

THIS FILING IS

Item 1: An Initial (Original)
Submission OR Resubmission No. _____

Form 1 Approved
OMB No. 1902-0021
(Expires 7/31/2008)
Form 1-F Approved
OMB No. 1902-0029
(Expires 6/30/2007)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 6/30/2007)



FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of
Major Electric Utilities, Licensees
and Others and Supplemental
Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

MAUI ELECTRIC COMPANY, LIMITED

Year/Period of Report

End of 2006/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q)is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules

_____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.

V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.

VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		02 Year/Period of Report End of <u>2006/Q4</u>
03 Previous Name and Date of Change <i>(if name changed during year)</i> / /		
04 Address of Principal Office at End of Period <i>(Street, City, State, Zip Code)</i> 210 KAMEHAMEHA AVENUE, KAHULUI, HI 96732		
05 Name of Contact Person LYLE J. MATSUNAGA	06 Title of Contact Person ASSISTANT TREASURER	
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> MAUI ELECTRIC COMPANY, LIMITED, 210 KAMEHAMEHA AVENUE, KAHULUI, HI 96732		
08 Telephone of Contact Person, <i>Including Area Code</i> (808) 871-8461	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 04/24/2007
ANNUAL CORPORATE OFFICER CERTIFICATION		
The undersigned officer certifies that: I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.		
01 Name LYLE J. MATSUNAGA	03 Signature LYLE J. MATSUNAGA	04 Date Signed (Mo, Da, Yr) 04/24/2007
02 Title ASSISTANT TREASURER		
Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	None
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	Not applicable
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	Not applicable
17	Electric Plant Held for Future Use	214	
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	Not applicable
21	Materials and Supplies	227	
22	Allowances	228-229	Not applicable
23	Extraordinary Property Losses	230	Not applicable
24	Unrecovered Plant and Regulatory Study Costs	230	Not applicable
25	Transmission Service and Generation Interconnection Study Costs	231	None
26	Other Regulatory Assets	232	None
27	Miscellaneous Deferred Debits	233	
28	Accumulated Deferred Income Taxes	234	Not applicable
29	Capital Stock	250-251	
30	Other Paid-in Capital	253	None
31	Capital Stock Expense	254	
32	Long-Term Debt	256-257	
33	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
34	Taxes Accrued, Prepaid and Charged During the Year	262-263	
35	Accumulated Deferred Investment Tax Credits	266-267	
36	Other Deferred Credits	269	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	Not applicable
38	Accumulated Deferred Income Taxes-Other Property	274-275	
39	Accumulated Deferred Income Taxes-Other	276-277	
40	Other Regulatory Liabilities	278	Not applicable
41	Electric Operating Revenues	300-301	
42	Sales of Electricity by Rate Schedules	304	
43	Sales for Resale	310-311	None
44	Electric Operation and Maintenance Expenses	320-323	
45	Purchased Power	326-327	
46	Transmission of Electricity for Others	328-330	None
47	Transmission of Electricity by ISO/RTOs	331	None
48	Transmission of Electricity by Others	332	None
49	Miscellaneous General Expenses-Electric	335	
50	Depreciation and Amortization of Electric Plant	336-337	
51	Regulatory Commission Expenses	350-351	
52	Research, Development and Demonstration Activities	352-353	
53	Distribution of Salaries and Wages	354-355	
54	Common Utility Plant and Expenses	356	Not applicable
55	Amounts included in ISO/RTO Settlement Statements	397	Not applicable
56	Purchase and Sale of Ancillary Services	398	Not applicable
57	Monthly Transmission System Peak Load	400	
58	Monthly ISO/RTO Transmission System Peak Load	400a	
59	Electric Energy Account	401	
60	Monthly Peaks and Output	401	
61	Steam Electric Generating Plant Statistics	402-403	
62	Hydroelectric Generating Plant Statistics	406-407	Not applicable
63	Pumped Storage Generating Plant Statistics	408-409	Not applicable
64	Generating Plant Statistics Pages	410-411	
65	Transmission Line Statistics Pages	422-423	
66	Transmission Lines Added During the Year	424-425	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Substations	426-427	
68	Footnote Data	450	
	<p>Stockholders' Reports Check appropriate box:</p> <p><input checked="" type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared</p>		

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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Edward L. Reinhardt, President
210 Kamehameha Avenue
Kahului, HI 96732

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Hawaii, April 28, 1921

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric Utility - Class "A"

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes...Enter the date when such independent accountant was initially engaged:
(2) No

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CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p>			
<p>The respondent has been a wholly-owned subsidiary of Hawaiian Electric Company, Inc., since November 1, 1968. Since July 1, 1983, Hawaiian Electric Company, Inc., became a wholly-owned subsidiary of Hawaiian Electric Industries, Inc.</p>			

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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	None			
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President	Edward L. Reinhardt	193,300
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DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	T. Michael May (Chairman, Advisory & Statutory Boards)	Honolulu, Hawaii
2	Edward L. Reinhardt (President, Advisory & Statutory Boards)	Kahului, Hawaii
3	Molly M. Egged (Secretary, Advisory & Statutory Boards)	Honolulu, Hawaii
4	B. Martin Luna (Member, Advisory Board)	Wailuku, Hawaii
5	Boyd P. Mossman (Member, Advisory Board)	Wailuku, Hawaii
6	Gladys C. Baisa (Member, Advisory Board; resigned 5/06)	Wailuku, Hawaii
7	Anne M. Takabuki (Member, Statutory Board; effective 12/06)	Kihei, Hawaii
8	Barry K. Taniguchi (Member, Statutory Board; effective 12/06)	Hilo, Hawaii
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None.
2. None.
3. None.
4. None.
5. None.
6. None.
7. None.
8. None.
9. None.
10. None.
11. Not applicable.
12. See FERC Page 123.
13. None.
14. Not applicalbe.

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of 2006/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
UTILITY PLANT				
2	Utility Plant (101-106, 114)	200-201	773,431,227	684,632,135
3	Construction Work in Progress (107)	200-201	5,575,848	28,281,653
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		779,007,075	712,913,788
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	341,234,579	314,151,973
6	Net Utility Plant (Enter Total of line 4 less 5)		437,772,496	398,761,815
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		437,772,496	398,761,815
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
OTHER PROPERTY AND INVESTMENTS				
18	Nonutility Property (121)		228,584	1,724,464
19	(Less) Accum. Prov. for Depr. and Amort. (122)		26,942	1,140,366
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		201,642	584,098
CURRENT AND ACCRUED ASSETS				
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		514,059	-419
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		4,410	4,410
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		593,103	544,551
40	Customer Accounts Receivable (142)		32,986,533	34,385,772
41	Other Accounts Receivable (143)		704,826	557,285
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		149,261	123,493
43	Notes Receivable from Associated Companies (145)		0	5,250,000
44	Accounts Receivable from Assoc. Companies (146)		138,360	683,414
45	Fuel Stock (151)	227	13,871,618	13,272,543
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	11,730,206	10,095,643
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-40,801	-453,347
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		628,942	558,178
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		65,571	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		0	0
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		61,047,566	64,774,537
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		2,937,677	3,089,418
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	0	0
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		1,181,811	1,446,361
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	16,604,214	15,504,725
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Required Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	0	0
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		20,723,702	20,040,504
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		519,745,406	484,160,954

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 04/24/2007	Year/Period of Report end of <u>2006/Q4</u>
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	15,826,020	15,826,020
3	Preferred Stock Issued (204)	250-251	5,000,000	5,000,000
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	79,245,110	79,245,110
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	151,378	151,378
11	Retained Earnings (215, 215.1, 216)	118-119	111,537,546	99,270,365
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-14,226,385	0
16	Total Proprietary Capital (lines 2 through 15)		197,230,913	199,190,117
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reacquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	10,000,000	10,000,000
21	Other Long-Term Debt (224)	256-257	144,720,000	144,720,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		154,720,000	154,720,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		20,506,961	0
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		0	0
35	Total Other Noncurrent Liabilities (lines 26 through 34)		20,506,961	0
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		18,267,637	15,854,577
39	Notes Payable to Associated Companies (233)		5,000,000	0
40	Accounts Payable to Associated Companies (234)		993,261	179,740
41	Customer Deposits (235)		3,381,702	3,111,602
42	Taxes Accrued (236)	262-263	28,355,166	25,277,187
43	Interest Accrued (237)		1,637,892	1,584,389
44	Dividends Declared (238)		79,427	79,427
45	Matured Long-Term Debt (239)		0	0

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		244,165	0
48	Miscellaneous Current and Accrued Liabilities (242)		5,917,104	-3,932,437
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		63,876,354	42,154,485
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		4,845,036	5,768,200
57	Accumulated Deferred Investment Tax Credits (255)	266-267	12,393,601	11,425,309
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	1,506,382	4,605,646
60	Other Regulatory Liabilities (254)	278	0	0
61	Unamortized Gain on Reacquired Debt (257)		52,700,766	43,421,327
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		11,965,393	22,875,870
64	Accum. Deferred Income Taxes-Other (283)		0	0
65	Total Deferred Credits (lines 56 through 64)		83,411,178	88,096,352
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		519,745,406	484,160,954

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF INCOME

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	345,265,164	303,078,988	97,223,150	86,688,023
3	Operating Expenses					
4	Operation Expenses (401)	320-323	236,968,544	198,829,739	60,966,593	59,837,024
5	Maintenance Expenses (402)	320-323	13,816,285	13,190,885	3,363,989	4,519,696
6	Depreciation Expense (403)	336-337	25,644,288	25,006,454	6,407,955	6,198,364
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	32,011,314	28,007,815	8,908,337	7,910,458
15	Income Taxes - Federal (409.1)	262-263	11,972,846	6,549,326	2,638,564	2,040,052
16	- Other (409.1)	262-263	446,006	464,634	265,962	33,945
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	-1,784,196	4,175,093	121,561	314,373
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277				
19	Investment Tax Credit Adj. - Net (411.4)	266	1,192,514	160,624	90,751	64,046
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		320,267,601	276,384,570	82,763,712	80,917,958
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		24,997,563	26,694,418	14,459,438	5,770,065

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.

10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.

11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.

13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.

14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.

15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
345,265,164	303,078,988					1
236,968,544	198,829,739					2
13,816,285	13,190,885					3
25,644,288	25,006,454					4
						5
						6
						7
						8
						9
						10
						11
						12
						13
32,011,314	28,007,815					14
11,972,846	6,549,326					15
446,006	464,634					16
-1,784,196	4,175,093					17
						18
1,192,514	160,624					19
						20
						21
						22
						23
						24
320,267,601	276,384,570					25
24,997,563	26,694,418					26

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		24,997,563	26,694,418	14,459,438	5,770,065
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		24,030	39,503	3,000	9,693
34	(Less) Expenses of Nonutility Operations (417.1)		99,548	134,654	2,304	30,981
35	Nonoperating Rental Income (418)		-840	-783	-403	-12
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		100,582	320,873	1,000	112,119
38	Allowance for Other Funds Used During Construction (419.1)		2,094,493	899,609	766,885	29,769
39	Miscellaneous Nonoperating Income (421)		1,346,159	575,296	489,102	483,213
40	Gain on Disposition of Property (421.1)		-155,203			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		3,309,673	1,699,844	1,257,280	603,801
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)	340	62,202	62,202	15,550	15,551
45	Donations (426.1)	340	30,000	30,000	6,460	9,550
46	Life Insurance (426.2)					
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)		3,331	2,957	179	-1,076
49	Other Deductions (426.5)		3,940	3,287		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		99,473	98,446	22,189	24,025
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	504	509	120	120
53	Income Taxes-Federal (409.2)	262-263	3,569	85,584	-3,491	33,038
54	Income Taxes-Other (409.2)	262-263	653	15,650	-639	6,042
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	-65,166	-27,110	-6	-6,777
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-60,440	74,633	-4,016	32,423
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		3,270,640	1,526,765	1,239,107	547,353
61	Interest Charges					
62	Interest on Long-Term Debt (427)		8,258,390	8,270,823	2,064,597	2,064,597
63	Amort. of Debt Disc. and Expense (428)		408,663	420,148	102,689	103,612
64	Amortization of Loss on Required Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340	974,334	650,000	312,132	162,500
68	Other Interest Expense (431)	340	429,562	385,211	299,369	101,351
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		973,177	391,636	356,444	136,320
70	Net Interest Charges (Total of lines 62 thru 69)		9,097,772	9,334,546	2,422,343	2,295,740
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		19,170,431	18,886,637	13,276,202	4,021,678
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		19,170,431	18,886,637	13,276,202	4,021,678

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		99,270,365	
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		19,170,431	
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24			-381,250	
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		-381,250	
30	Dividends Declared-Common Stock (Account 438)			
31			-6,522,000	
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-6,522,000	
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		111,537,546	
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		111,537,546	
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	19,170,431	18,886,637
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	29,096,352	28,222,894
5	Amortization of		
6			
7			
8	Deferred Income Taxes (Net)	-1,849,362	4,147,983
9	Investment Tax Credit Adjustment (Net)	1,192,514	160,624
10	Net (Increase) Decrease in Receivables	1,400,863	-4,484,251
11	Net (Increase) Decrease in Inventory	-2,047,107	-143,944
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	2,413,060	5,951,079
14	Net (Increase) Decrease in Other Regulatory Assets	-2,951,604	-3,006,849
15	Net Increase (Decrease) in Other Regulatory Liabilities		
16	(Less) Allowance for Other Funds Used During Construction	2,094,493	899,609
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote): Change in accrued unbilled rev	421,656	-3,402,456
19	Change in fuel oil stock	-599,075	-1,928,088
20	Change in interest and preferred dividends payable	53,503	206,500
21	Chnage in other assets and liabilities	5,362,320	743,785
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	49,569,058	44,454,305
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-58,807,753	-38,275,190
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-2,094,493	-899,609
31	Other (provide details in footnote):	4,360,481	4,502,594
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-52,352,779	-32,872,987
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies	5,250,000	2,500,000
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased	-305,750	-187,154
47	Collections on Loans	257,199	202,940
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-47,151,330	-30,357,201
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		2,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):	5,000,000	
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	5,000,000	2,000,000
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		-2,000,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock	-381,250	-381,242
81	Dividends on Common Stock	-6,522,000	-13,728,500
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-1,903,250	-14,109,742
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	514,478	-12,638
87			
88	Cash and Cash Equivalents at Beginning of Period	3,991	16,629
89			
90	Cash and Cash Equivalents at End of period	518,469	3,991

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: a

Change in accrued unbilled revenues

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/24/2007	Year/Period of Report End of 2006/Q4
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
MAUI ELECTRIC COMPANY, LIMITED		04/24/2007	2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The following footnotes were filed with Hawaiian Electric Company, Inc.'s December 31, 2006 annual consolidated financial statements on Form 10-K, and include amounts for Hawaiian Electric Company, Inc. and its electric utility subsidiaries, Hawaii Electric Light Company, Inc. and Maui Electric Company, Ltd.

Notes to Consolidated Financial Statements

Hawaiian Electric Company, Inc. and Subsidiaries

1. Summary of significant accounting policies

General

Hawaiian Electric Company, Inc. (HECO) and its wholly-owned operating subsidiaries, Hawaii Electric Light Company, Inc. (HELCO) and Maui Electric Company, Limited (MECO), are electric public utilities in the business of generating, purchasing, transmitting, distributing and selling electric energy on all major islands in Hawaii other than Kauai, and are regulated by the Public Utilities Commission of the State of Hawaii (PUC). HECO also owns non-regulated subsidiaries: Renewable Hawaii, Inc. (RHI), which will invest in renewable energy projects and HECO Capital Trust III, which is an unconsolidated financing entity.

Basis of presentation

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ significantly from those estimates.

Material estimates that are particularly susceptible to significant change include the amounts reported for property, plant and equipment; pension and other postretirement benefit obligations; contingencies and litigation; income taxes; regulatory assets and liabilities; revenues; and variable interest entities (VIEs).

Consolidation

The consolidated financial statements include the accounts of HECO and its subsidiaries (collectively, the Company), but exclude subsidiaries which are variable-interest entities of which the Company is not the primary beneficiary. Investments in companies over which the Company has the ability to exercise significant influence, but not control, are accounted for using the equity method. The Company is a wholly-owned subsidiary of Hawaiian Electric Industries, Inc. (HEI). All material intercompany accounts and transactions have been eliminated in consolidation.

See Note 3 for information regarding the application of FASB Interpretation No. 46(R).

Regulation by the Public Utilities Commission of the State of Hawaii (PUC)

HECO, HELCO and MECO are regulated by the PUC and account for the effects of regulation under Statement of Financial Accounting Standards (SFAS) No. 71, "Accounting for the Effects of Certain Types of Regulation." As a result, the actions of regulators can affect the timing of recognition of revenues, expenses, assets and liabilities. Management believes its operations currently satisfy the SFAS No. 71 criteria. If events or circumstances should change so that those criteria are no longer satisfied, the Company expects that the regulatory assets would be charged to income and the regulatory liabilities would be credited to income or refunded to ratepayers. In the event of unforeseen regulatory actions or other circumstances, however, management believes that a material adverse effect on the Company's results of operations and financial position may result if regulatory assets have to be charged to expense without an offsetting credit for regulatory liabilities or if regulatory liabilities are required to be refunded to ratepayers. See Note 6 for additional information regarding regulatory assets and liabilities.

Equity method

Investments in up to 50%-owned affiliates over which the Company has the ability to exercise significant influence over the operating and financing policies and investments in unconsolidated subsidiaries (e.g. HECO Capital Trust III) are accounted for under the equity method, whereby the investment is carried at cost, plus (or minus) the Company's equity in undistributed earnings (or losses) and minus distributions since acquisition. Equity in earnings or losses are reflected in other income.

Utility plant

Utility plant is reported at cost. Self-constructed plant includes engineering, supervision, administrative and general costs and an allowance for the cost of funds used during the construction period. These costs are recorded in construction in progress and are transferred to utility plant when construction is completed and the facilities are either placed in service or become useful for public utility purposes. Costs for betterments that make utility plant more useful, more efficient, of greater durability or of greater capacity are also capitalized. Upon the retirement or sale of electric utility plant, generally no gain or loss is recognized. The cost of the plant retired is charged to accumulated depreciation. Amounts collected from

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NOTES TO FINANCIAL STATEMENTS (Continued)

customers for cost of removal (expected to exceed salvage value in the future) are included in regulatory liabilities.

If a power purchase agreement (PPA) falls within the scope of Emerging Issues Task Force (EITF) Issue No. 01-8, "Determining Whether an Arrangement Contains a Lease" and results in the classification of the agreement as a capital lease, the Company would recognize a capital asset and a lease obligation.

Depreciation

Depreciation is computed primarily using the straight-line method over the estimated lives of the assets being depreciated. Utility plant additions in the current year are depreciated beginning January 1 of the following year. Utility plant has lives ranging from 20 to 45 years for production plant, from 25 to 60 years for transmission and distribution plant and from 7 to 45 years for general plant. The composite annual depreciation rate, which includes a component for cost of removal, was 3.9% in 2006, 2005 and 2004.

Cash and equivalents

The Company considers cash on hand, deposits in banks, money market accounts, certificates of deposit, short-term commercial paper and liquid investments (with original maturities of three months or less) to be cash and equivalents.

Accounts receivable

Accounts receivable are recorded at the invoiced amount. The Company assesses a late payment charge on balances unpaid from the previous month. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company adjusts its allowance on a monthly basis, based on its historical write-off experience. Account balances are charged off against the allowance after collection efforts have been exhausted and the potential for recovery is considered remote.

Retirement benefits

Pension and other postretirement benefit costs are charged primarily to expense and electric utility plant. The PUC requires the Company to fund its pension and postretirement benefit costs. The Company's policy is to fund qualified pension plan costs in amounts that will not be less than the minimum funding requirements of the Employee Retirement Income Security Act of 1974 and will not exceed the maximum tax-deductible amounts. The Company generally funds at least the net periodic pension cost as calculated using SFAS No. 87 "Employers' Accounting for Pensions" during the fiscal year, subject to limits and targeted funded status as determined with the consulting actuary. Certain health care and/or life insurance benefits are provided to eligible retired employees and the employees' beneficiaries and covered dependents. The Company generally funds the net periodic postretirement benefit costs other than pensions as calculated using SFAS No. 106 "Employers' Accounting for Postretirement Benefits Other Than Pensions" and the amortization of the regulatory asset for postretirement benefits other than pensions, while maximizing the use of the most tax advantaged funding vehicles, subject to cash flow requirements and reviews of the funded status with the consulting actuary.

Effective December 31, 2006, the Company adopted SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)," and recognized on its balance sheet the funded status of its defined benefit pension and other postretirement benefit plans. See Note 10 for the impacts of adoption.

Financing costs

The Company uses the straight-line method to amortize financing costs and premiums or discounts over the term of the related long-term debt. Unamortized financing costs and discounts or premiums on long-term debt retired prior to maturity are classified as regulatory assets or liabilities and are amortized on a straight-line basis over the remaining original term of the retired debt. The method and periods for amortizing financing costs, premiums and discounts, including the treatment of these items when long-term debt is retired prior to maturity, have been established by the PUC as part of the rate-making process.

The Company uses the straight-line method to amortize the fees and related costs paid to secure a firm commitment under its line-of-credit arrangements.

Contributions in aid of construction

The Company receives contributions from customers for special construction requirements. As directed by the PUC, contributions are amortized on a straight-line basis over 30 years as an offset against depreciation expense.

Electric utility revenues

Electric utility revenues are based on rates authorized by the PUC and include revenues applicable to energy consumed in the accounting period but not yet billed to the customers. Revenues related to the sale of energy are generally recorded when service is rendered or energy is delivered to customers. However, the determination of the energy sales to individual customers for billing purposes is based on the reading of their meters, which occurs on a systematic basis throughout the month. At the end of each month, amounts of energy delivered to customers since the date of the last meter reading are estimated and the corresponding unbilled revenue is estimated. This unbilled revenue is estimated each month based on the meter readings in the beginning of the following month, monthly generation volumes, estimated customer usage by account, line losses and applicable customer rates based on historical values and current rate schedules. As of December 31, 2006, customer accounts receivable include

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MAUI ELECTRIC COMPANY, LIMITED		04/24/2007	2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

unbilled energy revenues of \$92 million on a base of annual revenue of \$2.1 billion. Revenue amounts recorded pursuant to a PUC interim order are subject to refund, with interest, pending a final order.

The rate schedules of HECO, HELCO and MECO include energy cost adjustment clauses (ECACs) under which electric rates are adjusted for changes in the weighted-average price paid for fuel oil and certain components of purchased power, and the relative amounts of company-generated power and purchased power. The ECACs also include a provision requiring a quarterly reconciliation of the amounts collected through the ECACs. In 2004 PUC decisions approving their fuel supply contracts, the PUC affirmed HECO, HELCO and MECO's right to include in their respective ECACs the stated costs incurred pursuant to their respective new fuel supply contracts, to the extent that these costs are not included in their respective base rates, and restated its intention to examine the need for continued use of ECACs in rate cases. See "Energy cost adjustment clauses" in Note 11.

The Company's operating revenues include amounts for various revenue taxes. Revenue taxes are generally recorded as an expense in the year the related revenues are recognized. Payments to the taxing authorities by the Company are based on the prior years' revenues. For 2006, 2005 and 2004, the Company included approximately \$182 million, \$159 million and \$136 million, respectively, of revenue taxes in "operating revenues" and in "taxes, other than income taxes" expense.

Repairs and maintenance costs

Repairs and maintenance costs for overhauls of generating units are generally expensed as they are incurred.

Allowance for Funds Used During Construction (AFUDC)

AFUDC is an accounting practice whereby the costs of debt and equity funds used to finance plant construction are credited on the statement of income and charged to construction in progress on the balance sheet. If a project under construction is delayed for an extended period of time, AFUDC may be stopped.

The weighted-average AFUDC rate was 8.4% in 2006, 8.5% in 2005 and 8.6% in 2004, and reflected quarterly compounding.

Environmental expenditures

The Company is subject to numerous federal and state environmental statutes and regulations. In general, environmental contamination treatment costs are charged to expense, unless it is probable that the PUC would allow such costs to be recovered in future rates, in which case such costs would be capitalized as regulatory assets. Also, environmental costs are capitalized if the costs extend the life, increase the capacity, or improve the safety or efficiency of property; the costs mitigate or prevent future environmental contamination; or the costs are incurred in preparing the property for sale. Environmental costs are either capitalized or charged to expense when environmental assessments and/or remedial efforts are probable and the cost can be reasonably estimated.

Income taxes

The Company is included in the consolidated income tax returns of HECO's parent, HEI. Income tax expense has been computed for financial statement purposes as if HECO and its subsidiaries filed separate consolidated HECO income tax returns.

Deferred income tax assets and liabilities are established for the temporary differences between the financial reporting bases and the tax bases of the Company's assets and liabilities at enacted tax rates expected to be in effect when such deferred tax assets or liabilities are realized or settled. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

Federal and state investment tax credits are deferred and amortized over the estimated useful lives of the properties which qualified for the credits.

Governmental tax authorities could challenge a tax return position taken by management. If the Company's position does not prevail, the Company's results of operations and financial condition may be adversely affected as the related deferred or current income tax asset might be impaired and written down or written off.

Effective January 1, 2007, the Company adopted FIN No. 48, "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109," and uses a "more-likely-than-not" recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Impairment of long-lived assets and long-lived assets to be disposed of

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Recent accounting pronouncements and interpretations

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Accounting for certain hybrid financial instruments. In March 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments," which amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," and SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." SFAS No. 155 permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation, and clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives. SFAS No. 155 is effective for all financial instruments acquired or issued after the beginning of the first fiscal year that begins after September 15, 2006. The Company adopted SFAS No. 155 on January 1, 2007 and the adoption had no impact on the Company's results of operations, financial condition or liquidity.

Accounting for servicing of financial assets. In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets." This statement amends SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." SFAS No. 156 requires an entity to recognize, in certain situations, a servicing asset or servicing liability when it undertakes an obligation to service a financial asset, requires all separately recognized servicing assets and liabilities to be initially measured at fair value (if practicable), permits alternative subsequent measurement methods for each class of servicing assets and liabilities, permits a limited one-time reclassification of available-for-sale securities to trading securities at adoption, requires separate presentation of servicing assets and liabilities subsequently measured at fair value in the balance sheet and requires additional disclosures. SFAS No. 156 must be adopted by the beginning of the first fiscal year that begins after September 15, 2006. The Company adopted SFAS No. 156 on January 1, 2007 and the adoption had no impact on the Company's results of operations, financial condition or liquidity.

Accounting for uncertainty in income taxes. In June 2006, the FASB issued FIN No. 48, "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109." This interpretation prescribes a "more-likely-than-not" recognition threshold and measurement attribute (the largest amount of benefit that is greater than 50% likely of being realized upon ultimate resolution with tax authorities) for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN No. 48 is effective for fiscal years beginning after December 15, 2006. The Company adopted FIN No. 48 in the first quarter of 2007. The Company anticipates reclassifying certain deferred tax liabilities to a liability for tax uncertainties. Further, although management's analysis of the impact of adoption of FIN No. 48 is ongoing, management does not expect the adjustment to retained earnings as of January 1, 2007 for the cumulative effect of adoption of FIN No. 48 to be material.

Cash flows relating to income taxes generated by a leveraged lease transaction. In July 2006, the FASB issued FASB Staff Position (FSP) No. 13-2, "Accounting for a Change or Projected Change in the Timing of Cash Flows Relating to Income Taxes Generated by a Leveraged Lease Transaction," which requires a recalculation of the rate of return and the allocation of income to positive investment years from the inception of the lease if there is a change or projected change in the timing of cash flows relating to income taxes generated by the leveraged lease. The amounts comprising the net leveraged lease investment would be adjusted to the recalculated amounts, and the change in the net investment would be recognized as a gain or loss in the year in which the projected cash flows and/or assumptions change. FSP No. 13-2 is effective for fiscal years beginning after December 15, 2006. The Company adopted FSP No. 13-2 on January 1, 2007 and the impact of adoption had no impact on the Company's results of operations, financial condition or liquidity.

Fair value measurements. In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements," which defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements that are already required or permitted under existing accounting pronouncements with some exceptions. SFAS No. 157 retains the exchange price notion in defining fair value and clarifies that the exchange price is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability. It emphasizes that fair value is a market-based, not an entity-specific, measurement based upon the assumptions that market participants would use in pricing an asset or liability. As a basis for considering assumptions in fair value measurements, SFAS No. 157 establishes a hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). SFAS No. 157 expands disclosures about the use of fair value, including disclosure of the level within the hierarchy in which the fair value measurements fall and the effect of the measurements on earnings (or changes in net assets) for the period. SFAS No. 157 must be adopted by the first quarter of the fiscal year beginning after November 15, 2007. The Company plans to adopt SFAS No. 157 on January 1, 2008. Management has not yet determined what impact, if any, the adoption of SFAS No. 157 will have on the Company's financial statements.

Effects of prior year misstatements. In September 2006, the SEC staff issued Staff Accounting Bulletin (SAB) No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements," which provides guidance on how prior year misstatements should be taken into consideration when quantifying misstatements in current year financial statements for purposes of determining

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whether the current year's financial statements are materially misstated. In order to evaluate whether an error is material based on all relevant quantitative and qualitative factors, SAB No. 108 requires the quantification of misstatements using both the income-statement (rollover) and balance sheet (iron curtain) approaches. If the Company does not elect to restate its financial statements for the material misstatements that arise in connection with application of the guidance in SAB No. 108, then for fiscal years ending after November 15, 2006, it must recognize the cumulative effect of applying SAB No. 108 in the current year beginning balances of the affected assets and liabilities with a corresponding adjustment to the current year opening balance in retained earnings. The Company adopted SAB No. 108 in the fourth quarter of 2006 and the adoption had no impact on the Company's results of operations, financial condition or liquidity.

Planned major maintenance activities. In September 2006, the FASB issued FASB Staff Position (FSP) AUG AIR-1, "Accounting for Planned Major Maintenance Activities," which eliminates the accrue-in-advance method of accounting for planned major maintenance activities. As a result of the elimination, three methods are currently permitted: (1) direct expensing, (2) built-in overhaul, and (3) deferral. FSP AUG AIR-1 must be adopted by the first fiscal year beginning after December 15, 2006. The Company adopted FSP AUG AIR-1 on January 1, 2007 and the adoption had no impact on the Company's results of operations, financial condition or liquidity because the Company has used and continues to use the direct expensing method.

Defined benefit pension and other postretirement plans. In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)," which requires employers to recognize on their balance sheets the funded status of defined benefit pension and other postretirement benefit plans. Employers must recognize actuarial gains and losses, prior service cost, and any remaining transition amounts from the initial application of SFAS Nos. 87 and 106 when recognizing a plan's funded status, with the offset to accumulated other comprehensive income (AOCI) in stockholders' equity. SFAS No. 158 was required to be adopted in fiscal years ending after December 15, 2006. Accordingly, the Company adopted SFAS No. 158 on December 31, 2006.

The Company updated its application in the AOCI Docket to take into account SFAS No. 158 in seeking PUC approval to record as a regulatory asset the amount that would otherwise be charged against stockholders' equity, but the application was denied. See Note 10 for the impacts of adoption.

The fair value option for financial assets and financial liabilities. In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of FASB Statement No. 115." SFAS No. 159 permits entities to choose to measure many financial instruments and certain other items at fair value, which should improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. SFAS No. 159 must be adopted by January 1, 2008. Management has not yet determined when it will adopt SFAS No. 159 or what impact, if any, the adoption of SFAS No. 159 will have on the Company's financial statements.

Reclassifications

Certain reclassifications have been made to prior years' financial statements to conform to the 2006 presentation.

2. Cumulative preferred stock

The following series of cumulative preferred stock are redeemable only at the option of the respective company and are subject to payment of the following prices in the event of voluntary liquidation or redemption:

December 31, 2006 Series	Voluntary Liquidation Price	Redemption Price Price/Price
C, D, E, H, J and K (HECO)	\$ 20	\$ 21
I (HECO)	20	20
G (HELCO)	100	100
H (MECO)	100	100

HECO is obligated to make dividend, redemption and liquidation payments on the preferred stock of either of its subsidiaries if the respective subsidiary is unable to make such payments, but such obligation is subordinated to any obligation to make payments on HECO's own preferred stock.

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3. Unconsolidated variable interest entities

Trust financing entities. HECO Capital Trust I (Trust I) was a financing entity, which issued, in 1997, \$50 million of 8.05% Cumulative Quarterly Income Preferred Securities, Series 1997 (1997 Trust Preferred Securities) to the public. In March 2004, HECO, HELCO and MECO borrowed the proceeds of the sale of HECO Capital Trust III's 2004 Trust Preferred Securities and, in April 2004, applied the proceeds, along with other corporate funds, to redeem the 1997 Trust Preferred Securities. HECO Capital Trust II (Trust II) was a financing entity, which issued, in 1998, \$50 million of 7.30% Cumulative Quarterly Income Preferred Securities, Series 1998 (1998 Trust Preferred Securities) to the public. In April 2004, the electric utilities used funds primarily from short-term borrowings from HEI and from the issuance of commercial paper by HECO to redeem the 1998 Trust Preferred Securities. Trust I and Trust II, each a Delaware statutory trust, were consolidated subsidiaries of HECO through December 31, 2003. Since HECO, as the common security holder, did not absorb the majority of the variability of the trusts, HECO was not the primary beneficiary and, in accordance with FIN 46R, did not consolidate the trusts as of January 1, 2004. Trust I and Trust II were dissolved and terminated in 2004.

HECO Capital Trust III (Trust III) was created and exists for the exclusive purposes of (i) issuing in March 2004 2,000,000 6.50% Cumulative Quarterly Income Preferred Securities, Series 2004 (2004 Trust Preferred Securities) (\$50 million aggregate liquidation preference) to the public and trust common securities (\$1.5 million aggregate liquidation preference) to HECO, (ii) investing the proceeds of these trust securities in 2004 Debentures issued by HECO in the principal amount of \$31.5 million and issued by each of MECO and HELCO in the respective principal amounts of \$10 million, (iii) making distributions on the trust securities and (iv) engaging in only those other activities necessary or incidental thereto. The 2004 Trust Preferred Securities are mandatorily redeemable at the maturity of the underlying debt on March 18, 2034, which maturity may be extended to no later than March 18, 2053; and are redeemable at the issuer's option without premium beginning on March 18, 2009. The 2004 Debentures, together with the obligations of HECO, MECO and HELCO under an expense agreement and HECO's obligations under its trust guarantee and its guarantee of the obligations of MECO and HELCO under their respective debentures, are the sole assets of Trust III. Trust III has at all times been an unconsolidated subsidiary of HECO. Since HECO, as the common security holder, does not absorb the majority of the variability of Trust III, HECO is not the primary beneficiary and does not consolidate Trust III in accordance with FIN 46R. Trust III's balance sheet as of December 31, 2006 consisted of \$51.5 million of 2004 Debentures; \$50.0 million of 2004 Trust Preferred Securities; and \$1.5 million of trust common securities. Trust III's income statement for 2006 consisted of \$3.4 million of interest income received from the 2004 Debentures; \$3.3 million of distributions to holders of the Trust Preferred Securities; and \$0.1 million of common dividends on the trust common securities to HECO. So long as the 2004 Trust Preferred Securities are outstanding, HECO is not entitled to receive any funds from Trust III other than pro rata distributions, subject to certain subordination provisions, on the trust common securities. In the event of a default by HECO in the performance of its obligations under the 2004 Debentures or under its Guarantees, or in the event HECO, HELCO or MECO elect to defer payment of interest on any of their respective 2004 Debentures, then HECO will be subject to a number of restrictions, including a prohibition on the payment of dividends on its common stock.

Purchase power agreements. As of December 31, 2006, HECO and its subsidiaries had six purchase power agreements (PPAs) for a total of 540 megawatts (MW) of firm capacity, and other PPAs with smaller IPPs and Schedule Q providers that supplied as-available energy. Approximately 91% of the 540 MW of firm capacity is under PPAs, entered into before December 31, 2003, with AES Hawaii, Inc. (AES Hawaii), Kalaeloa Partners, L.P. (Kalaeloa), Hamakua Energy Partners, L.P. (HEP) and HPOWER. Purchases from all IPPs for 2006 totaled \$507 million, with purchases from AES Hawaii, Kalaeloa, HEP and HPOWER totaling \$133 million, \$181 million, \$72 million and \$44 million, respectively. The primary business activities of these IPPs are the generation and sale of power to HECO and its subsidiaries (and municipal waste disposal in the case of HPOWER). Current financial information about the size, including total assets and revenues, for many of these IPPs is not publicly available.

Under FIN 46R, an enterprise with an interest in a VIE or potential VIE created before December 31, 2003 (and not thereafter materially modified) is not required to apply FIN 46R to that entity if the enterprise is unable to obtain, after making an exhaustive effort, the necessary information. HECO has reviewed its significant PPAs and determined that the IPPs had no contractual obligation to provide such information. In March 2004, HECO and its subsidiaries sent letters to all of their IPPs, except the Schedule Q providers, requesting the information that they need to determine the applicability of FIN 46R to the respective IPP, and subsequently contacted most of the IPPs to explain and repeat its request for information. (HECO and its subsidiaries excluded their Schedule Q providers from the scope of FIN 46R because their variable interest in the provider would not be significant to the utilities and they did not participate significantly in the design of the provider.) Some of the IPPs provided sufficient information for HECO to determine that the IPP was not a VIE, or was either a "business" or "governmental organization" (HPOWER) as defined under FIN 46R, and thus excluded from the scope of FIN 46R. Other IPPs, including the three largest, declined to provide the information necessary for HECO to determine the applicability of FIN 46R, and HECO was unable to apply FIN 46R to these IPPs.

As required under FIN 46R, HECO continued after 2004 its efforts to obtain from the IPPs the information necessary to make the determinations required under FIN 46R. In January 2005, 2006 and 2007, HECO and its subsidiaries again sent letters to the IPPs that were not excluded from the scope of FIN 46R, requesting the information required to determine the applicability of FIN 46R to the respective IPP. All of these IPPs again declined to provide the necessary information, except that Kalaeloa and Kaheawa Wind Power, LLC (KWP) have now provided their information (see below).

If the requested information is ultimately received from the other IPPs, a possible outcome of future analysis is the consolidation of one or more of such IPPs in HECO's consolidated financial statements. The consolidation of any significant IPP could have a material effect on HECO's

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consolidated financial statements, including the recognition of a significant amount of assets and liabilities, and, if such a consolidated IPP were operating at a loss and had insufficient equity, the potential recognition of such losses. If HECO and its subsidiaries determine they are required to consolidate the financial statements of such an IPP and the consolidation has a material effect, HECO and its subsidiaries would retrospectively apply FIN 46R in accordance with SFAS No. 154, "Accounting Changes and Error Corrections."

Kalaeloa Partners, L.P. In October 1988, HECO entered into a PPA with Kalaeloa Partners, L.P. (Kalaeloa), subsequently approved by the PUC, which provided that HECO would purchase 180 MW of firm capacity for a period of 25 years beginning in May 1991. In October 2004, HECO and Kalaeloa entered into amendments to the PPA, subsequently approved by the PUC, which together effectively increased the firm capacity from 180 MW to 208 MW. The energy payments that HECO makes to Kalaeloa include: 1) a fuel component, with a fuel price adjustment based on the cost of low sulfur fuel oil, 2) a fuel additives cost component, and 3) a non-fuel component, with an adjustment based on changes in the Gross National Product Implicit Price Deflator. The capacity payments that HECO makes to Kalaeloa are fixed in accordance with the PPA.

Kalaeloa is a Delaware limited partnership formed on October 13, 1988 for the purpose of designing, constructing, owning and operating a 200 MW cogeneration facility on Oahu, which includes two 75 MW oil-fired combustion turbines, two waste heat recovery steam generators, a 50 MW turbine generator and other electrical, mechanical and control equipment. The two combustion turbines were upgraded during 2004 resulting in an increase in the facility's nominal output rating to approximately 220 MW. Kalaeloa has a PPA with HECO (described above) and a steam delivery contract with another customer, the term of which coincides with the PPA. The facility has been certified by the Federal Energy Regulatory Commission as a Qualifying Facility under the Public Utility Regulatory Policies Act of 1978 (PURPA).

Pursuant to the provisions of FIN 46R, HECO is deemed to have a variable interest in Kalaeloa by reason of the provisions of HECO's PPA with Kalaeloa. However, management has concluded that HECO is not the primary beneficiary of Kalaeloa because HECO does not absorb the majority of Kalaeloa's expected losses nor receive a majority of Kalaeloa's expected residual returns and, thus, HECO has not consolidated Kalaeloa in its consolidated financial statements. A significant factor which affected the level of expected losses HECO would absorb is the fact that HECO's exposure to fuel price variability is limited to the remaining term of the PPA as compared to the facility's remaining useful life. Although HECO absorbs fuel price variability for the remaining term of the PPA, the PPA does not currently expose HECO to losses as the fuel and fuel related energy payments under the PPA have been approved by the PUC for recovery from customers through base electric rates and through HECO's ECAC to the extent the fuel and fuel related energy payments are not included in base energy rates.

Kaheawa Wind Power, LLC. In December 2004, MECO executed a new PPA with Kaheawa Wind Power, LLC (KWP), which completed the installation of a 30 MW windfarm on Maui and began selling power to MECO in June 2006. Management concluded that MECO does not have to consolidate KWP as MECO does not have a variable interest in KWP because the PPA does not require MECO to absorb variability of KWP.

Apollo Energy Corporation. In October 2004, HELCO and Apollo Energy Corporation (Apollo) executed a restated and amended PPA which enables Apollo to repower its 7 MW facility, and install additional capacity, for a total allowed capacity of 20.5 MW (targeted for commercial operation in April 2007). In December 2005, Apollo assigned the PPA to Tawhiri Power LLC (Tawhiri), a subsidiary of Apollo. In February 2007, Tawhiri voluntarily, unilaterally and irrevocably waived and relinquished its right and benefit under the PPA to collect the floor rate for the entire term of the PPA. Based on information available, management concluded that HELCO does not have to consolidate Apollo as HELCO does not have a variable interest in Apollo because the PPA does not require HELCO to absorb any variability of Apollo.

4. Long-term debt

For special purpose revenue bonds, funds on deposit with trustees represent the undrawn proceeds from the issuance of the special purpose revenue bonds and earn interest at market rates. These funds are available only to pay (or reimburse payment of) expenditures in connection with certain authorized construction projects and certain expenses related to the bonds.

In January 2005, the Department of Budget and Finance of the State of Hawaii issued, at par, Refunding Series 2005A SPRB in the aggregate principal amount of \$47 million with a maturity of January 1, 2025 and a fixed coupon interest rate of 4.80% and loaned the proceeds from the sale to HECO, HELCO and MECO. The proceeds of such bonds, along with additional funds, were applied to redeem at a 1% premium a like principal amount of SPRB bearing a higher interest coupon (HECO's, HELCO's, and MECO's aggregate \$47 million of 6.60% Series 1995A SPRB with original maturity of January 1, 2025) in February 2005.

At December 31, 2006, the aggregate payments of principal required on long-term debt during the next five years are nil in each year.

5. Short-term borrowings

Short-term borrowings from nonaffiliates at December 31, 2006 and 2005 had a weighted average interest rate of 5.4% and 4.5%, respectively, and consisted entirely of commercial paper.

At December 31, 2006 the Company maintained a syndicated credit facility of \$175 million. At December 31, 2005 the Company maintained bilateral bank lines of credit which totaled \$180 million. There were no borrowings under any line of credit during 2006 and 2005.

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Credit agreements. Effective April 3, 2006, HECO entered into a revolving unsecured credit agreement establishing a line of credit facility of \$175 million with a syndicate of eight financial institutions. The agreement has an initial term which expires on March 29, 2007. On August 30, 2006, HECO filed an application with the PUC requesting approval to maintain the \$175 million credit facility for five years, which, if approved by the PUC, will automatically extend the termination date of the credit facility from March 29, 2007 to March 31, 2011. Any draws on the facility bear interest, at the option of HECO, at either the "Adjusted LIBO Rate" plus 40 basis points or the greater of (a) the "Prime Rate" and (b) the sum of the "Federal Funds Rate" plus 50 basis points, as defined in the agreement. The annual fee is 8 basis points on the undrawn commitment amount. The agreement contains provisions for revised pricing in the event of a ratings change. For example, a ratings downgrade of HECO's Senior Debt Rating (e.g., from BBB+/Baa1 to BBB/Baa2 by S&P and Moody's, respectively) would result in a commitment fee increase of 2 basis points and an interest rate increase of 10 basis points on any drawn amounts. On the other hand, a ratings upgrade (e.g., from BBB+/Baa1 to A-/A3) would result in a commitment fee decrease of 1 basis point and an interest rate decrease of 10 basis points on any drawn amounts. The agreement does not contain clauses that would affect access to the lines by reason of a ratings downgrade, nor does it have a broad "material adverse change" clause. However, the agreement does contain customary conditions that must be met in order to draw on it, such as the accuracy of certain of its representations at the time of a draw and compliance with its covenants (such as covenants preventing its subsidiaries from entering into agreements that restrict the ability of the subsidiaries to pay dividends to, or to repay borrowings from, HECO, and restricting HECO's ability, as well as the ability of any of its subsidiaries, to guarantee indebtedness of the subsidiaries if such additional debt would cause the subsidiary's "Consolidated Subsidiary Funded Debt to Capitalization Ratio" to exceed 65% (ratios of 47% for HELCO and 43% for MECO as of December 31, 2006, as calculated under the agreement)). In addition to customary defaults, HECO's failure to maintain its financial ratios, as defined in its agreement, or meet other requirements will result in an event of default. For example, under the agreement, it is an event of default if HECO fails to maintain a "Consolidated Capitalization Ratio" (equity) of at least 35% (ratio of 54% as of December 31, 2006, as calculated under the agreement), if HECO fails to remain a wholly-owned subsidiary of HEI or if any event or condition occurs that results in any "Material Indebtedness" of HECO or any of its significant subsidiaries being subject to acceleration prior to its scheduled maturity. HECO's syndicated credit facility is maintained to support the issuance of commercial paper, but it may also be drawn for general corporate purposes and capital expenditures.

6. Regulatory assets and liabilities

In accordance with SFAS No. 71, the Company's financial statements reflect assets, liabilities, revenues and expenses based on current cost-based rate-making regulations. Continued accounting under SFAS No. 71 generally requires that rates are established by an independent, third-party regulator; rates are designed to recover the costs of providing service; and it is reasonable to assume that rates can be charged to and collected from customers. Management believes its operations currently satisfy the SFAS No. 71 criteria. If events or circumstances should change so that those criteria are no longer satisfied, the Company expects that the regulatory assets would be charged to income and the regulatory liabilities would be credited to income or refunded to ratepayers. In the event of unforeseen regulatory actions or other circumstances, management believes that a material adverse effect on the Company's results of operations and financial position may result if regulatory assets have to be charged to expense without an offsetting credit for regulatory liabilities or if regulatory liabilities are required to be refunded to ratepayers.

Regulatory liabilities represent amounts included in rates and collected from ratepayers for costs expected to be incurred in the future. For example, the regulatory liability for cost of removal in excess of salvage value represents amounts that have been collected from ratepayers for costs that are expected to be incurred in the future to retire utility plant. Regulatory assets represent deferred costs expected to be fully recovered through rates over PUC authorized periods. Generally, the Company does not earn a return on its regulatory assets, however, it has been allowed to accrue and recover interest on its regulatory assets for integrated resource planning costs. Noted in parenthesis are the original PUC authorized amortization or recovery periods and the remaining amortization or recovery periods as of December 31, 2006, if different.

Regulatory assets were as follows:

December 31 (in thousands)	2006	2005
Income taxes, net (1 to 36 years)	\$ 73,178	\$ 70,743
Postretirement benefits other than pensions (18 years; 6 years)	10,738	12,528
Unamortized expense and premiums on retired debt and equity issuances (13 to 30 years; 1 to 22 years)	14,909	16,081
Integrated resource planning costs, net (1 year)	4,521	2,395
Vacation earned, but not yet taken (1 year)	5,759	5,669
Other (1 to 20 years)	3,244	3,302
	\$ 112,349	\$ 110,718

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Regulatory liabilities were as follows:

December 31	2006	2005
(in thousands)		
Cost of removal in excess of salvage value (1 to 60 years)	\$ 239,049	\$ 217,493
Other (5 years; 1 to 5 years)	1,570	1,711
	\$ 240,619	\$ 219,204

7. Income taxes

The components of income taxes charged to operating expenses were as follows:

December 31	2006	2005	2004
(in thousands)			
Federal:			
Current	\$ 50,208	\$23,799	\$25,763
Deferred	(7,000)	17,497	21,973
Deferred tax credits, net	(1,259)	(1,351)	(1,446)
	41,949	39,945	46,290
State:			
Current	2,889	(1,407)	(1,777)
Deferred	(1,267)	3,020	334
Deferred tax credits, net	3,810	3,471	5,212
	5,432	5,084	3,769
Total	\$47,381	\$45,029	\$50,059

Income tax benefits related to nonoperating activities, included in "Other, net" on the consolidated statements of income, amounted to \$0.9 million, \$0.4 million and \$0.6 million for 2006, 2005 and 2004, respectively.

A reconciliation between income taxes charged to operating expenses and the amount of income taxes computed at the federal statutory rate of 35% on income before income taxes and preferred stock dividends follows:

December 31	2006	2005	2004
(in thousands)			
Amount at the federal statutory income tax rate			
State income taxes on operating income, net of effect on federal income taxes	\$44,024	\$41,989	\$46,978
Other	3,530	3,305	2,450
Income taxes charged to operating expenses	\$47,381	\$45,029	\$50,059

The tax effects of book and tax basis differences that give rise to deferred tax assets and liabilities were as follows:

December 31	2006	2005
(in thousands)		
Deferred tax assets:		
Cost of removal in excess of salvage value	\$ 93,014	\$ 85,292
Retirement benefits in AOCI	80,665	18
Contributions in aid of construction and customer advances	38,582	38,406
Other	9,534	8,784
	221,795	132,500
Deferred tax liabilities:		
Property, plant and equipment	279,539	272,467

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Regulatory assets, excluding amounts attributable to property, plant and equipment	28,495	27,588
Retirement benefits	26,862	36,423
Other	4,954	4,396
	339,850	340,874
Net deferred income tax liability	\$118,055	\$208,374

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based upon historical taxable income, projections for future taxable income and available tax planning strategies, management believes it is more likely than not the Company will realize substantially all of the benefits of the deferred tax assets.

As of December 31, 2006, \$(0.1) million, net of tax effects, was accrued for potential tax issues and related interest. Although not probable, adverse developments on potential tax issues could result in additional charges to net income in the future. Based on information currently available, the Company believes it has adequately provided for potential income tax issues with federal and state tax authorities and related interest, and that the ultimate resolution of tax issues for all open tax periods will not have a material adverse effect on its results of operations, financial condition or liquidity.

8. Cash flows

Supplemental disclosures of cash flow information

Cash paid for interest (net of AFUDC-Debt) and income taxes was as follows:

Years ended December 31 (in thousands)	2006	2005	2004
Interest	\$47,206	\$46,221	\$46,041
Income taxes	\$52,782	\$20,554	\$26,914

Supplemental disclosures of noncash activities

The allowance for equity funds used during construction, which was charged primarily to construction in progress, amounted to \$6.3 million, \$5.1 million and \$5.8 million in 2006, 2005 and 2004, respectively.

The estimated fair value of noncash contributions in aid of construction amounted to \$13.5 million, \$11.8 million and \$4.9 million in 2006, 2005 and 2004, respectively.

9. Major customers

HECO and its subsidiaries received approximately 10%, or \$197 million, \$176 million and \$148 million, of their operating revenues from the sale of electricity to various federal government agencies in 2006, 2005 and 2004, respectively.

10. Retirement benefits

Pensions

Substantially all of the employees of HECO, HELCO and MECO participate in the Retirement Plan for Employees of Hawaiian Electric Industries, Inc. and Participating Subsidiaries (the Plan). The Plan is a qualified, non-contributory defined benefit pension plan and includes benefits for union employees determined in accordance with the terms of the collective bargaining agreements between the utilities and their respective unions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). In addition, some current and former executives and directors participate in noncontributory, nonqualified plans (collectively, Supplemental/Excess/Directors Plans). In general, benefits are based on the employees' years of service and compensation.

The Plan and the Supplemental/Excess/Directors Plans were adopted with the expectation that they will continue indefinitely, but the continuation of these plans and the payment of any contribution thereunder is not assumed as a contractual obligation by the participating employers. The Directors' Plan has been frozen since 1996, and no participants have accrued any benefits after that time. The plan will be terminated at the time all remaining benefits have been paid.

Each participating employer reserves the right to terminate its participation in the applicable plans at any time. If a participating employer terminates its participation in the Plan, the interest of each affected participant would become 100% vested to the extent funded. Upon the termination of the Plan, assets would be distributed to affected participants in accordance with the applicable allocation provisions of ERISA and any

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excess assets that exist would be paid to the participating employers. Participants' benefits in the Plan are covered up to certain limits under insurance provided by the Pension Benefit Guaranty Corporation.

The participating employers contribute amounts to a master pension trust for the Plan in accordance with the funding requirements of ERISA and considering the deductibility of contributions under the Internal Revenue Code. The funding of the Plan is based on actuarial assumptions adopted by the Pension Investment Committee administering the Plan on the advice of an enrolled actuary.

To determine pension costs for HECO, HELCO and MECO under the Plan and the Supplemental/Excess/Directors Plans, it is necessary to make complex calculations and estimates based on numerous assumptions, including the assumptions identified below.

Postretirement benefits other than pensions

The Company provides eligible employees health and life insurance benefits upon retirement under the Postretirement Welfare Benefits Plan for Employees of Hawaiian Electric Company, Inc. and participating employers (HECO Benefits Plan). Health benefits are also provided to dependents of eligible retired employees. The contribution for health benefits paid by the participating employers is based on the retirees' years of service and retirement dates. Generally, employees are eligible for these benefits if, upon retirement from active employment, they are eligible to receive benefits from the Plan.

Among other provisions, the HECO Benefits Plan provides prescription drug benefits for Medicare-eligible participants who retire after 1998. Retirees who are eligible for the drug benefits are required to pay a portion of the cost each month. The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the 2003 Act) was signed into law on December 8, 2003. The 2003 Act expanded Medicare to include for the first time coverage for prescription drugs. The 2003 Act provides that persons eligible for Medicare benefits can enroll in Part D, prescription drug coverage, for a monthly premium. Alternatively, if an employer sponsors a retiree health plan that provides benefits determined to be actuarially equivalent to those covered under the Medicare standard prescription drug benefit, the employer will be paid a subsidy of 28 percent of a participant's drug costs between \$250 and \$5,000 if the participant waives coverage under Medicare Part D. The HECO Benefits Plan was adopted with the expectation that it will continue indefinitely, but the continuation of the plan and the payment of any contribution thereunder is not assumed as a contractual obligation by the participating employers. Each participating employer reserves the right to terminate its participation in the plan at any time.

SFAS No. 158

In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)," which requires employers to recognize on their balance sheets the funded status of defined benefit pension and other postretirement benefit plans with an offset to AOCI in stockholders' equity (using the projected benefit obligation, rather than the accumulated benefit obligation, to calculate the funded status of pension plans).

By application filed on December 8, 2005 (AOCI Docket), HECO, HELCO and MECO had requested the PUC to permit them to record, as a regulatory asset pursuant to SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation," the amount that would otherwise be charged against stockholders' equity as a result of recording a minimum pension liability as prescribed by SFAS No. 87. HECO, HELCO and MECO updated their application in the AOCI Docket in November 2006 to take into account SFAS No. 158. On January 26, 2007, the PUC issued a D&O in the updated AOCI Docket, which denied HECO, HELCO and MECO's request to record a regulatory asset on the grounds that HECO, HELCO and MECO had not met their burden of proof to show that recording a regulatory asset was warranted, or that there would be adverse consequences if a regulatory asset was not recorded. The PUC also required HECO to submit a pension study (determining whether ratepayers are better off with a well-funded pension plan, a minimally-funded pension plan, or something in between) by May 31, 2007 in its pending 2007 test year rate case, as proposed by HECO, HELCO and MECO in support of their request.

The incremental effect of applying SFAS No. 158 on individual line items in the Company's balance sheet as of December 31, 2006 was as follows:

(in thousands)	Before SFAS No. 158 adoption	Pension benefits adjustments	Other benefits adjustments	After SFAS No. 158 adoption
Prepayments and other	\$ 95,949	\$ (86,254)	\$ --	\$ 9,695
Total current assets	416,802	(86,254)	--	330,548
Total assets	3,149,388	(86,254)	--	3,063,134
Other liabilities	68,587	89,761	31,258	189,606
Deferred income taxes	198,704	(68,487)	(12,162)	118,055
Total deferred credits and other liabilities	565,789	21,274	19,096	606,159
Accumulated other comprehensive loss	(26)	(107,528)	(19,096)	(126,650)

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Total stockholders' equity	1,084,827	(107,528)	(19,096)	958,203
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Although there is not an immediate impact on net income due to the D&O in the updated AOCI Docket, HECO, HELCO and MECO were required by SFAS No. 158 to record substantial charges against stockholder's equity, and their reported returns on rate base and returns on average common equity will be higher than if there were no charge against stockholder's equity. Consolidated debt to capitalization and interest coverage ratios of the Company were also adversely affected. These effects could adversely affect security ratings and increase the difficulty or expense of obtaining future financing. HECO, HELCO and MECO will continue to seek a return on their pension assets (i.e., accumulated contributions in excess of accumulated net periodic pension costs) by including such assets (net of related deferred income taxes) in rate base in their respective rate cases. HECO, HELCO and MECO will also propose to restore equity for all AOCI charges for rate making purposes in their respective rate cases.

Pension and other postretirement benefit plans information

The changes in the obligations and assets of the Company's retirement benefit plans for 2005 and the funded status of these plans and the unrecognized and recognized amounts related to these plans and reflected in the Company's balance sheet as of December 31, 2005 were as follows:

(in thousands)	Pension benefits	Other benefits
Benefit obligation, January 1, 2005	\$ 802,059	\$ 195,176
Service cost	23,832	5,098
Interest cost	46,817	10,818
Actuarial (gain) loss	26,760	(16,778)
Benefits paid and expenses	(40,388)	(8,475)
Benefit obligation, December 31, 2005	859,080	185,839
Fair value of plan assets, January 1, 2005	712,257	107,547
Actual return on plan assets	50,605	7,726
Employer contribution (including company payments for nonqualified plans)	7,627	10,554
Benefits paid and expenses	(40,388)	(8,475)
Fair value of plan assets, December 31, 2005	730,101	117,352
Funded status	(128,979)	(68,487)
Unrecognized net actuarial loss	238,002	24,116
Unrecognized net transition obligation	4	21,907
Unrecognized prior service gain	(5,767)	--
Net amount recognized, December 31, 2005	\$ 103,260	\$ (22,464)
Amounts recognized in the balance sheet consist of:		
Prepaid benefit cost	\$ 106,445	\$ --
Accrued benefit liability	(3,230)	(22,464)
Accumulated other comprehensive income	45	--
Net amount recognized, December 31, 2005	\$ 103,260	\$ (22,464)

The changes in the obligations and assets of the Company's retirement benefit plans and the changes in AOCI (gross) for 2006 and the funded status of these plans and amounts related to these plans reflected in the Company's balance sheet as of December 31, 2006 were as follows:

(in thousands)	Pension benefits	Other benefits
Benefit obligation, January 1, 2006	\$ 859,080	\$ 185,839
Service cost	26,719	4,965
Interest cost	48,348	10,337
Amendments	116	--
Actuarial gain	(14,925)	(5,350)
Benefits paid and expenses	(41,973)	(9,432)
Benefit obligation, December 31, 2006	877,365	186,359
Fair value of plan assets, January 1, 2006	730,101	117,352

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Actual return on plan assets	95,909	15,656
Employer contribution	--	9,789
Benefits paid and expenses	(41,847)	(8,982)
Fair value of plan assets, December 31, 2006	784,163	133,815
Accrued benefit liability, December 31, 2006	(93,202)	(52,544)
AOCI, January 1, 2006	45	--
Recognized during year – net recognized transition obligation	(2)	(3,130)
Recognized during year – prior service credit	770	--
Recognized during year – net actuarial losses	(10,699)	(388)
Occurring during year – prior service cost	115	--
Occurring during year – net actuarial gains	(46,367)	(11,248)
Other adjustments	232,195	46,024
AOCI, December 31, 2006	176,057	31,258
Net actuarial loss	110,535	7,625
Prior service gain	(2,982)	--
Net transition obligation	1	11,471
AOCI, net of taxes, December 31, 2006	\$107,554	\$19,096

The Company does not expect any plan assets to be returned to the Company during calendar year 2007.

The dates used to determine retirement benefit measurements for the defined benefit plans were December 31 of 2006, 2005 and 2004.

The defined benefit pension plans' accumulated benefit obligations, which do not consider projected pay increases, as of December 31, 2006 and 2005 were \$769 million and \$728 million, respectively.

The Company has determined the market-related value of retirement benefit plan assets by calculating the difference between the expected return and the actual return on the fair value of the plan assets, then amortizing the difference over future years – 0% in the first year and 25% in years two to five, and finally adding or subtracting the unamortized differences for the past four years from fair value. The method includes a 15% range around the fair value of such assets (i.e., 85% to 115% of fair value). If the market-related value is outside the 15% range, then the amount outside the range will be recognized immediately in the calculation of annual net periodic benefit cost.

A primary goal of the plans is to achieve long-term asset growth sufficient to pay future benefit obligations at a reasonable level of risk. The investment policy target for retirement defined benefit plans reflects the philosophy that long-term growth can best be achieved by prudent investments in equity securities while balancing overall fund volatility by an appropriate allocation to fixed income securities. In order to reduce the level of portfolio risk and volatility in returns, efforts have been made to diversify the plans' investments by: asset class, geographic region, market capitalization and investment style.

The expected long-term rate of return assumption of 8.5% was based on the Plan's target asset allocation and projected asset class returns provided by the plans' actuarial consultant.

The weighted-average asset allocation of retirement defined benefit plans was as follows:

December 31	Pension benefits					Other benefits		
	Investment policy		Investment policy			Investment policy		
	Target	Range	Target	Range	Target	Range	Target	Range
Asset category								
Equity securities	72%	69%	70%	65-75%	71%	68%	70%	65-75%
Fixed income	27	29	30	25-35%	29	31	30	25-35%
Other ¹	1	2	–	–	–	1	–	–
	100%	100%	100%		100%	100%	100%	

¹ Other includes alternative investments, which are relatively illiquid in nature and will remain as plan assets until an appropriate liquidation opportunity occurs.

The Company's current estimate of contributions to the retirement benefit plans in 2007 is \$11 million.

As of December 31, 2006, the benefits expected to be paid under the retirement benefit plans in 2007, 2008, 2009, 2010, 2011 and 2012 through 2016 amounted to \$54 million, \$56 million, \$59 million, \$60 million, \$63 million and \$355 million, respectively.

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The following weighted-average assumptions were used in the accounting for the plans:

December 31	Pension benefits			Other benefits		
	2006	2005	2004	2006	2005	2004
Benefit obligation						
Discount rate	6.00%	5.75%	6.00%	6.00%	5.75%	6.00%
Expected return on plan assets	8.5	9.0	9.0	8.5	9.0	9.0
Rate of compensation increase	4.0	4.6	4.6	4.0	4.6	4.6
Net periodic benefit cost (years ended)						
Discount rate	5.75	6.00	6.25	5.75	6.00	6.25
Expected return on plan assets	9.0	9.0	9.0	9.0	9.0	9.0
Rate of compensation increase	4.6	4.6	4.6	4.6	4.6	4.6

As of December 31, 2006, the assumed health care trend rates for 2007 and future years were as follows: medical, 10.00%, grading down to 5.00% for 2012 and thereafter; dental, 5.00%; and vision, 4.00%. As of December 31, 2005, the assumed health care trend rates for 2006 and future years were as follows: medical, 10.00%, grading down to 5.00% for 2011 and thereafter; dental, 5.00%; and vision, 4.00%.

The components of net periodic benefit cost were as follows:

Years ended December 31 (in thousands)	Pension benefits			Other benefits		
	2006	2005	2004	2006	2005	2004
Service cost	\$ 26,719	\$ 23,832	\$ 21,446	\$ 4,965	\$ 5,098	\$ 4,407
Interest cost	48,348	46,817	45,776	10,337	10,818	10,503
Expected return on plan assets	(64,467)	(67,078)	(66,681)	(9,758)	(9,704)	(9,553)
Amortization of unrecognized net (2006) transition obligation	2	2	2	3,130	3,130	3,129
Amortization of net (2006) prior service gain	(770)	(770)	(744)	--	--	--
Amortization of net actuarial loss	10,699	4,735	217	388	395	--
Net periodic benefit cost	\$ 20,531	\$ 7,538	\$ 16	\$ 9,062	\$ 9,737	\$ 8,486

The estimated prior service credit, net actuarial loss and net transition obligation for defined benefits pension plans that will be amortized from AOCI into net periodic pension benefit cost over 2007 are \$(0.8) million, \$10.5 million and nil, respectively. The estimated prior service cost, net actuarial loss and net transitional obligation for other benefit plans that will be amortized from AOCI into net periodic other than pension benefit cost over 2007 are nil, nil and \$3.1 million, respectively.

Of the net periodic pension benefit costs, the Company recorded expense of \$15 million, \$6 million, \$0.1 million in 2006, 2005 and 2004, respectively, and charged the remaining amounts primarily to electric utility plant. Of the net periodic other than pension benefit costs, the Company expensed \$7 million, \$7 million and \$6 million in 2006, 2005 and 2004, respectively, and charged the remaining amounts primarily to electric utility plant.

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with an accumulated benefit obligation in excess of plan assets were \$4 million, \$3 million and nil, respectively, as of December 31, 2006 and \$3 million, \$3 million and nil, respectively, as of December 31, 2005.

The health care cost trend rate assumptions can have a significant effect on the amounts reported for other benefits. As of December 31, 2006, a one-percentage-point increase in the assumed health care cost trend rates would have increased the total service and interest cost by \$0.3 million and the postretirement benefit obligation by \$3.6 million, and a one-percentage-point decrease would have reduced the total service and interest cost by \$0.3 million and the postretirement benefit obligation by \$4.0 million.

11. Commitments and contingencies

Fuel contracts. HECO and its subsidiaries have contractual agreements to purchase minimum quantities of fuel oil and diesel fuel through December 31, 2014 (at prices tied to the market prices of petroleum products in Singapore and Los Angeles). Based on the average price per barrel as of January 1, 2007, the estimated cost of minimum purchases under the fuel supply contracts is \$539 million for 2007, \$540 million for 2008,

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\$539 million each year for 2009, 2010 and 2011, and a total of \$1.6 billion for the period 2012 through 2014. The actual cost of purchases in 2007 and future years could vary substantially from this estimate as a result of changes in market prices, quantities actually purchased and/or other factors. HECO and its subsidiaries purchased \$755 million, \$662 million and \$490 million of fuel under contractual agreements in 2006, 2005 and 2004, respectively.

Power purchase agreements (PPAs). As of December 31, 2006, HECO and its subsidiaries had six firm capacity PPAs for a total of 540 MW of firm capacity. Purchases from these six IPPs and all other IPPs totaled \$507 million, \$458 million and \$399 million for 2006, 2005 and 2004, respectively. The PUC allows rate recovery for energy and firm capacity payments to IPPs under these agreements. Assuming that each of the agreements remains in place for its current term and the minimum availability criteria in the PPAs are met, aggregate minimum fixed capacity charges are expected to be approximately \$118 million in 2007, \$119 million in 2008, \$116 million in 2009, \$118 million in 2010 and 2011 and a total of \$1.1 billion in the period from 2012 through 2030.

In general, HECO and its subsidiaries base their payments under the PPAs upon available capacity and energy and they are generally not required to make payments for capacity if the contracted capacity is not available, and payments are reduced, under certain conditions, if available capacity drops below contracted levels. In general, the payment rates for capacity have been predetermined for the terms of the agreements. Energy payments will vary over the terms of the agreements. HECO and its subsidiaries pass on changes in the fuel component of the energy charges to customers through the ECAC in their rate schedules (see "Energy cost adjustment clauses" below). HECO and its subsidiaries do not operate, or participate in the operation of, any of the facilities that provide power under the agreements. Title to the facilities does not pass to HECO or its subsidiaries upon expiration of the agreements, and the agreements do not contain bargain purchase options for the facilities.

Interim increases. On September 27, 2005, the PUC issued an Interim Decision and Order (D&O) granting a general rate increase on Oahu of 4.36%, or \$53.3 million (3.33%, or \$41.1 million excluding the transfer of certain costs from a surcharge line item on electric bills into base electricity charges). The tariff changes implementing the interim rate increase were effective September 28, 2005.

As of December 31, 2006, HECO and its subsidiaries had recognized \$79 million of such revenues with respect to interim orders (\$14 million related to interim orders regarding certain integrated resource planning costs and \$65 million related to the interim order with respect to Oahu's general rate increase request based on a 2005 test year), which revenues are subject to refund, with interest, if and to the extent they exceed the amounts allowed in final orders.

Energy cost adjustment clauses. On June 19, 2006, the PUC issued an order in HECO's pending rate case based on a 2005 test year, indicating that the record in the pending case has not been developed for the purpose of addressing the factors in Act 162, signed into law by the Governor of Hawaii on June 2, 2006. Act 162 states that any automatic fuel rate adjustment clause requested by a public utility in an application filed with the PUC shall be designed, as determined in the PUC's discretion, to (1) fairly share the risk of fuel cost changes between the public utility and its customers, (2) provide the public utility with sufficient incentive to reasonably manage or lower its fuel costs and encourage greater use of renewable energy, (3) allow the public utility to mitigate the risk of sudden or frequent fuel cost changes that cannot otherwise reasonably be mitigated through other commercially available means, such as through fuel hedging contracts, (4) preserve, to the extent reasonably possible, the public utility's financial integrity, and (5) minimize, to the extent reasonably possible, the public utility's need to apply for frequent applications for general rate increases to account for the changes to its fuel costs. While the PUC already reviews the automatic fuel rate adjustment clause in rate cases, Act 162 requires that these five specific factors be addressed in the record. The PUC's order requested the parties in the rate case proceeding to meet informally to determine a procedural schedule to address the issues relating to HECO's ECAC that are raised by Act 162. The parties in the rate case proceeding are HECO, the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs of the State of Hawaii (Consumer Advocate), and the federal Department of Defense (DOD).

On June 30, 2006, HECO and the Consumer Advocate filed a stipulation requesting that the PUC not review the Act 162 ECAC issues in the pending rate case based on a 2005 test year since HECO's application was filed and the record in the proceeding was completed before Act 162 was signed into law, and the settlement agreement entered into by the parties in the rate case included a provision allowing the existing ECAC to be continued. On August 7, 2006, an amended stipulation was filed in substantially the same form as the June 30, 2006 stipulation, but also included the DOD. Management cannot predict whether the PUC will accept the disposition of the Act 162 issue proposed in the amended stipulation or, if not, the procedural steps or procedural schedule that will be adopted to address the issues that are raised by Act 162 or the timing of the PUC's issuance of a final D&O in HECO's pending rate case based on a 2005 test year.

The ECAC provisions of Act 162 will be reviewed in the HELCO rate case based on a 2006 test year and HECO and MECO rate cases based on 2007 test years. In the HELCO 2006 test year rate case, the filed testimony of the Consumer Advocate's consultant concluded that HELCO's ECAC provides a fair sharing of the risks of fuel cost changes between HELCO and its ratepayers in a manner that preserves the financial integrity of HELCO without the need for frequent rate filings.

Management cannot predict the ultimate outcome or the effect of these Act 162 issues on the operation of the ECAC.

HELCO power situation. In 1991, HELCO began planning to meet increased electric generation demand forecast for 1994. It planned to install at its Keahole power plant two 20 MW combustion turbines (CT-4 and CT-5), followed by an 18 MW heat recovery steam generator (ST-7), at which

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time these units would be converted to a 56 MW (net) dual-train combined-cycle unit. In January 1994, the PUC approved expenditures for CT-4. In 1995, the PUC allowed HELCO to pursue construction of and commit expenditures for CT-5 and ST-7, but noted that such costs are not to be included in rate base until the project is installed and "is used and useful for utility purposes." As a result of the final resolution of the proceedings described below, CT-4 and CT-5 are now operational, there are no pending lawsuits involving the project, and work on ST-7 is proceeding. In May 2006, HELCO filed a rate increase application based on a 2006 test year seeking to recover, among other things, CT-4 and CT-5 costs.

Historical context. Installation of CT-4 and CT-5 was significantly delayed as a result of land use and environmental permitting delays and related administrative proceedings and lawsuits. However, in 2003, the parties opposing the plant expansion project (other than Waimana Enterprises, Inc. (Waimana), which did not participate in the settlement discussions and opposed the settlement) entered into a settlement agreement with HELCO and several Hawaii regulatory agencies, intended in part to permit HELCO to complete CT-4 and CT-5 (Settlement Agreement). Subsequently, HELCO installed CT-4 and CT-5 and put them into limited commercial operation in May and June 2004, respectively. HELCO met the Board of Land and Natural Resources' (BLNR's) construction deadline of July 31, 2005. Noise mitigation equipment has been installed on CT-4 and CT-5 and additional noise mitigation work is ongoing to ensure compliance with the night-time noise standard applicable to the plant. Currently, HELCO can operate the generating units at Keahole as required to meet its system needs.

Waimana filed four appeals to the Hawaii Supreme Court from judgments of the Third Circuit Court involving (i) vacating a November 2002 Final Judgment which had halted construction, (ii) upholding the BLNR 2003 construction period extension, (iii) upholding the BLNR's approval of a revocable permit allowing HELCO to use brackish well water as the primary source of water for operating the Keahole plant and (iv) upholding the BLNR's approval of the long-term lease allowing HELCO to use brackish well water.

The Hawaii Supreme Court has either dismissed or issued favorable decisions on all four of these appeals.

In addition to the Supreme Court appeals, one Circuit Court matter had remained open, but it was inactive after the mediation that resulted in the Settlement Agreement. With all appeals resolved, the stipulation to dismiss this case was filed on October 5, 2006 and the case was dismissed with prejudice on October 6, 2006. Full implementation of the Settlement Agreement was conditioned on obtaining final dispositions, which have now been obtained, of all litigation pending at the time of the Settlement Agreement.

The Settlement Agreement required HELCO to undertake a number of actions including expediting efforts to obtain the permits and approvals necessary for installation of ST-7 with selective catalytic reduction emissions control equipment, assisting the Department of Hawaiian Home Lands in installing solar water heating in its housing projects, supporting the Keahole Defense Coalition's participation in certain PUC cases, and cooperating with neighbors and community groups (including a Hot Line service). Many of these actions had commenced well before all of the litigation was resolved.

HELCO's plans for ST-7 are progressing. In November 2003, HELCO filed a boundary amendment petition (to reclassify the Keahole plant site from conservation land use to urban land use) with the State of Hawaii Land Use Commission, which boundary amendment was approved in October 2005. In May 2006, HELCO obtained the County of Hawaii rezoning to a "General Industrial" classification, and in June 2006, received approval for a covered source permit amendment to include selective catalytic reduction with the installation of ST-7. Management believes that any other required permits will be obtained and HELCO has commenced engineering, design and certain construction work for ST-7. HELCO's current cost estimate for ST-7 is approximately \$92 million, of which approximately \$0.8 million has been incurred through December 31, 2006.

CT-4 and CT-5 costs incurred: management's evaluation. As of December 31, 2006, HELCO's capitalized costs incurred in its efforts to put CT-4 and CT-5 into service and to support existing units (excluding costs for pre-air permit facilities) amounted to approximately \$110 million, including \$43 million for equipment and material purchases, \$47 million for planning, engineering, permitting, site development and other costs and \$20 million for allowance for funds used during construction (AFUDC) up to November 30, 1998, after which date HELCO has not accrued AFUDC. The \$110 million of costs was reclassified from construction in progress to plant and equipment in 2004 (\$103 million) and 2005 (\$7 million) and depreciated beginning January 1 of the year following the reclassification.

HELCO's electric rates will not change as a result of including CT-4 and CT-5 in plant and equipment unless and until the PUC grants rate relief in the HELCO rate case filed in May 2006 based on a 2006 test year, in part to recover CT-4 and CT-5 costs. At this time, management continues to believe that no adjustment to costs incurred to put CT-4 and CT-5 into service is required as of December 31, 2006. However, if it becomes probable that the PUC will disallow some or all of the incurred costs for rate-making purposes, HELCO may be required to write off a material portion of these costs.

East Oahu Transmission Project (EOTP). HECO transmits bulk power to the Honolulu/East Oahu area over two major transmission corridors (Northern and Southern). HECO had planned to construct a partial underground/partial overhead 138 kilovolt (kV) line from the Kamoku substation to the Pukele substation, which serves approximately 16% of Oahu's electrical load, including Waikiki, in order to close the gap between the Southern and Northern corridors and provide a third transmission line to the Pukele substation. However, in June 2002, an application for a permit which would have allowed construction in the originally planned route through conservation district lands was denied.

HECO continues to believe that the proposed reliability project (the East Oahu Transmission Project) is needed. In December 2003, HECO filed an application with the PUC requesting approval to commit funds (currently estimated at \$62 million; see costs incurred below) for a revised EOTP

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using a 46 kV system. In March 2004, the PUC granted intervenor status to an environmental organization and three elected officials (collectively treated as one party) and a more limited participant status to four community organizations. The environmental review process for the revised EOTP was completed and the PUC issued a Finding of No Significant Impact in April 2005. Subject to obtaining PUC approval and other construction permits, HECO plans to construct the revised project, none of which is in conservation district lands, in two phases. The first phase is currently projected to be completed in 2008 or 2009, subject to the timing of the PUC approval, and the completion date of the second phase is being evaluated.

As of December 31, 2006, the accumulated costs recorded for the EOTP amounted to \$30 million, including (i) \$12 million of planning and permitting costs incurred prior to the denial in 2002 of the approval necessary for the partial underground/partial overhead 138 kV line, (ii) \$5 million of planning and permitting costs incurred after 2002 and (iii) \$13 million for AFUDC. In written testimony filed in June 2005, the consultant for the Consumer Advocate contended that HECO should always have planned for a project using only the 46 kV system and recommended that HECO be required to expense the \$12 million incurred before 2003, and the related AFUDC of \$5 million. In rebuttal testimony filed in August 2005, HECO contested the consultant's recommendation, emphasizing that the originally proposed 138 kV line would have been a more comprehensive and robust solution to the transmission concerns the project addressed. The PUC held an evidentiary hearing on HECO's application in November 2005, and post-hearing briefing was completed in March 2006.

Just prior to the November 2005 evidentiary hearing, the PUC approved that part of a stipulation between HECO and the Consumer Advocate providing that (i) this proceeding should determine whether HECO should be given approval to expend funds for the EOTP, but with the understanding that no part of the EOTP costs may be recovered from ratepayers unless and until the PUC grants HECO recovery in a rate case (which is consistent with other projects) and (ii) the issue as to whether the pre-2003 planning and permitting costs, and related AFUDC, should be included in the project costs is reserved to, and may be raised in, the next HECO rate case (or other proceeding) in which HECO seeks approval to recover the EOTP costs. Management believes no adjustment to project costs is required as of December 31, 2006. However, if it becomes probable that the PUC will disallow some or all of the incurred costs for rate-making purposes, HECO may be required to write off a material portion or all of the project costs incurred in its efforts to put the project into service whether or not it is completed.

Environmental regulation. HECO and its subsidiaries are subject to environmental laws and regulations that regulate the operation of existing facilities, the construction and operation of new facilities and the proper cleanup and disposal of hazardous waste and toxic substances.

HECO, HELCO and MECO, like other utilities, periodically identify petroleum or other chemical releases into the environment associated with current operations and report and take action on these releases when and as required by applicable law and regulations. Except as otherwise disclosed herein, the Company believes the costs of responding to releases identified to date will not have a material adverse effect, individually or in the aggregate, on its financial statements.

Additionally, current environmental laws may require HECO and its subsidiaries to investigate whether releases from historical operations may have contributed to environmental impacts, and, where appropriate, respond to such releases, even if they were not inconsistent with law or standard industrial practices prevailing at the time when they occurred. Such releases may involve area-wide impacts contributed to by multiple potentially responsible parties.

Honolulu Harbor investigation. In 1995, the Department of Health of the State of Hawaii (DOH) issued letters indicating that it had identified a number of parties, including HECO, who appeared to be potentially responsible for historical subsurface petroleum contamination and/or operated their facilities upon petroleum-contaminated land at or near Honolulu Harbor in the Iwilei district of Honolulu. Certain of the identified parties formed a work group to determine the nature and extent of any contamination and appropriate response actions, as well as identify additional potentially responsible parties (PRPs). The U.S. Environmental Protection Agency (EPA) became involved in the investigation in June 2000. Later in 2000, the DOH issued notices to additional PRPs. The parties in the work group and some of the new PRPs (collectively, the Participating Parties) entered into a joint defense agreement and signed a voluntary response agreement with the DOH. The Participating Parties agreed to fund investigative and remediation work using an interim cost allocation method (subject to a final allocation) and have organized a limited liability company to perform the work.

In 2001, management developed a preliminary estimate of HECO's share of costs for continuing investigative work, remedial activities and monitoring at the Iwilei Unit of approximately \$1.1 million (which was expensed in 2001 and of which \$0.8 million has been expended through December 31, 2006). Since 2001, subsurface investigation and assessment have been conducted and several preliminary oil removal tasks have been performed at the Iwilei Unit in accordance with notices of interest issued by the EPA and the DOH.

During 2006 and the beginning of 2007, the PRPs developed analyses of various remedial alternatives for two of the four remedial subunits of the Iwilei Unit. The DOH will use the analyses to make a final determination of which remedial alternatives the PRPs will be required to implement. The DOH is scheduled to complete the final remediation determinations for all remedial subunits of the Iwilei Unit by the end of 2007 or first quarter of 2008. HECO management developed an estimate of HECO's share of the costs associated with implementing the PRP recommended remedial approaches for the two subunits covered by the analyses of approximately \$1.2 million, (which was expensed in 2006). As of December 31, 2006, the remaining accrual (amounts expensed less amounts expended) related to the Honolulu Harbor investigation was \$1.5 million. Because (1) the full scope of additional investigative work, remedial activities and monitoring remain to be determined, (2) the final cost allocation method among the

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PRPs has not yet been established and (3) management cannot estimate the costs to be incurred (if any) for the sites other than the Iwilei Unit (such as its Honolulu power plant, which is located in the "Downtown" unit of the Honolulu Harbor site), the cost estimate may be subject to significant change and additional material investigative and remedial costs may be incurred.

In 2003, HECO and other Participating Parties with active operations in the Iwilei area investigated their operations to evaluate whether their facilities were active sources of petroleum contamination in the area. HECO's investigation concluded that its facilities were not then releasing petroleum. Routine maintenance and inspections of HECO facilities since then confirm that they are not currently releasing petroleum.

Regional Haze Rule amendments. In June 2005, the EPA finalized amendments to the July 1999 Regional Haze Rule that require emission controls known as best available retrofit technology (BART) for industrial facilities emitting air pollutants that reduce visibility in National Parks by causing or contributing to regional haze. States must develop BART implementation plans and schedules in accordance with the amended regional haze rule by December 2007. After Hawaii adopts its plan, HECO, HELCO and MECO will evaluate its impacts, if any, on them. If any generating units are ultimately required to install post-combustion control technologies to meet BART emission limits, the resulting capital and operations and maintenance costs could be significant.

Clean Water Act. Section 316(b) of the federal Clean Water Act requires that the EPA ensure that existing power plant cooling water intake structures reflect the best technology available for minimizing adverse environmental impacts. Effective September 9, 2004, the EPA issued a rule, which established location and technology-based design, construction and capacity standards for existing cooling water intake structures. These standards applied to HECO's Kahe, Waiau and Honolulu generating stations, unless HECO could demonstrate that at each facility implementation of these standards would result in costs either significantly higher than projected costs the EPA considered in establishing the standards for the facility (cost-cost test) or significantly greater than the benefits of meeting the standards (cost-benefit test). In either case, the EPA would then make a case-by-case determination of an appropriate performance standard. The regulation also would have allowed restoration of aquatic organism populations in lieu of meeting the standards. The rule required covered facilities to demonstrate compliance by March 2008. HECO had retained a consultant that was developing a cost effective compliance strategy and a preliminary assessment of technologies and operational measures under the rule.

On January 25, 2007, the U.S. Circuit Court for the Second Circuit issued a decision that remanded for further consideration and proceedings significant portions of the rule and found other portions of the rule to be impermissible. In particular, the court determined that restoration and the cost-benefit test were impermissible under the Clean Water Act. It also remanded the best technology available determination to permit the EPA to provide a reasoned explanation for its decision or a new determination. It remanded the cost-cost test for the EPA's further consideration based on the best technology available determination and to afford adequate notice. The EPA has yet to announce whether it plans to request a rehearing by the court of appeals or appeal the decision to the U.S. Supreme Court. If it stands, the court's decision reduces the compliance options available to HECO. The EPA has not issued a schedule for rulemaking, which would be necessary to comply with the court's decision. Due to the uncertainties raised by the court's decision as well as the need for further rulemaking by the EPA, management is unable to predict which compliance options, some of which could entail significant capital expenditures to implement, will be applicable to its facilities.

Collective bargaining agreements. As of December 31, 2006, approximately 58% of the Company's employees are members of the International Brotherhood of Electrical Workers, AFL-CIO, Local 1260, Unit 8, which is the only union representing employees of the Company. The current collective bargaining and benefit agreements cover a four-year term, from November 1, 2003 to October 31, 2007, and provide for non-compounded wage increases (3% on November 1, 2003; 1.5% on November 1, 2004, May 1, 2005, November 1, 2005 and May 1, 2006; and 3% on November 1, 2006). Negotiations for new agreements are expected to begin in the third quarter of 2007.

Limited insurance. HECO and its subsidiaries purchase insurance coverages to protect themselves against loss of or damage to their properties and against claims made by third-parties and employees. However, the protection provided by such insurance is limited in significant respects and, in some instances, there is no coverage. HECO, HELCO and MECO's overhead and underground transmission and distribution systems (with the exception of substation buildings and contents) have a replacement value roughly estimated at \$3.5 billion and are uninsured. Similarly, HECO, HELCO and MECO have no business interruption insurance. If a hurricane or other uninsured catastrophic natural disaster should occur, and if the PUC were not to allow the Company to recover from ratepayers restoration costs and revenues lost from business interruption, their results of operations and financial condition could be materially adversely impacted. Also, certain insurance has substantial "deductibles", limits on the maximum amounts that may be recovered and exclusions or limitations of coverage for claims related to certain perils. If a series of losses occurred, such as from a series of lawsuits in the ordinary course of business, each of which were subject to the deductible amount, or if the maximum limit of the available insurance were substantially exceeded, HECO, HELCO and MECO could incur losses in amounts that would have a material adverse effect on its results of operations and financial condition.

12. Regulatory restrictions on distributions to parent

As of December 31, 2006, net assets (assets less liabilities and preferred stock) of approximately \$431 million were not available for transfer to

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HEI in the form of dividends, loans or advances without regulatory approval.

13. Related-party transactions

HEI charged HECO and its subsidiaries \$3.4 million, \$3.3 million and \$3.2 million for general management and administrative services in 2006, 2005 and 2004, respectively. The amounts charged by HEI to its subsidiaries are allocated primarily on the basis of actual labor hours expended in providing such services.

HECO's borrowings from HEI fluctuate during the year, and totaled nil at December 31, 2006 and 2005. The interest charged on short-term borrowings from HEI is based on the rate HEI pays on its commercial paper borrowings, provided HEI's commercial paper rating is equal to or better than HECO's rating. If HEI's commercial paper rating falls below HECO's, or if HEI has no commercial paper borrowings, interest is based on HECO's short-term external borrowing rate, or quoted rates from the Wall Street Journal for 30-day dealer-placed commercial paper.

Interest charged by HEI to HECO totaled nil, \$0.4 million and \$0.5 million in 2006, 2005 and 2004, respectively.

14. Significant group concentrations of credit risk

HECO and its utility subsidiaries are regulated operating electric public utilities engaged in the generation, purchase, transmission, distribution and sale of electricity on the islands of Oahu, Hawaii, Maui, Lanai and Molokai in the State of Hawaii. HECO and its utility subsidiaries provide the only electric public utility service on the islands they serve. HECO and its utility subsidiaries grant credit to customers, all of whom reside or conduct business in the State of Hawaii.

15. Fair value of financial instruments

The Company used the following methods and assumptions to estimate the fair value of each applicable class of financial instruments for which it is practicable to estimate that value:

Cash and equivalents and short-term borrowings

The carrying amount approximated fair value because of the short maturity of these instruments.

Long-term debt

Fair value was obtained from a third party financial services provider based on the current rates offered for debt of the same or similar remaining maturities.

Off-balance sheet financial instruments

The fair values of off-balance sheet financial instruments were estimated based on quoted market prices of comparable instruments.

The estimated fair values of the financial instruments held or issued by the Company were as follows:

December 31 (in thousands)	2006		2005	
	Carrying Amount	Estimated fair value	Carrying Amount	Estimated fair value
Financial assets:				
Cash and equivalents	\$ 3,859	\$ 3,859	\$ 143	\$ 143
Financial liabilities:				
Short-term borrowings from nonaffiliates	113,107	113,107	136,165	136,165
Long-term debt, net, including amounts due within one year	766,185	800,975	765,993	804,485
Off-balance sheet item:				
HECO-obligated preferred securities of trust subsidiary	50,000	50,800	50,000	51,400

Limitations

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The Company makes fair value estimates at a specific point in time, based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result if the Company were to sell its entire holdings of a particular financial instrument at one time. Because no market exists for a significant portion of the Company's financial instruments, fair value estimates cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

16. Consolidating financial information (unaudited)

Consolidating balance sheet

December 31, 2006

(in thousands)	HECO	HELCO	MECO	RHI	Reclassifications and Eliminations	HECO Consolidated
Assets						
Utility plant, at cost						
Land	\$ 25,919	4,977	4,346	--	--	\$ 35,242
Plant and equipment	2,428,155	807,474	767,300	--	--	4,002,929
Less accumulated depreciation	(953,187)	(298,590)	(307,136)	--	--	(1,558,913)
Plant acquisition adjustment, net	--	--	93	--	--	93
Construction in progress	80,298	9,745	5,576	--	--	95,619
Net utility plant	1,581,185	523,606	470,179	--	--	2,574,970
Investment in wholly owned subsidiaries, at equity	367,595	--	--	--	(367,595) [2]	--
Current assets						
Cash and equivalents	2,328	738	518	275	--	3,859
Advances to affiliates	54,400	--	--	--	(54,400) [1]	--
Customer accounts receivable, net	81,912	24,228	19,384	--	--	125,524
Accrued unbilled revenues, net	64,235	14,437	13,523	--	--	92,195
Other accounts receivable, net	3,210	1,097	773	--	(657) [1]	4,423
Fuel oil stock, at average cost	40,680	9,761	13,871	--	--	64,312
Materials & supplies, at average cost	13,959	4,892	11,689	--	--	30,540
Prepayments and other	7,537	1,463	695	--	--	9,695
Total current assets	268,261	56,616	60,453	275	(55,057)	330,548
Other long-term assets						
Regulatory assets	82,116	15,349	14,884	--	--	112,349
Unamortized debt expense	9,323	2,282	2,117	--	--	13,722
Other	23,507	4,340	3,698	--	--	31,545
Total other long-term assets	114,946	21,971	20,699	--	--	157,616
	\$2,331,987	602,193	551,331	275	(422,652)	\$3,063,134
Capitalization and liabilities						
Capitalization						
Common stock equity	\$ 958,203	175,099	192,231	265	(367,595) [2]	\$ 958,203
Cumulative preferred stock—not subject to mandatory redemption	22,293	7,000	5,000	--	--	34,293
Long-term debt, net	481,240	131,046	153,899	--	--	766,185
Total capitalization	1,461,736	313,145	351,130	265	(367,595)	1,758,681
Current liabilities						
Short-term borrowings-nonaffiliates	113,107	--	--	--	--	113,107
Short-term borrowings-affiliate	--	49,400	5,000	--	(54,400) [1]	--
Accounts payable	61,672	22,572	18,268	--	--	102,512
Interest and preferred dividends	7,269	1,907	1,717	--	(248) [1]	10,645

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payable						
Taxes accrued	96,846	26,981	28,355	--	--	152,182
Other	27,012	5,971	10,536	10	(409) [1]	43,120
Total current liabilities	305,906	106,831	63,876	10	(55,057)	421,566
Deferred credits and other liabilities						
Deferred income taxes	92,805	13,285	11,965	--	--	118,055
Regulatory liabilities	164,617	43,596	32,406	--	--	240,619
Unamortized tax credits	32,359	13,126	12,394	--	--	7,879
Other	110,473	52,274	26,859	--	--	189,606
Total deferred credits and other liabilities	400,254	122,281	83,624	--	--	606,159
Contributions in aid of construction	164,091	59,936	52,701	--	--	276,728
	\$2,331,987	602,193	551,331	275	(422,652)	\$3,063,134

Consolidating balance sheet

December 31, 2005

(in thousands)	HECO	HELCO	MECO	RHI	Reclassifications and Eliminations	HECO Consolidated
Assets						
Utility plant, at cost						
Land	\$ 25,699	3,018	4,317	--	--	\$ 33,034
Plant and equipment	2,304,142	766,714	678,530	--	--	3,749,386
Less accumulated depreciation	(898,351)	(275,444)	(282,742)	--	--	(1,456,537)
Plant acquisition adjustment, net	--	--	145	--	--	145
Construction in progress	108,060	11,414	28,282	--	--	147,756
Net utility plant	1,539,550	505,702	428,532	--	--	2,473,784
Investment in wholly owned subsidiaries, at equity	383,715	--	--	--	(383,715) [2]	--
Current assets						
Cash and equivalents	8	3	4	128	--	143
Advances to affiliates	49,700	--	5,250	--	(54,950) [1]	--
Customer accounts receivable, net	81,870	21,652	20,373	--	--	123,895
Accrued unbilled revenues, net	62,701	14,675	13,945	--	--	91,321
Other accounts receivable, net	10,212	2,772	1,185	--	592 [1]	14,761
Fuel oil stock, at average cost	64,309	7,868	13,273	--	--	85,450
Materials & supplies, at average cost	14,128	3,204	9,642	--	--	26,974
Prepayments and other	89,982	15,929	8,991	--	--	114,902
Total current assets	372,910	66,103	72,663	128	(54,358)	457,446
Other long-term assets						
Regulatory assets	81,682	14,596	14,440	--	--	110,718
Unamortized debt expense	9,778	2,362	2,221	--	--	14,361
Other	17,816	3,696	3,640	--	--	25,152
Total other long-term assets	109,276	20,654	20,301	--	--	150,231
	\$2,405,451	592,459	521,496	128	(438,073)	\$3,081,461
Capitalization and liabilities						
Capitalization						
Common stock equity	\$1,039,259	189,407	194,190	118	(383,715) [2]	\$1,039,259
Cumulative preferred stock—not subject to mandatory redemption	22,293	7,000	5,000	--	--	34,293

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Long-term debt, net	481,132	131,009	153,852	--	--	765,993
Total capitalization	1,542,684	327,416	353,042	118	(383,715)	1,839,545
Current liabilities						
Short-term borrowings-nonaffiliates	136,165	--	--	--	--	136,165
Short-term borrowings-affiliate	5,250	49,700	--	--	(54,950)	[1] --
Accounts payable	86,843	19,503	15,855	--	--	122,201
Interest and preferred dividends payable	7,217	1,311	1,664	--	(202)	[1] 9,990
Taxes accrued	84,054	24,252	25,277	--	--	133,583
Other	24,971	3,566	7,791	10	794	[1] 37,132
Total current liabilities	344,500	98,332	50,587	10	(54,358)	439,071
Deferred credits and other liabilities						
Deferred income taxes	160,351	25,147	22,876	--	--	208,374
Regulatory liabilities	148,898	40,535	29,771	--	--	219,204
Unamortized tax credits	31,209	12,693	11,425	--	--	55,327
Other	21,522	31,781	10,374	--	--	63,677
Total deferred credits and other liabilities	361,980	110,156	74,446	--	--	546,582
Contributions in aid of construction	156,287	56,555	43,421	--	--	256,263
	\$2,405,451	592,459	521,496	128	(438,073)	\$3,081,461

Consolidating statement of income

Year ended December 31, 2006

(in thousands)	HECO	HELCO	MECO	RHI	Reclassifications and Eliminations	HECO Consolidated
Operating revenues	\$1,365,593	339,554	345,265	--	--	\$2,050,412
Operating expenses						
Fuel oil	516,239	85,229	180,272	--	--	781,740
Purchased power	358,115	122,324	26,454	--	--	506,893
Other operation	126,300	29,907	30,242	--	--	186,449
Maintenance	56,732	19,669	13,816	--	--	90,217
Depreciation	74,798	29,722	25,644	--	--	130,164
Taxes, other than income taxes	126,849	31,553	32,011	--	--	190,413
Income taxes	31,215	4,339	11,827	--	--	47,381
	1,290,248	322,743	320,266	--	--	1,933,257
Operating income	75,345	16,811	24,999	--	--	117,155
Other income						
Allowance for equity funds used during construction	4,059	195	2,094	--	--	6,348
Equity in earnings of subsidiaries	25,583	--	--	--	(25,583)	[2] --
Other, net	4,387	503	1,176	(153)	(2,790)	[1] 3,123
	34,029	698	3,270	(153)	(28,373)	9,471
Income before interest and other charges	109,374	17,509	28,269	(153)	(28,373)	126,626
Interest and other charges						
Interest on long-term debt	26,967	7,233	8,909	--	--	43,109
Amortization of net bond premium and expense	1,378	411	409	--	--	2,198
Other interest charges	6,818	2,474	754	--	(2,790)	[1] 7,256
Allowance for borrowed funds used						

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during construction	(1,816)	(90)	(973)	--	--	(2,879)
Preferred stock dividends of subsidiaries	--	--	--	--	915	[3] 915
	33,347	10,028	9,099	--	(1,875)	50,599
Income before preferred stock dividends of HECO	76,027	7,481	19,170	(153)	(26,498)	76,027
Preferred stock dividends of HECO	1,080	534	381	--	(915)	[3] 1,080
Net income for common stock	\$ 74,947	6,947	18,789	(153)	(25,583)	\$ 74,947

Consolidating statement of retained earnings

Year ended December 31, 2006

	HECO	HELCO	MECO	RHI	Reclassifications and Eliminations	HECO Consolidated
(in thousands)						
Retained earnings, beginning of period	\$654,686	88,763	99,269	(363)	(187,669) [2]	\$654,686
Net income for common stock	74,947	6,947	18,789	(153)	(25,583) [2]	74,947
Common stock dividends	(29,381)	(2,874)	(6,522)	--	9,396 [2]	(29,381)
Retained earnings, end of period	\$700,252	92,836	111,536	(516)	(203,856)	\$700,252

Consolidating statement of income

Year ended December 31, 2005

	HECO	HELCO	MECO	RHI	Reclassifications and Eliminations	HECO Consolidated
(in thousands)						
Operating revenues	\$1,204,220	294,411	303,079	--	--	\$1,801,710
Operating expenses						
Fuel oil	420,521	65,272	153,857	--	--	639,650
Purchased power	339,120	102,744	16,256	--	--	458,120
Other operation	117,818	26,427	28,717	--	--	172,962
Maintenance	52,547	16,504	13,191	--	--	82,242
Depreciation	70,687	27,177	25,006	--	--	122,870
Taxes, other than income taxes	112,082	27,205	28,008	--	--	167,295
Income taxes	26,144	7,535	11,350	--	--	45,029
	1,138,919	272,864	276,385	--	--	1,688,168
Operating income	65,301	21,547	26,694	--	--	113,542
Other income						
Allowance for equity funds used during construction	4,031	174	900	--	--	5,105
Equity in earnings of subsidiaries	30,952	--	--	--	(30,952) [2]	--
Other, net	4,254	526	626	(176)	(1,692) [1]	3,538
	39,237	700	1,526	(176)	(32,644)	8,643
Income before interest and other charges	104,538	22,247	28,220	(176)	(32,644)	122,185
Interest and other charges						
Interest on long-term debt	26,886	7,256	8,921	--	--	43,063
Amortization of net bond premium and expense	1,379	413	420	--	--	2,212
Other interest charges	3,966	1,474	385	--	(1,692) [1]	4,133

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Allowance for borrowed funds used during construction	(1,575)	(53)	(392)	--	--	(2,020)
Preferred stock dividends of subsidiaries	--	--	--	--	915	[3] 915
	30,656	9,090	9,334	--	(777)	48,303
Income before preferred stock dividends of HECO	73,882	13,157	18,886	(176)	(31,867)	73,882
Preferred stock dividends of HECO	1,080	534	381	--	(915)	[3] 1,080
Net income for common stock	\$ 72,802	12,623	18,505	(176)	(30,952)	\$ 72,802

Consolidating statement of retained earnings

Year ended December 31, 2005

	HECO	HELCO	MECO	RHI	Reclassifi- cations and Elimina- tions	HECO Consolidated
(in thousands)						
Retained earnings, beginning of period	\$632,779	85,861	94,492	(187)	(180,166)	[2] \$632,779
Net income for common stock	72,802	12,623	18,505	(176)	(30,952)	[2] 72,802
Common stock dividends	(50,895)	(9,721)	(13,728)	--	23,449	[2] (50,895)
Retained earnings, end of period	\$654,686	88,763	99,269	(363)	(187,669)	\$654,686

Consolidating statement of income

Year ended December 31, 2004

	HECO	HELCO	MECO	RHI	Reclassifi- cations and Elimina- tions	HECO Consolidated
(in thousands)						
Operating revenues	\$1,053,100	241,630	252,145	--	--	\$1,546,875
Operating expenses						
Fuel oil	335,281	38,072	110,070	--	--	483,423
Purchased power	295,963	91,024	11,849	--	--	398,836
Other operation	106,138	24,572	26,488	--	--	157,198
Maintenance	47,847	15,145	14,321	--	--	77,313
Depreciation	69,467	21,163	24,290	--	--	114,920
Taxes, other than income taxes	97,974	22,391	23,469	--	--	143,834
Income taxes	29,484	8,204	12,371	--	--	50,059
	982,154	220,571	222,858	--	--	1,425,583
Operating income	70,946	21,059	29,287	--	--	121,292
Other income						
Allowance for equity funds used during construction	5,226	162	406	--	--	5,794
Equity in earnings of subsidiaries	31,746	--	--	--	(31,746)	[2] --
Other, net	3,652	210	(43)	(53)	(634)	[1] 3,132
	40,624	372	363	(53)	(32,380)	8,926
Income before interest and other charges	111,570	21,431	29,650	(53)	(32,380)	130,218
Interest and other charges						
Interest on long-term debt	26,566	7,184	8,793	--	--	42,543
Amortization of net bond premium						

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NOTES TO FINANCIAL STATEMENTS (Continued)

and expense	1,464	403	422	--	--	2,289
Other interest charges	3,595	1,083	712	--	(634) [1]	4,756
Allowance for borrowed funds used during construction	(2,312)	(75)	(155)	--	--	(2,542)
Preferred stock dividends of subsidiaries	--	--	--	--	915 [3]	915
	29,313	8,595	9,772	--	281	47,961
Income before preferred stock dividends of HECO	82,257	12,836	19,878	(53)	(32,661)	82,257
Preferred stock dividends of HECO	1,080	534	381	--	(915) [3]	1,080
Net income for common stock	\$81,177	12,302	19,497	(53)	(31,746)	\$ 81,177

Consolidating statement of retained earnings

Year ended December 31, 2004

(in thousands)	HECO	HELCO	MECO	RHI	Reclassi-	HECO Consolidated
					fications and Elimina-	
Retained earnings, beginning of period	\$563,215	74,629	92,909	(134)	(167,404) [2]	\$563,215
Net income for common stock	81,177	12,302	19,497	(53)	(31,746) [2]	81,177
Common stock dividends	(11,613)	(1,070)	(17,914)	--	18,984 [2]	(11,613)
Retained earnings, end of period	\$632,779	85,861	94,492	(187)	(180,166)	\$632,779

Consolidating statement of cash flows

Year ended December 31, 2006

(in thousands)	HECO	HELCO	MECO	RHI	Elimination addition to (deduction from) cash flows	HECO Consolidated
Cash flows from operating activities:						
Income before preferred stock dividends of HECO	\$ 76,027	7,481	19,170	(153)	(26,498) [2]	\$ 76,027
Adjustments to reconcile income before preferred stock dividends of HECO to net cash provided by operating activities:						
Equity in earnings	(25,684)	--	--	--	25,583 [2]	(101)
Common stock dividends received from subsidiaries	9,497	--	--	--	(9,396) [2]	101
Depreciation of property, plant and equipment	74,798	29,722	25,644	--	--	130,164
Other amortization	3,898	582	3,452	--	--	7,932
Deferred income taxes	(7,666)	(155)	(1,850)	--	--	(9,671)
Tax credits, net	1,997	620	1,193	--	--	3,810
Allowance for equity funds used during construction	(4,059)	(195)	(2,094)	--	--	(6,348)
Changes in assets and liabilities:						
Decrease (increase) in accounts receivable	6,960	(901)	1,401	--	1,249 [1]	8,709
Decrease (increase) in accrued unbilled revenues	(1,534)	238	422	--	--	(874)
Decrease (increase) in fuel oil stock	23,629	(1,893)	(598)	--	--	21,138

Name of Respondent	This Report is:		Date of Report	Year/Period of Report
MAUI ELECTRIC COMPANY, LIMITED	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		04/24/2007	2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)				

Decrease (increase) in materials and supplies	169	(1,688)	(2,047)	--	--	(3,566)
Increase in regulatory assets	(1,652)	(1,519)	(2,952)	--	--	(6,123)
Increase (decrease) in accounts payable	(25,171)	3,069	2,413	--	--	(19,689)
Increase in taxes accrued	12,792	2,729	3,078	--	--	18,599
Decrease in prepaid pension benefit cost	14,237	2,617	3,210	--	--	20,064
Changes in other assets and liabilities	(13,081)	2,610	(921)	--	(1,249) [2]	(12,641)
Net cash provided by (used in) operating activities	145,157	43,317	49,521	(153)	(10,311)	227,531
Cash flows from investing activities:						
Capital expenditures	(94,141)	(44,217)	(56,714)	--	--	(195,072)
Contributions in aid of construction	10,760	4,587	4,360	--	--	19,707
Advances from (to) affiliates	(4,700)	--	5,250	--	(550) [1]	--
Proceeds from sales of assets	407	--	--	--	--	407
Investment in consolidated subsidiary	(300)	--	--	--	300 [2]	--
Net cash used in investing activities	(87,974)	(39,630)	(47,104)	--	(250)	(174,958)
Cash flows from financing activities:						
Common stock dividends	(29,381)	(2,874)	(6,522)	--	9,396 [2]	(29,381)
Preferred stock dividends	(1,080)	(534)	(381)	--	915 [2]	(1,080)
Proceeds from issuance of common stock	--	--	--	300	(300) [2]	--
Net increase in short-term borrowings from nonaffiliates and affiliate with original maturities of three months or less	(28,308)	(300)	5,000	--	550 [1]	(23,058)
Other	3,906	756	--	--	--	4,662
Net cash provided by (used in) financing activities	(54,863)	(2,952)	(1,903)	300	10,561	(48,857)
Net increase in cash and equivalents	2,320	735	514	147	--	3,716
Cash and equivalents, beginning of year	8	3	4	128	--	143
Cash and equivalents, end of year	\$ 2,328	738	518	275	--	\$ 3,859

Consolidating statement of cash flows

	Year ended December 31, 2005					
(in thousands)	HECO	HELCO	MECO	RHI	Elimination addition to (deduction from) cash flows	HECO Consolidated
Cash flows from operating activities:						
Income before preferred stock dividends of HECO	\$ 73,882	13,157	18,886	(176)	(31,867) [2]	\$ 73,882
Adjustments to reconcile income before preferred stock dividends of HECO to net cash provided by operating activities:						
Equity in earnings	(31,053)	--	--	--	30,952 [2]	(101)
Common stock dividends received from subsidiaries	23,550	--	--	--	(23,449) [2]	101
Depreciation of property, plant and equipment	70,687	27,177	25,006	--	--	122,870
Other amortization	4,350	913	3,216	--	--	8,479
Deferred income taxes	13,381	1,557	4,148	--	--	19,086

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Tax credits, net	1,722	1,588	161	--	--	3,471
Allowance for equity funds used during construction	(4,031)	(174)	(900)	--	--	(5,105)
Changes in assets and liabilities:						
Increase in accounts receivable	(20,265)	(5,222)	(4,485)	--	(178)	[1] (30,150)
Increase in accrued unbilled revenues	(7,114)	(1,777)	(3,402)	--	--	(12,293)
Increase in fuel oil stock	(24,889)	(63)	(1,928)	--	--	(26,880)
Increase in materials and supplies	(2,588)	(474)	(144)	--	--	(3,206)
Decrease (increase) in regulatory assets	(2,472)	443	(3,007)	--	--	(5,036)
Increase in accounts payable	20,261	1,973	5,952	--	--	28,186
Increase in taxes accrued	19,088	5,951	2,619	--	--	27,658
Decrease (increase) in prepaid pension benefit cost	(1,412)	367	745	--	--	(300)
Changes in other assets and liabilities	(11,788)	(1,943)	(2,397)	6	178	[2] (15,944)
Net cash provided by (used in) operating activities	121,309	43,473	44,470	(170)	(24,364)	184,718
Cash flows from investing activities:						
Capital expenditures	(128,127)	(52,107)	(37,376)	--	--	(217,610)
Contributions in aid of construction	13,439	3,141	4,503	--	--	21,083
Advances from (to) affiliates	(14,850)	--	2,500	--	12,350	[1] --
Proceeds from sales of assets	1,680	--	--	--	--	1,680
Net cash used in investing activities	(127,858)	(48,966)	(30,373)	--	12,350	(194,847)
Cash flows from financing activities:						
Common stock dividends	(50,895)	(9,721)	(13,728)	--	23,449	[2] (50,895)
Preferred stock dividends	(1,080)	(534)	(381)	--	915	[2] (1,080)
Proceeds from issuance of long-term debt	52,462	5,000	2,000	--	--	59,462
Repayment of long-term debt	(40,000)	(5,000)	(2,000)	--	--	(47,000)
Net increase in short-term borrowings from nonaffiliates and affiliate with original maturities of three months or less	45,097	14,850	--	--	(12,350)	[1] 47,597
Other	964	898	(1)	--	--	1,861
Net cash provided by (used in) financing activities	6,548	5,493	(14,110)	--	12,014	9,945
Net decrease in cash and equivalents	(1)	--	(13)	(170)	--	(184)
Cash and equivalents, beginning of year	9	3	17	298	--	327
Cash and equivalents, end of year	\$ 8	3	4	128	--	\$ 43

Consolidating statement of cash flows

(in thousands)	Year ended December 31, 2004					HECO Consolidated	
	HECO	HELCO	MECO	RHI	Elimination addition to (deduction from) cash flows		
Cash flows from operating activities:							
Income before preferred stock dividends of HECO							
	\$ 82,257	12,836	19,878	(53)	(32,661)	[2] \$ 82,257	
Adjustments to reconcile income before preferred stock dividends of HECO to net cash provided by operating activities:							
Equity in earnings	(31,931)	--	--	--	31,746	[2] (185)	

Name of Respondent	This Report is:			Date of Report	Year/Period of Report
MAUI ELECTRIC COMPANY, LIMITED	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			(Mo, Da, Yr)	
NOTES TO FINANCIAL STATEMENTS (Continued)					

Common stock dividends received from subsidiaries	19,169	--	--	--	(18,984)	[2]	185
Depreciation of property, plant and equipment	69,467	21,163	24,290	--	--		114,920
Other amortization	4,290	776	3,714	--	--		8,780
Deferred income taxes	10,304	3,969	6,511	--	--		20,784
Tax credits, net	2,315	2,435	462	--	--		5,212
Allowance for equity funds used during construction	(5,226)	(162)	(406)	--	--		(5,794)
Changes in assets and liabilities:							
Increase in accounts receivable	(6,560)	(2,371)	(3,935)	--	(1,308)	[1]	(14,174)
Increase in accrued unbilled revenues	(14,387)	(2,201)	(2,068)	--	--		(18,656)
Increase in fuel oil stock	7,360	(4,279)	(3,319)	--	--		(14,958)
Increase in materials and supplies	(1,209)	(194)	(1,132)	--	--		(2,535)
Decrease (increase) in regulatory assets	(560)	657	(2,521)	--	--		(2,424)
Increase (decrease) in accounts payable	17,159	6,937	(2,458)	--	--		21,638
Increase in taxes accrued	6,404	1,778	4,440	--	--		12,622
Increase in prepaid pension benefit cost	(16,733)	(4,799)	(3,565)	--	--		(25,097)
Changes in other assets and liabilities	(10,891)	(1,236)	(2,899)	(7)	1,308	[2]	(13,725)
Net cash provided by (used in) operating activities	116,508	35,309	36,992	(60)	(19,899)		168,850
Cash flows from investing activities:							
Capital expenditures	(123,795)	(49,324)	(28,117)	--	--		(201,236)
Contributions in aid of construction	4,134	2,796	1,592	--	--		8,522
Advances from (to) affiliates	(24,050)	--	17,750	--	6,300	[1]	--
Investment in unconsolidated subsidiary	(1,846)	--	--	--	300	[2]	(1,546)
Distributions from unconsolidated subsidiaries	3,093	--	--	--	--		3,093
Proceeds from sales of assets	650	--	--	--	--		650
Net cash used in investing activities	(141,814)	(46,528)	(8,775)	--	6,600		(190,517)
Cash flows from financing activities:							
Common stock dividends	(11,613)	(1,070)	(17,914)	--	18,984	[2]	(11,613)
Preferred stock dividends	(1,080)	(534)	(381)	--	915	[2]	(1,080)
Proceeds from issuance of common stock	--	--	--	300	(300)	[2]	--
Proceeds from issuance of long-term debt	33,097	10,000	10,000	--	--		53,097
Repayment of long-term debt	(63,093)	(20,000)	(20,000)	--	--		(103,093)
Net increase in short-term borrowings from nonaffiliates and affiliate with original maturities of three months or less	64,818	24,050	--	--	(6,300)	[1]	82,568
Other	3,177	(1,228)	8	--	--		1,957
Net cash provided by (used in) financing activities	25,306	11,218	(28,287)	300	13,299		21,836
Net increase (decrease) in cash and equivalents	--	(1)	(70)	240	--		169
Cash and equivalents, beginning of year	9	4	87	58	--		158
Cash and equivalents, end of year	\$ 9	3	17	298	--		\$ 327

Explanation of reclassifications and eliminations on consolidating schedules

[1] Eliminations of intercompany receivables and payables and other intercompany transactions.

[2] Elimination of investment in subsidiaries, carried at equity.

[3] Reclassification of preferred stock dividends of Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited for

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NOTES TO FINANCIAL STATEMENTS (Continued)			

financial statement presentation.

HECO has not provided separate financial statements and other disclosures concerning HELCO and MECO because management has concluded that such financial statements and other information are not material to holders of the trust preferred securities issued by HECO Capital Trust III, which trust holds the 2004 junior deferrable debentures issued by HELCO and MECO, which debentures have been fully and unconditionally guaranteed by HECO.

17. Consolidated quarterly financial information (*unaudited*)

Selected quarterly consolidated financial information of the Company for 2006 and 2005 follows:

2006 (in thousands)	Quarters ended				Year ended Dec. 31
	March 31	June 30	Sept. 30	Dec. 31	
Operating revenues (1),(2)	\$473,971	\$503,350	\$568,236	\$504,855	\$2,050,412
Operating income (1),(2)	31,562	28,502	32,736	24,355	117,155
Net income for common stock (1),(2)	20,988	17,286	23,666	13,007	74,947

2005 (in thousands)	Quarters ended				Year ended Dec. 31
	March 31	June 30	Sept. 30	Dec. 31	
Operating revenues	\$373,690	\$428,807	\$489,877	\$509,336	\$1,801,710
Operating income (3)	23,065	29,624	32,614	28,239	113,542
Net income for common stock (3)	12,385	19,644	22,587	18,186	72,802

Note: HEI owns all of HECO's common stock, therefore, per share data is not meaningful.

- (1) For 2006, amounts include interim rate relief for HECO.
- (2) The fourth quarter of 2006 includes an adjustment for quarterly rate schedule tariff reconciliation that relates to prior quarters.
- (3) For 2005, the amounts for the fourth quarter include \$10 million of interim rate relief for HECO.

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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Quarter/Year				
6	Balance of Account 219 at Beginning of Current Year				
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value		14,226,385		
9	Total (lines 7 and 8)		14,226,385		
10	Balance of Account 219 at End of Current Quarter/Year		14,226,385		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1					
2					
3					
4					
5					
6					
7					
8			14,226,385		
9			14,226,385		14,226,385
10			14,226,385		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.				
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	769,013,045	769,013,045	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	769,013,045	769,013,045	
9	Leased to Others			
10	Held for Future Use	2,633,044	2,633,044	
11	Construction Work in Progress	5,575,848	5,575,848	
12	Acquisition Adjustments	1,785,138	1,785,138	
13	Total Utility Plant (8 thru 12)	779,007,075	779,007,075	
14	Accum Prov for Depr, Amort, & Depl	341,234,579	341,234,579	
15	Net Utility Plant (13 less 14)	437,772,496	437,772,496	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	339,542,593	339,542,593	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant			
22	Total In Service (18 thru 21)	339,542,593	339,542,593	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj	1,691,986	1,691,986	
33	Total Accum Prov (equals 14) (22,26,30,31,32)	341,234,579	341,234,579	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year
			Additions (c)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)		
2	Fabrication		
3	Nuclear Materials		
4	Allowance for Funds Used during Construction		
5	(Other Overhead Construction Costs, provide details in footnote)		
6	SUBTOTAL (Total 2 thru 5)		
7	Nuclear Fuel Materials and Assemblies		
8	In Stock (120.2)		
9	In Reactor (120.3)		
10	SUBTOTAL (Total 8 & 9)		
11	Spent Nuclear Fuel (120.4)		
12	Nuclear Fuel Under Capital Leases (120.6)		
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)		
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)		
15	Estimated net Salvage Value of Nuclear Materials in line 9		
16	Estimated net Salvage Value of Nuclear Materials in line 11		
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing		
18	Nuclear Materials held for Sale (157)		
19	Uranium		
20	Plutonium		
21	Other (provide details in footnote):		
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)		

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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)			

Amortization (d)	Changes during Year	Balance End of Year (f)	Line No.
	Other Reductions (Explain in a footnote) (e)		
			1
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			4
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			22

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 202 Line No.: 1 Column: b
Not applicable

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents	1,750	
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,750	
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	123,655	
9	(311) Structures and Improvements	4,193,807	65,630
10	(312) Boiler Plant Equipment	33,114,537	16,738
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	9,838,597	42,603
13	(315) Accessory Electric Equipment	5,549,050	59,668
14	(316) Misc. Power Plant Equipment	2,895,546	125,896
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	55,715,192	310,535
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	855,925	
38	(341) Structures and Improvements	35,276,384	
39	(342) Fuel Holders, Products, and Accessories	6,601,190	-26
40	(343) Prime Movers	25,044,334	2,365
41	(344) Generators	121,085,689	
42	(345) Accessory Electric Equipment	24,267,467	621,589
43	(346) Misc. Power Plant Equipment	22,844,073	446,950
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	235,975,062	1,070,878
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	291,690,254	1,381,413

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	2,884,572	-75,775	
49	(352) Structures and Improvements	6,051,760	178,796	
50	(353) Station Equipment	35,588,494	64,383,188	
51	(354) Towers and Fixtures	38,669		
52	(355) Poles and Fixtures	28,610,774	81,740	
53	(356) Overhead Conductors and Devices	16,913,481	252,952	
54	(357) Underground Conduit	478,734		
55	(358) Underground Conductors and Devices	717,936	84,138	
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant			
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	91,284,420	64,905,039	
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	1,306,439	39,261	
61	(361) Structures and Improvements	1,100,459	49,077	
62	(362) Station Equipment	24,825,233	1,735,046	
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	27,958,231	116,603	
65	(365) Overhead Conductors and Devices	35,166,962	590,197	
66	(366) Underground Conduit	26,470,911	243,910	
67	(367) Underground Conductors and Devices	42,725,586	571,167	
68	(368) Line Transformers	31,736,392	8,470,320	
69	(369) Services	42,797,624	5,972,565	
70	(370) Meters	7,456,832	1,011,161	
71	(371) Installations on Customer Premises			
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	10,648,542	1,245,302	
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	252,193,211	20,044,609	
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	138,065		
87	(390) Structures and Improvements	8,472,093	138,268	
88	(391) Office Furniture and Equipment	5,829,721	65,777	
89	(392) Transportation Equipment	9,386,142	14,239	
90	(393) Stores Equipment	477,466		
91	(394) Tools, Shop and Garage Equipment	3,035,623	235,263	
92	(395) Laboratory Equipment	1,178,173		
93	(396) Power Operated Equipment	121,909		
94	(397) Communication Equipment	16,040,331	1,713,724	
95	(398) Miscellaneous Equipment	364,795	11,014	
96	SUBTOTAL (Enter Total of lines 86 thru 95)	45,044,318	2,178,285	
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	45,044,318	2,178,285	
100	TOTAL (Accounts 101 and 106)	680,213,953	88,509,346	
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	680,213,953	88,509,346	

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			1,750	3
				4
			1,750	5
				6
				7
			123,655	8
		-48,578	4,210,859	9
		326,174	33,457,449	10
				11
		59,199,396	69,080,596	12
		90,043	5,698,761	13
		38,830	3,060,272	14
				15
		59,605,865	115,631,592	16
				17
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				34
				35
				36
			855,925	37
		209,713	35,486,097	38
			6,601,164	39
			25,046,699	40
			121,085,689	41
		-85,120	24,803,936	42
		79,684	23,370,707	43
				44
		204,277	237,250,217	45
		59,810,142	352,881,809	46

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
			2,808,797	47
		-12,257	6,218,299	48
		-59,806,279	40,165,403	49
			38,669	50
44,881		222,401	28,870,034	51
		-251,399	16,915,034	52
			478,734	53
			802,074	54
				55
				56
				57
44,881		-59,847,534	96,297,044	58
				59
3,629		-5,640	1,336,431	60
		-43,577	1,105,959	61
		32,728	26,593,007	62
				63
328,850		125,842	27,871,826	64
13,278		52,053	35,795,934	65
1,417		6,329,312	33,042,716	66
14,334		6,215	43,288,634	67
131,396		-5,352,513	34,722,803	68
		5,546	48,775,735	69
			8,467,993	70
				71
				72
5,938		-1,116,668	10,771,238	73
				74
498,842		33,298	271,772,276	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
			138,065	85
		-84,387	8,525,974	86
3,794		78,622	5,970,326	87
			9,400,381	88
			477,466	89
			3,270,886	90
		7,165	1,185,338	91
			121,909	92
11,344	849,061	1,139	18,592,911	93
454		1,555	376,910	94
15,592	849,061	4,094	48,060,166	95
				96
				97
15,592	849,061	4,094	48,060,166	98
559,315	849,061		769,013,045	99
				100
				101
				102
				103
559,315	849,061		769,013,045	104

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ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	Not applicable				
2					
3					
4					
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46					
47	TOTAL				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of 2006/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
 2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	66 acres of land in central Maui held for future generating facilities	1996	2011	2,633,044
5				
6				
7				
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16				
17				
18				
19				
20				
21	Other Property:			
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24				
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46				
47	Total			2,633,044

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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CONSTRUCTION WORK IN PROGRESS - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Underground Services & Extns.	857,749
2	Underground Services & Extensions	708,645
3	Peahi Sub 94	473,057
4	6th Increment Distr Rebuild	423,516
5	Other Overhead Additions	381,962
6	Overhead Services & Extensions	346,686
7	Makena CKT 1395 Extension	331,436
8	County of Maui Lwr HP Road Phase 4	281,544
9	Caputo Overhead to Underground Conversion	150,529
10	Minor Cable Failure Replace	114,305
11	Peahi Farms Offsite	112,107
12	Minor Pole Line Relocation	107,629
13	Hana DG Parallel Operations	104,586
14	Various other projects under \$100,000	1,182,097
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43	TOTAL	5,575,848

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	312,512,129	312,512,129		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	27,626,703	27,626,703		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	758,066	758,066		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	28,384,769	28,384,769		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	559,315	559,315		
13	Cost of Removal	1,180,446	1,180,446		
14	Salvage (Credit)	125,578	125,578		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	1,614,183	1,614,183		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17	Retirement Work in Progress	259,878	259,878		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	339,542,593	339,542,593		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production	29,011,802	29,011,802	
21	Nuclear Production			
22	Hydraulic Production-Conventional			
23	Hydraulic Production-Pumped Storage			
24	Other Production	129,785,867	129,785,867	
25	Transmission	34,718,311	34,718,311	
26	Distribution	122,420,170	122,420,170	
27	Regional Transmission and Market Operation			
28	General	23,606,443	23,606,443	
29	TOTAL (Enter Total of lines 20 thru 28)	339,542,593	339,542,593	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
- (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
- (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Not applicable			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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37				
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39				
40				
41				
42	Total Cost of Account 123.1 \$ 0			TOTAL

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includable in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
				3
				4
				5
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	13,272,543	13,871,618	PROD
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)	10,095,643	11,730,205	PROD & T & D
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	10,095,643	11,730,205	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)	-453,347	-40,801	ALL
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	22,914,839	25,561,022	

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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2007	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2008		2009		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
								5
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 228 Line No.: 1 Column: b
Not applicable

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1, and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Not applicable					
2						
3						
4						
5						
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14						
15						
16						
17						
18						
19						
20	TOTAL					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	Not applicable					
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
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46						
47						
48						
49	TOTAL					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
Transmission Service and Generation Interconnection Study Costs					
<p>1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.</p> <p>2. List each study separately.</p> <p>3. In column (a) provide the name of the study.</p> <p>4. In column (b) report the cost incurred to perform the study at the end of period.</p> <p>5. In column (c) report the account charged with the cost of the study.</p> <p>6. In column (d) report the amounts received for reimbursement of the study costs at end of period.</p> <p>7. In column (e) report the account credited with the reimbursement received for performing the study.</p>					
Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	None				
3					
4					
5					
6					
7					
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11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22					
23					
24					
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	None					
2						
3						
4						
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42						
43						
44	TOTAL					0

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Other Deferred Debits - Misc	316,892	550,830		412,248	455,474
2	Construction Costs - Billable	324,608			324,608	
3	Rabbi Trust Net Assets	73,002	14,492		3,323	84,171
4	Cash Value Life Insurance	350,402	48,832		24,249	374,985
5	CIS Project Deferred Costs		737,857			737,857
6	Charges Bill to Assoc Cos		1,601			1,601
7	Regulatory Asset - Other	3,046,121			273,255	2,772,866
8	Regulatory Asset - Debt Expense	2,038,316			188,390	1,849,926
9	Regulatory Asset - SFAS 109	8,018,567	1,631,668		610,433	9,039,802
10	Regulatory Asset - P/S Exp	231,391			10,060	221,331
11	Integrated Resource Planning	1,029,889	2,959,135		3,123,151	865,873
12	Payroll Home Cost Default		21,963,771		21,963,771	
13	Unamortized RB Inv Inc Diff	75,537	4,700		6,752	73,485
14	Deferred Compensation		80,092		13,858	66,234
15	* Various Accounts					
16						
17						
18						
19						
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45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)		60,609			60,609
49	TOTAL	15,504,725				16,604,214

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2			
3			
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)		
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)		

Notes

Not Applicable

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CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock	10,000,000	10.00	
2				
3	Preferred Stock:			
4	Series A	20,000	100.00	
5	Series B	10,000	100.00	
6	Series C	10,000	100.00	
7	Series D	20,000	100.00	
8	Series E	20,000	100.00	
9	Series F	10,000	100.00	
10	Series G	50,000	100.00	
11	Series H	50,000	100.00	100.00
12	Unissued	810,000	100.00	
13	Preferred Stock	1,000,000		
14				
15				
16				
17				
18				
19				
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)	HELD BY RESPONDENT					Line No.
	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS			
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
1,582,602	15,826,020					1
						2
						3
						4
						5
						6
						7
						8
						9
						10
50,000	5,000,000					11
						12
50,000	5,000,000					13
						14
						15
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 250 Line No.: 1 Column: d

Not applicable

Schedule Page: 250 Line No.: 4 Column: d

Not applicable

Schedule Page: 250 Line No.: 5 Column: d

Not applicable

Schedule Page: 250 Line No.: 6 Column: d

Not applicable

Schedule Page: 250 Line No.: 7 Column: d

Not applicable

Schedule Page: 250 Line No.: 8 Column: d

Not applicable

Schedule Page: 250 Line No.: 9 Column: d

Not applicable

Schedule Page: 250 Line No.: 10 Column: d

Not applicable

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	None	
2		
3		
4		
5		
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26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
 2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	Common Stock	60,989
2		
3	Preferred Stock:	
4	Series A	
5	Series B	
6	Series C	
7	Series D	
8	Series E	
9	Series F	
10	Series G	
11	Series H	90,389
12	Subtotal Preferred Stock \$90,389	
13		
14	Flex Cumulative Quarterly Income Preferred Securities (Flex QUIPS)	
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	151,378

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	First Mortgage Bonds:		
2	Series F, G, H, I, J, K, L, M & N	27,500,000	447,274
3			
4	Medium-Term Note	10,000,000	95,043
5			
6	Notes Payable to Assoc. Co.-QUIDS	10,000,000	404,544
7	Notes Payable to Assoc. Co.-QUIDS II	10,000,000	365,777
8	Notes Payable to Assoc. Co.-QUIDS III	10,000,000	310,988
9	State of Hawaii - Special Purpose		
10	Revenue Bond - 1987	7,720,000	318,315
11	Revenue Bond - 1988	9,000,000	172,792
12	Revenue Bond - 1990A	1,000,000	25,667
13	Revenue Bond - 1990C	20,000,000	605,940
14	Revenue Bond - 1992	8,000,000	166,372
15	Revenue Bond - 1993	30,000,000	772,604
16	- 1993 Discount		600,000
17	Revenue Bond - 1995A	2,000,000	43,876
18	- 1995A Discount		38,480
19	Revenue Bond - 1996A	20,000,000	785,782
20	- 1996A Discount		466,000
21	Revenue Bond - 1996B	35,000,000	710,792
22	- 1996B Discount		123,900
23	Revenue Bond - 1997	20,000,000	300,669
24	Revenue Bond - 1998A	7,720,000	139,976
25	Revenue Bond - 1999B	9,000,000	230,478
26	- 1999B Discount		104,130
27	Revenue Bond - 1999D	1,000,000	27,522
28	Revenue Bond - 2000	20,000,000	506,711
29	- 2000 Discount		50,000
30	Revenue Bond - 2005A	2,000,000	54,529
31	(Docket #04-0303, D&O #21497 on 12/17/04)		
32	Less: Funds on Deposit with Trustee		
33	TOTAL	259,940,000	7,868,161

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
VARIOUS	VARIOUS	VARIOUS	VARIOUS			2
						3
12-1-93	12-1-96	1993	1996			4
						5
4-1-97	3-27-27	1997	2027			6
12-15-98	12-15-28	1998	2028			7
3-18-04	3-18-34	2004	2034	10,000,000		8
						9
3-1-87	3-1-12	1987	2012			10
12-1-88	12-1-18	1988	2018			11
1-1-90	1-1-20	1990	2020			12
12-1-90	12-1-20	1990	2020			13
12-1-92	12-1-22	1992	2022			14
11-1-93	11-1-23	1993	2023	30,000,000		15
						16
1-1-95	1-1-25	1995	2025			17
						18
5-1-96	5-1-26	1996	2026	20,000,000		19
						20
12-1-96	12-1-26	1996	2026	35,000,000		21
						22
10-1-97	10-1-27	1997	2027	20,000,000		23
3-25-98	3-25-12	1998	2012	7,720,000		24
8-24-99	12-1-18	1999	2018	9,000,000		25
						26
11-17-99	1-1-20	1999	2020	1,000,000		27
12-01-00	12-01-20	2000	2020	20,000,000		28
						29
01-01/05	01/01/25	2005	2025	2,000,000		30
						31
						32
				154,720,000		33

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 16 Column: b

(D)

Schedule Page: 256 Line No.: 18 Column: b

(D)

Schedule Page: 256 Line No.: 20 Column: b

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Schedule Page: 256 Line No.: 22 Column: b

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Schedule Page: 256 Line No.: 26 Column: b

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Schedule Page: 256 Line No.: 29 Column: b

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as Long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	19,170,431
2		
3		
4	Taxable Income Not Reported on Books	
5		
6	See Attached Footnote	5,074,446
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		
11	See Attached Footnote	44,832,341
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16	See Attached Footnote	4,870,286
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		
21	See Attached Footnote	31,346,634
22		
23		
24		
25		
26		
27	Federal Tax Net Income	32,860,298
28	Show Computation of Tax:	
29		
30	Federal Taxable Income	32,860,298
31	Federal Statutory Percentage Rate	35
32	Federal Statutory Income Tax Liability	11,501,104
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44		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
MAUI ELECTRIC COMPANY, LIMITED		04/24/2007	2006/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 1 Column: b

Net Income For Common	19,170,431
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Taxable Income Not Reported on Books:

Tax Capitalized Interest	2,142,765
Net CIAC Received/(Refunded)	706,647
Customer Advances Received	287,084
Electric Disc Trust - Interest/Dividend Income	915
Electric Disc Trust - Realized Gain/(Loss)	1,215
State Capital Goods Excise Tax Credit	<u>1,935,820</u>
	<u>5,074,446</u>

Deductions Recorded on Books Not Deducted for Return:

Current Federal Income Taxes (Util)	11,972,846
Current State Income Taxes (Util)	(1,561,237)
Deferred Federal Income Taxes (Curr Yr)	(1,579,396)
Deferred State Income Taxes (Curr Yr)	(204,800)
State ITC Deferred to Future Period	1,659,317
Current Federal Income Taxes (Nonutil)	3,569
Current State Income Taxes (Nonutil)	-
Nondeductible EEI Dues	-
Nondeductible Meals & Entertainment Adj	21,687
Amort of Preferred Stock Issuance Costs	10,060
Amort of Plant Acquisition Adjustment	52,141
AFUDC - Reg Asset Amortization	95,786
Bad Debt Expense Book vs Tax	25,768
Computer Software Costs - Book Expense	112,334
Customer Information System	68,208
CWIP Equity Gross-Up - Amortization	409,184
CWIP Equity Transition - Amortization	30,136
Deficit Def on Accel Deprn - Reg Asset Amort	39,476
EICP Deferred Comp - Book Expense	84,712
Ellipse Software Costs - Book Expense	-
Emission Fees Accrued	(27,010)
Excess Def on Other - Reg Liab Amort	2,918
Flow-Through Items - Reg Asset Amort	32,933
Gain/(Loss) on Other Property	155,203
IRS Adjustments - Accrued Interest	65,100
Liability Reserves - Fuel/Oil Spill Clean-up	105,000
Liability Reserves - Legal - General/Auto	50,000
Long Term Incentive Comp - Book Expense	9,235
Pension - Excess Plan Book Expense	10,481
Pension - HEIRS Book Expense	3,209,658
Pension - OPEB Book Expense	1,296,136
Prepays	(70,764)
QUIPS Amortization	25,800
Revenue Bond Inv Income Differential	6,047
Revenue Bond Debt Expense Amort	98,971
Series "N" First Mortgage Bond Amortization	17,074
State Tax Basis - Book Deprn (Non-Utility)	13,145
Team Incentive Plan	135,829
State Tax Basis - Book Deprn	24,197,983
IRP/DSM Costs - Book Amortization	2,959,135
AFUDC - Book Depreciation	150,389

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
MAUI ELECTRIC COMPANY, LIMITED		04/24/2007	2006/Q4
FOOTNOTE DATA			

CWIP Debt - Book Depreciation	349,570
CWIP Debt Transition - Book Depreciation	26,300
CWIP Equity - Book Depreciation	642,439
CWIP Equity Transition - Book Depreciation	47,314
Flow-Through Items - Book Depreciation	51,707
Post-Norm Cap Overheads - Book Depreciation	25,585
Project APPRISE Costs - BPI Costs (Depn)	6,372
	<u>44,832,341</u>

Income Recorded on Books Not Included in Return:

State ITC Restored to Operating Income	466,803
Dividends Received Deduction	1,782
AFUDC Debt Incurred	973,177
AFUDC Equity Incurred	2,094,493
AFUDC Equity Gross-Up Incurred	1,334,031
	<u>4,870,286</u>

Deductions on Return Not Charged Against Book Income:

Deferred Federal Income Taxes (Nonutil)	55,092
Deferred State Income Taxes (Nonutil)	10,074
Keyman Life Insurance Adj	41,521
Accrued Vacation	(55,092)
CIAC (Cash) - Tax Depreciation	1,557,232
Computer Software Costs - Tax Deduction	43,289
Cost of Removal	1,555,521
Customer Advances Refunded	711,183
Deferred Compensation	66,234
Deficit Def on Other - Reg Asset Amort	7,633
Electric Disc Trust - Other Expenses	73,185
Excess Def on Accel Deprn - Reg Liab Amort	147,193
Fed ITC - Reg Liab Amortization	142,812
Federal ITC - Amortization	224,222
Gain/(Loss) on Post-'80 Vintage Retirements	50,000
IRP/DSM Costs - Tax Deduction	3,123,151
IRS Adjustments - Tax Depreciation	71,723
Pension - OPEB Tax Deduction	978,144
Tax Basis - Tax Depreciation	21,271,432
Tax Basis - Tax Depreciation (IRP/DSM)	1,634
Tax Capitalized Interest - RAR adjustment	150,119
Tax Capitalized Interest - Tax Deprn	635,022
Tax Capitalized Interest - Tax Deprn (Non-Utility)	436
Tax Loss on Tax Capitalized Interest Retired	436
Work Comp Claims	484,438
	<u>31,346,634</u>

FEDERAL TAXABLE NET INCOME

32,860,298

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

- Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
- Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
- Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
- List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjust- ments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL					
2	Income Tax	-89,194		11,964,237	11,765,936	
3	FICA	67,572		1,849,252	1,844,458	
4	FUTA	7,197		19,289	18,488	
5	SUBTOTAL	-14,425		13,832,778	13,628,882	
6						
7	STATE/COUNTY					
8	Income Tax	1,225,176		585,019	1,744,000	
9	SUTA	31,231		42,391	65,844	
10	Franchise	7,339,939		8,627,854	7,339,939	
11	PSC Tax	15,092,688		20,304,854	17,626,204	
12	PUC Fee	1,430,731		1,725,136	1,497,553	
13	Gen Excise/Use	171,847		555,655	693,286	
14	Property					
15	Other					
16	SUBTOTAL	25,291,612		31,840,909	28,966,826	
17						
18						
19						
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41	TOTAL	25,277,187		45,673,687	42,595,708	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
109,107		11,960,668			3,569	2
72,366		1,292,688			556,564	3
7,998		13,484			5,805	4
189,471		13,266,840			565,938	5
						6
						7
66,195		584,366			653	8
7,778		29,632			12,759	9
8,627,854		8,627,854				10
17,771,338		20,304,854				11
1,658,314		1,725,136				12
34,216		555,655				13
						14
						15
28,165,695		31,827,497			13,412	16
						17
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28,355,166		45,094,337			579,350	41

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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	10,078,428	41211000	1,935,820	41230000	466,803	-276,503
4	7%						
5	10%	1,346,881			40330005	224,222	
6							
7							
8	TOTAL	11,425,309		1,935,820		691,025	-276,503
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
11,270,942	30 Years		3
			4
1,122,659	30 Years		5
			6
			7
12,393,601			8
			9
			10
			11
			12
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 3 Column: g

Adjustment to prior year's deferred amount

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	General Liability Reserve	50,000		50,000	100,000	100,000
2	LT Incentive Comp	125,242		29,123	9,235	105,354
3	Investment Inc Diff - RB	-72,165			3,995	-68,170
4	Unclaimed Refund	5,300		7,987	2,738	51
5	SFAS 112 Post Employ Liab	688,545		30,719		657,826
6	Cash Over & Short			101	101	
7	Workers' Comp Claims-Genl	1,195,759		500,000	15,562	711,321
8	OPEB Liability	2,574,540		7,488,321	4,913,781	
9	Other Deferred Credits					
10	Deferred Gain on Sale of Land	38,425		38,425		
11						
12						
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46						
47	TOTAL	4,605,646		8,144,676	5,045,412	1,506,382

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES _ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.		
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits					
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)				
							1		
							2		
							3		
							4		
							5		
							6		
							7		
							8		
							9		
							10		
							11		
							12		
							13		
							14		
							15		
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							19		
							20		
							21		

NOTES (Continued)

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 272 Line No.: 21 Column: b
Not applicable

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	17,502,556	-1,858,650	
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	17,502,556	-1,858,650	
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 9)	17,502,556	-1,858,650	
10	Classification of TOTAL			
11	Federal Income Tax	15,602,791	-1,642,515	
12	State Income Tax	1,899,765	-216,135	
13	Local Income Tax			

NOTES

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>							
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)													
3. Use footnotes as required.													
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.						
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits									
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)								
							1						
-148,476						15,495,430	2						
							3						
							4						
-148,476						15,495,430	5						
							6						
							7						
							8						
-148,476						15,495,430	9						
							10						
-125,523						13,834,753	11						
-22,953						1,660,677	12						
							13						

NOTES (Continued)

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3		5,373,314	133,550	
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	5,373,314	133,550	
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	5,373,314	133,550	
20	Classification of TOTAL			
21	Federal Income Tax	4,546,937	133,550	
22	State Income Tax	826,377		
23	Local Income Tax			

NOTES

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
 4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
24,214		211	9,061,115			-3,530,037	1
							2
24,214			9,061,115			-3,530,037	3
							4
							5
							6
							7
							8
24,214			9,061,115			-3,530,037	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
24,214			9,061,115			-3,530,037	19
							20
			7,660,364			-2,979,877	21
24,214		211	1,400,751			-550,160	22
							23

NOTES (Continued)

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.

2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.

3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Begining of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Not Applicable					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
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26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	124,927,264	110,243,206
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	116,608,233	101,689,588
5	Large (or Ind.) (See Instr. 4)	100,837,728	88,469,961
6	(444) Public Street and Highway Lighting	1,542,725	1,351,826
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	343,915,950	301,754,581
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity	343,915,950	301,754,581
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	343,915,950	301,754,581
15	Other Operating Revenues		
16	(450) Forfeited Discounts	397,326	309,734
17	(451) Miscellaneous Service Revenues	98,908	186,895
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	852,980	827,778
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues		
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	1,349,214	1,324,407
27	TOTAL Electric Operating Revenues	345,265,164	303,078,988

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

7. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

8. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
445,434	442,007	54,419	53,471	2
				3
409,365	400,233	9,664	9,327	4
405,729	403,994	137	135	5
5,939	5,878	179	170	6
				7
				8
				9
1,266,467	1,252,112	64,399	63,103	10
				11
1,266,467	1,252,112	64,399	63,103	12
				13
1,266,467	1,252,112	64,399	63,103	14

Line 12, column (b) includes \$ 13,531,246 of unbilled revenues.

Line 12, column (d) includes 49,996 MWH relating to unbilled revenues

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REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	BILLED					
2	440 Residential RE	444,102	124,913,801	54,419	8,161	0.2813
3	442 Small Comml GHJ	408,529	116,893,778	9,664	42,273	0.2861
4	442 Large Comml P	404,740	101,226,327	137	2,954,307	0.2501
5	444 St Light	5,921	1,548,041	179	33,078	0.2614
6	TOTAL	1,263,292	344,581,947	64,399	19,617	0.2728
7						
8	UNBILLED 12/06					
9	440 Residential RE	17,841	4,784,668			0.2682
10	442 Small Comml GHJK	17,485	4,743,369			0.2713
11	442 Large Comml P	14,289	3,211,578			0.2248
12	444 St Light	380	91,212			0.2400
13	TOTAL	49,995	12,830,827			0.2566
14						
15	UNBILLED 12/05					
16	440 Residential RE	-16,509	-4,884,010			0.2958
17	442 Small Comml GHJK	-16,649	-4,794,891			0.2880
18	442 Large Comml P	-13,300	-4,177,134			0.3141
19	444 St Light	-363	-96,528			0.2659
20	TOTAL	-46,821	-13,952,563			0.2980
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	1,263,292	344,581,947	64,399	19,617	0.2728
42	Total Unbilled Rev.(See Instr. 6)	3,175	-1,121,737	0	0	-0.3533
43	TOTAL	1,266,467	343,460,210	64,399	19,666	0.2712

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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotalized based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
0	0	0	0	0	
0	0	0	0	0	

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	577,361	559,684
5	(501) Fuel	29,541,550	22,292,967
6	(502) Steam Expenses	1,579,999	1,436,673
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	814,793	835,689
10	(506) Miscellaneous Steam Power Expenses	686,201	629,078
11	(507) Rents		
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	33,199,904	25,754,091
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		18
16	(511) Maintenance of Structures	161,884	144,593
17	(512) Maintenance of Boiler Plant	933,349	899,306
18	(513) Maintenance of Electric Plant	847,503	649,623
19	(514) Maintenance of Miscellaneous Steam Plant	385,213	452,022
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	2,327,949	2,145,562
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	35,527,853	27,899,653
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	1,736,315	1,784,254
63	(547) Fuel	150,730,437	131,564,135
64	(548) Generation Expenses	4,494,579	3,984,445
65	(549) Miscellaneous Other Power Generation Expenses	330,557	354,051
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)	157,291,888	137,686,885
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures	492,527	470,812
71	(553) Maintenance of Generating and Electric Plant	6,503,244	6,128,423
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	296,952	418,402
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	7,292,723	7,017,637
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	164,584,611	144,704,522
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	26,454,365	16,255,585
77	(556) System Control and Load Dispatching		
78	(557) Other Expenses	71,022	69,624
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	26,525,387	16,325,209
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	226,637,851	188,929,384
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering		
84	(561) Load Dispatching	8,950	47
85	(561.1) Load Dispatch-Reliability		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System		
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services		
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	104,814	93,387
94	(563) Overhead Lines Expenses	215,608	289,207
95	(564) Underground Lines Expenses	10,398	11,086
96	(565) Transmission of Electricity by Others		
97	(566) Miscellaneous Transmission Expenses	122,277	136,501
98	(567) Rents		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	462,047	530,228
100	Maintenance		
101	(568) Maintenance Supervision and Engineering		
102	(569) Maintenance of Structures	29,581	22,567
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	697,801	669,673
108	(571) Maintenance of Overhead Lines	308,763	141,196
109	(572) Maintenance of Underground Lines	349	
110	(573) Maintenance of Miscellaneous Transmission Plant	363,090	293,165
111	TOTAL Maintenance (Total of lines 101 thru 110)	1,399,584	1,126,601
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	1,861,631	1,656,829

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)		
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering		
135	(581) Load Dispatching		
136	(582) Station Expenses	230,770	234,021
137	(583) Overhead Line Expenses	1,000,511	831,011
138	(584) Underground Line Expenses	359,994	319,884
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	884,778	872,555
141	(587) Customer Installations Expenses	9,817	14,137
142	(588) Miscellaneous Expenses	164,075	268,251
143	(589) Rents		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	2,649,945	2,539,859
145	Maintenance		
146	(590) Maintenance Supervision and Engineering		
147	(591) Maintenance of Structures	29,135	21,732
148	(592) Maintenance of Station Equipment	316,445	351,690
149	(593) Maintenance of Overhead Lines	1,269,187	1,426,818
150	(594) Maintenance of Underground Lines	471,995	418,247
151	(595) Maintenance of Line Transformers	42,533	19,294
152	(596) Maintenance of Street Lighting and Signal Systems	128,758	147,733
153	(597) Maintenance of Meters	5,186	1,645
154	(598) Maintenance of Miscellaneous Distribution Plant	321,693	309,662
155	TOTAL Maintenance (Total of lines 146 thru 154)	2,584,932	2,696,821
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	5,234,877	5,236,680
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	72,763	126,903
160	(902) Meter Reading Expenses	739,685	739,912
161	(903) Customer Records and Collection Expenses	1,751,527	1,681,880
162	(904) Uncollectible Accounts	211,851	175,078
163	(905) Miscellaneous Customer Accounts Expenses		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	2,775,826	2,723,773

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	46,045	39,173
168	(908) Customer Assistance Expenses	3,628,339	3,014,872
169	(909) Informational and Instructional Expenses	20,334	16,081
170	(910) Miscellaneous Customer Service and Informational Expenses		
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	3,694,718	3,070,126
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)		
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	2,146,114	2,128,259
182	(921) Office Supplies and Expenses	784,427	638,943
183	(Less) (922) Administrative Expenses Transferred-Credit	943,494	913,409
184	(923) Outside Services Employed	1,875,298	1,601,793
185	(924) Property Insurance	758,078	1,348,963
186	(925) Injuries and Damages	652,275	768,913
187	(926) Employee Pensions and Benefits	4,621,778	3,734,070
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses		
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	1,686	1,135
192	(930.2) Miscellaneous General Expenses	466,601	885,302
193	(931) Rents	6,064	5,599
194	TOTAL Operation (Enter Total of lines 181 thru 193)	10,368,827	10,199,568
195	Maintenance		
196	(935) Maintenance of General Plant	211,098	204,264
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	10,579,925	10,403,832
198	TOTAL Elec Op and Maint Exps (Total 80,112,131,156,164,171,178,197)	250,784,828	212,020,624

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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Hawaiian Commercial & Sugar Co., Ltd.	LU				
2	Kaheawa Wind Power, LLC	OS				
3	Makila Hydro, LLC	OS				
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Total					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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PURCHASED POWER(Account 555), (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
99,128			1,702,742	18,231,356		19,934,098	1
56,629				6,511,616		6,511,616	2
44				8,651		8,651	3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
155,801			1,702,742	24,751,623		26,454,365	

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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.

2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).

3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)

4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:
FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	None			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
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24				
25				
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27				
28				
29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
None						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
				0	0	0

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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')				
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
0	0	0	0	0

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TRANSMISSION OF ELECTRICITY BY ISO/RTOS

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")							
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>							
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS		
			Magawatt-hours Received (c)	Magawatt-hours Delivered (d)	Demand Charges (\$)(e)	Energy Charges (\$)(f)	Other Charges (\$)(g)
1	None						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
	TOTAL						

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)		Amount (b)	
1	Industry Association Dues		16,598	
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses		-5,385	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities		99,521	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000			
6	Director's Fees & Expenses		5,552	
7	A & G Expense Allocations - Lanai		90,000	
8	A & G Expense Allocations - Molokai		180,000	
9	Community Service Activities		46,096	
10	Environmental Compliance		34,220	
11				
12				
13				
14				
15				
16				
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44				
45				
46	TOTAL		466,602	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant					
2	Steam Production Plant	1,507,329				1,507,329
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	9,517,437				9,517,437
7	Transmission Plant	3,056,494				3,056,494
8	Distribution Plant	11,464,135				11,464,135
9	Regional Transmission and Market Operation					
10	General Plant	2,081,308				2,081,308
11	Common Plant-Electric					
12	TOTAL	27,626,703				27,626,703

B. Basis for Amortization Charges

Not applicable.

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13	MAUI SYSTEM						
14	31110	2,383	30.00		3.00	30 SQ	8.00
15	31110	589	35.00		2.70	35 SQ	1.00
16	31130	396	20.00		5.60	20 SQ	
17	31131	368	20.00		5.60	20 SQ	4.90
18	31140	476	30.00		4.40	30 SQ	16.50
19	31201	853	30.00		3.40	30 SQ	4.50
20	31202	1,110	30.00		3.40	30 SQ	8.50
21	31203	2,197	30.00		3.40	30 SQ	6.70
22	31204	3,516	35.00		2.70	35 SQ	20.00
23	31210	4,449	30.00		3.40	30 SQ	7.40
24	31215	16,451	30.00		3.40	30 SQ	16.10
25	31218	253	30.00		3.40	30 SQ	29.40
26	31220	4,628	35.00		2.80	35 SQ	8.80
27	31401	411	30.00		0.20	30 SQ	30.00
28	31402	534	30.00		0.20	30 SQ	30.00
29	31403	1,336	20.00		0.20	20 SQ	20.00
30	31404	1,832	35.00		2.80	35 SQ	6.80
31	31410	16	30.00		0.20	30 SQ	30.00
32	31415	5,752	30.00		0.20	30 SQ	30.00
33	31418	59,199	30.00		0.20	30 SQ	30.00
34	31501	450	30.00		2.30	30 SQ	14.50
35	31502	215	30.00		2.30	30 SQ	24.80
36	31503	722	30.00		2.30	30 SQ	11.40
37	31504	1,021	35.00		2.90	35 SQ	13.60
38	31510	459	30.00		2.30	30 SQ	30.00
39	31515	2,742	30.00		2.30	30 SQ	29.70
40	31518	90	30.00		2.30	30 SQ	30.00
41	31601	67	30.00		3.70	30 SQ	8.50
42	31602	31	30.00		3.70	30 SQ	20.30
43	31603	88	30.00		3.70	30 SQ	11.20
44	31604	178	35.00		2.30	35 SQ	5.60
45	31610	2,079	30.00		3.70	30 SQ	20.30
46	31615	559	30.00		3.70	30 SQ	14.20
47	31618	59	30.00		3.70	30 SQ	27.00
48	34110	2,914	20.00		5.10	20 SQ	9.50
49	34120	26,617	20.00		5.10	20 SQ	5.30
50	34200	3,015	20.00		5.10	20 SQ	6.10

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	342HA	32	20.00		5.10	20 SQ	18.60
13	34301	194	20.00		5.20	20 SQ	
14	34302	209	20.00		5.20	20 SQ	
15	34303	220	20.00		5.20	20 SQ	
16	34304	1,369	20.00		4.10	20 SQ	
17	34305	986	25.00		4.10	25 SQ	
18	34306	1,126	25.00		4.10	25 SQ	
19	34307	1,147	25.00		4.10	25 SQ	
20	34308	1,706	25.00		4.10	25 SQ	
21	34309	1,532	25.00		4.10	25 SQ	
22	34310	4,808	25.00		4.10	25 SQ	
23	34311	4,263	25.00		4.10	25 SQ	
24	34314	3,674	25.00		4.10	25 SQ	16.50
25	343SP	3,468	25.00		4.10	25 SQ	21.50
26	344HS	2,410	25.00		5.20	25 SQ	1.00
27	34401	64	20.00		5.20	20 SQ	
28	34402	58	20.00		5.20	20 SQ	
29	34403	48	20.00		5.20	20 SQ	
30	34404	240	25.00		4.10	25 SQ	
31	34405	166	25.00		4.10	25 SQ	
32	34406	296	25.00		4.10	25 SQ	
33	34407	393	25.00		4.10	25 SQ	3.80
34	34408	272	25.00		4.10	25 SQ	
35	34409	212	25.00		4.10	25 SQ	
36	34410	1,286	25.00		4.10	25 SQ	9.90
37	34411	807	25.00		4.10	25 SQ	2.20
38	34412	10,317	25.00		4.10	25 SQ	6.30
39	34413	8,446	25.00		4.10	25 SQ	7.70
40	34414	15,888	25.00		4.10	25 SQ	10.60
41	34416	14,403	25.00		4.10	25 SQ	11.50
42	34417	27,834	25.00		4.10	25 SQ	16.40
43	34419	19,493	25.00		4.10	25 SQ	18.40
44	34420	88	15.00		9.40	15 SQ	
45	34501	107	20.00		5.10	20 SQ	
46	34502	85	20.00		5.10	20 SQ	
47	34503	61	20.00		5.10	20 SQ	
48	34504	166	20.00		4.00	20 SQ	
49	34505	45	25.00		4.00	25 SQ	
50	34506	170	25.00		4.00	25 SQ	

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	34507	96	25.00		4.00	25 SQ	
13	34508	323	25.00		4.00	25 SQ	
14	34509	71	25.00		4.00	25 SQ	
15	34510	967	25.00		4.00	25 SQ	
16	34511	840	25.00		4.00	25 SQ	14.60
17	34512	1,403	25.00		4.00	25 SQ	8.60
18	34513	464	25.00		4.00	25 SQ	8.60
19	34514	3,488	25.00		4.00	25 SQ	11.20
20	34516	2,130	25.00		4.00	25 SQ	12.40
21	34517	7,110	25.00		4.00	25 SQ	17.30
22	34519	32	20.00		4.00	25 SQ	21.00
23	34530	1,729	20.00		5.10	20 SQ	7.50
24	345HA	1	25.00		4.00	25 SQ	22.00
25	345HS	16	25.00		4.00	25 SQ	23.00
26	34602	1	20.00		5.10	20 SQ	
27	34603	2	20.00		5.10	20 SQ	2.10
28	34608	733	20.00		5.10	20 SQ	11.10
29	34610	54	20.00		5.10	20 SQ	15.60
30	34611	3	20.00		5.10	20 SQ	
31	34612	53	20.00		5.10	20 SQ	11.80
32	34613	136	20.00		5.10	20 SQ	12.30
33	34614	4,066	20.00		5.10	20 SQ	6.50
34	34616	733	20.00		5.10	20 SQ	11.00
35	34617	9,637	20.00		5.10	20 SQ	11.60
36	34619	6	20.00		5.10	20 SQ	15.60
37	34630	4,283	20.00		5.10	20 SQ	3.70
38	35010	2,421	50.00		2.00	50 S2	38.90
39	35210	1,457	40.00		2.50	40 SQ	28.00
40	35220	23	40.00		2.70	40 SQ	8.10
41	35230	4,738	40.00		2.60	40 SQ	30.40
42	35300	39,562	35.00	-15.00	3.20	35 R1.5	22.10
43	35500	28,753	34.00	-20.00	3.30	34 R1	21.10
44	35600	16,851	30.00	-35.00	4.40	30 R0.5	14.40
45	35700	479	30.00		2.04	30 SQ	30.00
46	35800	802	30.00		2.25	30 SQ	30.00
47	36010	921	50.00		2.10	50 S2	40.10
48	36110	691	40.00		2.50	40 SQ	16.10
49	36120	342	40.00		2.60	40 SQ	13.10
50	36130	14	40.00		2.50	40 SQ	10.70

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	36200	24,692	32.00	-15.00	3.40	32 R1.5	17.50
13	36400	23,755	27.00	-60.00	5.90	27 SC	9.60
14	36500	31,580	29.00	-20.00	4.10	29 SC	15.10
15	36600	31,634	30.00	-10.00	3.80	35 R2.5	20.30
16	36700	38,430	25.00	-25.00	5.10	25 R1.5	9.50
17	36800	32,883	31.00	-25.00	4.10	31 RO.5	17.60
18	36910	15,547	25.00	-65.00	7.10	25 R1.5	11.50
19	36920	31,143	25.00	-30.00	5.10	25 R1.5	15.60
20	37000	7,545	32.00		3.00	32 R2	21.20
21	37001	438	32.00		3.00	32 R2	22.60
22	37300	10,208	25.00	-10.00	4.10	25 SC	11.90
23	39019	760	33.00		3.00	33 SQ	25.00
24	39030	2,588	45.00		2.30	45 SQ	31.40
25	39031	1,983	33.00		3.10	33 SQ	13.70
26	39032	378	33.00		3.10	33 SQ	12.80
27	39033	179	33.00		3.10	33 SQ	28.90
28	39034	17	33.00		3.30	33 SQ	8.30
29	39035	299	20.00		5.30	20 SQ	4.20
30	39036	206	33.00		3.10	33 SQ	14.60
31	39037	146	33.00		3.30	33 SQ	17.30
32	39038	23	33.00		3.30	33 SQ	10.70
33	39039	57	33.00		3.30	33 SQ	22.60
34	39040	12	33.00		3.00	33 SQ	20.90
35	39041	690	33.00		3.10	33 SQ	30.40
36	39051	66	33.00		2.50	33 SQ	22.20
37	39060	6	25.00		4.80	25 SQ	
38	39110	3,952	10.00		11.20	10 SQ	3.10
39	39120	694	18.00		4.90	18 SC	14.70
40	39130	947	24.00		3.60	24 SC	17.40
41	39210	4,856	15.00	20.00	4.60	15 R1.5	15.00
42	39220	3,230	8.00	10.00	13.10	8 S1.5	1.60
43	39300	477	25.00		4.20	25 SQ	10.80
44	39420	2,463	25.00		2.20	25 SC	25.00
45	39430	683	25.00		2.20	25 SC	25.00
46	39510	845	25.00		4.00	25 SQ	12.20
47	39520	6	25.00		4.00	25 SQ	
48	39540	335	25.00		4.00	25 SQ	1.00
49	39600	122	15.00		6.60	15 SQ	13.20
50	39700	16,643	14.00		7.00	14 S3	6.40

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	39800	365	12.00		8.10	12 S-0.5	6.40
13							
14							
15	LANAI SYSTEM						
16	3411L	1,606	20.00		2.50	20 SQ	20.00
17	3412L	2,407	20.00		2.50	20 SQ	20.00
18	3421L	1,735	20.00		5.10	20 SQ	10.40
19	343LL	161	20.00		5.20	20 SQ	11.20
20	343L4	28	20.00		5.20	20 SQ	14.20
21	343L7	29	20.00		5.20	20 SQ	15.30
22	344LA	2,694	20.00		5.20	20 SQ	6.30
23	344LL	197	20.00		5.20	20 SQ	
24	344L7	2,638	20.00		5.20	20 SQ	9.50
25	344L8	2,315	20.00		5.20	20 SQ	9.50
26	345LA	2,180	20.00		5.10	20 SQ	8.90
27	345LL	28	20.00		5.10	20 SQ	
28	346LA	1,357	20.00		5.10	20 SQ	9.60
29	3601L	144	50.00		2.00	50 S2	41.00
30	3620L	950	32.00	-15.00	3.40	32 R1.5	19.70
31	3640L	1,758	27.00	-60.00	5.90	27 SC	4.90
32	3650L	2,302	29.00	-20.00	4.10	29 SC	13.40
33	3660L	1,273	30.00	-10.00	3.60	30 R2.5	24.00
34	3670L	2,236	25.00	-25.00	5.00	25 R1.5	7.10
35	3680L	621	31.00	-25.00	4.00	31 R0.5	13.90
36	3691L	263	25.00	-65.00	6.60	25 R1.5	7.70
37	3692L	588	25.00	-30.00	5.20	25 R1.5	15.10
38	3700L	187	32.00		3.10	32 R2	20.30
39	3701L	12	32.00		3.10	32 R2	20.50
40	3730L	257	25.00	-10.00	4.40	25 SC	8.50
41	3900L	98	33.00		3.00	33 SQ	28.50
42	39070	10	33.00		3.00	33 SQ	
43	39071	85	33.00		3.00	33 SQ	19.50
44	39072	11	33.00		3.30	33 SQ	12.30
45	39073	433	33.00		3.00	33 SQ	31.30
46	3911L	241	10.00		11.20	10 SQ	1.90
47	3912L	6	10.00		4.90	10 SQ	7.60
48	3920L	174	9.00		11.30	9 S1.5	4.50
49	3921L	261	19.00		5.40	19 S-1.5	6.40
50	3942L	3	25.00		4.00	25 SC	14.30

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	3943L	23	25.00		4.00	25 SC	
13	3970L	277	14.00		7.00	14 SC	11.00
14	3980L	2	12.00		8.33	12 S-0.5	4.40
15							
16							
17	MOLOKAI SYSTEM						
18	3411M	978	40.00		2.50		30.10
19	3412M	964	40.00		2.50		30.30
20	3422M	1,820	40.00		2.50		30.70
21	3430M	106	25.00		4.00		9.30
22	343M7	21	25.00		4.00		21.00
23	344M7	2,981	25.00		4.00		15.10
24	344M8	2,952	25.00		4.00		15.10
25	344M9	2,905	25.00		4.00		15.00
26	3440M	1,677	25.00		4.00		17.20
27	3442M	5	25.00		4.00		25.00
28	3450M	3,294	19.00		5.40		8.90
29	3460M	2,307	10.00		10.00		
30	3530M	603	30.00		3.30		30.00
31	3540M	39	30.00		3.30		12.80
32	3550M	117	30.00		3.30		
33	3560M	62	30.00		3.30		1.00
34	3601M	7	50.00		2.00		46.40
35	3611M	59	30.00		3.33		6.40
36	3620M	952	30.00		3.33		22.40
37	3640M	2,359	30.00		3.33		12.40
38	3650M	1,914	30.00		3.33		17.30
39	3660M	136	30.00		3.33		25.90
40	3670M	2,622	30.00		3.33		15.60
41	3680M	1,218	30.00		3.33		15.60
42	3691M	854	22.00		4.50		11.50
43	3692M	381	22.00		4.50		16.80
44	3700M	255	30.00		3.33		10.60
45	3701M	30	30.00		3.33		18.40
46	3730M	306	22.00		4.50		7.90
47	3892M	56	30.00				1.30
48	3900M	478	25.00				13.80
49	3911M	74	20.00				18.20
50	3912M	7	5.00				5.00

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	3913M	48	20.00				2.40
13	3920M	627	10.00				1.70
14	3922M	253	3.00				
15	3942M	90	10.00				
16	3943M	9	10.00				
17	3970M	673	25.00				15.50
18	3980M	10	10.00				8.80
19							
20							
21							
22							
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.

2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	General Rate Increase Hearing Expense				
2	Hawaii PUC Docket No. 2006-0387		114,022	114,022	
3					
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46	TOTAL		114,022	114,022	

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				
CURRENTLY CHARGED TO			Deferred to Account 182.3	Contra Account	Amount	Deferred in Account 182.3 End of Year	Line No.
Department (f)	Account No. (g)	Amount (h)	(i)	(j)	(k)	(l)	
							1
			60,609			60,609	2
Power Sup	Various	54,934					3
Engineeri	Various	19,130					4
T & D	Various	38,351					5
Others	Various	114,022					6
							7
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		226,437	60,609			60,609	46

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects.(Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

- (1) Generation
 - a. hydroelectric
 - i. Recreation fish and wildlife
 - ii Other hydroelectric
 - b. Fossil-fuel steam
 - c. Internal combustion or gas turbine
 - d. Nuclear
 - e. Unconventional generation
 - f. Siting and heat rejection
- (2) Transmission

a. Overhead

b. Underground

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$5,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

- (1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	Electric, R D & D	
2	Performed internally	
3	A.(1)c.	SCR Demonstration Project
4		
5	Performed internally	
6	A.(1)a.ii	Lanai Pumped Storage - Hydro
7	A.(1)e.	Sun Power for Schools
8	A.(1)e.	Solar Park
9	A.(1)e.	Hawaii Energy Test Lab (Solar)
10	A.(1)c.	CHP Project Phase I
11	A.(3)a.	Electronic Shock Absorber
12	A.(6)	Other
13		
14	Performed externally	
15	B.(1)	EPRI Support
16		
17		
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21	Total	
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute
 (3) Research Support to Nuclear Power Groups
 (4) Research Support to Others (Classify)
 (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
397		107	397		3
					4
					5
-28,119		9302	-28,119		6
-8,252		9302	-8,252		7
477		9302	477		8
9,756		9302	9,756		9
					10
28,542		9302	28,542		11
-7,789		9302	-7,789		12
					13
					14
					15
					16
					17
					18
					19
					20
-4,988			-4,988		21
					22
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	5,546,004		
4	Transmission	213,370		
5	Regional Market			
6	Distribution	1,395,461		
7	Customer Accounts	1,704,393		
8	Customer Service and Informational	380,599		
9	Sales			
10	Administrative and General	2,236,862		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	11,476,689		
12	Maintenance			
13	Production	3,556,928		
14	Transmission	377,115		
15	Regional Market			
16	Distribution	1,077,206		
17	Administrative and General	34,713		
18	TOTAL Maintenance (Total of lines 13 thru 17)	5,045,962		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	9,102,932		
21	Transmission (Enter Total of lines 4 and 14)	590,485		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	2,472,667		
24	Customer Accounts (Transcribe from line 7)	1,704,393		
25	Customer Service and Informational (Transcribe from line 8)	380,599		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	2,271,575		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	16,522,651	1,451,802	17,974,453
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			

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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	16,522,651	1,451,802	17,974,453
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	4,283,653	1,563,532	5,847,185
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	4,283,653	1,563,532	5,847,185
72	Plant Removal (By Utility Departments)			
73	Electric Plant	613,734	128,251	741,985
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	613,734	128,251	741,985
77	Other Accounts (Specify, provide details in footnote):	287,936	76,058	363,994
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94				
95	TOTAL Other Accounts	287,936	76,058	363,994
96	TOTAL SALARIES AND WAGES	21,707,974	3,219,643	24,927,617

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COMMON UTILITY PLANT AND EXPENSES			
<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>			
<p>Not applicable</p>			

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AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
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46	TOTAL				

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FOOTNOTE DATA			

Schedule Page: 397 Line No.: 1 Column: b
Not applicable

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PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.
- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.
- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.
- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.
- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch						
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other						
8	Total (Lines 1 thru 7)						

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FOOTNOTE DATA			

Schedule Page: 398 Line No.: 1 Column: b
Not applicable

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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
 (2) Report on Column (b) by month the transmission system's peak load.
 (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
 (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: MAUI

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	203	3	19	203					
2	February	199	21	19	199					
3	March	198	16	19	198					
4	Total for Quarter 1	600			600					
5	April	191	3	19	191					
6	May	193	25	20	193					
7	June	200	26	20	200					
8	Total for Quarter 2	584			584					
9	July	208	31	20	208					
10	August	211	14	20	211					
11	September	201	15	19	201					
12	Total for Quarter 3	620			620					
13	October	211	9	19	211					
14	November	210	6	19	210					
15	December	211	27	19	211					
16	Total for Quarter 4	632			632					
17	Total Year to Date/Year	2,436			2,436					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
 (2) Report on Column (b) by month the transmission system's peak load.
 (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
 (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: LANAI

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	5	12	19	5					
2	February	5	13	19	5					
3	March	5	20	19	5					
4	Total for Quarter 1	15			15					
5	April	5	26	19	5					
6	May	5	25	18	5					
7	June	5	1	19	5					
8	Total for Quarter 2	15			15					
9	July	5	25	19	5					
10	August	5	28	20	5					
11	September	5	20	19	5					
12	Total for Quarter 3	15			15					
13	October	5	11	19	5					
14	November	5	7	18	5					
15	December	6	27	19	6					
16	Total for Quarter 4	16			16					
17	Total Year to Date/Year	61			61					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
 (2) Report on Column (b) by month the transmission system's peak load.
 (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
 (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: MOLOKAI

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	6	17	19	6					
2	February	6	16	19	6					
3	March	6	13	19	6					
4	Total for Quarter 1	18			18					
5	April	6	5	19	6					
6	May	6	30	11	6					
7	June	6	1	15	6					
8	Total for Quarter 2	18			18					
9	July	6	20	20	6					
10	August	6	28	13	6					
11	September	6	27	19	6					
12	Total for Quarter 3	18			18					
13	October	6	12	19	6					
14	November	6	13	19	6					
15	December	6	26	18	6					
16	Total for Quarter 4	18			18					
17	Total Year to Date/Year	72			72					

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).

(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM: MAUI

Line No.	Month	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January	203	3	19				104,133		104,133
2	February	199	21	19				92,101		92,101
3	March	198	16	19				105,734		105,734
4	Total for Quarter 1	600						301,968		301,968
5	April	191	3	19				99,866		99,866
6	May	193	25	20				103,514		103,514
7	June	200	26	20				107,206		107,206
8	Total for Quarter 2	584						310,586		310,586
9	July	208	31	20				113,580		113,580
10	August	211	14	20				117,284		117,284
11	September	201	15	19				108,715		108,715
12	Total for Quarter 3	620						339,579		339,579
13	October	211	9	19				111,854		111,854
14	November	210	6	19				106,877		106,877
15	December	211	27	19				106,066		106,066
16	Total for Quarter 4	632						324,797		324,797
17	Total Year to Date/Year	2,436						1,276,930		1,276,930

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).

(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM: LANAI

Line No.	Month	Monthly Peak MW - Total (a)	Day of Monthly Peak (b)	Hour of Monthly Peak (c)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January	5	12	19				2,598		2,598
2	February	5	13	19				2,224		2,224
3	March	5	20	19				2,508		2,508
4	Total for Quarter 1	15						7,330		7,330
5	April	5	26	19				2,358		2,358
6	May	5	25	18				2,552		2,552
7	June	5	1	19				2,482		2,482
8	Total for Quarter 2	15						7,392		7,392
9	July	5	25	19				2,411		2,411
10	August	5	28	20				2,743		2,743
11	September	5	20	19				2,519		2,519
12	Total for Quarter 3	15						7,673		7,673
13	October	5	11	19				2,623		2,623
14	November	5	7	18				2,566		2,566
15	December	6	27	19				2,576		2,576
16	Total for Quarter 4	16						7,765		7,765
17	Total Year to Date/Year	61						30,160		30,160

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/24/2007		Year/Period of Report End of <u>2006/Q4</u>	
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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on Column (b) by month the transmission system's peak load.

(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).

(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).

(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM: MOLOKAI

Line No.	Month	Monthly Peak MW - Total (a)	Day of Monthly Peak (b)	Hour of Monthly Peak (c)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January	6	17	19				3,250		3,250
2	February	6	16	19				2,899		2,899
3	March	6	13	19				3,224		3,224
4	Total for Quarter 1	18						9,373		9,373
5	April	6	5	19				3,010		3,010
6	May	6	30	11				3,175		3,175
7	June	6	1	15				3,206		3,206
8	Total for Quarter 2	18						9,391		9,391
9	July	6	20	20				3,408		3,408
10	August	6	28	13				3,464		3,464
11	September	6	27	19				3,348		3,348
12	Total for Quarter 3	18						10,220		10,220
13	October	6	12	19				3,362		3,362
14	November	6	13	19				3,165		3,165
15	December	6	26	18				3,160		3,160
16	Total for Quarter 4	18						9,687		9,687
17	Total Year to Date/Year	72						38,671		38,671

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	1,266,467
3	Steam	228,292	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	1,902
7	Other	961,666	27	Total Energy Losses	77,392
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	1,345,761
9	Net Generation (Enter Total of lines 3 through 8)	1,189,958			
10	Purchases	155,803			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	1,345,761			

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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MONTHLY PEAKS AND OUTPUT

(1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on line 2 by month the system's output in Megawatt hours for each month.

(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.

(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.

(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM: TOTAL MECO

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	109,981			0	
30	February	97,224			0	
31	March	111,466			0	
32	April	105,234			0	
33	May	109,241			0	
34	June	112,894			0	
35	July	119,399			0	
36	August	123,491			0	
37	September	114,582			0	
38	October	117,839			0	
39	November	112,608			0	
40	December	111,802			0	
41	TOTAL	1,345,761				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 401 Line No.: 29 Column: b

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MONTHLY PEAKS AND OUTPUT

2006

NAME OF SYSTEM : MAUI				MONTHLY PEAK (15 min)		
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales For Resale & Associated Losses (c)	Megawatts (d)	Day of Month (e)	Hour (f)
29	January	104,133		203.1	3	18:42
30	February	92,101		199.3	21	19:05
31	March	105,734		197.6	16	19:11
32	April	99,866		190.5	3	18:59
33	May	103,514		192.8	25	20:00
34	June	107,206		199.9	26	19:46
35	July	113,580		207.5	31	19:45
36	August	117,284		210.8	14	19:33
37	September	108,715		201.2	15	19:14
38	October	111,854		210.7	9	18:57
39	November	106,877		210.4	6	18:36
40	December	106,066		210.6	27	18:41
41	TOTAL	1,276,930				

NAME OF SYSTEM : LANAI				MONTHLY PEAK (15 min)		
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales For Resale & Associated Losses (c)	Megawatts (d)	Day of Month (e)	Hour (f)
29	January	2,598		4.9	12	18:40
30	February	2,224		4.7	13	19:01
31	March	2,508		5.0	20	19:20
32	April	2,358		4.6	26	19:15
33	May	2,552		4.7	25	18:01
34	June	2,482		4.6	1	19:20
35	July	2,411		4.8	25	19:20
36	August	2,743		5.1	28	19:30
37	September	2,519		5.0	20	19:10
38	October	2,623		5.2	11	18:54
39	November	2,566		5.1	7	18:21
40	December	2,576		5.6	27	18:42
41	TOTAL	30,160				

NAME OF SYSTEM : MOLOKAI				MONTHLY PEAK (15 min)		
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales For Resale & Associated Losses (c)	Megawatts (d)	Day of Month (e)	Hour (f)
29	January	3,250		6.2	17	18:40
30	February	2,899		6.1	16	19:02
31	March	3,224		6.3	13	18:46
32	April	3,010		6.0	5	19:15
33	May	3,175		5.7	26	12:00
34	June	3,206		5.8	1	14:42
35	July	3,408		5.9	20	19:37
36	August	3,464		6.2	28	13:00
37	September	3,348		6.1	27	18:33
38	October	3,362		6.3	12	18:40
39	November	3,165		6.3	13	18:37
40	December	3,160		6.3	26	18:28
41	TOTAL	38,671				

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: Kahului (b)	Plant Name: Maalaea (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam	Internal Combustion
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional
3	Year Originally Constructed	1948	1971
4	Year Last Unit was Installed	1966	2006
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	34.00	232.30
6	Net Peak Demand on Plant - MW (60 minutes)	32	160
7	Plant Hours Connected to Load	8760	8760
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	34	212
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	38	68
12	Net Generation, Exclusive of Plant Use - KWh	228292680	892744080
13	Cost of Plant: Land and Land Rights	123655	400533
14	Structures and Improvements	3842912	29898580
15	Equipment Costs	26291771	254583807
16	Asset Retirement Costs	0	0
17	Total Cost	30258338	284882920
18	Cost per KW of Installed Capacity (line 17/5) Including	889.9511	1226.3578
19	Production Expenses: Oper, Supv, & Engr	577361	1443390
20	Fuel	29541550	138414374
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	1335742	244257
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	615866	3937896
26	Misc Steam (or Nuclear) Power Expenses	629078	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	0	0
30	Maintenance of Structures	143028	422105
31	Maintenance of Boiler (or reactor) Plant	804951	128398
32	Maintenance of Electric Plant	521930	5493687
33	Maintenance of Misc Steam (or Nuclear) Plant	374656	240773
34	Total Production Expenses	34544162	150324880
35	Expenses per Net KWh	0.1513	0.1684
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Oil	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Barrel	
38	Quantity (Units) of Fuel Burned	520947	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	150000	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	56.340	0.000
41	Average Cost of Fuel per Unit Burned	56.710	0.000
42	Average Cost of Fuel Burned per Million BTU	9.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.129	0.000
44	Average BTU per KWh Net Generation	14376.000	0.000

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
Not applicable			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
0	0	0	8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
0	0	0	13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0.0000	0.0000	0.0000	18
0	0	0	19
0	0	0	20
0	0	0	21
0	0	0	22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35
			36
			37
0	0	0	38
0	0	0	39
0.000	0.000	0.000	40
0.000	0.000	0.000	41
0.000	0.000	0.000	42
0.000	0.000	0.000	43
0.000	0.000	0.000	44

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: 1 Column: c

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)
1	Kind of Plant (Run-of-River or Storage)	Not applicable	
2	Plant Construction type (Conventional or Outdoor)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total installed cap (Gen name plate Rating in MW)	0.00	0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0
7	Plant Hours Connect to Load	0	0
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	0	0
10	(b) Under the Most Adverse Oper Conditions	0	0
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - Kwh	0	0
13	Cost of Plant		
14	Land and Land Rights	0	0
15	Structures and Improvements	0	0
16	Reservoirs, Dams, and Waterways	0	0
17	Equipment Costs	0	0
18	Roads, Railroads, and Bridges	0	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	0	0
21	Cost per KW of Installed Capacity (line 20 / 5)	0.0000	0.0000
22	Production Expenses		
23	Operation Supervision and Engineering	0	0
24	Water for Power	0	0
25	Hydraulic Expenses	0	0
26	Electric Expenses	0	0
27	Misc Hydraulic Power Generation Expenses	0	0
28	Rents	0	0
29	Maintenance Supervision and Engineering	0	0
30	Maintenance of Structures	0	0
31	Maintenance of Reservoirs, Dams, and Waterways	0	0
32	Maintenance of Electric Plant	0	0
33	Maintenance of Misc Hydraulic Plant	0	0
34	Total Production Expenses (total 23 thru 33)	0	0
35	Expenses per net KWh	0.0000	0.0000

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
Not applicable			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)	0
1	Type of Plant Construction (Conventional or Outdoor)		Not applicable
2	Year Originally Constructed		
3	Year Last Unit was Installed		
4	Total installed cap (Gen name plate Rating in MW)		
5	Net Peak Demand on Plant-Megawatts (60 minutes)		
6	Plant Hours Connect to Load While Generating		
7	Net Plant Capability (in megawatts)		
8	Average Number of Employees		
9	Generation, Exclusive of Plant Use - Kwh		
10	Energy Used for Pumping		
11	Net Output for Load (line 9 - line 10) - Kwh		
12	Cost of Plant		
13	Land and Land Rights		
14	Structures and Improvements		
15	Reservoirs, Dams, and Waterways		
16	Water Wheels, Turbines, and Generators		
17	Accessory Electric Equipment		
18	Miscellaneous Powerplant Equipment		
19	Roads, Railroads, and Bridges		
20	Asset Retirement Costs		
21	Total cost (total 13 thru 20)		
22	Cost per KW of installed cap (line 21 / 4)		
23	Production Expenses		
24	Operation Supervision and Engineering		
25	Water for Power		
26	Pumped Storage Expenses		
27	Electric Expenses		
28	Misc Pumped Storage Power generation Expenses		
29	Rents		
30	Maintenance Supervision and Engineering		
31	Maintenance of Structures		
32	Maintenance of Reservoirs, Dams, and Waterways		
33	Maintenance of Electric Plant		
34	Maintenance of Misc Pumped Storage Plant		
35	Production Exp Before Pumping Exp (24 thru 34)		
36	Pumping Expenses		
37	Total Production Exp (total 35 and 36)		
38	Expenses per KWh (line 37 / 9)		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.

7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

FERC Licensed Project No. Plant Name: (c)	0	FERC Licensed Project No. Plant Name: (d)	0	FERC Licensed Project No. Plant Name: (e)	0	Line No.
Not applicable						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
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						38

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Hana					
2	H-1	2001	1.00			
3	H-2	2001	1.00			
4						
5	TOTAL HANA				92,092	342,123
6						
7	Miki Basin					
8	LL1	1990	1.00			
9	LL2	1990	1.00			
10	LL3	1990	1.00			
11	LL4	1990	1.00			
12	LL5	1990	1.00			
13	LL6	1990	1.00			
14	LL7	1996	2.20			
15	LL8	1996	2.20			
16						
17	TOTAL MIKI BASIN			5.6	30,159,732	17,594,524
18						
19	Molokai					
20	Caterpillar 1	1985	1.25			
21	Caterpillar 2	1985	1.25			
22	Gas Turbine	1982	2.22			
23	Cummins Diesel #3	1985	0.97			
24	Cummins Diesel #4	1985	0.97			
25	Cummins Diesel #5	1985	0.97			
26	Cummins Diesel #6	1991	0.97			
27	Caterpillar 7	1996	2.20			
28	Caterpillar 8	1996	2.20			
29	Caterpillar 9	1996	2.20			
30						
31	TOTAL MOLOKAI			6.3	38,671,315	20,246,028
32						
33						
34						
35						
36						
37						
38						
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41						
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44						
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46						

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
171,062	5,376	17,352	24,309	Diesel	1,713	5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
1,691,781	658,214	5,678,599	1,217,338	Diesel	1,821	17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
1,331,976	701,618	6,620,113	242,285	Diesel	1,698	31
						32
						33
						34
						35
						36
						37
						38
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						41
						42
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						45
						46

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 410 Line No.: 5 Column: d

Net Peak Demand for Hana is not available

Schedule Page: 410 Line No.: 5 Column: f

Estimated cost of generators only

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	No Detail							
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
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18								
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23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36						TOTAL		

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
No Detail								1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 1 Column: a

No detail breakdown available. See one-line diagram and map of Maui.

Schedule Page: 422 Line No.: 1 Column: i

No detail breakdown available. See one-line diagram and map of Maui.

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	E100A	Kaheawa Substation	0.01	Wood		1	1
2							
3							
4							
5							
6							
7							
8							
9							
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40							
41							
42							
43							
44	TOTAL		0.01			1	1

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
556.4 MCM	Alum	Vert - 6 ft.	69		8,515	49,847		58,362	1
									2
									3
									4
									5
									6
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									35
									36
									37
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									40
									41
									42
									43
									44
					8,515	49,847		58,362	44

Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	See one-line diagram				
2					
3					
4					
5					
6					
7					
8					
9					
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11					
12					
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Name of Respondent MAUI ELECTRIC COMPANY, LIMITED	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/24/2007	Year/Period of Report End of <u>2006/Q4</u>
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
			See one-line diagram			1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
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						40

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