



May 29, 2018

FILED

2018 MAY 29 P 4:02

PUBLIC UTILITIES  
COMMISSION

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

Dear Commissioners:

Subject: Transmittal No. 18-02 (Decoupling)  
Hawai'i Electric Light Correction to Label for Schedule B1

On May 21, 2018, the Hawaiian Electric Companies<sup>1</sup> filed their response to the *Division of Consumer Advocacy's Statement of Position* ("Consumer Advocate's SOP")<sup>2</sup> filed on May 11, 2018 on Transmittal Nos. 18-01, 18-02 and 18-03, the Companies' Revenue Balancing Account ("RBA") Rate Adjustment tariff filings for 2018. This filing included Hawai'i Electric Light's revised 2018 decoupling calculation workbook and workpapers in Attachment 3, in which the Companies inadvertently mislabeled Schedule B1 as "Schedule B2". Attached is a revised copy of Schedule B1 with the proper labeling. There are no other changes to that schedule. The Hawaiian Electric Companies respectfully apologize for any inconvenience this correction may have caused.

Very truly yours,

Dean K. Matsuura  
Manager, Regulatory Rate Proceedings

Enclosure

cc: Division of Consumer Advocacy

<sup>1</sup> 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 Company, Limited ("Maui Electric").

<sup>2</sup> The "Consumer Advocate" is the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs.

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

Line No	Description	Reference	Docket No 2009-0164 Amounts	Docket No. 2009-0164 Amounts	Docket No 2009-0164 Amounts	Docket No 2015-0170 Amounts	Docket No. 2015-0170 Amounts	Docket No. 2015-0170 Amounts	Docket No. 2015-0170 Amounts	Docket No 2015-0170 Amounts	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1	<u>Last Rate Case Annual Electric Revenue at Approved Rate Levels</u>	Note 1	\$000s	\$ 355,605	\$ 355,605	\$ 355,605	\$ 299,770	\$ 299,770	\$ 289,771	\$ 289,771	
2	Less: Fuel Expense	Note 1	\$000s	\$ (80,078)	\$ (80,078)	\$ (80,078)	\$ (45,996)	\$ (45,996)	\$ (45,996)	\$ (45,996)	
3	Purchased Power Expense	Note 1	\$000s	\$ (105,866)	\$ (105,866)	\$ (105,866)	\$ (72,438)	\$ (72,438)	\$ (72,438)	\$ (72,438)	
4	Revenue Taxes on Line 1 (8.885% statutory rates)		\$000s	\$ (31,596)	\$ (31,596)	\$ (31,596)	\$ (26,635)	\$ (26,635)	\$ (25,746)	\$ (25,746)	
5	<u>Last Rate Order Target Annual Revenues</u>	Sum Lines 1 thru 4	\$000s	\$ 138,065	\$ 138,065	\$ 138,065	\$ 154,701	\$ 154,701	\$ 145,591	\$ 145,591	
6	Add Authorized RAM Revenues - Transmittal No 16-02	Note 2	\$000s	\$ 8,534	\$ 8,534	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Less: Revenue Taxes on Line 9 at 8.885%		\$000s	\$ (758)	\$ (758)	\$ -	\$ -	\$ -	\$ -	\$ -	
8	Net RAM Adjustment - Test Year +5	Line 6 + Line 7	\$000s	\$ 7,775	\$ 7,775	\$ -	\$ -	\$ -	\$ -	\$ -	
9	Authorized RAM Revenues - Transmittal No 17-03	Note 3	\$000s	\$ -	\$ -	\$ 11,776	\$ -	\$ -	\$ -	\$ -	
10	Less: Revenue Taxes on Line 9 at 8.885%		\$000s	\$ -	\$ -	\$ (1,046)	\$ -	\$ -	\$ -	\$ -	
11	Net RAM Adjustment - Test Year +6	Line 9 + Line 10	\$000s	\$ -	\$ -	\$ 10,729	\$ -	\$ -	\$ -	\$ -	
12	Authorized RAM Revenues - Incremental 2017 RAM	Note 6	\$000s	\$ -	\$ -	\$ -	\$ 3,242	\$ 3,242	\$ 3,242	\$ -	
13	Less: Revenue Taxes on Line 12 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ (288)	\$ (288)	\$ (288)	\$ -	
14	Net RAM Adjustment - Test Year +7	Line 12 + Line 13	\$000s	\$ -	\$ -	\$ -	\$ 2,954	\$ 2,954	\$ 2,954	\$ -	
15	Authorized RAM Revenues - Transmittal No 18-02	Sch A, Line 4	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,577	\$ 6,577	
16	Less: Revenue Taxes on Line 15 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (584)	\$ (584)	
17	Net RAM Adjustment - Test Year +2	Line 12 + 13	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,992	\$ 5,992	
18	Less: <u>EARNINGS SHARING REVENUE CREDITS</u>	Sch A, Line 5 or Sch H	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
19	Less: Revenue Taxes on Line 15 at 8.885%		\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20	Net Earnings Sharing Revenue Credits	Line 15 + Line 16	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21	<u>PUC-ORDERED MAJOR OR BASELINE CAPITAL CREDITS</u>	Sch A, Line 6 or Sch I	\$000s	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
22	<u>Total Annual Target Revenues</u>										
23	HELCO TY 2010 Final Annualized Revenues	Line 5	\$000s	\$ 138,065	\$ 138,065	\$ 138,065					
24	HELCO TY 2010 + 2016 RAM Annualized Revenues	Line 5 + Line 8	\$000s	\$ 145,841	\$ 145,841						
25	HELCO TY 2010 + 2017 RAM Annualized Revenues	Line 5 + Line 11	\$000s			\$ 148,795					
26	HELCO TY 2016 Interim + 2017 Incremental RAM Annualized Revs	Line 5 + Line 14	\$000s				\$ 157,655	\$ 157,655			
27	June 1 2015 Annualized Revenues + RAM Increase								\$ 148,945	\$ 151,583	
28									\$ 151,583	\$ 151,583	
28	<u>Distribution of Target Revenues by Month:</u>	Note 4	Note 5	2016	2017	2017	2017	2018	2018	2018	2019
29	January	8.30%	8.437%		\$ 12,104,787			\$ 13,301,362			\$ 12,788,688
30	February	7.57%	7.896%		\$ 11,040,149			\$ 12,451,601			\$ 11,972,955
31	March	8.36%	8.410%		\$ 12,182,291			\$ 13,258,795			\$ 12,748,162
32	April	8.00%	8.072%		\$ 11,667,264			\$ 12,725,921			\$ 12,235,810
33	May	8.37%	8.292%		\$ 12,206,875			\$ -	\$ 12,317,361		\$ 12,868,283
34	June	8.17%	8.081%	\$ 11,915,194		\$ 12,156,545				\$ 12,249,452	
35	July	8.64%	8.630%	\$ 12,600,648		\$ 12,855,881				\$ 13,081,845	
36	August	8.84%	8.764%	\$ 12,892,327		\$ 12,729,166	\$ 445,706			\$ 13,284,767	
37	September	8.39%	8.213%	\$ 12,236,044			\$ 12,948,215			\$ 12,449,542	
38	October	8.60%	8.548%	\$ 12,542,309			\$ 13,476,360			\$ 12,957,347	
39	November	8.26%	8.263%	\$ 12,046,450			\$ 13,027,042			\$ 12,525,334	
40	December	8.50%	8.392%	\$ 12,396,468			\$ 13,230,418			\$ 12,720,877	
41	Total Distributed Target Revenues	100.00%	100.00%	\$ 86,629,438	\$ 89,211,366	\$ 37,741,592	\$ 53,127,741	\$ 51,737,679	\$ 12,317,361	\$ 89,268,964	\$ 62,314,409

Note 1 Col c, d, e HELCO Revised Schedules Resulting from Decision and Order No 30168 Exhibit 1A, page 1, filed February 21, 2012, in Docket No. 2009-0164

Col f, g Interim Decision and Order No 34766, Exhibit A, page 1, issued August 21, 2017 in Docket No. 2015-0170

Col h, i, j: Order No 35418 Granting Motion to Adjust Interim Increase issued April 24, 2018 In Docket No. 2015-0170. Target Revenue calculation is provided in HELCO Revision to Exhibits in Motion to Adjust Interim Increase, Exhibit 14, page 2 of 2 filed April 10 2018.

Note 2 Transmittal 16-02 filed May 15, 2016 establishing 2016 RAM effective June 1, 2016

Note 3. Transmittal 17-03 filed March 31, 2017 establishing 2017 RAM effective June 1, 2017.

Note 4 Source: HELCO RBA Provision Tariff effective June 1, 2013 based on 2010 test year

Note 5 Source: HELCO RBA Provision Tariff effective August 31, 2017 based on 2016 test year.

Note 6 See Letter to Commission, Subject Interim Increase Tariff Sheets, Exhibit E, Line 4 filed August 23, 2017.

See also Exhibit 1, page 95 of the Settlement Agreement filed on July 11, 2017 for details explaining this incremental increase to the 2016 test year related to the 2017 RAM Revenue Adjustment.

Note 7 For the month of the initial implementation (2nd Interim), adjust the monthly allocation by the number of effective days in the month over the total num. of days

1.00000