



November 28, 2023

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 December 2023

Maui Electric Company, Limited's ("Maui Electric" or "Company") December 2023 Energy Cost Recovery factor for our Maui Division is 24.661 cents per kilowatt-hour ("kWh"), a decrease of 1.024 cents per kWh from last month. A residential customer consuming 500 kWh of electricity will be paying \$213.83, a decrease of \$5.11 compared to rates effective November 1, 2023. The decrease in the typical residential bill is due to the decrease in the Energy Cost Recovery factor (-\$5.12) partially offset by the increase in the Purchase Power Adjustment (+\$0.01).

The Company's Maui Division fuel composite cost of generation, central station and other decreased 134.290 cents per million BTU to 2,137.56 cents per million BTU. The composite cost of DG energy is 0.00 cents per kWh. The composite cost of purchased energy increased 0.668 cents per kWh to 21.423 cents per kWh.

The Energy Cost Recovery factor for our Lāna'i Division for December 2023 is 37.383 cents per kWh, an increase of 0.519 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$226.23, an increase of \$2.07 compared to rates effective November 1, 2023. The increase in the typical residential bill is due to the increase in the Energy Cost Recovery factor.

The Company's Lāna'i Division fuel composite cost of generation, central station and other increased 46.08 cents per million BTU to 3,236.09 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 December 2023 is 30.809 cents per kWh, a decrease of 0.052 cents per kWh from last month. A residential customer consuming 400 kWh of electricity will be paying \$207.94, a decrease of \$0.20 compared to rates effective November 1, 2023. The decrease in the typical residential bill is due to the decrease in the Energy Cost Recovery factor.

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The Company's Moloka'i Division fuel composite cost of generation, central station and other decreased 3.00 cents per million BTU to 2,552.63 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 December 1, 2023.

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>11/01/2023</u>	<u>12/01/2023</u>	
<u>COMPOSITE COSTS</u>			
Generation, Central Station & Other, ¢/mbtu	2,555.63	2,552.63	(3.00)
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	30.861	30.809	(0.052)
<u>Others - "G,J,P,F"</u>			
Energy Cost Recovery, ¢/kWh	30.861	30.809	(0.052)
<u>Residential Customer with</u>			
400 KWH Consumption, \$/Bill	208.14	207.94	(0.20)
500 KWH Consumption, \$/Bill	258.50	258.24	(0.26)

Supersedes Sheet Effective: 11/01/2023

**MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
ENERGY COST RECOVERY (ECR) FILING**

ENERGY COST RECOVERY (ECR) FILING - December 1, 2023 (page 2 of 2)

Line	Effective Date	December 1, 2023
2	Supercedes Factors	November 1, 2023

Line	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	0.01
48	WEIGHTED COMPOSITE PURCHASED ENERGY COST, ¢/kWh (lines (46 x 47))	0.00269
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))	0.00269
53	Loss Factor	1.098
54	Revenue Tax Req Multiplier	1.0975
55	PURCHASED ENERGY FACTOR, ¢/kWh (lines (52 x 53 x 54))	0.00324

Line	Calculation of Monthly Fossil Fuel Cost Risk Sharing Component	
	Baseline Diesel	
56	Diesel \$, baseline month	\$727,962
57	Diesel mmbtu, baseline	26,128
58	Baseline Diesel, c/mmbtu	2,786.15
	Month Diesel	
59	Diesel mmbtu, budget	25,578
60	Diesel Cost, ¢/mmbtu	2,552.63
61	Diesel ECRC Fossil Cost	\$652,912
62	Diesel Base ECRC Recovery Target	\$712,642
63	Diesel differential	-\$59,730
64	Total Fossil	-\$59,730
65	2% of above	-\$1,195
66	Total Monthly Fossil Fuel Cost Risk Sharing, Prior Months in Year	-\$21,749
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	-\$1,195
72	Total Monthly Fossil Fuel Cost Risk Sharing, Including This Month	-\$22,944
73	Fossil Cost Risk Sharing before taxes	-\$1,195
74	Revenue Tax Adjustment	1.097514
75	Fossil Cost Risk Sharing w/revenue tax	-\$1,311
76	Forecasted Month MWh Sales	2,289
77	Fossil Fuel Cost Risk Sharing Component, ¢/kWh	0.0573

Line	SYSTEM COMPOSITE CALCULATIONS	
78	GENERATION AND PURCHASED ENERGY FACTOR, ¢/kWh (lines (35 + 55))	31.17180
79	Adjustment, ¢/kWh	0.000
80	Fossil Fuel Cost Risk Sharing Component	0.057
81	ECR Reconciliation Adjustment	(0.420)
82	ECR FACTOR, ¢/kWh (lines (78 + 79 + 80 + 81))	30.809

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

MONTH END FUEL OIL ESTIMATE

	<u>Barrels</u>	<u>MBTU</u>	<u>\$</u>
11/20/2023	4,035.24	23,121.91	627,394.36
Estimated Use	1,515.29	8,682.61	221,895.13
Estimated Received	4,554.00	26,094.42	629,176.66
Estimated Additional	-	-	-
Estimated End	<u>7,073.95</u>	<u>40,533.72</u>	<u>1,034,675.89</u>

Next Months Expense = \$ 146.2656 /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	\$ 146.2656	5.73 BTU/BBL	2552.63

MAUI ELECTRIC COMPANY, LTD.
Molokai Division
ECR Reconciliation Adjustment

December 2023

1. Amount to be refunded	(\$26,300)
2. Monthly amount (1/3 x Line 1)	(\$8,767)
3. Revenue Tax Divisor	0.91115
4. Total (Line 2 / Line 3)	(\$9,622)
5. Estimated Sales (December 2023)	2,289 mwh
6. Adjustment (Line 4 ÷ Line 5)	-0.420 ¢/kwh

MAUI ELECTRIC COMPANY, LTD.
MOLOKAI DIVISION
2023 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 '20					(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)	(2,707)	2,242
July					(2,533)	(2,630)	(388)
August	22,600	(2)	(286)	22,886	(7,533)	(7,735)	14,763
September					(7,533)	(7,613)	7,150
October					(7,533)	(7,699)	(549)
November	20,200	(3)	(379)	20,579	(6,733)	(7,024)	13,006
December					(6,733)	(6,702)	6,304
January '22					(6,733)	(6,879)	(575)
February	11,500	(4)	(426)	11,926	(3,833)	(3,909)	7,442
March					(3,833)	(3,831)	3,611
April					(3,833)	(3,991)	(380)
May	16,100	(1)	(220)	16,320	(5,367)	(6,014)	9,926
June					(5,367)	(5,428)	4,498
July					(5,367)	(5,680)	(1,182)
August	40,800	(2)	(866)	41,666	(13,600)	(14,372)	26,112
September					(13,600)	(13,983)	12,129
October					(13,600)	(14,488)	(2,359)
November	34,500	(3)	(1,468)	35,968	(11,500)	(11,296)	22,313
December					(11,500)	(11,026)	11,287
January '23					(11,500)	(11,414)	(127)
February	(1,100)	(4)	(210)	(890)	367	345	(672)
March					367	372	(300)
April					367	375	75
May	8,800	(1)	69	8,731	(2,933)	(2,921)	5,885
June					(2,933)	(2,955)	2,930
July					(2,933)	(3,007)	(77)
August	45,100	(2)	(2)	45,102	(15,033)	(15,117)	29,908
September					(15,033)	(15,727)	14,181
October					(15,033)	(16,181)	(2,000)
November	26,300	(3)	(852)	27,152	(8,767)		
December					(8,767)		

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		
		11/01/23	12/01/23	11/01/23	12/01/23	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	% of bill excluding ECRC	11.88%	11.88%	8.99	8.99	0.00
PBF Surcharge	¢/kWh	0.7195	0.7195	2.88	2.88	0.00
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	30.861	30.809	123.44	123.24	-0.20
Green Infrastructure Fee	\$	1.18	1.18	1.18	1.18	0.00
Avg Residential Bill at 400 kwh				208.14	207.94	

Increase (Decrease -)	-0.20
% Change	-0.10%

	Rate			Charge (\$) at 500 Kwh		
		11/01/23	12/01/23	11/01/23	12/01/23	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	% of bill excluding ECRC	11.88%	11.88%	11.06	11.06	0.00
PBF Surcharge	¢/kWh	0.7195	0.7195	3.60	3.60	0.00
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	30.861	30.809	154.31	154.05	-0.26
Green Infrastructure Fee	\$	1.18	1.18	1.18	1.18	0.00
Avg Residential Bill at 500 kwh				258.50	258.24	

Increase (Decrease -)	-0.26
% Change	-0.10%

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. -- Molokai Division
FUEL OIL ADJUSTMENT FACTOR DATA**

<u>EFFECTIVE DATE</u>	<u>FUEL FACTOR CENTS / KWH</u>		<u>RESIDENTIAL BILL (\$)</u>	
	<u>RESIDENTIAL & COMMERCIAL</u>	<u>@ 400 KWH</u>	<u>@ 500 KWH</u>	
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	
August 1, 2021	21.572	165.82	205.76	
September 1, 2021	19.433	157.26	195.07	
October 1, 2021	20.326	160.83	199.53	
November 1, 2021	20.133	160.06	198.57	
December 1, 2021	20.186	160.27	198.83	
January 1, 2022	21.781	170.50	211.61	
February 1, 2022	23.569	177.66	220.55	
March 1, 2022	24.300	180.58	224.20	
April 1, 2022	25.193	184.02	228.51	
May 1, 2022	30.431	205.10	254.86	
June 1, 2022	34.241	218.92	272.14	
July 1, 2022	39.900	241.50	300.36	
August 1, 2022	40.687	244.65	304.30	
September 1, 2022	32.195	210.68	261.84	
October 1, 2022	36.404	227.52	282.88	
November 1, 2022	31.953	209.71	260.63	
December 1, 2022	33.316	215.16	267.44	
January 1, 2023	32.969	214.98	267.19	
February 1, 2023	31.231	208.02	258.50	
March 1, 2023	33.972	218.99	272.20	
April 1, 2023	29.562	201.33	250.13	
May 1, 2023	28.830	198.42	246.49	
June 1, 2023	28.032	196.58	244.01	
July 1, 2023	24.467	182.57	226.53	
August 1, 2023	24.734	183.64	227.86	
September 1, 2023	27.414	194.36	241.26	
October 1, 2023	28.348	198.09	245.93	
November 1, 2023	30.861	208.14	258.50	
December 1, 2023	30.809	207.94	258.24	

**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
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
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 - 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 - 06/30/22	RESID. PBF SURCHARGE ADJUSTMENT	0.6478 CENTS/KWH
07/01/21 - 12/31/21	GREEN INFRASTRUCTURE FEE	1.19 DOLLARS/MONTH
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
5/1/2022 - 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	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	GREEN INFRASTRUCTURE FEE	1.18 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.