



March 25, 2024

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 April 2024

Maui Electric Company, Limited's ("Maui Electric" or "Company") April 2024 Energy Cost Recovery Factor for Maui Division is 23.557 cents per kilowatt-hour ("kWh"), an increase of 0.388 cents per kWh from last month. A residential customer consuming 500 kWh of electricity will be paying \$209.00, an increase of \$1.73 compared to rates effective March 1, 2024. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery Factor (+\$1.94), partially offset by the decrease in the impact of the RBA Rate Adjustment (-\$0.03) and decrease in the Purchase Power Adjustment Rate (-\$0.18).

The April 2024 ECRC rates applicable to customers on Maui Division Schedules ARD TOU R, ARD TOU G, and ARD TOU J will be -0.3845 cents/kWh in the Daytime 9 a.m to 5 p.m. period, -0.7690 cents/kWh in the Overnight 9 p.m. to 9 a.m. period, and -1.1535 cents/kWh in the Evening Peak 5 p.m. to 9 p.m. period, as shown in Attachments 1 and 2.

The Company's Maui Division fuel composite cost of generation, central station and other increased 39.730 cents per million BTU to 2,023.16 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy increased 0.019 cents per kWh to 20.611 cents per kWh.

The April 2024 Energy Cost Recovery Factor for Lāna'i Division is 31.345 cents per kWh, an increase of 1.536 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$204.73, an increase of \$6.14 compared to rates effective March 1, 2024. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery Factor.

The April 2024 ECRC rates applicable to customers on Lanai Division Schedules ARD TOU R, ARD TOU G, and ARD TOU J will be -2.7560 cents/kWh in the Daytime 9 a.m to 5 p.m. period, -5.5120 cents/kWh in the Overnight 9 p.m. to 9 a.m. period, and -8.2680 cents/kWh in the Evening Peak 5 p.m. to 9 p.m. period, as shown in Attachments 10 and 11.

The Company's Lāna'i Division fuel composite cost of generation, central station and other increased 133.71 cents per million BTU to 2,704.16 cents per million BTU. The composite cost

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DG energy is 0.00 cents per kWh. The composite cost of purchased energy is 0.00 cents per kWh.

The April 2024 Energy Cost Recovery Factor for Moloka'i Division is 28.703 cents per kWh, an increase of 0.946 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$202.43, an increase of \$3.78 compared to rates effective March 1, 2024. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery Factor.

The April 2024 ECRC rates applicable to customers Molokai Division Schedules ARD TOU R, ARD TOU G, and ARD TOU J will be 0.1850 cents/kWh in the Daytime 9 a.m to 5 p.m. period, 0.3700 cents/kWh in the Overnight 9 p.m. to 9 a.m. period, and 0.5550 cents/kWh in the Evening Peak 5 p.m. to 9 p.m. period, as shown in Attachments 17 and 18.

The Company's Moloka'i Division fuel composite cost of generation, central station and other increased 78.71 cents per million BTU to 2,362.31 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 applies for pro rata use beginning April 1, 2024.

Very truly yours,

/s/ Dean K. Matsuura

Dean K. Matsuura
Director, Regulatory Rate Proceedings

Attachments

cc: Division of Consumer Advocacy

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

ENERGY COST RECOVERY FACTOR

	EFFECTIVE DATES		<u>Change</u>
	<u>3/01/2024</u>	<u>4/01/2024</u>	
<u>COMPOSITE COSTS</u>			
Generation, Central Station & Other, ¢/mbtu	2,570.45	2,704.16	133.71
DG Energy, ¢/kWh	0.00	0.00	0.00
Purchased Energy, ¢/kWh	0.00	0.00	0.00
<u>Residential Schedule "R"</u>			
Energy Cost Recovery, ¢/kWh	29.809	31.345	1.536
<u>Others - "G,J,P,F"</u>			
Energy Cost Recovery, ¢/kWh	29.809	31.345	1.536
<u>Residential Customer with</u>			
400 KWH Consumption, \$/Bill	198.59	204.73	6.14
500 KWH Consumption, \$/Bill	246.37	254.05	7.68
<u>Schedules ARD TOU R, ARD TOU G, ARD TOU J</u>			
Daytime (9a-5p) Energy Cost Recovery Factor, ¢/kWh	(3.5900)	(2.7560)	0.8340
Overnight (9p-9a) Energy Cost Recovery Factor, ¢/kWh	(7.1800)	(5.5120)	1.6680
Evening Peak (5p-9p) Energy Cost Recovery Factor, ¢/kWh	(10.7700)	(8.2680)	2.5020
Supersedes Sheet Effective:	3/01/2024		

MAUI ELECTRIC COMPANY, LTD.
LANAI DIVISION

ENERGY COST RECOVERY (ECR) FILING

ENERGY COST RECOVERY (ECR) FILING - April 1, 2024 (page 2 of 2)

Line	1	Effective Date	April 1, 2024
	2	Supersedes Factors of	March 1, 2024

Line	PURCHASED ENERGY COMPONENT	
	PURCHASED ENERGY PRICE, ¢/kWh - FOSSIL	
	PURCHASED ENERGY PRICE, ¢/kWh - RENEWABLE	
38	LANAI SOLAR RESEARCH- On Peak	30.000
39	- Off Peak	30.000
40	Sch Q	0.000
	PURCHASED ENERGY KWH MIX, %, FOSSIL	
	PURCHASED ENERGY KWH MIX, %, RENEWABLE	
41	LANAI SOLAR RESEARCH- On Peak	0.00%
42	- Off Peak	0.00%
43	Sch Q	0.00%
43A	Total Fossil %	0.00%
43B	Total Renewable %	0.00%
43C	Comp. cost of purch. energy, fossil ¢/kWh	N/A
43D	Comp. cost of purch. energy, renewable ¢/kWh	-
44	COMPOSITE COST OF PURCHASED ENERGY, ¢/kWh (Lines (38 x 41) + (39 x 42) + (40 x 43))	0.000
45	% Input to System kWh Mix	0.00%
46	WEIGHTED COMP. PURCH. ENERGY COST, ¢/kWh (lines (44 x 45))	0.00000
47	BASE PURCHASED ENERGY COMPOSITE COST, ¢/kWh	0.000
48	Base % Input to Sys kWh Mix	0.00
49	WEIGHTED BASE PURCHASED ENERGY COST, ¢/kWh (lines (47 x 48))	0.00000
50	COST LESS BASE (lines (46 - 49))	0.00000
51	Loss Factor	1.050
52	Revenue Tax Req Multiplier	1.0975
53	PURCHASED ENERGY FACTOR, ¢/kWh (lines (50 x 51 x 52))	0.00000

Calculation of Monthly Fossil Fuel Cost Risk Sharing Component		
Baseline Diesel		
54	Diesel \$, baseline month	\$817,350
55	Diesel mmbtu, baseline	28,366
56	Baseline Diesel, c/mmbtu	2,881.44
Month Diesel		
57	Diesel mmbtu, budget	32,911
58	Diesel Cost, ¢/mmbtu	2,704.16
59	Diesel ECRC Fossil Cost	\$889,961
60	Diesel Base ECRC Recovery Target	\$948,305
61	Diesel differential	-\$58,343
62	Total Fossil	-\$58,343
63	2% of above	-\$1,167
64	Total Monthly Fossil Fuel Cost Risk Sharing, Prior Months in Year	-\$2,727
65	Maximum Annual Cap (bi-directional)	\$31,500
66	Number of Days in year from implementation	365
67	Fossil Risk % Proration (based on 365 day year)	100.00%
68	Maximum Annual Cap (bi-directional) prorated	\$31,500
69	Applicable Monthly Fossil Fuel Cost Risk Sharing	-\$1,167
70	Total Monthly Fossil Fuel Cost Risk Sharing, Including This Month	-\$3,894
71	Fossil Cost Risk Sharing before taxes	-\$1,167
72	Revenue Tax Adjustment	1.097514
73	Fossil Cost Risk Sharing w/revenue tax	-\$1,281
74	Forecasted Month MWh Sales	2,873
75	Fossil Fuel Cost Risk Sharing Component, ¢/kWh	0.0446

Line	SYSTEM COMPOSITE CALCULATIONS	
76	GENERATION AND PURCHASED ENERGY FACTOR, ¢/kWh (lines (37 + 53))	31.82092
77	Adjustment, ¢/kWh	0.000
78	Fossil Fuel Cost Risk Sharing Component	0.045
79	ECR Reconciliation Adjustment	(0.521)
80	ECR FACTOR, ¢/kWh (lines (76 + 77 + 78 + 79))	31.345

81	Baseline ECRC Component	36.424
82	Monthly Energy Cost Recovery Factor Less Baseline ECRC Component (Line 80 - Line 81)	(5.079)
83	Daytime System Load	35.485%
84	Overnight System Load	44.752%
85	Evening Peak System Load	19.762%
86	Daytime Time-of-Use Monthly Energy Cost Recovery Factor	(2.7560)
87	Overnight Time-of-Use Monthly Energy Cost Recovery Factor (Line 86 x 2)	(5.5120)
88	Evening Peak Time-of-Use Monthly Energy Cost Recovery Factor (Line 86 x 3)	(8.2680)
89	Composite (Line 83 x Line 86 + Line 84 x Line 87 + Line 85 x Line 88)	(5.079)

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

MONTH END FUEL OIL ESTIMATE

<u>Miki Basin - ULSD</u>	<u>Barrels</u>	<u>MBTU</u>	<u>\$</u>
3/19/2024	3,856.31	22,096.66	572,007.26
Estimated Use	2,042.93	11,705.99	300,896.59
Estimated Received	1,142.86	6,548.59	186,448.69
Estimated Additional	2,787.39	15,971.74	432,406.11
Estimated End	5,743.63	32,911.00	889,965.47

Next Month's Combined Miki Expense (\$/bbl) \$ 154.9483 /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 - Miki Basin	\$ 154.9483	5.73 BTU/BBL	2,704.16

MAUI ELECTRIC COMPANY, LTD.
Lanai Division
ECR Reconciliation Adjustment

April 2024

1. Amount to be refunded	(\$40,900)
2. Monthly amount (1 / 3 X Line 1)	(\$13,633)
3. Revenue Tax Divisor	0.91115
4. Total (Line 2 / Line 3)	(\$14,962)
5. Estimated Sales (April 2024)	2,873 mwh
6. Adjustment (Line 4 ÷ Line 5)	-0.521 ¢/kwh

**MAUI ELECTRIC COMPANY, LTD.
LANAI DIVISION
2024 Cumulative Reconciliation Balance**

<u>Month</u>	(1) <u>YTD FOA Reconciliation</u>	(2) <u>Adjust Qtr 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 '21				(22,367)	(20,800)	27,810	
January '22				(22,367)	(20,722)	7,088	
February	55,600	(4)	5,451	50,149	(18,533)	(16,329)	40,908
March					(18,533)	(18,196)	22,712
April					(18,533)	(17,076)	5,636
May	68,500	(1)	4,186	64,314	(22,833)	(23,687)	46,263
June					(22,833)	(22,948)	23,315
July					(22,833)	(22,368)	947
August	55,300	(2)	488	54,812	(18,433)	(17,864)	37,895
September					(18,433)	(17,494)	20,401
October					(18,433)	(18,331)	2,070
November	58,900	(3)	1,973	56,927	(19,633)	(18,575)	40,422
December					(19,633)	(18,053)	22,369
January '23					(19,633)	(20,368)	2,001
February	58,300	(4)	2,740	55,560	(19,433)	(19,178)	38,383
March					(19,433)	(19,777)	18,606
April					(19,433)	(19,028)	(422)
May	52,900	(1)	(824)	53,724	(17,633)	(17,785)	35,517
June					(17,633)	(16,509)	19,008
July					(17,633)	(17,259)	1,749
August	136,700	(2)	1,377	135,323	(45,567)	(42,628)	94,444
September					(45,567)	(43,190)	51,254
October					(45,567)	(45,589)	5,665
November	49,100	(3)	5,690	43,410	(16,367)	(15,620)	33,455
December					(16,367)	(15,747)	17,708
January '24					(16,367)	(15,215)	2,493
February	40,900	(4)	1,345	39,555	(13,633)	(12,366)	29,682
March					(13,633)		
April					(13,633)		

NOTES:

- Col(1): Quarterly FOA reconciliation amounts. (Refer to Attachment 13)
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.
Lanai Division
Calculations of the Average Residential Customer Bill

	Rate		Charge (\$) at 400 Kwh		
	3/01/24	4/01/24	3/01/24	4/01/24	Difference
Base Rates	effective date:	09/01/19	09/01/19		
Base Fuel/Energy Charge	¢/kWh	0.0000	0.0000	0.00	0.00
Non-fuel Energy Charge					
First 250 kWhr per month	¢/kWh	12.3123	12.3123	30.78	30.78
Next 500 kWhr per month	¢/kWh	14.8123	14.8123	22.22	22.22
Customer Charge	\$	11.50	11.50	11.50	11.50
Total Base Charges			64.50	64.50	0.00
IRP Refund	% on base	0.0000	0.0000	0.00	0.00
Revenue Balancing Rate Adjustment	% of bill excluding ECRC	15.69%	15.69%	10.76	10.76
PBF Surcharge	¢/kWh	0.7195	0.7195	2.88	2.88
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0000	0.0000	0.00	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00
Energy Cost Recovery	¢/kWh	29.809	31.345	119.24	125.38
Green Infrastructure Fee	\$	1.21	1.21	1.21	1.21
Avg Residential Bill at 400 kwh			198.59	204.73	
			Increase (Decrease -)		6.14
			% Change		3.09%

	Rate		Charge (\$) at 500 Kwh		
	3/01/24	4/01/24	3/01/24	4/01/24	Difference
Base Rates	effective date:	09/01/19	09/01/19		
Base Fuel/Energy Charge	¢/kWh	0.0000	0.0000	0.00	0.00
Non-fuel Energy Charge					
First 250 kWhr per month	¢/kWh	12.3123	12.3123	30.78	30.78
Next 500 kWhr per month	¢/kWh	14.8123	14.8123	37.03	37.03
Customer Charge	\$	11.50	11.50	11.50	11.50
Total Base Charges			79.31	79.31	0.00
IRP Refund	% on base	0.0000	0.0000	0.00	0.00
Revenue Balancing Rate Adjustment	% of bill excluding ECRC	15.69%	15.69%	13.20	13.20
PBF Surcharge	¢/kWh	0.7195	0.7195	3.60	3.60
Renewable Energy Infrastructure Cost Recovery Provision	¢/kWh	0.0000	0.0000	0.00	0.00
SolarSaver Adjustment	¢/kWh	0.0000	0.0000	0.00	0.00
Energy Cost Recovery	¢/kWh	29.809	31.345	149.05	156.73
Green Infrastructure Fee	\$	1.21	1.21	1.21	1.21
Avg Residential Bill at 500 kwh			246.37	254.05	
			Increase (Decrease -)		7.68
			% Change		3.12%

Note: Effective June 1, 2023, the RBA Rate Adjustment is billed based on the total billed amount before the RBA rate adjustment excluding the Energy Cost Recovery.

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

<u>EFFECTIVE DATE</u>	<u>FUEL FACTOR</u> <u>CENTS / KWH</u>		
	<u>RESIDENTIAL & COMMERCIAL</u>	<u>RESIDENTIAL BILL (\$) @ 400 KWH</u>	<u>RESIDENTIAL BILL (\$) @ 500 KWH</u>
January 1, 2020	25.369	173.69	215.49
February 1, 2020	24.109	168.65	209.19
March 1, 2020	23.379	165.73	205.54
April 1, 2020	19.794	151.15	187.31
May 1, 2020	18.958	148.04	183.43
June 1, 2020	15.429	131.79	163.12
July 1, 2020	16.335	134.73	166.81
August 1, 2020	17.755	140.41	173.91
September 1, 2020	18.135	141.93	175.81
October 1, 2020	18.076	141.69	175.51
November 1, 2020	17.881	140.91	174.54
December 1, 2020	17.874	140.89	174.50
January 1, 2021	19.498	147.44	182.68
February 1, 2021	20.640	152.01	188.39
March 1, 2021	22.103	157.86	195.71
April 1, 2021	24.018	165.34	205.06
May 1, 2021	24.354	166.87	206.96
June 1, 2021	23.796	167.38	207.60
July 1, 2021	24.680	171.10	212.26
August 1, 2021	25.269	173.46	215.21
September 1, 2021	25.345	173.76	215.59
October 1, 2021	24.342	169.75	210.57
November 1, 2021	29.191	189.14	234.82
December 1, 2021	29.254	189.40	235.13
January 1, 2022	28.241	189.19	234.87
February 1, 2022	28.361	189.67	235.47
March 1, 2022	31.445	202.01	250.89
April 1, 2022	33.341	209.46	260.21
May 1, 2022	37.529	226.35	281.31
June 1, 2022	41.508	240.84	299.43
July 1, 2022	43.106	247.17	307.35
August 1, 2022	43.083	247.08	307.24
September 1, 2022	37.630	225.27	279.97
October 1, 2022	37.815	226.01	280.90
November 1, 2022	37.960	226.59	281.62
December 1, 2022	38.346	228.13	283.55
January 1, 2023	36.114	220.41	273.87
February 1, 2023	36.012	220.00	273.36
March 1, 2023	34.661	214.59	266.61
April 1, 2023	33.234	208.87	259.45
May 1, 2023	29.925	195.65	242.93
June 1, 2023	31.440	202.21	250.93
July 1, 2023	28.448	190.49	236.32
August 1, 2023	27.992	188.67	234.04
September 1, 2023	32.757	207.73	257.87
October 1, 2023	36.424	222.40	276.20
November 1, 2023	36.864	224.16	278.40
December 1, 2023	37.383	226.23	281.00
January 1, 2024	33.280	212.47	263.72
February 1, 2024	32.115	207.81	257.90
March 1, 2024	29.809	198.59	246.37
April 1, 2024	31.345	204.73	254.05

**MAUI ELECTRIC COMPANY, LTD. -- Lanai 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
06/01/19	FINAL RATE INCREASE (3.74%), DOCKET NO. 2017-0150 (2018 TEST YEAR)	
05/01/20 - 03/31/21	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/20 - 05/31/21	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	0.3383 CENTS/KWH
07/01/20 - 06/30/21	RESID. PBF SURCHARGE ADJUSTMENT	0.5882 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 - 03/31/22	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/21 - 12/31/21	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.0242 CENTS/KWH
07/01/21 - 12/31/21	GREEN INFRASTRUCTURE FEE	1.19 DOLLARS/MONTH
07/01/21 - 06/30/22	RESID. PBF SURCHARGE ADJUSTMENT	0.6478 CENTS/KWH
01/01/22 - 05/31/22	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.9714 CENTS/KWH
01/01/22 - 06/30/22	GREEN INFRASTRUCTURE FEE	1.25 DOLLARS/MONTH
04/01/22 - 04/30/22	SOLARSAVER ADJUSTMENT	-0.0315 CENTS/KWH
05/01/22 - 03/31/23	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/22 - 12/31/22	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.6175 CENTS/KWH
07/01/22 - 06/30/23	RESID. PBF SURCHARGE ADJUSTMENT	0.6488 CENTS/KWH
07/01/22 - 12/31/22	GREEN INFRASTRUCTURE FEE	1.18 DOLLARS/MONTH
01/01/23 - 06/30/23	GREEN INFRASTRUCTURE FEE	1.23 DOLLARS/MONTH
01/01/23 - 05/31/23	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	1.9048 CENTS/KWH
04/01/23 - 04/30/23	SOLARSAVER ADJUSTMENT	-0.0038 CENTS/KWH
05/01/23	SOLARSAVER ADJUSTMENT	0.0000 CENTS/KWH
06/01/23 - 12/31/23	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	11.88% PERCENT OF ALL RATE SCHEDULE CHARGES, EXCLUDING ECRC and RBA
07/01/23	RESID. PBF SURCHARGE ADJUSTMENT	0.7195 CENTS/KWH
07/01/23 - 12/31/23	GREEN INFRASTRUCTURE FEE	1.18 DOLLARS/MONTH
01/01/24	GREEN INFRASTRUCTURE FEE	1.21 DOLLARS/MONTH
01/01/24	REVENUE BALANCING ACCOUNT RATE ADJUSTMENT	15.69% PERCENT OF ALL RATE SCHEDULE CHARGES, EXCLUDING ECRC and RBA

~ Surcharges currently in effect are in bold.

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