



June 28, 2021

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

Dear Commissioners:

Subject: Maui Electric Energy Cost Recovery Factor for July 2021

Maui Electric Company, Limited's ("Maui Electric" or "Company") July 2021 Energy Cost Recovery factor for our Maui Division is 19.391 cents per kilowatt-hour ("kWh"), an increase of 1.518 cents per kWh from last month. A residential customer consuming 500 kWh of electricity will be paying \$183.27, an increase of \$7.72 compared to rates effective June 1, 2021. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery factor (+\$7.59) and increase in the Public Benefits Fund Surcharge (+\$0.30), partially offset by a decrease in the Purchase Power Adjustment (-\$0.11) and decrease in the Green Infrastructure Fee (-\$0.06).

The Company's Maui Division fuel composite cost of generation, central station and other increased 59.760 cents per million BTU to 1,395.90 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy decreased 0.569 cents per kWh to 20.151 cents per kWh.

The Energy Cost Recovery factor for our Lāna'i Division for July 2021 is 24.680 cents per kWh, an increase of 0.884 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$171.10, an increase of \$3.72 compared to rates effective June 1, 2021. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery factor (+\$3.54) and increase in the Public Benefits Fund Surcharge (+\$0.24), partially offset by a decrease in the Green Infrastructure Fee (-\$0.06).

The Company's Lāna'i Division fuel composite cost of generation, central station and other increased 71.59 cents per million BTU to 2,136.28 cents per million BTU. The composite cost DG energy is 0.00 cents per kWh. The composite cost of purchased energy is 30.00 cents per kWh.

The Energy Cost Recovery factor for our Moloka'i Division for July 2021 is 18.749 cents per kWh, an increase of 1.205 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$154.53, an increase of \$5.00 compared to rates effective June 1, 2021. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery (+\$4.82) and increase in the Public Benefits Fund Surcharge (+\$0.24), partially offset by a decrease in the Green Infrastructure Fee (-\$0.06).

The Honorable Chair and Members
of the Hawai'i Public Utilities Commission
June 28, 2021
Page 2

The Company's Moloka'i Division fuel composite cost of generation, central station and other increased 99.95 cents per million BTU to 1,552.31 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 July 1, 2021.

Sincerely,

/s/ Dean K. Matsuura
Dean K. Matsuura
Director, Regulatory Rate Proceedings
Hawaiian Electric Company, Inc.

Attachments

cc: Division of Consumer Advocacy

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

ENERGY COST RECOVERY FACTOR

	EFFECTIVE DATES		<u>Change</u>
	<u>06-01-21</u>	<u>07-01-21</u>	
<u>COMPOSITE COSTS</u>			
Generation, Central Station & Other, ¢/mbtu	1,452.36	1,552.31	99.95
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 Recovery, ¢/kWh	17.544	18.749	1.205
<u>Others - "G,P,F"</u>			
Energy Cost Recovery, ¢/kWh	17.544	18.749	1.205
<u>Residential Customer with</u>			
400 KWH Consumption, \$/Bill	149.53	154.53	5.00
500 KWH Consumption, \$/Bill	185.38	191.65	6.27

Supersedes Sheet Effective:

June 1, 2021

ENERGY COST RECOVERY (ECR) FILING - July 1, 2021 (page 2 of 2)

Line

1 Effective Date July 1, 2021
2 Supercedes Factors June 1, 2021

<u>Line</u> PURCHASED ENERGY COMPONENT		
	PURCHASED ENERGY PRICE, ¢/kWh - Fossil	
	PURCHASED ENERGY PRICE, ¢/kWh - Renewable	
36	Unused	0.000
37	CBRE	22.500
38	FIT	21.800
39		
40	Sch Q	0.000
	PURCHASED ENERGY KWH MIX, % - Fossil	
	PURCHASED ENERGY KWH MIX, % - Renewable	
41	Unused	0.00%
42	CBRE	0.00%
43	FIT	100.00%
44		
45	Sch Q	0.00%
45A	Fossil Purch. Energy %	0.00%
45B	Renewable Purch. Energy %	100.00%
45C	Comp. Cost, Fossil Purch. Energy, ¢/kWh	N/A
45D	Comp. Cost, Renewable Purch. Energy, ¢/kWh	21.800
46	COMPOSITE COST OF PURCHASED ENERGY, ¢/kWh (Lines (36 x 41) + (37 x 42) + (38 x 43) + (39 x 44))	21.800
47	% Input to System kWh Mix	0.02
48	WEIGHTED COMPOSITE PURCHASED ENERGY COST, ¢/kWh (lines (46 x 47))	0.00392
49	BASE PURCHASED ENERGY COMPOSITE COST, ¢/kWh	0.000
50	Base % Input to Sys kWh Mix	0.00
51	WEIGHTED BASE PURCHASED ENERGY COST, ¢/kWh (lines (49 x 50))	0.00000
52	COST LESS BASE (lines (48 - 51))	0.00392
53	Loss Factor	1.098
54	Revenue Tax Req Multiplier	1.0975
55	PURCHASED ENERGY FACTOR, ¢/kWh (lines (52 x 53 x 54))	0.00472

<u>Line</u> Calculation of Monthly Fossil Fuel Cost Risk Sharing Component		
Baseline Diesel		
56	Diesel \$, baseline month	\$312,097
57	Diesel mmbtu, baseline	27,102
58	Baseline Diesel, c/mmbtu	1,151.57
Month Diesel		
59	Diesel mmbtu, budget	27,474
60	Diesel Cost, ¢/mmbtu	1,552.31
61	Diesel ECRC Fossil Cost	\$426,489
62	Diesel Base ECRC Recovery Target	\$316,388
63	Diesel differential	\$110,101
64	Total Fossil	\$110,101
65	2% of above	\$2,202
66	Total Monthly Fossil Fuel Cost Risk Sharing, Prior Months in Year	\$6,401
67	Maximum Annual Cap (bi-directional)	\$31,500
68	Number of Days in year from implementation	365
69	Fossil Risk % Proration (based on 365 day year)	100.00%
70	Maximum Annual Cap (bi-directional) prorated	\$31,500
71	Applicable Monthly Fossil Fuel Cost Risk Sharing	\$2,202
72	Total Monthly Fossil Fuel Cost Risk Sharing, Including This Month	\$8,603
73	Fossil Cost Risk Sharing before taxes	\$2,202
74	Revenue Tax Adjustment	1.097514
75	Fossil Cost Risk Sharing w/revenue tax	\$2,417
76	Forecasted Month MWh Sales	2,487
77	Fossil Fuel Cost Risk Sharing Component, ¢/kWh	(0.0972)

<u>Line</u> SYSTEM COMPOSITE CALCULATIONS		
78	GENERATION AND PURCHASED ENERGY FACTOR, ¢/kWh (lines (35 + 55))	18.95794
79	Adjustment, ¢/kWh	0.000
80	Fossil Fuel Cost Risk Sharing Component	(0.097)
81	ECR Reconciliation Adjustment	(0.112)
82	ECR FACTOR, ¢/kWh (lines (78 + 79 + 80 + 81))	18.749

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

MONTH END FUEL OIL ESTIMATE

	<u>Barrels</u>	<u>MBTU</u>	<u>\$</u>
6/18/2021	3,925.26	22,491.75	351,524.16
Estimated Use	1,933.10	11,076.65	160,872.77
Estimated Received	4,554.00	26,094.42	391,611.32
Estimated Additional	-	-	-
Estimated End	<u>6,546.16</u>	<u>37,509.52</u>	<u>582,262.71</u>

Next Months Expense = \$ 88.9472 /bbl

FUEL OIL INVENTORY PRICE USED FOR FILING

<u>Type of Oil Burned</u>	<u>Price</u>	<u>Conversion Factor</u>	<u>Prices ¢/MBTU</u>
Diesel	\$ 88.9472	5.73 BTU/BBL	1552.31

MAUI ELECTRIC COMPANY, LTD.
Molokai Division
ECR Reconciliation Adjustment

July 2021

1. Amount to be refunded	(\$7,600)
2. Monthly amount (1/3 x Line 1)	(\$2,533)
3. Revenue Tax Divisor	0.91115
4. Total (Line 2 / Line 3)	(\$2,780)
5. Estimated Sales (July 2021)	2,487 mwh
6. Adjustment (Line 4 ÷ Line 5)	-0.112 ¢/kwh

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
2021 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 '19					(9,667)	(10,289)	7,910
January '20					(9,667)	(10,240)	(2,330)
February	(31,000)	(4)	(1,752)	(29,248)	10,333	9,207	(22,371)
March					10,333	10,125	(12,246)
April					10,333	9,676	(2,570)
May	(400)	(1)	(1,907)	1,507	133	156	(907)
June					133	132	(775)
July					133	140	(635)
August	23,000	(2)	(635)	23,635	(7,667)	(7,490)	15,510
September					(7,667)	(7,964)	7,546
October					(7,667)	(7,901)	(355)
November	700	(3)	(113)	813	(233)	(238)	220
December					(233)	(252)	(32)
January '21					(233)	(241)	(273)
February	4,000	(4)	(258)	4,258	(1,333)	(1,290)	2,695
March					(1,333)	(1,302)	1,393
April					(1,333)	(1,311)	82
May	7,600	(1)	66	7,534	(2,533)	(2,667)	4,949
June					(2,533)		
July					(2,533)		

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		
		06-01-21	07-01-21	06-01-21	07-01-21	Difference
Base Rates	effective date:	09/01/19	09/01/19			
Base Fuel/Energy Charge	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Non-fuel Energy Charge						
First 250 kWh per month	¢/kWh	14.0459	14.0459	35.11	35.11	0.00
Next 500 kWh per month	¢/kWh	16.6959	16.6959	25.04	25.04	0.00
Customer Charge	\$	11.50	11.50	11.50	11.50	0.00
Total Base Charges				71.65	71.65	0.00
IRP Refund	% on base	0.000	0.000	0.00	0.00	0.00
Revenue Balancing Rate Adjustment	¢/kWh	1.0242	1.0242	4.10	4.10	0.00
PBF Surcharge	¢/kWh	0.5882	0.6478	2.35	2.59	0.24
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Refund of 2018 Interim	% on base	0.00	0.00	0.00	0.00	0.00
Purchased Power Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Recovery	¢/kWh	17.544	18.749	70.18	75.00	4.82
Green Infrastructure Fee	\$	1.25	1.19	1.25	1.19	-0.06
Avg Residential Bill at 400 kwh				149.53	154.53	

Increase (Decrease -)	5.00
% Change	3.34%

	Rate			Charge (\$) at 500 Kwh		
		06-01-21	07-01-21	06-01-21	07-01-21	Difference
Base Rates	effective date:	09/01/19	09/01/19			
Base Fuel/Energy Charge	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Non-fuel Energy Charge						
First 250 kWh per month	¢/kWh	14.0459	14.0459	35.11	35.11	0.00
Next 500 kWh per month	¢/kWh	16.6959	16.6959	41.74	41.74	0.00
Customer Charge	\$	11.50	11.50	11.50	11.50	0.00
Total Base Charges				88.35	88.35	0.00
IRP Refund	% on base	0.000	0.000	0.00	0.00	0.00
Revenue Balancing Rate Adjustment	¢/kWh	1.0242	1.0242	5.12	5.12	0.00
PBF Surcharge	¢/kWh	0.5882	0.6478	2.94	3.24	0.30
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Refund of 2018 Interim	% on base	0.00	0.00	0.00	0.00	0.00
Purchased Power Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00	0.00
Energy Cost Recovery	¢/kWh	17.544	18.749	87.72	93.75	6.03
Green Infrastructure Fee	\$	1.25	1.19	1.25	1.19	-0.06
Avg Residential Bill at 500 kwh				185.38	191.65	

Increase (Decrease -)	6.27
% Change	3.38%

**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, 2019	-3.771		163.91	204.03
February 1, 2019	-7.208		150.16	186.85
March 1, 2019	-4.872		159.50	198.53
April 1, 2019	-5.034		158.51	197.29
May 1, 2019	-3.503		164.98	205.37
June 1, 2019	5.096		166.63	206.77
July 1, 2019	3.171		161.65	200.57
August 1, 2019	2.259		155.00	192.25
September 1, 2019	19.349		152.49	189.11
October 1, 2019	19.071		151.51	187.89
November 1, 2019	20.907		162.13	201.16
December 1, 2019	18.365		151.94	188.43
January 1, 2020	18.533		153.75	190.67
February 1, 2020	21.165		164.02	203.51
March 1, 2020	21.967		167.23	207.52
April 1, 2020	19.555		157.34	195.16
May 1, 2020	18.231		151.00	187.24
June 1, 2020	12.810		127.13	157.40
July 1, 2020	10.471		118.42	146.53
August 1, 2020	12.013		125.55	155.44
September 1, 2020	14.463		135.41	167.76
October 1, 2020	10.877		121.03	149.78
November 1, 2020	14.096		132.92	164.65
December 1, 2020	13.337		129.89	160.86
January 1, 2021	14.116		133.06	164.81
February 1, 2021	16.108		141.03	174.77
March 1, 2021	15.163		137.25	170.05
April 1, 2021	17.823		147.71	183.13
May 1, 2021	18.313		149.85	185.80
June 1, 2021	17.544		149.53	185.38
July 1, 2021	18.749		154.53	191.65

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

EFFECTIVE DATE	DESCRIPTION OF SURCHARGE	RATE
06/01/11	IRP RECOVERY REFUND	0.000 PERCENT ON BASE
08/17/17	RENEWABLE ENERGY INFRASTRUCTURE COST RECOVERY PROVISION	0.0000 CENTS/KWH
07/01/17 - 06/30/18	RESID. PBF SURCHARGE ADJUSTMENT	0.4244 CENTS/KWH
01/01/18 - 06/30/18	GREEN INFRASTRUCTURE FEE	1.34 DOLLARS/MONTH
04/01/18 - 04/30/18	SOLARSAVER ADJUSTMENT	1.3400 CENTS/KWH
05/01/18 - 03/31/19	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/18 - 08/22/18	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.8954 CENTS/KWH
07/01/18 - 06/30/19	RESID. PBF SURCHARGE ADJUSTMENT	0.4658 CENTS/KWH
07/01/18 - 12/31/18	GREEN INFRASTRUCTURE FEE	1.21 DOLLARS/MONTH
08/23/18 - 05/31/19	INTERIM RATE INCREASE 2018 TEST YEAR	6.68 PERCENT ON BASE
08/23/18 - 05/31/19	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.3183 CENTS/KWH
01/01/19 / 06/30/19	GREEN INFRASTRUCTURE FEE	1.35 DOLLARS/MONTH
04/01/19 - 04/30/19	SOLARSAVER ADJUSTMENT	-0.0855 CENTS/KWH
5/1/2019 - 03/31/20	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/19	FINAL RATE INCREASE (3.74%), DOCKET NO. 2017-0150 (2018 TEST YEAR)	
06/01/19 - 06/30/19	REFUND OF INTERIM RATE INCREASE 2018 TEST YEAR	-2.00 PERCENT ON BASE
06/01/19 - 05/31/20	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.8716 CENTS/KWH
07/01/19 - 12/31/19	RESID. PBF SURCHARGE ADJUSTMENT	0.4775 CENTS/KWH
07/01/19 - 12/31/19	GREEN INFRASTRUCTURE FEE	1.17 DOLLARS/MONTH
08/01/19 - 08/31/19	PURCHASED POWER ADJUSTMENT	-0.7518 CENTS/KWH
09/01/19 - 09/30/19	PURCHASED POWER ADJUSTMENT	-0.7820 CENTS/KWH
10/01/19 - 10/31/19	PURCHASED POWER ADJUSTMENT	-0.7475 CENTS/KWH
11/01/19 - 11/30/19	PURCHASED POWER ADJUSTMENT	0.0692 CENTS/KWH
12/01/19 - 12/31/19	PURCHASED POWER ADJUSTMENT	0.0655 CENTS/KWH
01/01/20 - 01/31/20	PURCHASED POWER ADJUSTMENT	0.0648 CENTS/KWH
01/01/20 - 06/30/20	RESID. PBF SURCHARGE ADJUSTMENT	0.7437 CENTS/KWH
01/01/20 - 06/30/20	GREEN INFRASTRUCTURE FEE	1.25 DOLLARS/MONTH
02/01/20 - 04/30/20	PURCHASED POWER ADJUSTMENT	0.00 CENTS/KWH
04/01/20 - 04/30/20	SOLARSAVER ADJUSTMENT	-0.0592 CENTS/KWH
05/01/20 - 05/31/20	PURCHASED POWER ADJUSTMENT	-0.3200 CENTS/KWH
05/01/20 - 03/31/21	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/20 - 06/30/20	PURCHASED POWER ADJUSTMENT	-0.3325 CENTS/KWH
06/01/20 - 05/31/21	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.3383 CENTS/KWH
07/01/20 - 07/31/20	PURCHASED POWER ADJUSTMENT	0.0000 CENTS/KWH
07/01/20 - 06/30/21	RESID. PBF SURCHARGE ADJUSTMENT	0.5882 CENTS/KWH
07/01/20 - 12/31/20	GREEN INFRASTRUCTURE FEE	1.19 DOLLARS/MONTH
08/01/20 - 08/31/20	PURCHASED POWER ADJUSTMENT	0.2408 CENTS/KWH
09/01/20 - 09/30/20	PURCHASED POWER ADJUSTMENT	0.2542 CENTS/KWH
10/01/20 -10/31/20	PURCHASED POWER ADJUSTMENT	0.2449 CENTS/KWH
11/01/20	PURCHASED POWER ADJUSTMENT	0.0000 CENTS/KWH
01/01/21 - 06/30/21	GREEN INFRASTRUCTURE FEE	1.25 DOLLARS/MONTH
04/01/21 - 04/30/21	SOLARSAVER ADJUSTMENT	-0.0445 CENTS/KWH
05/01/21	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/21	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.0242 CENTS/KWH
07/01/21	RESID. PBF SURCHARGE ADJUSTMENT	0.6478 CENTS/KWH
07/01/21	GREEN INFRASTRUCTURE FEE	1.19 DOLLARS/MONTH

~ Surcharges currently in effect are in bold.

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