

Superseding Revised Sheet No. 81
Effective July 1-31, 2018

REVISED SHEET NO. 81
Effective August 1-31, 2018

SCHEDULE Q

Purchases From Qualifying Facilities - 100 KW or Less

Availability:

This schedule is available to customers with cogeneration and/or small power production facilities which qualify under the Commission's Rules, Chapter 74 of Title 6, Subchapter 2 with a design capacity of 100 kilowatts or less. Such qualifying facilities (QF's) shall be designed to operate properly in parallel with the Company's system without adversely affecting the operations of its customers and without presenting safety hazards to the Company's or other customer's personnel. The customer shall comply with the Company's requirements for customer generation interconnected with the utility system.

Energy delivered to the customer by the Company will be metered separately from the energy delivered by the customer to the Company.

Rate for Energy Delivered to the Company by Customer

The Company will pay for energy as follows:

All kwh per month - per kwhr 14.23 ¢/kWhr

Energy Delivered to the Customer by the Company:

Energy delivered to the customer shall be billed under the Company's applicable rate schedule.

Service Charge:

A service charge of \$20.00 per month shall be added to the customer's total electric bill for the energy delivered to the customer for the billing and administration of the purchase power.

If a customer is only selling power to the Company under this Schedule, and is not receiving electric power service from the Company under any of the Company's applicable rate schedule, the customer shall be billed the customer charge under Schedule J to cover the metering, meter reading, billing and administration of the purchase power. In this situation, the above Service Charge will not apply.

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter dated July 27, 2018.

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SCHEDULE Q - (continued)

System Compatibility:

The customer must deliver electric power at 60 hertz and the same phase and voltage as the customer receives service from the Company.

Interconnection Facilities:

The customer shall furnish, install, operate and maintain facilities such as relays, switches, synchronizing equipment, monitoring equipment and control and protective devices designated by the Company as suitable for parallel operation with the Company system. Such facilities shall be accessible at all times to authorized Company personnel. All designs should be approved by the Company prior to installation.

If additional Company facilities are required or the existing facilities must be modified to accept the QF's deliveries, the QF shall make a contribution for the cost of such additional facilities.

Contract:

The Company shall require a contract specifying technical and operating aspects of parallel generation.

Adjustment of Schedule Q rate:

The above rate for energy delivered to the Company by the Customer is based on an avoided fuel cost of 14.529 ¢/kWhr on-peak and 14.173 ¢/kWhr off-peak, an avoided O&M cost of 0.045 ¢/kWhr on-peak and 0.027 ¢/kWhr off-peak, and a Power Factor Adjustment of -0.120 ¢/kWhr on-peak and -0.280 ¢/kWhr off-peak. The sum of the on-peak costs are time weighted 14 hours of 24 hours for on-peak and 10 hours of 24 hours for off-peak and summed to derive the Schedule Q energy rate. The Schedule Q energy rate will be revised monthly for changes in avoided fuel cost and annually for changes in all cost elements.

This adjustment provision is consistent with the terms of Decision and Order No. 24086 in Docket No. 7310, and may be revised to reflect further changes, subject to Commission approval.

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter dated July 27, 2018.