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SHARON M. SUZUKI
President

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PUBLIC UTILITIES
COMMISSION

June 1, 2017

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 2017
Revised Attachments Reflecting RBA Rate Adjustment

Enclosed for filing are revised Attachments 1, 7, 8A, 8B, 9, 10, 15, 16A, 16B, 17, 22, 23A, and 23B of Maui Electric Company, Limited's ("Maui Electric" or "Company") June 2017 energy cost adjustment factor filing, reflecting the impact of the Company's Revenue Balancing Account ("RBA") rate adjustment, as approved by the Commission in Order No. 34581 issued on May 31, 2017.

On May 26, 2017, Maui Electric filed its energy cost adjustment factors for June 2017 and indicated that it would file the enclosed revised attachments after the Commission issued its decision on the Company's RBA rate adjustment proposal submitted in Transmittal No. 17-04 and incorporate the impact in the customer bill analysis. There is no change to the energy cost adjustment factors as filed May 26, 2017.

For our Maui Division, a residential customer consuming 500 kWh of electricity will be paying \$159.61, an increase of \$14.82 compared to rates effective May 1, 2017. The increase in the typical Maui Division residential bill is due to the increase in the energy cost adjustment factor (+\$14.03) and the increase in the RBA rate adjustment (+\$0.79).


For our Lāna'i Division, a residential customer consuming 400 kWh of electricity will be paying \$143.14, an increase of \$4.00 compared to rates effective May 1, 2017. The increase in the typical Lāna'i Division residential bill is due to the increase in the energy cost adjustment factor (+\$3.37) and the increase in the RBA rate adjustment (+\$0.63).

For our Moloka'i Division, a residential customer consuming 400 kWh of electricity will be paying \$139.44, an increase of \$1.97 compared to rates effective May 1, 2017. The increase in the typical Moloka'i Division residential bill is due to the increase in the energy cost adjustment factor (+\$1.34) and the increase in the RBA rate adjustment (+\$0.63).

The Honorable Chair and Members
of the Hawai'i Public Utilities Commission
June 1, 2017
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For the Commission's convenience, Maui Electric is refiling all of the attachments included in the May 26, 2017 filing. The revised attachments are notated with "Revised 6/1/17" in the headers; the other attachments are unchanged.

Sincerely,


Sharon M. Suzuki
President

Attachments

cc: Division of Consumer Advocacy

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

ENERGY COST ADJUSTMENT FACTOR

	EFFECTIVE DATES		
	<u>05-01-17</u>	<u>06-01-17</u>	<u>Change</u>
<u>COMPOSITE COSTS</u>			
Generation, Central Station & Other, ¢/mbtu	1,417.57	1,444.45	26.88
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	(8.851)	(8.516)	0.335
<u>Others - "G,P,F"</u>			
Energy Cost Adjustment, ¢/kWh	(8.851)	(8.516)	0.335
<u>Residential Customer with</u>			
400 KWH Consumption, \$/Bill	137.47	139.44	1.97
500 KWH Consumption, \$/Bill	171.02	173.49	2.47

Supersedes Sheet Effective:

May 1, 2017

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

ENERGY COST ADJUSTMENT (ECA) FILING - June 1, 2017 (page 2 of 2)

Line

- 1 Effective Date June 1, 2017
- 2 Supercedes Factors May 1, 2017

<u>Line</u>	PURCHASED ENERGY COMPONENT	
	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	0.25
44	WEIGHTED COMPOSITE PURCHASED ENERGY COST, ¢/kWh (lines (42 x 43))	0.05450
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))	0.03488
49	Loss Factor	1.095
50	Revenue Tax Req Multiplier	1.0975
51	PURCHASED ENERGY FACTOR, ¢/kWh (lines (48 x 49 x 50))	0.04192

Line

SYSTEM COMPOSITE CALCULATIONS

52	GENERATION AND PURCHASED ENERGY FACTOR, ¢/kWh (lines (35 + 51))	(8.58041)
53	Adjustment, ¢/kWh	0.000
54	ECA Reconciliation Adjustment	0.064
55	ECA FACTOR, ¢/kWh (lines (52 + 53 + 54))	(8.516)

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

MONTH END FUEL OIL ESTIMATE

	<u>Barrels</u>	<u>MBTU</u>	<u>\$</u>
5/19/2017	7,219.90	41,370.05	600,821.21
Estimated Use	1,742.64	9,985.33	141,549.42
Estimated Received	5,500.00	31,515.00	449,282.97
Estimated Additional	-	-	-
Estimated End	<u>10,977.26</u>	<u>62,899.72</u>	<u>908,554.76</u>

Next Months Expense = \$ 82.7670 /bbl

FUEL OIL INVENTORY PRICE USED FOR FILING

<u>Type of Oil Burned</u>	<u>Price</u>		<u>Prices ¢/MBTU</u>
Diesel	\$ 82.7670	5.73 BTU/BBL	1444.45

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

Contract Prices effective May 1, 2017

<u>TYPE OF OIL BURNED</u>	<u>\$/BBL</u>	<u>¢/MBTU</u>
ULTRA LOW SULFUR DIESEL		
Tax *	12.3253	215.10
Ocean Transportation	1.5469	27.00
Storage	4.6440	81.05
Wharfage	0.2900	5.06

* Tax includes HGET, Hawaii Use Tax, Liquid Fuel Tax, LUST tax, Environmental Response Tax, Customs Duty Fee, Federal Oil Spill Recovery Fee, and Federal Excise 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 2017

1. Amount to be Collected	\$3,600
2. Monthly amount (1/3 x Line 1)	\$1,200
3. Revenue Tax Divisor	0.91115
4. Total (Line 2 / Line 3)	\$1,317
5. Estimated Sales (June 2017)	2,068 mwh
6. Adjustment (Line 4 ÷ Line 5)	0.064 ¢/kwh

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
2017 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 '16					9,300	9,580	(8,349)
January '17					9,300	10,066	1,717
February	(14,400)	(4)	957	(15,357)	4,800	4,589	(9,051)
March					4,800	5,142	(3,909)
April					4,800	5,253	1,344
May	(3,600)	(1)	897	(4,497)	1,200		
June					1,200		

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			
	05-01-17	06-01-17	05-01-17	06-01-17	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 kWh per month	¢/kWh	11.4278	11.4278	28.57	28.57	0.00
Next 500 kWh 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	1.4082	1.5654	5.63	6.26	0.63
PBF Surcharge	¢/kWh	0.5865	0.5865	2.35	2.35	0.00
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0098	0.0098	0.04	0.04	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Adjustment	¢/kWh	-8.851	-8.516	-35.40	-34.06	1.34
Green Infrastructure Fee	\$	1.27	1.27	1.27	1.27	0.00
Avg Residential Bill at 400 kwh				137.47	139.44	

Increase (Decrease -)	1.97
% Change	1.43%

	Rate		Charge (\$) at 500 Kwh			
	05-01-17	06-01-17	05-01-17	06-01-17	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 kWh per month	¢/kWh	11.4278	11.4278	28.57	28.57	0.00
Next 500 kWh 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	1.4082	1.5654	7.04	7.83	0.79
PBF Surcharge	¢/kWh	0.5865	0.5865	2.93	2.93	0.00
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0098	0.0098	0.05	0.05	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Adjustment	¢/kWh	-8.851	-8.516	-44.26	-42.58	1.68
Green Infrastructure Fee	\$	1.27	1.27	1.27	1.27	0.00
Avg Residential Bill at 500 kwh				171.02	173.49	

Increase (Decrease -)	2.47
% Change	1.44%

**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, 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
July 1, 2016	-12.675		122.03	151.76
August 1, 2016	-9.906		133.11	165.61
September 1, 2016	-9.794		133.55	166.17
October 1, 2016	-11.131		128.21	159.48
November 1, 2016	-9.970		132.85	165.29
December 1, 2016	-9.244		135.75	168.92
January 1, 2017	-8.940		137.11	170.58
February 1, 2017	-8.792		137.70	171.32
March 1, 2017	-8.066		140.61	174.95
April 1, 2017	-8.432		138.59	172.43
May 1, 2017	-8.851		137.47	171.02
June 1, 2017	-8.516		139.44	173.49

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

<u>EFFECTIVE DATE</u>	<u>DESCRIPTION OF SURCHARGE</u>	<u>RATE</u>
06/01/11	IRP RECOVERY REFUND	0.000 PERCENT ON BASE
08/01/13	FINAL RATE INCREASE (1.25%), DOCKET NO. 2011-0092 (2012 TEST YEAR)	
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 - 06/30/16	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 - 06/30/16	GREEN INFRASTRUCTURE FEE	1.30 DOLLARS/MONTH
03/01/16 - 02/28/17	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 - 03/31/17	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/16 - 05/31/17	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.4082 CENTS/KWH
07/01/16	RESID. PBF SURCHARGE ADJUSTMENT	0.5865 CENTS/KWH
07/01/16 - 12/31/16	GREEN INFRASTRUCTURE FEE	1.13 DOLLARS/MONTH
01/01/17	GREEN INFRASTRUCTURE FEE	1.27 DOLLARS/MONTH
03/01/17	RENEWABLE ENERGY INFRASTRUCTURE COST RECOVERY PROVISION	0.0098 CENTS/KWH
04/01/17 - 04/30/17	SOLARSAVER ADJUSTMENT	-0.1378 CENTS/KWH
05/01/17	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/17	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.5654 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.