

State of Hawaii



Public Utilities Commission

The Hawaii Public Utilities Commission Acknowledges Receipt of Your Submittal.

Form:	Hawaii PUC eFile Non-Docketed
Entity:	Maui Electric Company, Limited
Confirmation Number:	LYND16145540956
Date and Time Received:	May 26 2016 02:55 PM
Date Filed:	May 26 2016

NOTICE OF ELECTRONIC FILING: Your electronic filing has been accepted. Submittals received after 4:30 p.m. shall be deemed filed the next business day. The mere fact of filing shall not waive any failure to comply with [Hawaii Administrative Rules Chapter 6-61, Rules of Practice and Procedure Before the Public Utilities Commission](#), or any other application requirements, and the Hawaii PUC may entertain timely motions in connection with your filing or require you to amend your filing.

[PUC Home](#)

[Filing](#)

[DMS Home](#)



SHARON M. SUZUKI
President

May 26, 2016

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

Dear Commissioners:

Subject: Maui Electric Energy Cost Adjustment Factor for June 2016

Maui Electric Company, Limited's ("Maui Electric" or "Company") June 2016 energy cost adjustment factor for our Maui Division is -8.170 cents per kilowatt-hour ("kWh"), an increase of 2.313 cents per kWh from last month. A residential customer consuming 500 kWh of electricity will be paying \$143.47, an increase of \$10.58 compared to rates effective May 1, 2016. The increase in the typical residential bill is due to the increase in the energy cost adjustment factor (+\$11.57), the decrease in the Purchased Power Adjustment Clause rate (-\$0.04), and the decrease in the Revenue Balancing Account rate adjustment (-\$0.95)

The Company's Maui Division fuel composite cost of generation, central station and other increased 44.83 cents per million BTU to 882.27 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy decreased 1.004 cents per kWh to 18.782 cents per kWh.

The energy cost adjustment factor for our Lāna'i Division for June 2016 is -12.617 cents per kWh, an increase of 1.239 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$136.22, an increase of \$4.19 compared to rates effective May 1, 2016. The increase in the typical residential bill is due to the increase in the energy cost adjustment factor (+\$4.95) and the decrease in the RBA rate adjustment (-\$0.76).

The Company's Lāna'i Division fuel composite cost of generation, central station and other increased 115.11 cents per million BTU to 1,532.98 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy is 27.000 cents per kWh.

The energy cost adjustment factor for our Moloka'i Division for June 2016 is -13.376 cents per kWh, a decrease of 0.150 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$118.95, a decrease of \$1.36 compared to rates effective May 1, 2016. The increase in the typical residential bill is due to the decrease in the energy cost adjustment factor (-\$0.60) and the decrease in the RBA rate adjustment (-\$0.76).

The Honorable Chair and Members
of the Hawai'i Public Utilities Commission
May 26, 2016
Page 2

The Company's Moloka'i Division fuel composite cost of generation, central station and other decreased 12.75 cents per million BTU to 1,044.98 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy is 21.80 cents per kWh.

The attached sheets set forth the fuel adjustment in cents per kWh for each rate schedule that is applicable for pro rata use beginning June 1, 2016.

Sincerely,

/s/ Sharon M. Suzuki

Sharon M. Suzuki
President

Attachments

cc: Division of Consumer Advocacy

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION**

ENERGY COST ADJUSTMENT FACTOR

	EFFECTIVE DATES		<u>Change</u>
	<u>05-01-16</u>	<u>06-01-16</u>	
<u>COMPOSITE COSTS</u>			
Generation, Central Station & Other, ¢/mbtu	1,057.73	1,044.98	(12.75)
DG Energy, ¢/kWh	0.00	0.00	0.00
Purchased Energy, ¢/kWh	21.80	21.80	0.00
<u>Residential Schedule "R"</u>			
Energy Cost Adjustment, ¢/kWh	(13.226)	(13.376)	(0.150)
<u>Others - "G,P,F"</u>			
Energy Cost Adjustment, ¢/kWh	(13.226)	(13.376)	(0.150)
<u>Residential Customer with</u>			
400 KWH Consumption, \$/Bill	120.31	118.95	(1.36)
500 KWH Consumption, \$/Bill	149.57	147.87	(1.70)

Supersedes Sheet Effective:

May 1, 2016

MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
ENERGY COST ADJUSTMENT (ECA) FILING

ENERGY COST ADJUSTMENT (ECA) FILING - June 1, 2016 (page 1 of 2)

Line		
1	Effective Date	June 1, 2016
2	Supersedes Factors	May 1, 2016

GENERATION COMPONENT

CENTRAL STATION							
FUEL PRICES, ¢/mmbtu							
3	Industrial					0.00	
4	Diesel					1,044.98	
5	Other					0.00	
BTU MIX, %							
6	Industrial					0.00	
7	Diesel					100.00	
8	Other					0.00	
						<u>100.00</u>	
9	COMPOSITE COST OF GENERATION, CENTRAL STATION + OTHER ¢/mmbtu (Lines (3 x 6) + (4 x 7) + (5 x 8))					1,044.98	
10	% Input to System kWh Mix					99.76	
EFFICIENCY FACTOR, mmbtu/kWh							
	(A)	(B)	(C)	(D)			
			Percent of				
		Eff Factor	Centrl Stn +	Weighted			
	Fuel Type	mmbtu/kwh	Other	Eff Factor			
11	Industrial	0.000000	0.00	0.000000			
12	Diesel	0.011194	100.00	0.011194			
13	Other	0.011194	0.00	0.000000			
	(Lines 11, 12, 13): Col(B) x Col(C) = Col(D)						
14	Weighted Efficiency Factor, mmbtu/kWh [lines 11(D) + 12(D) + 13(D)]					0.011194	
15	WEIGHTED COMPOSITE CENTRAL STATION + OTHER GENERATION COST, ¢/kWh (lines (9 x 10 x 14))					11.66913	
16	BASE CENTRAL STATION + OTHER GENERATION COST, ¢/mmbtu					2,144.57	
17	Base % Input to Sys kWh Mix					99.91	
18	Efficiency Factor, mmbtu/kwh					0.011194	
19	WEIGHTED BASE CENTRAL STATION + OTHER GENERATION COST ¢/kWh (lines (16 x 17 x 18))					23.98471	
20	COST LESS BASE (line(15 - 19))					(12.31558)	
21	Revenue Tax Req Multiplier					1.0975	
22	CENTRAL STATION + OTHER GENERATION FACTOR, ¢/kWh (line (20 x 21))					(13.51635)	
					DG ENERGY COMPONENT		
					23	COMPOSITE COST OF DG ENERGY, ¢/kWh	0.000
					24	% Input to System kWh Mix	0.00
					25	WEIGHTED COMPOSITE DG ENERGY COST, ¢/kWh (Lines 23 x 24)	0.00000
					26	BASE DG ENERGY COMP COST	0.000
					27	Base % Input to System kWh Mix	0.00
					28	WEIGHTED BASE DG ENERGY COST, ¢/kWh (Line 26 x 27)	0.00000
					29	Cost Less Base (Line 25 - 28)	0.00000
					30	Loss Factor	1.095
					31	Revenue Tax Req Multiplier	1.0975
					32	DG FACTOR, ¢/kWh (Line 29 x 30 x 31)	0.00000
					SUMMARY OF TOTAL GENERATION FACTOR, ¢/kWh		
					33	CNTRL STN + OTHER (line 22)	-13.51635
					34	DG (line 32)	0.00000
					35	TOTAL GENERATION FACTOR, ¢/kWh (lines 33 + 34)	-13.51635

MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
ENERGY COST ADJUSTMENT (ECA) FILING

ENERGY COST ADJUSTMENT (ECA) FILING - June 1, 2016 (page 2 of 2)

Line

1 Effective Date June 1, 2016
2 Supercedes Factors May 1, 2016

<u>Line</u>	<u>PURCHASED ENERGY COMPONENT</u>	
	PURCHASED ENERGY PRICE, ¢/kWh	
36	FIT	21.800
37		0.000
38	Sch Q	0.000
	PURCHASED ENERGY KWH MIX, %	
39	FIT	100.00
40		0.00
41	Sch Q	0.000
42	COMPOSITE COST OF PURCHASED ENERGY, ¢/kWh (Lines (36 x 39) + (37 x 40) + (38 x 41))	
		21.800
43	% Input to System kWh Mix	0.24
44	WEIGHTED COMPOSITE PURCHASED ENERGY COST, ¢/kWh (lines (42 x 43))	
		0.05287
45	BASE PURCHASED ENERGY COMPOSITE COST, ¢/kWh	
		21.800
46	Base % Input to Sys kWh Mix	0.09
47	WEIGHTED BASE PURCHASED ENERGY COST, ¢/kWh (lines (45 x 46))	
		0.01962
48	COST LESS BASE (lines (44 - 47))	
		0.03325
49	Loss Factor	1.095
50	Revenue Tax Req Multiplier	1.0975
51	PURCHASED ENERGY FACTOR, ¢/kWh (lines (48 x 49 x 50))	
		0.03996

Line

SYSTEM COMPOSITE CALCULATIONS

52 GENERATION AND PURCHASED ENERGY FACTOR, ¢/kWh (13.47639)
(lines (35 + 51))
53 Adjustment, ¢/kWh 0.000
54 ECA Reconciliation Adjustment 0.100
55 ECA FACTOR, ¢/kWh (13.376)
(lines (52 + 53 + 54))

**Maui Electric Company, Ltd.
Molokai Division**

MONTH END FUEL OIL ESTIMATE

	<u>Barrels</u>	<u>MBTU</u>	<u>\$</u>
5/23/2016	7,549.36	43,257.82	452,930.42
Estimated Use	1,222.53	7,005.10	74,094.98
Estimated Received	-	-	-
Estimated Additional	-	-	-
Estimated End	<u>6,326.83</u>	<u>36,252.72</u>	<u>378,835.44</u>

Next Months Expense = \$ 59.8776 /bbl

FUEL OIL INVENTORY PRICE USED FOR FILING

<u>Type of Oil Burned</u>	<u>Price</u>		<u>Prices ¢/MBTU</u>
Diesel	\$ 59.8776	5.73 BTU/BBL	1044.98

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION**

Contract Prices effective May 1, 2016

<u>TYPE OF OIL BURNED</u>	<u>\$/BBL</u>	<u>¢/MBTU</u>
ULTRA LOW SULFUR DIESEL		
Tax *	1.4700	25.65
Ocean Transportation	2.0318	35.46
Storage	4.7171	82.32
Wharfage	0.2400	4.19

* Tax includes HGET, Hawaii Use Tax, Liquid Fuel Tax, LUST tax and Environmental Response Tax.

Note: Since these components are not accounted for separately in inventory, contract prices for the current month are being provided. Contract prices are considered accurate pending actual delivery of the fuel.

Reference: Decision and Order No. 16134, Docket No. 96-0040.

MAUI ELECTRIC COMPANY, LTD.
Molokai Division
ECA Reconciliation Adjustment

June 2016

1. Amount to be Collected	\$5,900
2. Monthly amount (1/3 x Line 1)	\$1,967
3. Revenue Tax Divisor	0.91115
4. Total (Line 2 / Line 3)	\$2,159
5. Estimated Sales (June 2016)	2,155 mwh
6. Adjustment (Line 4 ÷ Line 5)	0.100 ¢/kwh

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
2016 Cumulative Reconciliation Balance**

<u>Month</u>	(1) <u>YTD FOA Reconciliation</u>	<u>Qtr</u>	(2) <u>FOA Rec Adjust Variance</u>	(3) <u>FOA Rec Less Variance</u>	(4) <u>Try to Collect</u>	(5) <u>Actual Collect</u>	(6) <u>Month-end Cumulative Balance</u>
December '15					(1,433)	(1,450)	1,370
January '16					(1,433)	(1,417)	(47)
February	4,000	(4)	(55)	4,055	(1,333)	(1,321)	2,687
March					(1,333)	(1,326)	1,361
April					(1,333)	(1,381)	(20)
May	(5,900)	(1)	35	(5,935)	1,967		
June					1,967		

NOTES:

- Col(1): Quarterly FOA reconciliation amounts. (Refer to Attachment 20)
A positive number is an over-collection. A negative number is an under-collection.
- Col(2): FOA reconciliation adjustment variance accumulated during the last three months, starting with the fourth prior month; the difference between the estimated recorded sales used to derive the \$/kwh adjustment and the actual recorded sales.
(Col(5) - Col(4))
- Col(3): FOA reconciliation generated in the current quarter. The YTD FOA reconciliation difference minus the adjustment variance. Col(1) - Col(2)
- Col(4): Amount that the FOA reconciliation adjustment is trying to collect. (Col(1) * 1/3)
- Col(5): Actual collected amount. (recorded sales * \$/kwh adjustment/1.09751)
- Col(6): Cumulative balance of the FOA reconciliation (Previous balance + Col(3) + Col(5))

**Maui Electric Company, Ltd.
Molokai Division
Calculations of the Average Residential Customer Bill**

	Rate		Charge (\$) at 400 Kwh			
	05-01-16	06-01-16	05-01-16	06-01-16	Difference	
Base Rates	effective date:	08/01/13	08/01/13			
Base Fuel/Energy Charge	¢/kWh	26.3468	26.3468	105.39	105.39	0.00
Non-fuel Fuel Energy Charge						
First 250 kWhr per month	¢/kWh	11.4278	11.4278	28.57	28.57	0.00
Next 500 kWhr per month	¢/kWh	14.0778	14.0778	21.12	21.12	0.00
Customer Charge	\$	8.50	8.50	8.50	8.50	0.00
Total Base Charges				163.58	163.58	0.00
IRP Refund	% on base	0.000	0.000	0.00	0.00	0.00
Revenue Balancing Rate Adjustment	¢/kWh	1.5987	1.4082	6.39	5.63	-0.76
PBF Surcharge	¢/kWh	0.4749	0.4749	1.90	1.90	0.00
Renewable Energy Infrastructure Cost						
Recovery Provision	¢/kWh	0.0099	0.0099	0.04	0.04	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Adjustment	¢/kWh	-13.226	-13.376	-52.90	-53.50	-0.60
Green Infrastructure Fee	\$	1.30	1.30	1.30	1.30	0.00
Avg Residential Bill at 400 kwh				120.31	118.95	

Increase (Decrease -)	-1.36
% Change	-1.13%

	Rate		Charge (\$) at 500 Kwh			
	05-01-16	06-01-16	05-01-16	06-01-16	Difference	
Base Rates	effective date:	08/01/13	08/01/13			
Base Fuel/Energy Charge	¢/kWh	26.3468	26.3468	131.73	131.73	0.00
Non-fuel Fuel Energy Charge						
First 250 kWhr per month	¢/kWh	11.4278	11.4278	28.57	28.57	0.00
Next 500 kWhr per month	¢/kWh	14.0778	14.0778	35.19	35.19	0.00
Customer Charge	\$	8.50	8.50	8.50	8.50	0.00
Total Base Charges				203.99	203.99	0.00
IRP Refund	% on base	0.000	0.000	0.00	0.00	0.00
Revenue Balancing Rate Adjustment	¢/kWh	1.5987	1.4082	7.99	7.04	-0.95
PBF Surcharge	¢/kWh	0.4749	0.4749	2.37	2.37	0.00
Renewable Energy Infrastructure Cost						
Recovery Provision	¢/kWh	0.0099	0.0099	0.05	0.05	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Adjustment	¢/kWh	-13.226	-13.376	-66.13	-66.88	-0.75
Green Infrastructure Fee	\$	1.30	1.30	1.30	1.30	0.00
Avg Residential Bill at 500 kwh				149.57	147.87	

Increase (Decrease -)	-1.70
% Change	-1.14%

**MAUI ELECTRIC COMPANY, LTD. -- Molokai Division
FUEL OIL ADJUSTMENT FACTOR DATA**

<u>EFFECTIVE DATE</u>	FUEL FACTOR CENTS / KWH		RESIDENTIAL BILL (\$)	
	<u>RESIDENTIAL & COMMERCIAL</u>		<u>@ 400 KWH</u>	<u>@ 500 KWH</u>
January 1, 2014	3.885		185.67	231.62
February 1, 2014	4.590		188.49	235.14
March 1, 2014	4.652		188.74	235.45
April 1, 2014	4.585		187.49	233.89
May 1, 2014	4.690		188.89	235.64
June 1, 2014	4.779		192.52	240.17
July 1, 2014	5.145		194.72	242.92
August 1, 2014	4.697		192.93	240.68
September 1, 2014	-2.835		162.80	203.01
October 1, 2014	1.864		181.60	226.51
November 1, 2014	2.683		184.87	230.61
December 1, 2014	1.266		179.46	223.52
January 1, 2015	-0.141		173.84	216.48
February 1, 2015	-3.412		160.75	200.13
March 1, 2015	-6.056		150.18	186.91
April 1, 2015	-6.122		148.81	185.21
May 1, 2015	-6.727		147.49	183.55
June 8, 2015	-7.453		144.48	179.79
July 1, 2015	-6.185		148.55	184.84
August 1, 2015	-5.864		149.83	186.45
September 1, 2015	-5.935		149.59	186.14
October 1, 2015	-9.896		133.75	166.34
November 1, 2015	-10.149		132.73	165.07
December 1, 2015	-9.676		134.63	167.44
January 1, 2016	-9.942		133.44	165.99
February 1, 2016	-11.270		128.13	159.35
March 1, 2016	-12.649		122.61	152.45
April 1, 2016	-13.391		118.92	147.82
May 1, 2016	-13.226		120.31	149.57
June 1, 2016	-13.376		118.95	147.87

**MAUI ELECTRIC COMPANY, LTD. -- Molokai Division
RESIDENTIAL SURCHARGE DATA**

EFFECTIVE DATE	DESCRIPTION OF SURCHARGE	RATE
01/01/11 - 12/31/11	RESID. PBF SURCHARGE ADJUSTMENT	0.5944 CENTS/KWH
01/12/11 - 05/03/12	FINAL RATE INCREASE (3.66%), DOCKET NO. 2006-0387 (2007 TEST YEAR)	
01/12/11 - 05/03/12	INTERIM RATE INCREASE 2010 TEST YEAR	2.38 PERCENT ON BASE
02/01/11 - 02/28/11	IRP RECOVERY REFUND	-3.472 PERCENT ON BASE
03/01/11 - 04/30/11	IRP RECOVERY REFUND	0.000 PERCENT ON BASE
04/01/11 - 04/30/11	SOLARSAVER ADJUSTMENT	-0.0888 CENTS/KWH
05/01/11 - 03/31/12	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
05/01/11 - 05/31/11	IRP RECOVERY REFUND	-0.204 PERCENT ON BASE
06/01/11	IRP RECOVERY REFUND	0.000 PERCENT ON BASE
01/01/12 - 12/31/12	RESID. PBF SURCHARGE ADJUSTMENT	0.6766 CENTS/KWH
04/01/12 - 04/30/12	SOLARSAVER ADJUSTMENT	-0.2392 CENTS/KWH
05/01/12 - 03/31/13	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
5/4/2012 - 7/31/13	FINAL RATE INCREASE (1.51%), DOCKET NO. 2009-0163 (2010 TEST YEAR)	
6/1/2012 - 7/31/13	INTERIM RATE INCREASE 2012 TEST YEAR	4.11 PERCENT ON BASE
01/01/13 - 06/30/13	RESID. PBF SURCHARGE ADJUSTMENT	0.7850 CENTS/KWH
04/01/13 - 04/30/13	SOLARSAVER ADJUSTMENT	-0.205 CENTS/KWH
05/01/13 - 03/31/14	SOLARSAVER ADJUSTMENT	0.000 CENTS/KWH
06/01/13 - 05/31/14	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.8071 CENTS/KWH
07/01/13 - 06/30/14	RESID. PBF SURCHARGE ADJUSTMENT	0.8312 CENTS/KWH
08/01/13	FINAL RATE INCREASE (1.25%), DOCKET NO. 2011-0092 (2012 TEST YEAR)	
04/01/14 - 04/30/14	SOLARSAVER ADJUSTMENT	-0.2453 CENTS/KWH
05/01/14 - 03/31/15	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/14 - 05/31/15	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.6239 CENTS/KWH
07/01/14 - 11/30/14	RESID. PBF SURCHARGE ADJUSTMENT	1.0157 CENTS/KWH
12/01/14 - 06/30/15	RESID. PBF SURCHARGE ADJUSTMENT	0.7583 CENTS/KWH
12/01/14 - 06/30/15	GREEN INFRASTRUCTURE FEE	1.29 DOLLARS/MONTH
04/01/15 - 04/30/15	SOLARSAVER ADJUSTMENT	-0.2744 CENTS/KWH
05/01/15 - 03/31/16	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/15 - 06/07/15	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.0000 CENTS/KWH
06/08/15 - 05/31/16	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.5987 CENTS/KWH
07/01/15	RESID. PBF SURCHARGE ADJUSTMENT	0.4749 CENTS/KWH
07/01/15 - 12/31/15	GREEN INFRASTRUCTURE FEE	1.42 DOLLARS/MONTH
08/17/15 - 02/29/16	RENEWABLE ENERGY INFRASTRUCTURE COST RECOVERY PROVISION	0.0103 CENTS/KWH
01/01/16	GREEN INFRASTRUCTURE FEE	1.30 DOLLARS/MONTH
03/01/16	RENEWABLE ENERGY INFRASTRUCTURE COST RECOVERY PROVISION	0.0099 CENTS/KWH
04/01/16 - 04/30/16	SOLARSAVER ADJUSTMENT	-0.1835 CENTS/KWH
05/01/16	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/16	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.4082 CENTS/KWH

~ Surcharges currently in effect are in bold.

~ Base charges include customer charge, demand charge, energy charge, power factor adjustment, voltage discount and minimum charge.