Energy		J. Mauri		16,019.0		16,019.0	
255	Capacity		J. Mauri		1,810.0		1,810.0	
256	O&M Component		J. Mauri		-		-	
257	Other		J. Mauri		-		-	
258					17,829.0		17,829.0	
259	KWP							
260	Energy		J. Mauri		12,794.0		12,794.0	
261	Capacity		J. Mauri		-		-	
262	O&M Component		J. Mauri		-		-	
263	Other		J. Mauri		-		-	
264					12,794.0		12,794.0	
265	Makila							
266	Energy		J. Mauri		40.0		40.0	
267	Capacity		J. Mauri		-		-	
268	O&M Component		J. Mauri		-		-	
269	Other		J. Mauri		-		-	
270					40.0		40.0	
271	Other							
272	Energy		J. Mauri		13,441.0		13,441.0	
273	Capacity		J. Mauri		-		-	
274	O&M Component		J. Mauri		-		-	
275	Other		J. Mauri		-		-	
276					13,441.0		13,441.0	
277	Total							
278	Energy				42,294.0		42,294.0	
279	Capacity				1,810.0		1,810.0	
280	O&M Component				-		-	
281	Penalty/Bonus/Other				-		-	
282					44,104.0		44,104.0	
283								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Maui Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FC&O at 9% ROE 41% Fed Tax DPAO Reversal	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
284	Other Operating Revenues - (dr)cr							
285								
287	451.03	Service Est. Fee		A. Arase	308.0		308.0	
288		Returned Check Charge		A. Arase	33.0		33.0	
289		Field Collection Charge		A. Arase	106.0		106.0	
290		ACCESS Late Pmt Chg		A. Arase	395.0		395.0	
291		OCARS Late Pmt Chg		A. Arase				
292	451.04	Temporary Facilities		A. Arase				
293	451.05	Reconnect Charge		A. Arase	28.0		28.0	
294	451.00	Other		A. Arase				
295	454.01	Rent from elec prop-carpool		A. Arase				
296	454.02	Rent from elec prop-cable tv		A. Arase				
297	454.03	Rent - ward parking		A. Arase				
298	454.04	Rent from elec prop - land		A. Arase				
299	454.05	Rent - meters & transformers		A. Arase				
300		CHP Thermal & Facilities		R. Pytlarz				
301	454.07	Rent - Telecom		A. Arase	207.0		207.0	
303								
304	456.01	Other elec rev - gross rev		A. Arase				
305	456.02	*Other elec rev - mtrng chrg*		*A. Arase*				
306	456.03	Payment protection program		A. Arase				
307	456.04	Engineering services		A. Arase				
308								
309	454.94	Elec prop rent exp		A. Arase				
314								
315								
316	Subtotal Other Oper Rev				1,077.0		1,077.0	
317								
318	414	Gain on Sale of land		A. Arase				
319		CHP Minimum Lease Pmt		N/A				
320								
321	Additional Amount - Other Operating Revenues							
322								
323	Service Estab Fee Increase							
324	Returned Check Charge Increase							
325	Streetlight Fixture Charge Increase				144.0		144.0	
326	OCARS late payment fee increase							
327	Reconnect Charge							

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax, DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
13	RATE BASE							
14								
15	Net Cost of Plant in Svc		D. Lee	BEG BAL	18,724.0		18,724.0	
16			D. Lee	END BAL	18,782.0		18,782.0	
17				AVG BAL (calcd)	18,753.0		18,753.0	
18	Prop Held for Future Use		J. Mauri	BEG BAL	-		-	
19			J. Mauri	END BAL	-		-	
20				AVG BAL (calcd)	-		-	
21	Fuel Inventory		E.Nowak	BEG BAL	456.0		456.0	
22			E.Nowak	END BAL	456.0		456.0	
23				AVG BAL (calcd)	456.0		456.0	
27	T&D Stores Inventory		J. Kentz	BEG BAL	97.0		97.0	
28			J. Kentz	END BAL	97.0		97.0	
29				AVG BAL (calcd)	97.0		97.0	
30	Production Stores Inventory		J. Mauri	BEG BAL	153.0		153.0	
31			J. Mauri	END BAL	153.0		153.0	
32				AVG BAL (calcd)	153.0		153.0	
33	Unamortized Net SFAS109		L.Okada	BEG BAL	227.0		227.0	
34	Regulatory Asset		L.Okada	END BAL	242.0		242.0	
35				AVG BAL (calcd)	234.5		234.5	
36	Pension Reg Asset		L. Matsunaga	BEG BAL	104.0		104.0	
37			L. Matsunaga	END BAL	125.0		125.0	
38				AVG BAL (calcd)	114.5		114.5	
39	OPEB Reg Asset		L. Matsunaga	BEG BAL	10.0		10.0	
40			L. Matsunaga	END BAL	7.0		7.0	
41				AVG BAL (calcd)	8.5		8.5	
45	*Unamort Sys Dev Costs*		*L. Matsunaga*	*BEG BAL*	37.0		37.0	
46			L. Matsunaga	END BAL	43.0		43.0	
47				AVG BAL (calcd)	40.0		40.0	
48	Contributions in Excess of		L. Matsunaga	BEG BAL	93.0		93.0	
49	NPPC Regulatory Asset		L. Matsunaga	END BAL	241.0		241.0	
50				AVG BAL (calcd)	167.0		167.0	
51								
52	Unamortized CIAC		D. Lee	BEG BAL	2,549.0		2,549.0	
53			D. Lee	END BAL	2,523.0		2,523.0	
54				AVG BAL (calcd)	2,536.0		2,536.0	
55	Customer Advances		D. Takahata	BEG BAL	32.0		32.0	
56			D. Takahata	END BAL	35.0		35.0	
57				AVG BAL (calcd)	33.5		33.5	
58	Customer Deposits		A. Arase	BEG BAL	104.0		104.0	
59			A. Arase	END BAL	114.0		114.0	
60				AVG BAL (calcd)	109.0		109.0	
61	Accum Deferred Taxes		L.Okada	BEG BAL	1,673.0		1,673.0	
62			L.Okada	END BAL	2,221.0		2,221.0	
63				AVG BAL (calcd)	1,947.0		1,947.0	
64	Unamort Fed ITC (keep at zer		L.Okada	BEG BAL	-		-	
65			L.Okada	END BAL	-		-	
66				AVG BAL (calcd)	-		-	
67	Unamort State ITC (Gross)		L.Okada	BEG BAL	461.0		461.0	
68			L.Okada	END BAL	485.0		485.0	
69				AVG BAL (calcd)	473.0		473.0	
70	Unamort Gain on Sales		N/A	BEG BAL	-		-	
71			N/A	END BAL	-		-	
72				AVG BAL (calcd)	-		-	
73	Pension Liability		L. Matsunaga	BEG BAL	-		-	
74			L. Matsunaga	END BAL	-		-	
75				AVG BAL (calcd)	-		-	
76	OPEB Reg Liability		L. Matsunaga	BEG BAL	-		-	
77			L. Matsunaga	END BAL	-		-	
78				AVG BAL (calcd)	-		-	
80								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 21% Fed Tax, DPAD Repealed	
8								
9	–				Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
81	COST OF CAPITAL ($ Thous)							
83	ST Debt Amount		T.Sekimura	BEG BAL	-		-	
84			T.Sekimura	END BAL	10,005.0		10,005.0	
85				AVG BAL (calcd)	5,002.5		5,002.5	
86	LT Debt		T.Sekimura	BEG BAL	156,344.0		156,344.0	
87			T.Sekimura	END BAL	156,396.0		156,396.0	
88				AVG BAL (calcd)	156,370.0		156,370.0	
92	Hybrid Amount		T.Sekimura	BEG BAL	9,354.0		9,354.0	
93			T.Sekimura	END BAL	9,391.0		9,391.0	
94				AVG BAL (calcd)	9,372.5		9,372.5	
95	Pfd Stock Amount		T.Sekimura	BEG BAL	4,739.0		4,739.0	
96			T.Sekimura	END BAL	4,749.0		4,749.0	
97				AVG BAL (calcd)	4,744.0		4,744.0	
98	Common Stock Amount		T.Sekimura	BEG BAL	230,435.0		230,435.0	
99			T.Sekimura	END BAL	232,184.0		232,184.0	
100				AVG BAL (calcd)	231,309.5		231,309.5	
101								
105	ST Debt Rate		T.Sekimura	BEG RATE	0.0125		0.0125	
106			T.Sekimura	END RATE	0.0125		0.0125	
107				AVG RATE (calcd)	0.0125		0.0125	
108	LT Debt		T.Sekimura	BEG RATE	0.0506		0.0506	
109			T.Sekimura	END RATE	0.0506		0.0506	
110				AVG RATE (calcd)	0.0506		0.0506	
114	Hybrid Rate		T.Sekimura	BEG RATE	0.0732		0.0732	
115			T.Sekimura	END RATE	0.0732		0.0732	
116				AVG RATE (calcd)	0.0732		0.0732	
117	Pfd Stock Rate		T.Sekimura	BEG RATE	0.0825		0.0825	
118			T.Sekimura	END RATE	0.0825		0.0825	
119				AVG RATE (calcd)	0.0825		0.0825	
120	Common Stock Rate		T.Sekimura	BEG RATE	(0.0903)		(0.0903)	
121			T.Sekimura	END RATE	(0.0903)		(0.0903)	
122				AVG RATE (calcd)	(0.0903)		(0.0903)	
123								
124	Est Composite Cost of Capital to achieve				xxxx		xxxx	
128	INCOME STATEMENT ITEMS ($ Thous)							
130	Elec Sales Rev (see below)				11,299.8		11,299.8	
131	Other Operating Revenue (see below)				103.0		103.0	
132	Gain on Sale of Land (see below)				-		-	
133								
134	Fuel Oil Expense		G. Imamura		6,726.0		6,726.0	
135	Purchase Power Expense (see below)				747.0		747.0	
136	Fuel Related Non-labor Exp		E.Nowak		3.0		3.0	
137	Fuel Handling Labor Expense		E.Nowak		-		-	
138								
139	Production		J. Mauri		1,614.0		1,614.0	
140	Transmission		J. Kentz		-		-	
141	Distribution		J. Kentz		283.0		283.0	
142	Customer Account		A. Arase		194.0		194.0	
143	Allowance for Uncoll Accts		A. Arase		-		-	
144	Customer Service		S. Suzuki		3.0		3.0	
145	Administration & General		L. Matsunaga		470.0		470.0	
146								
147	Book Depreciation		T. Mukai		1,028.0		1,028.0	
148	Amort of CIAC		T. Mukai		(54.0)		(54.0)	
149	Amort. of Reg Asset, net		T. Mukai		8.0		8.0	
150	Amort. of Federal ITC		T. Mukai		(9.0)		(9.0)	
151								
152	Depreciation and Amortization				973.0		973.0	
153								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT TEST YEAR:		2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE 33% Fed Tax, IDTAD Required.	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
154	Taxes Other Than Inc Taxes							
155	Payroll Taxes		L. Okada		77.0		77.0	
156	Interest on Cust Deposit		A. Arase		7.0		7.0	
157								
158	Income Taxes							
159	Amort of State ITC, gross (neg		L.Okada		(11.0)		(11.0)	
160	Tax Ben of Domestic Prod Act Ded (		L.Okada		10.0	(10.0)		
161	R&D Credit		L.Okada					
162	Meals and Entertainment		K. Nouchi		1.0		1.0	
163	Tax Effect of Ded Pref Stock Dividen		L.Okada					
164	Additional Oth Oper Rev (computed)							
165								
166								
167	MISCELLANEOUS RATES							
169	Franchise Tax Rate		L.Okada		0.025		0.025	
170	PSC Rate		L.Okada		0.05885		0.05885	
171	PUC Rate		L.Okada		0.005		0.005	
172	State Income Tax Rate		L.Okada		0.06015		0.06015	
173	Fed Income Tax Rate		L.Okada		0.35	(0.14)	0.21	
174	State Capital Gains Rate		L.Okada		0.037594		0.037594	
175	Bad Debt Rate		A. Arase		0		0	
176	Late Payment Fee Rate		A. Arase		0.00123		0.00123	
177	Oth Oper Revenue Rate (computed)							
178	Operating Income Divisor							
179								
180	WORKING CASH ITEMS ($ Thous)							
182	Deferred Tax expense (benefi		L.Okada		548.0		548.0	
183	Labor Expense (EXclude fuel		L. Matsunaga		950.0		950.0	
184	(unused-Payroll Tax on Ment Salary Incr (reverse signs)				-		-	
185	(unused-Payroll Tax on Bargaining Unit Wage Incr (reve				-		-	
186	State ITC (gross)		L.Okada		35.0		35.0	
187	Other Excluded Items		D. Lee		39.0		39.0	
188	Pension Asset Amortization, net				-		-	
189	Pension Expense				-		-	
190								
191	WORKING CASH LAG DAYS							
193	Elec Rev (collection days)		A. Arase		32.3		32.3	
194	Fuel Oil		D. Lee		14.6		14.6	
195	Purchase Power		D. Lee		43.5		43.5	
196	Labor Expense		D. Lee		11.7		11.7	
197	Non-Labor Expense & Other		D. Lee		17.2		17.2	
198	Revenue Tax		D. Lee		66.1		66.1	
199	Income Tax (Positive Tax)		D. Lee		39.8		39.8	
200								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 Final D&O at 9% ROE 21% Fed Tax DPAD Repealed	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
201	*SALES AND REVENUES (in thousands)*							
202								
203	Mwh Sales							
204	R		P. Young		7.4		7.4	
205	G		P. Young		1.9		1.9	
206	J		P. Young		5.5		5.5	
207	H		P. Young		0.5		0.5	
208	P		P. Young		10.0		10.0	
209	F		P. Young		0.1		0.1	
210					25.4		25.4	
211	No Charge		G. Imamura					
212								
213	Base Revenue							
214	R		P. Young		2,579.0		2,579.0	
215	G		P. Young		753.2		753.2	
216	J		P. Young		2,252.8		2,252.8	
217	H		P. Young					
218	P		P. Young		3,302.0		3,302.0	
219	F		P. Young		43.1		43.1	
220					8,930.1		8,930.1	
221	ECAC Revenue							
222	R		P. Young		589.6		589.6	
223	G		P. Young		180.6		180.6	
224	J		P. Young		567.6		567.6	
225	H		P. Young					
226	P		P. Young		930.2		930.2	
227	F		P. Young		11.7		11.7	
228					2,369.7		2,369.7	
229	Firm Capacity Surcharge (Pioneer Mill)							
230	R		P. Young					
231	G		P. Young					
232	J		P. Young					
233	H		P. Young					
234	P		P. Young					
235	F		P. Young					
236								
237	Total Revenue							
238	R				3,268.6		3,268.6	
239	G				933.8		933.8	
240	J				2,820.4		2,820.4	
241	H							
242	P				4,232.2		4,232.2	
243	F				54.8		54.8	
244					11,299.8		11,299.8	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 D&O at 9% ROE 21% Fed Tax D&O Repeated	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
246	FUEL EXPENSE							
247	Fuel Oil Expense				See above		See above	
248	Fuel Related Expense				See above		See above	
249	Generation - GWH		G. Imamura		24.0		24.0	
250	Purchase Power - GWH		J. Mauri		2.8		2.8	
251	MBTU (Co. gen)		G. Imamura		254,200.0		254,200.0	
252								
253	Hawaiian Commercial Sugar							
254	Energy		J. Mauri					
255	Capacity		J. Mauri					
256	O&M Component		J. Mauri					
257	Other		J. Mauri					
258								
259	KWP							
260	Energy		J. Mauri					
261	Capacity		J. Mauri					
262	O&M Component		J. Mauri					
263	Other		J. Mauri					
264								
265	Makila							
266	Energy		J. Mauri					
267	Capacity		J. Mauri					
268	O&M Component		J. Mauri					
269	Other		J. Mauri					
270								
271	Other							
272	Energy		J. Mauri		747.0		747.0	
273	Capacity		J. Mauri					
274	O&M Component		J. Mauri					
275	Other		J. Mauri					
276					747.0		747.0	
277	Total							
278	Energy				747.0		747.0	
279	Capacity							
280	O&M Component							
281	Penalty/Bonus/Other							
282					747.0		747.0	
283								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Lanai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 D&O at 9% ROE, 21% Fed Tax, DPAD Reversal	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O	Change	Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
284	Other Operating Revenues - (dr)cr							
285								
287	451.03	Service Est Fee		A. Arase	6.0		6.0	
288		Returned Check Charge		A. Arase	1.0		1.0	
289		Field Collection Charge		A. Arase	1.0		1.0	
290		ACCESS Late Pmt Chg		A. Arase	14.0		14.0	
291		OCARS Late Pmt Chg		A. Arase	-		-	
292	451.04	Temporary Facilities		A. Arase	-		-	
293	451.05	Reconnect Charge		A. Arase	-		-	
294	451.00	Other		A. Arase	-		-	
295	454.01	Rent from elec prop-carpo		A. Arase	-		-	
296	454.02	Rent from elec prop-cable		A. Arase	-		-	
297	454.03	Rent - ward parking		A. Arase	-		-	
298	454.04	Rent from elec prop - land		A. Arase	-		-	
299	454.05	Rent - meters & transform		A. Arase	-		-	
300		CHP Thermal & Facilities		R. Pytlarz	54.0		54.0	
301	454.07	Rent - Telecom		A. Arase	25.0		25.0	
303								
304	456.01	Other elec rev - gross rev		A. Arase	-		-	
305	456.02	Other elec rev - mtrng chr		A. Arase	-		-	
306	456.03	Payment protection progr		A. Arase	-		-	
307	456.04	Engineering services		A. Arase	-		-	
308								
309	454.94	Elec prop rent exp		A. Arase	-		-	
315								
316	Subtotal Other Oper Rev				103.0		103.0	
317								
318	414	Gain on Sale of land		A. Arase	-		-	
319		CHP Minimum Lease Pm		N/A				
320								
321	Additional Amount - Other Operating Revenues							
322								
323	Service Estab Fee Increase				-		-	
324	Returned Check Charge Increase				-		-	
325	Streetlight Fixture Charge Increase				4.0		4.0	
326	OCARS late payment fee increase				-		-	
327	Reconnect Charge				-		-	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 F-D&O at 9% ROE, 21% Fed Tax, DPAD Recorded	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
13	RATE BASE							
14								
15	Net Cost of Plant in Svc		D. Lee	BEG BAL	18,011.0		18,011.0	
16			D. Lee	END BAL	18,537.0		18,537.0	
17				AVG BAL (keep)	18,274.0		18,274.0	
18	Prop Held for Future Use		J Mauri	BEG BAL	-		-	
19			J Mauri	END BAL	-		-	
20				AVG BAL (keep)	-		-	
21	Fuel Inventory		E Nowak	BEG BAL	658.0		658.0	
22			E Nowak	END BAL	658.0		658.0	
23				AVG BAL (keep)	658.0		658.0	
24	T&D Stores Inventory		J Kentz	BEG BAL	268.0		268.0	
25			J Kentz	END BAL	268.0		268.0	
26				AVG BAL (keep)	268.0		268.0	
27	Production Stores Inventory		J Mauri	BEG BAL	130.0		130.0	
28			J Mauri	END BAL	130.0		130.0	
29				AVG BAL (keep)	130.0		130.0	
30	Unamortized Net SFAS109		L Okada	BEG BAL	499.0		499.0	
31	Regulatory Asset		L Okada	END BAL	510.0		510.0	
32				AVG BAL (keep)	504.5		504.5	
33	Pension Reg Asset		L. Matsunaga	BEG BAL	142.0		142.0	
34			L. Matsunaga	END BAL	171.0		171.0	
35				AVG BAL (keep)	156.5		156.5	
36	OPEB Reg Asset		L. Matsunaga	BEG BAL	14.0		14.0	
37			L. Matsunaga	END BAL	10.0		10.0	
38				AVG BAL (keep)	12.0		12.0	
39	Unamort Sys Dev Costs		L. Matsunaga	BEG BAL	61.0		61.0	
40			L. Matsunaga	END BAL	58.0		58.0	
41				AVG BAL (keep)	54.5		54.5	
42	Contributions in Excess of		L. Matsunaga	BEG BAL	127.0		127.0	
43	NPPC Regulatory Asset		L. Matsunaga	END BAL	328.0		328.0	
44				AVG BAL (keep)	227.5		227.5	
45								
46	Unamortized CIAC		D. Lee	BEG BAL	2,727.0		2,727.0	
47			D. Lee	END BAL	2,804.0		2,804.0	
48				AVG BAL (keep)	2,765.5		2,765.5	
49	Customer Advances		D. Takahata	BEG BAL	69.0		69.0	
50			D. Takahata	END BAL	76.0		76.0	
51				AVG BAL (keep)	72.5		72.5	
52	Customer Deposits		A. Arase	BEG BAL	199.0		199.0	
53			A. Arase	END BAL	220.0		220.0	
54				AVG BAL (keep)	209.5		209.5	
55	Accum Deferred Taxes		L.Okada	BEG BAL	1,787.0		1,787.0	
56			L.Okada	END BAL	2,343.0		2,343.0	
57				AVG BAL (keep)	2,065.0		2,065.0	
58	Unamort ITC (keep at zero)		L.Okada	BEG BAL	-		-	
59			L.Okada	END BAL	-		-	
60				AVG BAL (keep)	-		-	
61	Unamort State ITC (Gross)		L.Okada	BEG BAL	539.0		539.0	
62			L.Okada	END BAL	564.0		564.0	
63				AVG BAL (keep)	551.5		551.5	
64	Unamort Gain on Sales		N/A	BEG BAL	-		-	
65			N/A	END BAL	-		-	
66				AVG BAL (keep)	-		-	
67	Pension Liability		L. Matsunaga	BEG BAL	-		-	
68			L. Matsunaga	END BAL	-		-	
69				AVG BAL (keep)	-		-	
70	OPEB Reg Liability		L. Matsunaga	BEG BAL	-		-	
71			L. Matsunaga	END BAL	-		-	
72				AVG BAL (keep)	-		-	
80								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 FD&O at 9% ROE [illegible]	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
81	COST OF CAPITAL ($ Thous)							
82								
83	ST Debt Amount		T.Sekimura	BEG BAL	[illegible]		[illegible]	
84			T.Sekimura	END BAL	10,009.0		10,009.0	
85				AVG BAL (calcd)	5,002.5		5,002.5	
86	LT Debt		T.Sekimura	BEG BAL	156,344.0		156,344.0	
87			T.Sekimura	END BAL	156,396.0		156,396.0	
88				AVG BAL (calcd)	156,370.0		156,370.0	
92	Hybrid Amount		T.Sekimura	BEG BAL	9,354.0		9,354.0	
93			T.Sekimura	END BAL	9,391.0		9,391.0	
94				AVG BAL (calcd)	9,372.5		9,372.5	
95	Pfd Stock Amount		T.Sekimura	BEG BAL	4,738.0		4,738.0	
96			T.Sekimura	END BAL	4,749.0		4,749.0	
97				AVG BAL (calcd)	4,744.0		4,744.0	
98	Common Stock Amount		T.Sekimura	BEG BAL	230,439.0		230,439.0	
99			T.Sekimura	END BAL	232,184.0		232,184.0	
100				AVG BAL (calcd)	231,309.5		231,309.5	
101								
105	ST Debt Rate		T.Sekimura	BEG RATE	[illegible]		0.0125	
106			T.Sekimura	END RATE	0.0125		0.0125	
107				AVG RATE (calcd)	0.0125		0.0125	
108	LT Debt		T.Sekimura	BEG RATE	0.0500		0.0500	
109			T.Sekimura	END RATE	0.0500		0.0500	
110				AVG RATE (calcd)	0.0500		0.0500	
114	Hybrid Rate		T.Sekimura	BEG RATE	0.0732		0.0732	
115			T.Sekimura	END RATE	0.0732		0.0732	
116				AVG RATE (calcd)	0.0732		0.0732	
117	Pfd Stock Rate		T.Sekimura	BEG RATE	0.0625		0.0625	
118			T.Sekimura	END RATE	0.0625		0.0625	
119				AVG RATE (calcd)	0.0625		0.0625	
120	Common Stock Rate		T.Sekimura	BEG RATE	0.0900		[illegible]	
121			T.Sekimura	END RATE	0.0900		[illegible]	
122				AVG RATE (calcd)	0.0900		[illegible]	
123								
124	Est Composite Cost of Capital to achieve				xxxx		xxxx	
128	INCOME STATEMENT ITEMS ($ Thous)							
129								
130	Elec Sales Rev (see below)				12,719.1		12,719.1	
131	Other Operating Revenue (see below)				130.0		130.0	
132	Gain on Sale of Land (see below)							
133								
134	Fuel Oil Expense		G. Imamura		7,603.0		7,603.0	
135	Purchase Power Expense (see below)				5.0		5.0	
136	Fuel Related Non-labor Exp		E Nowak		8.0		8.0	
137	Fuel Handling Labor Expense		E Nowak					
138								
139	Production		J. Mauri		1,649.0		1,649.0	
140	Transmission		J Kentz		151.0		151.0	
141	Distribution		J Kentz		566.0		566.0	
142	Customer Account		A Arase		254.0		254.0	
143	Allowance for Uncoll Accts		A Arase					
144	Customer Service		S Suzuki		1.0		1.0	
145	Administration & General		L Matsunaga		760.0		760.0	
146								
147	Book Depreciation		T. Mukai		1,045.0		1,045.0	
148	Amort of CIAC		T. Mukai		(59.0)		(59.0)	
149	Amort. of Reg Asset, net		T. Mukai		14.0		14.0	
150	Amort of Federal ITC		T. Mukai					
151								
152	Depreciation and Amortization				1,001.0		1,001.0	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		2012 Excess at 9% ROE and Tax, 1/2010 Revised	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
153								
154	Taxes Other Than Inc Taxes							
155	Payroll Taxes		L Okada		85.0		85.0	
156	Interest on Cust Deposit		A Arase		13.0		13.0	
157								
158	Income Taxes							
159	Amort of State ITC, gross (neg #)		L Okada		(11.0)		(11.0)	
160	Tax Ben of Domestic Prod Act Ded (pres		L Okada		Rate Base Adj 11.0	(11.0)		
161	R&D Credit		L Okada					
162	Meals and Entertainment		K Nouchi		1.0		1.0	
163	Tax Effect of Ded Pref Stock Dividends		L Okada					
164	Additional Oth Oper Rev (computed)							
165								
166								
167	MISCELLANEOUS RATES							
169	Franchise Tax Rate		L.Okada		0.0026		0.0026	
170	PSC Rate		L.Okada		0.00185		0.00185	
171	PUC Rate		L Okada		0.005		0.005	
172	State Income Tax Rate		L.Okada		0.06015		0.06015	
173	Fed Income Tax Rate		L.Okada		0.35	(0.14)	0.21	
174	State Capital Gains Rate		L Okada		0.037944		0.037944	
175	Bad Debt Rate		A Arase		0		0	
176	Late Payment Fee Rate		A Arase		0.00172		0.00172	
177	Oth Oper Revenue Rate (computed)							
178	*Operating Income Divisor*							
179								
180	WORKING CASH ITEMS ($ Thous)							
182	Deferred Tax expense (benefit)		L Okada		884.0		884.0	
183	Labor Expense (EXclude fuel hand		L. Matsunaga		1,064.0		1,064.0	
184	(unused-Payroll Tax on Mgmt Salary Incr (reverse signs))							
185	(unused-Payroll Tax on Bargaining Unit Wage Incr (reverse s							
186	State ITC (gross)		L Okada		36.0		36.0	
187	Other Excluded Items		D. Lee		45.0		45.0	
188	Pension Asset Amortization, net							
189	Pension Expense							
190								
191	WORKING CASH LAG DAYS							
193	Elec Rev (collection days)		A Arase		36.6		36.6	
194	Fuel Oil		D. Lee		18.2		18.2	
195	Purchase Power		D Lee		49.1		49.1	
196	Labor Expense		D Lee		11.2		11.2	
197	Non-Labor Expense & Other		D Lee		17.2		17.2	
198	Revenue Tax		D Lee		60.1		60.1	
199	Income Tax (Positive Tax)		D Lee		38.8		38.8	
200								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL				Final D&O at 9% ROE		2012 Final D&O at 9% ROE Test Year 2010 D&O Results	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
201	SALES AND REVENUES (in thousands)							
202								
203	Mwh Sales							
204	R		P. Young		120		120	
205	G		P. Young		41		41	
206	J		P. Young		70		70	
207	H		P. Young		15		15	
208	P		P. Young		61		61	
209	F		P. Young		58		58	
210					345		345	
211	No Charge		G. Imamura		0.1		0.1	
212								
213	Base Revenue							
214	R		P. Young		2,844.8		2,844.8	
215	G		P. Young		1,820.5		1,820.5	
216	J		P. Young		2,697.2		2,697.2	
217	H		P. Young					
218	P		P. Young		1,587.0		1,587.0	
219	F		P. Young		173.6		173.6	
220					10,073.3		10,073.3	
221	ECAC Revenue							
222	R		P. Young		1,013.1		1,013.1	
223	G		P. Young		389.9		389.9	
224	J		P. Young		690.0		690.0	
225	H		P. Young					
226	P		P. Young		515.3		515.3	
227	F		P. Young		47.5		47.5	
228					2,645.8		2,645.8	
229	Firm Capacity Surcharge (Pioneer Mill)							
230	R		P. Young					
231	G		P. Young					
232	J		P. Young					
233	H		P. Young					
234	P		P. Young					
235	F		P. Young					
236								
237	Total Revenue							
238	R				4,857.7		4,857.7	
239	G				2,210.4		2,210.4	
240	J				3,387.2		3,387.2	
241	H							
242	P				2,102.3		2,102.3	
243	F				221.1		221.1	
244					12,719.1		12,719.1	

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR:	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL:				Final D&O at 9% ROE		[illegible]	
8								
9					Test Year		Test Year	
10	*($ Thous)*				*Estimates*		*Estimates*	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
246	FUEL EXPENSE							
247	Fuel Oil Expense				See above		See above	
248	Fuel Related Expense				See above		See above	
249	Generation - GWH		G. Imamura		34.3		34.3	
250	Purchase Power - GWH		J. Mauri		0.0		0.0	
251	MBTU (Co_gen)		G. Imamura		390,200.0		390,200.0	
252								
253	Hawaiian Commercial Sugar							
254	Energy		J. Mauri					
255	Capacity		J. Mauri					
256	O&M Component		J. Mauri					
257	Other		J. Mauri					
258								
259	KWP							
260	Energy		J. Mauri					
261	Capacity		J. Mauri					
262	O&M Component		J. Mauri					
263	Other		J. Mauri					
264								
265	Makila							
266	Energy		J. Mauri					
267	Capacity		J. Mauri					
268	O&M Component		J. Mauri					
269	Other		J. Mauri					
270								
271	Other							
272	Energy		J. Mauri		5.0		5.0	
273	Capacity		J. Mauri					
274	O&M Component		J. Mauri					
275	Other		J. Mauri					
276					5.0		5.0	
277	Total							
278	Energy				5.0		5.0	
279	Capacity							
280	O&M Component							
281	Penalty/Bonus/Other							
282					5.0		5.0	
283								

	A	B	C	D	Q	R	S	T
1	Maui Electric Company, Ltd.							
2	Molokai Division							
3	REVENUE REQUIREMENTS							
4	Final D&O at 9% ROE							
5	DATA INPUT	TEST YEAR	2012					
6								
7	DESCRIPTION LINK TO REV REQ MODEL				Final D&O at 9% ROE		2010 REQUIRED REVENUE Final D&O at 9% ROE	
8								
9					Test Year		Test Year	
10	($ Thous)				Estimates		Estimates	
11					Final D&O		Final D&O	
12					TY 2010 Final Rates		TY 2010 Final Rates	
284	Other Operating Revenues - (dr)cr							
285								
287	451.03	Service Est. Fee		A. Arase	6.0		6.0	
288		Returned Check Charge		A. Arase	1.0		1.0	
289		Field Collection Charge		A. Arase	14.0		14.0	
290		ACCESS Late Pmt Chg		A. Arase	22.0		22.0	
291		OCARS Late Pmt Chg		A. Arase				
292	451.04	Temporary Facilities		A. Arase				
293	451.05	Reconnect Charge		A. Arase	1.0		1.0	
294	451.00	Other		A. Arase				
295	454.01	Rent from elec prop-carpool		A. Arase				
296	454.02	Rent from elec prop-cable tv		A. Arase				
297	454.03	Rent - ward parking		A. Arase				
298	454.04	Rent from elec prop - land		A. Arase				
299	454.05	Rent - meters & transformers		A. Arase				
300		CHP Thermal & Facilities		R. Pytlarz				
301	454.07	Rent - Telecom		A. Arase	34.0		34.0	
303								
304	456.01	Other elec rev - gross rev		A. Arase				
305	456.02	Other elec rev - mtrng chrg		A. Arase				
306	456.03	Payment protection program		A. Arase				
307	456.04	Engineering services		A. Arase				
308								
309	454.94	Elec prop rent exp		A. Arase				
315								
316	Subtotal Other Oper Rev				30.0		30.0	
317								
318	414	Gain on Sale of land		A. Arase				
319		CHP Minimum Lease Pmt		N/A				
320								
321	Additional Amount - Other Operating Revenues							
322								
323	Service Estab. Fee Increase							
324	Returned Check Charge Increase							
325	Streetlight Fixture Charge Increase				14.0		14.0	
326	OCARS late payment fee increase							
327	Reconnect Charge							
328								

VERIFICATION

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

Brian Y. Hiyane, being first duly sworn, deposes and says: That he is the attorney for 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.

Brian Y. Hiyane

DEBORAH ICHISHITA NOTARY 04-409 PUBLIC STATE OF HAWAII

Subscribed and sworn to before me this 29th day of March, 2018.

Deborah Ichishita

DEBORAH ICHISHITA

Notary Public, State of Hawai'i

My Commission expires July 18, 2020

STATE OF HAWAI'I NOTARY CERTIFICATION

Doc. Date: 3/29/2018 # of pages 286

Notary Name: DEBORAH ICHISHITA First Circuit

Doc. Description: Maui Electric Transmittal No. 18-03 (Decoupling)

Deborah Ichishita 3/29/18

Notary Signature Date

DEBORAH ICHISHITA NOTARY 04-409 PUBLIC STATE OF HAWAII

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Transmittal No. 18-03 was served on the date of filing by hand delivery, as indicated below.

Dean Nishina Executive Director Division of Consumer Advocacy Department of Commerce and Consumer Affairs 335 Merchant Street, Room 326 Honolulu, Hawai'i 96813	2 copies via Hand Delivery

Dated: Honolulu, Hawai'i, March 29, 2018.

HAWAIIAN ELECTRIC COMPANY, INC.

Michael Chu