Hawaiian Electric Company, Inc. • PO Box 2750 • Honolulu, HI 96840-0001

✓BKK/LYK

August 28, 2006

FILED
2006 AUG 28 P 4: 12
PUBLIC UTILITIES
COMMISSION

William A. Bonnet
Vice President
Government & Community Affairs

The Honorable Chairman and Members of
the Hawaii Public Utilities Commission
465 South King Street
Kekuanaoa Building, 1st Floor
Honolulu, Hawaii 96813

Dear Commissioners:

Subject: Docket No. 03-0371
Proceeding to Investigate Distributed Generation in Hawaii

This letter sets forth the proposed standby rate tariffs of Hawaiian Electric Company, Inc. ("HECO"), Hawaii Electric Light Company, Inc. ("HELCO"), and Maui Electric Company, Limited ("MECO"). The proposed tariffs result from the Companies'[1] review and consideration of the requirements that were included in Decision and Order No. 22248 ("D&O 22248"), filed January 27, 2006 in the subject docket, as discussed below.

D&O 22248 ordered the Companies to file proposed standby rate tariffs within 6 months of the issuance of said decision and order. D&O 22248 also stated that the HELCO's current Rider A shall continue in effect until the proposed standby rate tariffs included herein are approved by the Commission.

On July 27, 2006 the Companies requested a one-month extension until August 28, 2006 to file their proposed standby rate tariffs.[2]

Attached is Attachment A which includes the proposed standby tariff rate sheets for HECO, HELCO, and MECO, including separate standby rates for Maui, Lanai, and Molokai divisions. Attachment B includes the derivation of the rates used in the proposed standby rate tariffs. Attachment C includes illustrations of the standby rate billing calculations based on the proposed tariffs. Attachment D includes copies of standby rate tariffs from other jurisdictions that are similar to the standby rate tariffs proposed by the Companies herein.

---

[1] HECO, HELCO, and MECO are sometimes referred to collectively as the "Companies".

[2] By letter dated July 21, 2006, the Commission approved Kauai Island Utility Cooperative's July 18, 2006 request for an extension of time, until November 27, 2006, to file its proposed unbundled standby rate tariffs.

The Commission required each utility "to establish, by proposed tariff for commission approval, standby rates based on unbundled costs associated with providing each service (i.e., generation, distribution, transmission and ancillary services). The unbundled rates should represent, identify, and quantify the costs of providing standby services to distributed generation customers, with the costs based on each utility's latest recorded results for the most recently completed fiscal year, or other means acceptable to the commission." (D&O No. 22248, Docket No. 03-0371, at 42).

A summary of the significant elements of the standby rate proposals follows below.

Standby Rate Proposal

1. Structure

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (known as "backup service") and scheduled maintenance periods. Supplemental service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s).

Standby service shall be assessed a standby demand charge, which includes a reservation demand charge and a daily demand charge, and a standby energy charge. Customers will indicate a contract standby kW quantity that will be assessed the reservation charge. Standby demand will be billed on a daily basis, which allows the customer to manage the standby service kW required and the standby service expense. Standby service customers will also be billed for the standby kWh energy that they require. Supplemental service demand (kW) and supplemental service energy (kWh) will be charged under the otherwise applicable regular commercial rate schedule. During scheduled maintenance periods, the standby daily demand charge will be waived.

The proposed standby service rate design requires installation of interval metering for both the utility's revenue meter and on the customer's generation equipment. This dual metering allows the Company to distinguish between standby service requirements and supplemental service requirements in order to bill those services respective demand and energy charges separately.

Examples of utilities with similarly structured standby rate tariffs include Florida Power & Light and Progress Energy (Florida). The standby rate tariffs for these utilities are included in this filing as Attachment D.

2. Standby Service Rate Design

Reservation Demand Charge
$/Contract Demand (kW)

The billing of this charge is based on the greater of the contract standby kW demand or the maximum load served by the customer's generation equipment. The customer pays for this charge every month; it will be the same every month unless the contract standby kW is revised. The rate for the reservation charge is based on a fraction of the Company's demand cost, as discussed below and illustrated in Attachment B.

Daily Demand Charge
$/Daily Demand (max kW per day)

The billing of the Daily Demand Charge is based on the maximum Backup Demand each 24-hour day. Backup Demand during a 15 minute interval is the lesser of the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The standby service customer only pays for the standby service required each day. The total billed daily demand charges are the sum of each daily demand charge during the billing month. The rate for the daily demand charge is based on a fraction of the Company's demand cost, as discussed below and illustrated in Attachment B.

The Daily Demand Charge will be waived during days of Schedule Maintenance (described below).

The supply voltage adjustment in the applicable regular commercial rate schedule shall apply to the Reservation Demand Charge and the Daily Demand Charge.

Standby Energy Charge

The standby service customer that uses standby service kWh from the Companies shall pay a standby energy charge per kWh. The Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the billing month divided by four. The rate for the Standby Energy Charge is based on a fraction of the Company's demand cost and the full amount of the Company's energy cost, as discussed below and illustrated in Attachment B.

The supply voltage adjustment in the applicable regular commercial rate schedule shall apply to the Standby Energy Charge.

Supplemental Service

The supplemental billing demand kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. A sample calculation of this adjusted billing kW is shown in the billing illustrations in Attachment C.

Supplemental service energy is billed under the applicable regular commercial rate schedule. Supplemental service energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment less the Standby Energy kWh. A sample calculation of energy charges under supplemental service in shown in the billing illustrations in Attachment C.

The minimum charge under supplemental service shall be based the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months, less the Contract Standby kW. If the installed capacity of the customer's non-utility power source exceeds the customer's total kW requirement, as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

All other elements of the applicable regular rate schedule apply to supplemental service, including the Customer Charge, the Power Factor Adjustment, the Supply Voltage Adjustment, and all other bill adjustments, including, but not limited to the Energy Cost Adjustment, the Commercial and Industrial DSM Adjustment, the Firm Capacity Surcharge and Adjustment, the IRP Cost Recovery Adjustment, the Temporary Rate Adjustment, and the Interim Rate Increase.

3. Terms and Conditions

Applicability

The proposed standby service tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements. The proposed tariff shall not apply a) to non-utility power sources used exclusively by a customer for emergency service; or b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or c) to non-utility power sources that are at least fifty

percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

Interconnection

The customer's non-utility power source(s) can be connected and operated in parallel with the utility system when the customer is served under the standby service tariff and operates in accordance with the terms of a contract for parallel interconnection under the Company's Rule No. 14. The Companies have provided proposed revisions to Rule No. 14 in accordance with D&O 22248 in this docket.

Metering

The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service.

Scheduled Maintenance Service

The customer may elect either Standard Scheduled Maintenance Service or Off-peak Scheduled Maintenance Service, or both, to define his Scheduled Maintenance Periods. Under Standard Scheduled Maintenance Service, the customer specifies up to two periods of scheduled maintenance per calendar year. Under Off-peak Scheduled Maintenance Service, the customer can schedule maintenance during off-peak hours (9 p.m. to 7 a.m., daily) with two weeks prior notice. The total of the scheduled maintenance periods under both Standard Scheduled Maintenance and Off-peak Scheduled Maintenance shall not exceed 3 weeks per non-utility power source.

4. Derivation of Standby Rates

The proposed standby rates are based on the most recent filed cost of service study for each of the Company's service areas, using the filed generation, transmission, and distribution costs. The generation costs are allocated to the proposed reservation charge rate based on the

estimated reserve margin percentage required. The transmission and distribution costs are allocated to the proposed reservation charge based on the same percentages stipulated in HELCO's proposal for Rider A. The demand cost dollars, i.e., the generation and transmission demand costs that were not allocated to the reservation charge become the basis for the daily demand charge and the standby energy charge. Of those remaining generation and transmission demand costs, 90 percent are assigned to the daily demand charge, and are unitized by dividing by the estimated non-coincident peak demand in the cost of service study and dividing by 30.5 days. The remaining 10 percent of remaining generation and transmission demand costs are added to the production energy costs from the cost of service study, and are unitized by the estimated test year sales to derive the proposed standby energy charge. The Reservation demand charges, daily demand charges, and standby energy charges are estimated separately for Schedule J and Schedule P rate schedules. See Attachment B for the calculated derivations.

5. Sample Bill Calculations

Sample bill calculations under Schedule J and Schedule P for each Company service area are presented in Attachment C. The bill comparisons include a) an estimate of the customer's bill before the customer's non-utility power source(s) were installed, b) an estimate of the customer's bill where the customer secures energy from its non-utility power source and takes supplemental power from the utility, but there is no standby charge in place and c) the same scenario as (b) except the proposed Standby Service tariff applies. In addition for HELCO, an estimate of the customer's bill under the proposed Rider A rates is made. A comparison is made of the customer's contribution to fixed costs under each billing scenario.

Compliance with Decision and Order No. 22248

As described above, the derivation of the reservation charge is based on the unbundled cost of service elements: generation demand costs, transmission demand costs, and distribution demand costs (the costs for ancillary services are not separately identified in the utility cost-of-service study, but are instead included within the generation, transmission, and distribution costs). Both standby services and supplemental services are based on the same generation, transmission, and distribution costs in the utility cost of service; the same assets provide the both electric power services.

The utilities propose that the cost of service studies used to develop the proposed standby rates be based on the most recent filed cost of service study for that utility. That allows the level of standby charges to be consistent with the level of supplemental service charges, especially because both services are provided by the same generation, transmission, and distribution assets. In addition, in order to balance expected revenues with the revenue requirements of the system, the utilities propose that standby charges be modified only in general rates cases, in the same

manner and at the same time that supplemental service (regular commercial rate schedule) charges are modified.

Summary

HECO/HELCO/MECO maintain that the attached proposed standby rate tariffs are reasonable, and request that the Commission issue an order approving the proposed modifications.[3]

Sincerely,

Attachments

cc: Division of Consumer Advocacy
J. McCawley
B. T. Moto, Esq.
K. K. Kobayashi
J. Crouch
H. Q Curtis
C. S. Coleman, Esq.
L. D. H. Nakazawa, Esq.
H. A. Dutch Achenbach
K. D. Morihara, Esq.
C. Y. Young, Esq.
W. S. Bollmeier II
R. Reed
S. Y. H. Wong, Esq.
M. de'Marsi
G. Sato

[3] HECO/HELCO/MECO respectfully request that the Commission issue its order at least five business days prior to the effective date of the proposed Standby Rate tariffs to allow the Companies time to prepare the tariff sheets.

Superseding Revised Sheet No. 50B
Effective July 1, 2006

REVISED SHEET NO. 50B
Effective

RATE SCHEDULES (continued)

Sheet	Schedule	Date Effective	Character of Service
68	IRP Cost Recovery Provision	July 1, 2006	All Schedules Except Schedule Q
68A	IRP Cost Recovery Provision	July 1, 2006	All Schedules Except Schedule Q
69	Schedule SS		Standby Service
69A	Schedule SS		Standby Service
69B	Schedule SS		Standby Service
69C	Schedule SS		Standby Service
69D	Schedule SS		Standby Service
69E	Schedule SS		Standby Service
69F	Schedule SS		Standby Service
69G	Schedule SS		Standby Service
69H	Schedule SS		Standby Service
(PAGES 70 - 80 NOT ASSIGNED)			
81	"Q"	January 1, 1996	Purchases From Qualifying Facilities -100 kW or Less
81A	"Q"	January 1, 1996	Purchases From Qualifying Facilities -100 kW or Less
82	Green Pricing Program Provision	January 1, 1999	Green Pricing
82A	Green Pricing Program Provision	January 1, 1999	Green Pricing

Superseding Sheet No. 50C
Effective May 13, 2006

REVISED SHEET NO. 50C
Effective

RATE SCHEDULES (continued)

Sheet	Schedule	Date Effective	Character of Service
83	Rider EV-R	July 6, 1998	Residential Electric Vehicle Charging Service
83A	Rider EV-R	July 6, 1998	Residential Electric Vehicle Charging Service
84	Rider EV-C	July 6, 1998	Commercial Electric Vehicle Charging Service
84A	Rider EV-C	July 6, 1998	Commercial Electric Vehicle Charging Service

(SHEETS NO. 85 - 89 NOT ASSIGNED)

SHEET NO. 69
Effective

SCHEDULE SS
STANDBY SERVICE

APPLICABILITY:

Applicable to standby service to customers with alternate regular source(s) of energy other than electricity from the Company (non-utility power source(s)). Service under this Schedule shall be at least 25 kW, supplied and metered at a single voltage and delivery point as specified by the Company.

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (Backup Service) and Scheduled Maintenance Periods.

Supplemental Service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s). The Company will serve the customer's supplemental service under the applicable regular commercial rate schedule.

Rates:

The rates, terms, and conditions of the applicable regular commercial rate schedule shall apply except that the Billing kW under the applicable commercial rate schedule shall be adjusted as described below, the Standby Demand Charge and Standby Energy Charge shall be added to the customer's bill, and the Minimum Charge provisions of this Schedule shall supersede the Minimum Charge provisions in the applicable regular commercial rate schedule.

Standby Demand Charge:

The Standby Demand Charge for each month shall be the sum of the Reservation Demand Charge and the Daily Demand Charge.

SHEET NO. 69A
Effective

SCHEDULE SS - Continued

Standby Demand Charge: continued

Reservation Demand Charge:

$8.97 per Contract Standby kW, for customers served on Schedule J for Supplemental Service.
$11.25 per Contract Standby kW, for customers served on Schedule PS for Supplemental Service.
$10.91 per Contract Standby kW, for customers served on Schedule PP for Supplemental Service.
$8.95 per Contract Standby kW, for customers served on Schedule PT for Supplemental Service.

The Contract Standby kW shall be the greater of (1) the Contract Standby kW specified in the customer's Standby Service Contract form or (2) the maximum load served by the Customer's generation equipment in the current or previous 11 billing months, less the kW amount specified in the customer's Standby Service Contract form that would not have to be served by the Company in the event of an outage of the customer's generation equipment. The Contract Standby kW shall also include, in addition to the customer's normal operating level of its generation equipment, an equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

Daily Demand Charge:

$0.30 per Standby Billing kW per day, for customers served on Schedule J for Supplemental Service.
$0.38 per Standby Billing kW per day, for customers served on Schedule PS for Supplemental Service.
$0.39 per Standby Billing kW per day, for customers served on Schedule PP for Supplemental Service.
$0.46 per Standby Billing kW per day, for customers served on Schedule PT for Supplemental Service.

Backup Demand during a 15 minute interval is the lesser of (1) the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or (2) the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The Standby Billing kW each day is the maximum Backup Demand during the 24-hour day. The daily demand charge shall be the sum of the calculated demand charges for each day of the billing period. For the purpose of calculating the Backup Demand only, the Contract Standby kW will exclude any amounts that represent equivalent kW for electrical

SHEET NO. 69B
Effective

SCHEDULE SS - Continued

Standby Demand Charge: continued

power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

The Daily Demand Charge will be waived during days of Scheduled Maintenance.

Standby Energy Charge:

Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the month divided by four.

Standby Energy Charge:
$0.100 per Standby Energy kWh, for customers served on Schedule J for Supplemental Service.
$0.099 per Standby Energy kWh, for customers served on Schedule PS for Supplemental Service.
$0.097 per Standby Energy kWh, for customers served on Schedule PP for Supplemental Service.
$0.097 per Standby Energy kWh, for customers served on Schedule PT for Supplemental Service.

Supplemental Service Demand Charge:

The Billing kW for Supplemental Service shall be as follows:

The Billing kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. This adjusted Billing kW shall be the kW basis for billing the supplemental service demand and energy charges.

Supplemental Service Energy Charge:

Supplemental Service Energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment and shall be the total kWh provided minus the Standby Energy kWh. Supplemental Service Energy shall be billed at the

SHEET NO. 69C
Effective

SCHEDULE SS - Continued

Supplemental Service Energy Charge continued:

rates shown on the appropriate regular commercial rate schedule, based on the adjusted billing kW described above.

Supply Voltage Adjustment:

The Supply Voltage Adjustment in the applicable regular commercial rate schedule shall apply to the Standby Demand Charge and the Standby Energy Charge.

MINIMUM CHARGE:

The monthly minimum charge shall be the sum of the Minimum Charge under the applicable regular commercial rate schedule and the Standby Demand Charge. The Minimum Charge under the applicable regular commercial rate schedule shall be based on the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months less the Contract Standby kW. Where the Company determines that the installed capacity of the customer's non-utility power source(s) exceeds the customer's total kW requirement as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

TERMS AND CONDITIONS:

1. This tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements; and/or requires standby service from the Company.

2. This tariff shall not apply
   a) to non-utility power sources used exclusively by a customer for emergency service; or
   b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or
   c) to non-utility power sources that are at least fifty percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or
e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or
f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

3. The connection and operation of the customer's non-utility power source(s) in parallel with the Company's system will be permitted when the customer is served under this Schedule and in accordance with the terms of a contract with the Company for parallel interconnection, as described in the Company's Rule No. 14.

4. Customers receiving service under this Schedule shall sign a Standby Service Contract with the Company, which shall specify the Contract Standby kW for standby service required from the Company, and the Scheduled Maintenance Service, if any, elected by the customer.

5. The Contract Standby kW normally will not be less than the lesser of (1) the Total Capacity of the customer's non-utility power source(s), or (2) the highest customer kW Load for the twelve months preceding commencement of service under this Schedule, or execution date of the Standby Service Contract, whichever is earlier. The customer must notify the Company of any changes in its non-utility power source(s) that may affect its Contract Standby kW specified in the Standby Service Contract. The Company may, from time to time, verify the customer's Contract Standby kW specified in the Standby Service Contract. Where the Company determines that the Contract Standby kW requires adjustment, the Company shall inform the customer in writing 60 days before such change becomes effective.

6. The maximum instantaneous demand may be limited by contract. When the capacity of the service connection is limited to conform to the Contract Standby kW, the customer shall provide, install and maintain at its expense, and the Company shall control, any circuit breaker and other equipment necessary

SHEET NO. 69E
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

to limit the service connection to the Contract Standby kW.

7. The Company shall not be liable for any consequential damages caused by, or resulting from any limitation of kW capacity supplied to the customer under this Schedule.

8. Scheduled Maintenance Service under this rate schedule shall be for power service during the Scheduled Maintenance Periods of the customer's non-utility power source(s). A customer shall specify in the Standby Service Contract whether it is taking Standard Scheduled Maintenance Service, Off-peak Scheduled Maintenance Service, or both.

   For Standard Scheduled Maintenance Service, maintenance for a customer's non-utility power source is subject to the following terms and conditions:

   a. A non-utility power source cannot be down for Standard Scheduled Maintenance Service more than 2 times during the calendar year.

   b. The customer shall specify its initial Scheduled Maintenance Periods (to be taken during the first calendar year or partial calendar year in which it takes Scheduled Maintenance Service), subject to review and approval by the Company, in the Standby Service Contract. Prior to July 1 of each year, the customer shall submit in writing to the Company any changes to the Scheduled Maintenance Periods for the following calendar year. Where the Company indicates within 60 days that any such changes are not acceptable to the Company based on operating, technical or other similar reasons, the Company and the customer will work together to determine the changes to the Scheduled Maintenance Periods that are reasonable and acceptable to both parties.

   c. Either the Company or the customer may request one change in the start date and/or duration of any scheduled outage by written request (specifying the reason for such request, and the proposed start date and/or duration of the scheduled outage) made at least thirty days before the scheduled start of such

SHEET NO. 69F
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

outage. The Company and the customer will make reasonable efforts to accommodate such requests (by written responses given within one week of receiving such requests).

For Off-peak Scheduled Maintenance Service, a customer may elect Scheduled Maintenance Periods that occur only during the Company's off-peak period, subject to the following conditions:

a. A power source can be maintained during off-peak hours only with two-week prior notice to the Company. Notice can be given either by phone, fax, or e-mail, and must include the meter number for the power source(s) to be maintained and the expected additional kW demand to be provided by the Company during the Scheduled Maintenance Service period(s). Off-peak hours are 9 p.m. - 7 a.m., daily.

b. Maintenance on the same power source can be scheduled no more than twice within a four-week period. The customer must call the Company in advance of shutting off and/or starting up its power source that will be maintained under this provision.

c. The Standby Service Contract must specify the non-utility power source(s) and meter numbers of the sources to be maintained during off-peak hours under the above terms.

The total of the Scheduled Maintenance Periods arranged under Standard Scheduled Maintenance Service and Off-peak Scheduled Maintenance Service shall not exceed 3 weeks per non-utility power source within a calendar year.

9. The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering, unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service. If the customer has more than one non-utility power source, and elects scheduled maintenance service for only one of

SHEET NO. 69G
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

its non-utility power sources at a time, then each of the customer's non-utility power sources shall be separately metered.

10. The Company shall install, own, operate, maintain, and read meters on the customer's non-utility power source(s) for billing purposes. The customer shall be responsible for any cost associated with metering its non-utility power source(s), including the total installed cost of the meters. All meters shall be installed at some convenient place approved by the Company upon the customer's premises, and shall be so placed as to be accessible at all times for inspection, reading, and testing.

When the Company performs maintenance work on the meters on the customer's non-utility power source(s), the Company shall bill the customer for the total cost associated with such maintenance including labor and material costs, and shall add this amount to the customer's electric bill for the period. The Company shall provide the customer with the breakdown of such maintenance costs such as the labor cost, materials and supplies, taxes, and any other cost incurred.

The customer shall, at its expense, furnish, install and maintain in accordance with the Company's requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mountings, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer's premises. The customer shall at its expense, provide a dedicated telephone line to connect the meter(s) to the Company's communication system.

11. The term of contract under this Schedule is at least one (1) year, and the contract shall remain in effect from month-to-month thereafter, unless terminated by either party upon thirty 30) days prior written notice to the other party. Early termination by the customer shall incur a fee equal to the sum of the last six months' Reservation Demand charges.

12. Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

SHEET NO. 69H
Effective

Standby Service Contract Form

This Contract covers Standby Service provided by HAWAIIAN ELECTRIC COMPANY, INC. (HECO) to:
Customer:_____Account Number: _____
Service Address: _____

Under this Contract, the electric service provided by HECO to the customer's service location shall be served on rate Schedule SS and Schedule ___. All terms of Schedule _____ shall apply, except as further specified in Schedule SS and in this Contract.

The customer elects the following Scheduled Maintenance Service:
_____ Standard Scheduled Maintenance Service
_____ Off-peak Scheduled Maintenance Service
Contract Standby kW _____ (1)
Installed kW Capacity of Each Non-Utility Power Source _____ (2)
Total Number of Non-Utility Power Sources _____(3)

Standard Scheduled Maintenance Periods & Non-Utility Power Sources to be maintained: _____
_____
_____

This Contract shall become effective at the beginning of the first regular billing cycle following _____(date) or the first billing period after the installation of the required meters for service under Schedule _____ and Schedule SS, whichever occurs later.

The parallel interconnection of the customer's non-utility power sources with the Company's system shall be permitted in accordance with the terms and conditions specified in a contract for parallel interconnection.

Term of Contract shall be at least one year, and shall continue thereafter month-to-month until terminated by either party upon thirty (30) days prior written notice to the other party. This Contract may be terminated at any time by mutual agreement of the Company and the customer.

Authorized Customer Signature:		HECO Representative:	
_____	_____	_____	_____
Name	Date	Name	Date
_____		_____	
Title		Title	
_____			

HAWAIIAN ELECTRIC COMPANY, INC.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

Superseding Revised Sheet No. 50A
Effective April 1, 2006

REVISED SHEET NO. 50A
Effective

RATE SCHEDULES

Sheet	Schedule	Effective Date	Character of Service
61	Rider I	March 15, 1991	Interruptible Contract Rider
62	Rider T	February 21, 1995	Time-of-Day Rider
62A	Rider T	February 21, 1995	Time-of-Day Rider
63	Energy Cost Adjustment Clause	February 15, 2001	All Schedules Except Schedule Q
63A	Energy Cost Adjustment Clause	February 15, 2001	All Schedules Except Schedule Q
64	IRP Cost Recovery Provision	April 1, 2006	All Schedules Except Schedule Q
65	IRP Cost Recovery Provision	April 1, 2006	All Schedules Except Schedule Q

(PAGES 66 - 74 NOT ASSIGNED)

75	Schedule SS	Standby Service
75A	Schedule SS	Standby Service
75B	Schedule SS	Standby Service
75C	Schedule SS	Standby Service
75D	Schedule SS	Standby Service
75E	Schedule SS	Standby Service
75F	Schedule SS	Standby Service
75G	Schedule SS	Standby Service
75H	Schedule SS	Standby Service

(PAGES 76 - 80 NOT ASSIGNED)

SHEET NO. 75
Effective

SCHEDULE SS
STANDBY SERVICE

APPLICABILITY:

Applicable to standby service to customers with alternate regular source(s) of energy other than electricity from the Company (non-utility power source(s)). Service under this Schedule shall be at least 25 kW, supplied and metered at a single voltage and delivery point as specified by the Company.

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (Backup Service) and Scheduled Maintenance Periods.

Supplemental Service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s). The Company will serve the customer's supplemental service under the applicable regular commercial rate schedule.

Rates:

The rates, terms, and conditions of the applicable regular commercial rate schedule shall apply except that the Billing kW under the applicable commercial rate schedule shall be adjusted as described below, the Standby Demand Charge and Standby Energy Charge shall be added to the customer's bill, and the Minimum Charge provisions of this Schedule shall supersede the Minimum Charge provisions in the applicable regular commercial rate schedule.

Standby Demand Charge:

The Standby Demand Charge for each month shall be the sum of the Reservation Demand Charge and the Daily Demand Charge.

SHEET NO. 75A
Effective

SCHEDULE SS - Continued

Standby Demand Charge: continued

Reservation Demand Charge:

$13.86 per Contract Standby kW, for customers served on Schedule J for Supplemental Service.

$14.62 per Contract Standby kW, for customers served on Schedule P for Supplemental Service.

The Contract Standby kW shall be the greater of (1) the Contract Standby kW specified in the customer's Standby Service Contract form or (2) the maximum load served by the Customer's generation equipment in the current or previous 11 billing months, less the kW amount specified in the customer's Standby Service Contract form that would not have to be served by the Company in the event of an outage of the customer's generation equipment. The Contract Standby kW shall also include, in addition to the customer's normal operating level of its generation equipment, an equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

Daily Demand Charge:

$0.73 per Standby Billing kW per day, for customers served on Schedule J for Supplemental Service.

$0.88 per Standby Billing kW per day, for customers served on Schedule P for Supplemental Service.

Backup Demand during a 15 minute interval is the lesser of (1) the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or (2) the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The Standby Billing kW each day is the maximum Backup Demand during the 24-hour day. The daily demand charge shall be the sum of the calculated demand charges for each day of the billing period. For the purpose of calculating the Backup Demand only, the Contract Standby kW will exclude any amounts that represent equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

The Daily Demand Charge will be waived during days of Scheduled Maintenance.

SHEET NO. 75B
Effective

SCHEDULE SS - Continued

Standby Energy Charge:

Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the month divided by four.

Standby Energy Charge:

$0.180 per Standby Energy kWh, for customers served on Schedule J for Supplemental Service.

$0.175 per Standby Energy kWh, for customers served on Schedule P for Supplemental Service.

Supplemental Service Demand Charge:

The Billing kW for Supplemental Service shall be as follows:

The Billing kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. This adjusted Billing kW shall be the kW basis for billing the supplemental service demand and energy charges.

Supplemental Service Energy Charge:

Supplemental Service Energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment and shall be the total kWh provided minus the Standby Energy kWh. Supplemental Service Energy shall be billed at the rates shown on the appropriate regular commercial rate schedule, based on the adjusted billing kW described above.

Supply Voltage Adjustment:

The Supply Voltage Adjustment in the applicable regular commercial rate schedule shall apply to the Standby Demand Charge and the Standby Energy Charge.

SHEET NO. 75C
Effective

SCHEDULE SS - Continued

MINIMUM CHARGE:

The monthly minimum charge shall be the sum of the Minimum Charge under the applicable regular commercial rate schedule and the Standby Demand Charge. The Minimum Charge under the applicable regular commercial rate schedule shall be based on the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months less the Contract Standby kW. Where the Company determines that the installed capacity of the customer's non-utility power source(s) exceeds the customer's total kW requirement as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

TERMS AND CONDITIONS:

1. This tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements; and/or requires standby service from the Company.

2. This tariff shall not apply
   a) to non-utility power sources used exclusively by a customer for emergency service; or
   b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or
   c) to non-utility power sources that are at least fifty percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or
   d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or
   e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or
   f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 75D
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

3. The connection and operation of the customer's non-utility power source(s) in parallel with the Company's system will be permitted when the customer is served under this Schedule and in accordance with the terms of a contract with the Company for parallel interconnection, as described in the Company's Rule No. 14.

4. Customers receiving service under this Schedule shall sign a Standby Service Contract with the Company, which shall specify the Contract Standby kW for standby service required from the Company, and the Scheduled Maintenance Service, if any, elected by the customer.

5. The Contract Standby kW normally will not be less than the lesser of (1) the Total Capacity of the customer's non-utility power source(s), or (2) the highest customer kW Load for the twelve months preceding commencement of service under this Schedule, or execution date of the Standby Service Contract, whichever is earlier. The customer must notify the Company of any changes in its non-utility power source(s) that may affect its Contract Standby kW specified in the Standby Service Contract. The Company may, from time to time, verify the customer's Contract Standby kW specified in the Standby Service Contract. Where the Company determines that the Contract Standby kW requires adjustment, the Company shall inform the customer in writing 60 days before such change becomes effective.

6. The maximum instantaneous demand may be limited by contract. When the capacity of the service connection is limited to conform to the Contract Standby kW, the customer shall provide, install and maintain at its expense, and the Company shall control, any circuit breaker and other equipment necessary to limit the service connection to the Contract Standby kW.

7. The Company shall not be liable for any consequential damages caused by, or resulting from any limitation of kW capacity supplied to the customer under this Schedule.

SHEET NO. 75E
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

8. Scheduled Maintenance Service under this rate schedule shall be for power service during the Scheduled Maintenance Periods of the customer's non-utility power source(s). A customer shall specify in the Standby Service Contract whether it is taking Standard Scheduled Maintenance Service, Off-peak Scheduled Maintenance Service, or both.

   For Standard Scheduled Maintenance Service, maintenance for a customer's non-utility power source is subject to the following terms and conditions:

   a. A non-utility power source cannot be down for Standard Scheduled Maintenance Service more than 2 times during the calendar year.

   b. The customer shall specify its initial Scheduled Maintenance Periods (to be taken during the first calendar year or partial calendar year in which it takes Scheduled Maintenance Service), subject to review and approval by the Company, in the Standby Service Contract. Prior to July 1 of each year, the customer shall submit in writing to the Company any changes to the Scheduled Maintenance Periods for the following calendar year. Where the Company indicates within 60 days that any such changes are not acceptable to the Company based on operating, technical or other similar reasons, the Company and the customer will work together to determine the changes to the Scheduled Maintenance Periods that are reasonable and acceptable to both parties.

   c. Either the Company or the customer may request one change in the start date and/or duration of any scheduled outage by written request (specifying the reason for such request, and the proposed start date and/or duration of the scheduled outage) made at least thirty days before the scheduled start of such outage. The Company and the customer will make reasonable efforts to accommodate such requests (by written responses given within one week of receiving such requests).

SHEET NO. 75F
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

For Off-peak Scheduled Maintenance Service, a customer may elect Scheduled Maintenance Periods that occur only during the Company's off-peak period, subject to the following conditions:

a. A power source can be maintained during off-peak hours only with two-week prior notice to the Company. Notice can be given either by phone, fax, or e-mail, and must include the meter number for the power source(s) to be maintained and the expected additional kW demand to be provided by the Company during the Scheduled Maintenance Service period(s). Off-peak hours are 9 p.m. - 7 a.m., daily.

b. Maintenance on the same power source can be scheduled no more than twice within a four-week period. The customer must call the Company in advance of shutting off and/or starting up its power source that will be maintained under this provision.

c. The Standby Service Contract must specify the non-utility power source(s) and meter numbers of the sources to be maintained during off-peak hours under the above terms.

The total of the Scheduled Maintenance Periods arranged under Standard Scheduled Maintenance Service and Off-peak Scheduled Maintenance Service shall not exceed 3 weeks per non-utility power source within a calendar year.

9. The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering, unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service. If the customer has more than one non-utility power source, and elects scheduled maintenance service for only one of its non-utility power sources at a time, then each of the customer's non-utility power sources shall be separately metered.

SHEET NO. 75G
Effective

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

10. The Company shall install, own, operate, maintain, and read meters on the customer's non-utility power source(s) for billing purposes. The customer shall be responsible for any cost associated with metering its non-utility power source(s), including the total installed cost of the meters. All meters shall be installed at some convenient place approved by the Company upon the customer's premises, and shall be so placed as to be accessible at all times for inspection, reading, and testing.

    When the Company performs maintenance work on the meters on the customer's non-utility power source(s), the Company shall bill the customer for the total cost associated with such maintenance including labor and material costs, and shall add this amount to the customer's electric bill for the period. The Company shall provide the customer with the breakdown of such maintenance costs such as the labor cost, materials and supplies, taxes, and any other cost incurred.

    The customer shall, at its expense, furnish, install and maintain in accordance with the Company's requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mountings, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer's premises. The customer shall at its expense, provide a dedicated telephone line to connect the meter(s) to the Company's communication system.

11. The term of contract under this Schedule is at least one (1) year, and the contract shall remain in effect from month-to-month thereafter, unless terminated by either party upon thirty (30) days prior written notice to the other party. Early termination by the customer shall incur a fee equal to the sum of the last six months' Reservation Demand charges.

12. Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

SHEET NO. 75H
Effective

Standby Service Contract Form

This Contract covers Standby Service provided by HAWAII ELECTRIC LIGHT COMPANY, INC. (HELCO) to:
Customer:_____Account Number: _____
Service Address: _____

Under this Contract, the electric service provided by HELCO to the customer's service location shall be served on rate Schedule SS and Schedule ___. All terms of Schedule _____ shall apply, except as further specified in Schedule SS and in this Contract.

The customer elects the following Scheduled Maintenance Service:
_____ Standard Scheduled Maintenance Service
_____ Off-peak Scheduled Maintenance Service
Contract Standby kW _____ (1)
Installed kW Capacity of Each Non-Utility Power Source _____ (2)
Total Number of Non-Utility Power Sources _____(3)

Standard Scheduled Maintenance Periods & Non-Utility Power Sources to be maintained: _____
_____
_____

This Contract shall become effective at the beginning of the first regular billing cycle following _____(date) or the first billing period after the installation of the required meters for service under Schedule _____ and Schedule SS, whichever occurs later.

The parallel interconnection of the customer's non-utility power sources with the Company's system shall be permitted in accordance with the terms and conditions specified in a contract for parallel interconnection.

Term of Contract shall be at least one year, and shall continue thereafter month-to-month until terminated by either party upon thirty (30) days prior written notice to the other party. This Contract may be terminated at any time by mutual agreement of the Company and the customer.

Authorized Customer Signature:		HELCO Representative:	
_____	_____	_____	_____
Name	Date	Name	Date
_____		_____	
Title		Title	
_____			

HAWAII ELECTRIC LIGHT COMPANY, INC.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

Superseding Revised Sheet No. 50B
Effective April 15, 1999

REVISED SHEET NO. 50B
Effective

MAUI DIVISION

RATE SCHEDULES

Sheet	Schedule	Date Effective	Character of Service
		(PAGES 72 - 76 NOT ASSIGNED)	
77	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
77A	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
78	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
78A	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
		(PAGES 79 - 80 NOT ASSIGNED)	
81	"Q"	April 15, 1999	Purchases From Qualifying Facilities - 100KW or Less
81A	"Q"	April 15, 1999	Purchases From Qualifying Facilities - 100KW or Less
82	Green Pricing Program Provision	January 1, 1999	Green Pricing
82A	Green Pricing Program Provision	January 1, 1999	Green Pricing
83	Schedule SS		Standby Service
83A	Schedule SS		Standby Service
83B	Schedule SS		Standby Service
83C	Schedule SS		Standby Service
83D	Schedule SS		Standby Service
83E	Schedule SS		Standby Service
83F	Schedule SS		Standby Service
83G	Schedule SS		Standby Service
83H	Schedule SS		Standby Service

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 83
Effective

MAUI DIVISION

SCHEDULE SS
STANDBY SERVICE

APPLICABILITY:

Applicable to standby service to customers with alternate regular source(s) of energy other than electricity from the Company (non-utility power source(s)). Service under this Schedule shall be at least 25 kW, supplied and metered at a single voltage and delivery point as specified by the Company.

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (Backup Service) and Scheduled Maintenance Periods.

Supplemental Service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s). The Company will serve the customer's supplemental service under the applicable regular commercial rate schedule.

Rates:

The rates, terms, and conditions of the applicable regular commercial rate schedule shall apply except that the Billing kW under the applicable commercial rate schedule shall be adjusted as described below, the Standby Demand Charge and Standby Energy Charge shall be added to the customer's bill, and the Minimum Charge provisions of this Schedule shall supersede the Minimum Charge provisions in the applicable regular commercial rate schedule.

Standby Demand Charge:

The Standby Demand Charge for each month shall be the sum of the Reservation Demand Charge and the Daily Demand Charge.

SHEET NO. 83A
Effective

MAUI DIVISION

SCHEDULE SS - Continued

Standby Demand Charge: continued

Reservation Demand Charge:

$9.34 per Contract Standby kW, for customers served on Schedule J for Supplemental Service.

$10.29 per Contract Standby kW, for customers served on Schedule P for Supplemental Service.

The Contract Standby kW shall be the greater of (1) the Contract Standby kW specified in the customer's Standby Service Contract form or (2) the maximum load served by the Customer's generation equipment in the current or previous 11 billing months, less the kW amount specified in the customer's Standby Service Contract form that would not have to be served by the Company in the event of an outage of the customer's generation equipment. The Contract Standby kW shall also include, in addition to the customer's normal operating level of its generation equipment, an equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

Daily Demand Charge:

$0.51 per Standby Billing kW per day, for customers served on Schedule J for Supplemental Service.

$0.63 per Standby Billing kW per day, for customers served on Schedule P for Supplemental Service.

Backup Demand during a 15 minute interval is the lesser of (1) the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or (2) the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The Standby Billing kW each day is the maximum Backup Demand during the 24-hour day. The daily demand charge shall be the sum of the calculated demand charges for each day of the billing period. For the purpose of calculating the Backup Demand only, the Contract Standby kW will exclude any amounts that represent equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

The Daily Demand Charge will be waived during days of Scheduled Maintenance.

MAUI ELECTRIC COMPANY, LTD.

SHEET NO. 83B
Effective

MAUI DIVISION

SCHEDULE SS - Continued

Standby Energy Charge:

Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the month divided by four.

Standby Energy Charge:

$0.052 per Standby Energy kWh, for customers served on Schedule J for Supplemental Service.

$0.051 per Standby Energy kWh, for customers served on Schedule P for Supplemental Service.

Supplemental Service Demand Charge:

The Billing kW for Supplemental Service shall be as follows:

The Billing kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. This adjusted Billing kW shall be the kW basis for billing the supplemental service demand and energy charges.

Supplemental Service Energy Charge:

Supplemental Service Energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment and shall be the total kWh provided minus the Standby Energy kWh. Supplemental Service Energy shall be billed at the rates shown on the appropriate regular commercial rate schedule, based on the adjusted billing kW described above.

Supply Voltage Adjustment:

The Supply Voltage Adjustment in the applicable regular commercial rate schedule shall apply to the Standby Demand Charge and the Standby Energy Charge.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 83C
Effective

MAUI DIVISION

SCHEDULE SS - Continued

MINIMUM CHARGE:

The monthly minimum charge shall be the sum of the Minimum Charge under the applicable regular commercial rate schedule and the Standby Demand Charge. The Minimum Charge under the applicable regular commercial rate schedule shall be based on the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months less the Contract Standby kW. Where the Company determines that the installed capacity of the customer's non-utility power source(s) exceeds the customer's total kW requirement as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

TERMS AND CONDITIONS:

1. This tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements; and/or requires standby service from the Company.

2. This tariff shall not apply
   a) to non-utility power sources used exclusively by a customer for emergency service; or
   b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or
   c) to non-utility power sources that are at least fifty percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or
   d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or
   e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or
   f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 83D
Effective

MAUI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

3. The connection and operation of the customer's non-utility power source(s) in parallel with the Company's system will be permitted when the customer is served under this Schedule and in accordance with the terms of a contract with the Company for parallel interconnection, as described in the Company's Rule No. 14.

4. Customers receiving service under this Schedule shall sign a Standby Service Contract with the Company, which shall specify the Contract Standby kW for standby service required from the Company, and the Scheduled Maintenance Service, if any, elected by the customer.

5. The Contract Standby kW normally will not be less than the lesser of (1) the Total Capacity of the customer's non-utility power source(s), or (2) the highest customer kW Load for the twelve months preceding commencement of service under this Schedule, or execution date of the Standby Service Contract, whichever is earlier. The customer must notify the Company of any changes in its non-utility power source(s) that may affect its Contract Standby kW specified in the Standby Service Contract. The Company may, from time to time, verify the customer's Contract Standby kW specified in the Standby Service Contract. Where the Company determines that the Contract Standby kW requires adjustment, the Company shall inform the customer in writing 60 days before such change becomes effective.

6. The maximum instantaneous demand may be limited by contract. When the capacity of the service connection is limited to conform to the Contract Standby kW, the customer shall provide, install and maintain at its expense, and the Company shall control, any circuit breaker and other equipment necessary to limit the service connection to the Contract Standby kW.

7. The Company shall not be liable for any consequential damages caused by, or resulting from any limitation of kW capacity supplied to the customer under this Schedule.

SHEET NO. 83E
Effective

MAUI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

8. Scheduled Maintenance Service under this rate schedule shall be for power service during the Scheduled Maintenance Periods of the customer's non-utility power source(s). A customer shall specify in the Standby Service Contract whether it is taking Standard Scheduled Maintenance Service, Off-peak Scheduled Maintenance Service, or both.

   For Standard Scheduled Maintenance Service, maintenance for a customer's non-utility power source is subject to the following terms and conditions:

   a. A non-utility power source cannot be down for Standard Scheduled Maintenance Service more than 2 times during the calendar year.

   b. The customer shall specify its initial Scheduled Maintenance Periods (to be taken during the first calendar year or partial calendar year in which it takes Scheduled Maintenance Service), subject to review and approval by the Company, in the Standby Service Contract. Prior to July 1 of each year, the customer shall submit in writing to the Company any changes to the Scheduled Maintenance Periods for the following calendar year. Where the Company indicates within 60 days that any such changes are not acceptable to the Company based on operating, technical or other similar reasons, the Company and the customer will work together to determine the changes to the Scheduled Maintenance Periods that are reasonable and acceptable to both parties.

   c. Either the Company or the customer may request one change in the start date and/or duration of any scheduled outage by written request (specifying the reason for such request, and the proposed start date and/or duration of the scheduled outage) made at least thirty days before the scheduled start of such outage. The Company and the customer will make reasonable efforts to accommodate such requests (by written responses given within one week of receiving such requests).

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 83F
Effective

MAUI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

For Off-peak Scheduled Maintenance Service, a customer may elect Scheduled Maintenance Periods that occur only during the Company's off-peak period, subject to the following conditions:

a. A power source can be maintained during off-peak hours only with two-week prior notice to the Company. Notice can be given either by phone, fax, or e-mail, and must include the meter number for the power source(s) to be maintained and the expected additional kW demand to be provided by the Company during the Scheduled Maintenance Service period(s). Off-peak hours are 9 p.m. - 7 a.m., daily.

b. Maintenance on the same power source can be scheduled no more than twice within a four-week period. The customer must call the Company in advance of shutting off and/or starting up its power source that will be maintained under this provision.

c. The Standby Service Contract must specify the non-utility power source(s) and meter numbers of the sources to be maintained during off-peak hours under the above terms.

The total of the Scheduled Maintenance Periods arranged under Standard Scheduled Maintenance Service and Off-peak Scheduled Maintenance Service shall not exceed 3 weeks per non-utility power source within a calendar year.

9. The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering, unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service. If the customer has more than one non-utility power source, and elects scheduled maintenance service for only one of its non-utility power sources at a time, then each of the customer's non-utility power sources shall be separately metered.

SHEET NO. 83G
Effective

MAUI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

10. The Company shall install, own, operate, maintain, and read meters on the customer's non-utility power source(s) for billing purposes. The customer shall be responsible for any cost associated with metering its non-utility power source(s), including the total installed cost of the meters. All meters shall be installed at some convenient place approved by the Company upon the customer's premises, and shall be so placed as to be accessible at all times for inspection, reading, and testing.

When the Company performs maintenance work on the meters on the customer's non-utility power source(s), the Company shall bill the customer for the total cost associated with such maintenance including labor and material costs, and shall add this amount to the customer's electric bill for the period. The Company shall provide the customer with the breakdown of such maintenance costs such as the labor cost, materials and supplies, taxes, and any other cost incurred.

The customer shall, at its expense, furnish, install and maintain in accordance with the Company's requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mountings, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer's premises. The customer shall at its expense, provide a dedicated telephone line to connect the meter(s) to the Company's communication system.

11. The term of contract under this Schedule is at least one (1) year, and the contract shall remain in effect from month-to-month thereafter, unless terminated by either party upon thirty (30) days prior written notice to the other party. Early termination by the customer shall incur a fee equal to the sum of the last six months' Reservation Demand charges.

12. Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

SHEET NO. 83H
Effective

MAUI DIVISION

Standby Service Contract Form

This Contract covers Standby Service provided by MAUI ELECTRIC COMPANY, LTD. (MECO) to:
Customer:_____Account Number: _____
Service Address: _____

Under this Contract, the electric service provided by MECO to the customer's service location shall be served on rate Schedule SS and Schedule ___. All terms of Schedule _____ shall apply, except as further specified in Schedule SS and in this Contract.

The customer elects the following Scheduled Maintenance Service:
_____ Standard Scheduled Maintenance Service
_____ Off-peak Scheduled Maintenance Service
Contract Standby kW _____ (1)
Installed kW Capacity of Each Non-Utility Power Source _____ (2)
Total Number of Non-Utility Power Sources _____(3)

Standard Scheduled Maintenance Periods & Non-Utility Power Sources to be maintained: _____
_____
_____

This Contract shall become effective at the beginning of the first regular billing cycle following _____(date) or the first billing period after the installation of the required meters for service under Schedule _____ and Schedule SS, whichever occurs later.

The parallel interconnection of the customer's non-utility power sources with the Company's system shall be permitted in accordance with the terms and conditions specified in a contract for parallel interconnection.

Term of Contract shall be at least one year, and shall continue thereafter month-to-month until terminated by either party upon thirty (30) days prior written notice to the other party. This Contract may be terminated at any time by mutual agreement of the Company and the customer.

Authorized Customer Signature:		MECO Representative:	
_____	_____	_____	_____
Name	Date	Name	Date
_____		_____	
Title		Title	
_____			

MAUI ELECTRIC COMPANY, LTD.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

Superceding Revised SHEET NO. 50F
Effective April 15, 1999

REVISED SHEET NO. 50F
Effective

LANAI DIVISION

RATE SCHEDULES

Sheet	Schedule	Date Effective	Character of Service
92	Green Pricing Program Provision	January 1, 1999	Green Pricing
92A	Green Pricing Program Provision	January 1, 1999	Green Pricing
93	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
93A	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
94	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
94A	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
95	Schedule SS		Standby Service
95A	Schedule SS		Standby Service
95B	Schedule SS		Standby Service
95C	Schedule SS		Standby Service
95D	Schedule SS		Standby Service
95E	Schedule SS		Standby Service
95F	Schedule SS		Standby Service
95G	Schedule SS		Standby Service
95H	Schedule SS		Standby Service

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 95
Effective

LANAI DIVISION

SCHEDULE SS
STANDBY SERVICE

APPLICABILITY:

Applicable to standby service to customers with alternate regular source(s) of energy other than electricity from the Company (non-utility power source(s)). Service under this Schedule shall be at least 25 kW, supplied and metered at a single voltage and delivery point as specified by the Company.

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (Backup Service) and Scheduled Maintenance Periods.

Supplemental Service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s). The Company will serve the customer's supplemental service under the applicable regular commercial rate schedule.

Rates:

The rates, terms, and conditions of the applicable regular commercial rate schedule shall apply except that the Billing kW under the applicable commercial rate schedule shall be adjusted as described below, the Standby Demand Charge and Standby Energy Charge shall be added to the customer's bill, and the Minimum Charge provisions of this Schedule shall supersede the Minimum Charge provisions in the applicable regular commercial rate schedule.

Standby Demand Charge:

The Standby Demand Charge for each month shall be the sum of the Reservation Demand Charge and the Daily Demand Charge.

SHEET NO. 95A
Effective

LANAI DIVISION

SCHEDULE SS - Continued

Standby Demand Charge: continued

Reservation Demand Charge:

$9.70 per Contract Standby kW, for customers served on Schedule J for Supplemental Service.

$13.68 per Contract Standby kW, for customers served on Schedule P for Supplemental Service.

The Contract Standby kW shall be the greater of (1) the Contract Standby kW specified in the customer's Standby Service Contract form or (2) the maximum load served by the Customer's generation equipment in the current or previous 11 billing months, less the kW amount specified in the customer's Standby Service Contract form that would not have to be served by the Company in the event of an outage of the customer's generation equipment. The Contract Standby kW shall also include, in addition to the customer's normal operating level of its generation equipment, an equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

Daily Demand Charge:

$0.71 per Standby Billing kW per day, for customers served on Schedule J for Supplemental Service.

$1.09 per Standby Billing kW per day, for customers served on Schedule P for Supplemental Service.

Backup Demand during a 15 minute interval is the lesser of (1) the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or (2) the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The Standby Billing kW each day is the maximum Backup Demand during the 24-hour day. The daily demand charge shall be the sum of the calculated demand charges for each day of the billing period. For the purpose of calculating the Backup Demand only, the Contract Standby kW will exclude any amounts that represent equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

The Daily Demand Charge will be waived during days of Scheduled Maintenance.

MAUI ELECTRIC COMPANY, LTD.

SHEET NO. 95B
Effective

LANAI DIVISION

SCHEDULE SS - Continued

Standby Energy Charge:

Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the month divided by four.

Standby Energy Charge:

$0.102 per Standby Energy kWh, for customers served on Schedule J for Supplemental Service.

$0.097 per Standby Energy kWh, for customers served on Schedule P for Supplemental Service.

Supplemental Service Demand Charge:

The Billing kW for Supplemental Service shall be as follows:

The Billing kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. This adjusted Billing kW shall be the kW basis for billing the supplemental service demand and energy charges.

Supplemental Service Energy Charge:

Supplemental Service Energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment and shall be the total kWh provided minus the Standby Energy kWh. Supplemental Service Energy shall be billed at the rates shown on the appropriate regular commercial rate schedule, based on the adjusted billing kW described above.

Supply Voltage Adjustment:

The Supply Voltage Adjustment in the applicable regular commercial rate schedule shall apply to the Standby Demand Charge and the Standby Energy Charge.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 95C
Effective

LANAI DIVISION

SCHEDULE SS - Continued

MINIMUM CHARGE:

The monthly minimum charge shall be the sum of the Minimum Charge under the applicable regular commercial rate schedule and the Standby Demand Charge. The Minimum Charge under the applicable regular commercial rate schedule shall be based on the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months less the Contract Standby kW. Where the Company determines that the installed capacity of the customer's non-utility power source(s) exceeds the customer's total kW requirement as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

TERMS AND CONDITIONS:

1. This tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements; and/or requires standby service from the Company.

2. This tariff shall not apply
   a) to non-utility power sources used exclusively by a customer for emergency service; or
   b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or
   c) to non-utility power sources that are at least fifty percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or
   d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or
   e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or
   f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 95D
Effective

LANAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

3. The connection and operation of the customer's non-utility power source(s) in parallel with the Company's system will be permitted when the customer is served under this Schedule and in accordance with the terms of a contract with the Company for parallel interconnection, as described in the Company's Rule No. 14.

4. Customers receiving service under this Schedule shall sign a Standby Service Contract with the Company, which shall specify the Contract Standby kW for standby service required from the Company, and the Scheduled Maintenance Service, if any, elected by the customer.

5. The Contract Standby kW normally will not be less than the lesser of (1) the Total Capacity of the customer's non-utility power source(s), or (2) the highest customer kW Load for the twelve months preceding commencement of service under this Schedule, or execution date of the Standby Service Contract, whichever is earlier. The customer must notify the Company of any changes in its non-utility power source(s) that may affect its Contract Standby kW specified in the Standby Service Contract. The Company may, from time to time, verify the customer's Contract Standby kW specified in the Standby Service Contract. Where the Company determines that the Contract Standby kW requires adjustment, the Company shall inform the customer in writing 60 days before such change becomes effective.

6. The maximum instantaneous demand may be limited by contract. When the capacity of the service connection is limited to conform to the Contract Standby kW, the customer shall provide, install and maintain at its expense, and the Company shall control, any circuit breaker and other equipment necessary to limit the service connection to the Contract Standby kW.

7. The Company shall not be liable for any consequential damages caused by, or resulting from any limitation of kW capacity supplied to the customer under this Schedule.

SHEET NO. 95E
Effective

LANAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

8. Scheduled Maintenance Service under this rate schedule shall be for power service during the Scheduled Maintenance Periods of the customer's non-utility power source(s). A customer shall specify in the Standby Service Contract whether it is taking Standard Scheduled Maintenance Service, Off-peak Scheduled Maintenance Service, or both.

   For Standard Scheduled Maintenance Service, maintenance for a customer's non-utility power source is subject to the following terms and conditions:

   a. A non-utility power source cannot be down for Standard Scheduled Maintenance Service more than 2 times during the calendar year.

   b. The customer shall specify its initial Scheduled Maintenance Periods (to be taken during the first calendar year or partial calendar year in which it takes Scheduled Maintenance Service), subject to review and approval by the Company, in the Standby Service Contract. Prior to July 1 of each year, the customer shall submit in writing to the Company any changes to the Scheduled Maintenance Periods for the following calendar year. Where the Company indicates within 60 days that any such changes are not acceptable to the Company based on operating, technical or other similar reasons, the Company and the customer will work together to determine the changes to the Scheduled Maintenance Periods that are reasonable and acceptable to both parties.

   c. Either the Company or the customer may request one change in the start date and/or duration of any scheduled outage by written request (specifying the reason for such request, and the proposed start date and/or duration of the scheduled outage) made at least thirty days before the scheduled start of such outage. The Company and the customer will make reasonable efforts to accommodate such requests (by written responses given within one week of receiving such requests).

SHEET NO. 95F
Effective

LANAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

For Off-peak Scheduled Maintenance Service, a customer may elect Scheduled Maintenance Periods that occur only during the Company's off-peak period, subject to the following conditions:

a. A power source can be maintained during off-peak hours only with two-week prior notice to the Company. Notice can be given either by phone, fax, or e-mail, and must include the meter number for the power source(s) to be maintained and the expected additional kW demand to be provided by the Company during the Scheduled Maintenance Service period(s). Off-peak hours are 9 p.m. - 7 a.m., daily.

b. Maintenance on the same power source can be scheduled no more than twice within a four-week period. The customer must call the Company in advance of shutting off and/or starting up its power source that will be maintained under this provision.

c. The Standby Service Contract must specify the non-utility power source(s) and meter numbers of the sources to be maintained during off-peak hours under the above terms.

The total of the Scheduled Maintenance Periods arranged under Standard Scheduled Maintenance Service and Off-peak Scheduled Maintenance Service shall not exceed 3 weeks per non-utility power source within a calendar year.

9. The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering, unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service. If the customer has more than one non-utility power source, and elects scheduled maintenance service for only one of its non-utility power sources at a time, then each of the customer's non-utility power sources shall be separately metered.

SHEET NO. 95G
Effective

LANAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

10. The Company shall install, own, operate, maintain, and read meters on the customer's non-utility power source(s) for billing purposes. The customer shall be responsible for any cost associated with metering its non-utility power source(s), including the total installed cost of the meters. All meters shall be installed at some convenient place approved by the Company upon the customer's premises, and shall be so placed as to be accessible at all times for inspection, reading, and testing.

When the Company performs maintenance work on the meters on the customer's non-utility power source(s), the Company shall bill the customer for the total cost associated with such maintenance including labor and material costs, and shall add this amount to the customer's electric bill for the period. The Company shall provide the customer with the breakdown of such maintenance costs such as the labor cost, materials and supplies, taxes, and any other cost incurred.

The customer shall, at its expense, furnish, install and maintain in accordance with the Company's requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mountings, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer's premises. The customer shall at its expense, provide a dedicated telephone line to connect the meter(s) to the Company's communication system.

11. The term of contract under this Schedule is at least one (1) year, and the contract shall remain in effect from month-to-month thereafter, unless terminated by either party upon thirty (30) days prior written notice to the other party. Early termination by the customer shall incur a fee equal to the sum of the last six months' Reservation Demand charges.

12. Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

SHEET NO. 95H
Effective

LANAI DIVISION

Standby Service Contract Form

This Contract covers Standby Service provided by MAUI ELECTRIC COMPANY, LTD. (MECO) to:
Customer:_____Account Number: _____
Service Address: _____

Under this Contract, the electric service provided by MECO to the customer's service location shall be served on rate Schedule SS and Schedule ___. All terms of Schedule _____ shall apply, except as further specified in Schedule SS and in this Contract.

The customer elects the following Scheduled Maintenance Service:
_____ Standard Scheduled Maintenance Service
_____ Off-peak Scheduled Maintenance Service
Contract Standby kW _____ (1)
Installed kW Capacity of Each Non-Utility Power Source _____ (2)
Total Number of Non-Utility Power Sources _____(3)

Standard Scheduled Maintenance Periods & Non-Utility Power Sources to be maintained: _____
_____
_____

This Contract shall become effective at the beginning of the first regular billing cycle following _____(date) or the first billing period after the installation of the required meters for service under Schedule _____ and Schedule SS, whichever occurs later.

The parallel interconnection of the customer's non-utility power sources with the Company's system shall be permitted in accordance with the terms and conditions specified in a contract for parallel interconnection.

Term of Contract shall be at least one year, and shall continue thereafter month-to-month until terminated by either party upon thirty (30) days prior written notice to the other party. This Contract may be terminated at any time by mutual agreement of the Company and the customer.

Authorized Customer Signature:		MECO Representative:	
_____	_____	_____	_____
Name	Date	Name	Date
_____		_____	
Title		Title	
_____			

MAUI ELECTRIC COMPANY, LTD.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

Superceding Sheet No. 101A
Effective April 15, 1999

REVISED SHEET NO. 101A
Effective

MOLOKAI DIVISION

RATE SCHEDULES (continued)

Sheet	Schedule	Date Effective	Character of Service
132	Green Pricing Program Provision	January 1, 1999	Green Pricing
132A	Green Pricing Program Provision	January 1, 1999	Green Pricing
133	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
133A	Rider EV-R	April 15, 1999	Residential Electric Vehicle Charging Service
134	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
134A	Rider EV-C	April 15, 1999	Commercial Electric Vehicle Charging Service
135	Schedule SS		Standby Service
135A	Schedule SS		Standby Service
135B	Schedule SS		Standby Service
135C	Schedule SS		Standby Service
135D	Schedule SS		Standby Service
135E	Schedule SS		Standby Service
135F	Schedule SS		Standby Service
135G	Schedule SS		Standby Service
135H	Schedule SS		Standby Service

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 135
Effective

MOLOKAI DIVISION

SCHEDULE SS
STANDBY SERVICE

APPLICABILITY:

Applicable to standby service to customers with alternate regular source(s) of energy other than electricity from the Company (non-utility power source(s)). Service under this Schedule shall be at least 25 kW, supplied and metered at a single voltage and delivery point as specified by the Company.

Standby service is the power service that the Company is obligated to stand ready to supply when the customer's non-utility power source(s) is unavailable for service. Standby service refers to power service that the Company provides during both unscheduled outages (Backup Service) and Scheduled Maintenance Periods.

Supplemental Service is the power service supplied by the Company in addition to the customer's electric power requirements normally obtained from its non-utility power source(s). The Company will serve the customer's supplemental service under the applicable regular commercial rate schedule.

Rates:

The rates, terms, and conditions of the applicable regular commercial rate schedule shall apply except that the Billing kW under the applicable commercial rate schedule shall be adjusted as described below, the Standby Demand Charge and Standby Energy Charge shall be added to the customer's bill, and the Minimum Charge provisions of this Schedule shall supersede the Minimum Charge provisions in the applicable regular commercial rate schedule.

Standby Demand Charge:

The Standby Demand Charge for each month shall be the sum of the Reservation Demand Charge and the Daily Demand Charge.

SHEET NO. 135A
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

Standby Demand Charge: continued

Reservation Demand Charge:

$10.86 per Contract Standby kW, for customers served on Schedule J for Supplemental Service.

$6.33 per Contract Standby kW, for customers served on Schedule P for Supplemental Service.

The Contract Standby kW shall be the greater of (1) the Contract Standby kW specified in the customer's Standby Service Contract form or (2) the maximum load served by the Customer's generation equipment in the current or previous 11 billing months, less the kW amount specified in the customer's Standby Service Contract form that would not have to be served by the Company in the event of an outage of the customer's generation equipment. The Contract Standby kW shall also include, in addition to the customer's normal operating level of its generation equipment, an equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

Daily Demand Charge:

$0.97 per Standby Billing kW per day, for customers served on Schedule J for Supplemental Service.

$0.53 per Standby Billing kW per day, for customers served on Schedule P for Supplemental Service.

Backup Demand during a 15 minute interval is the lesser of (1) the Contract Standby kW minus the customer's load served by the customer's generation equipment, but not less than zero, or (2) the load served by the Company's generation equipment in that same time interval as the customer's own generation load. The Standby Billing kW each day is the maximum Backup Demand during the 24-hour day. The daily demand charge shall be the sum of the calculated demand charges for each day of the billing period. For the purpose of calculating the Backup Demand only, the Contract Standby kW will exclude any amounts that represent equivalent kW for electrical power that would be required to replace thermal energy that is not supplied by the customer's generation equipment.

The Daily Demand Charge will be waived during days of Scheduled Maintenance.

MAUI ELECTRIC COMPANY, LTD.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 135B
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

Standby Energy Charge:

Standby Energy kWh is the sum of the 15 minute interval Backup Demands (including periods of Scheduled Maintenance) during the month divided by four.

Standby Energy Charge:

$0.064 per Standby Energy kWh, for customers served on Schedule J for Supplemental Service.

$0.060 per Standby Energy kWh, for customers served on Schedule P for Supplemental Service.

Supplemental Service Demand Charge:

The Billing kW for Supplemental Service shall be as follows:

The Billing kW shall be calculated as described in the applicable regular commercial rate schedule, based on the meter readings of the service provided by the Company's generation equipment, except that the calculated billing kW shall be reduced by the sum of the Standby billing kW for each day of the billing period divided by the total number of days in the billing period. This adjusted Billing kW shall be the kW basis for billing the supplemental service demand and energy charges.

Supplemental Service Energy Charge:

Supplemental Service Energy kWh shall be based on the meter readings of the service provided by the Company's generation equipment and shall be the total kWh provided minus the Standby Energy kWh. Supplemental Service Energy shall be billed at the rates shown on the appropriate regular commercial rate schedule, based on the adjusted billing kW described above.

Supply Voltage Adjustment:

The Supply Voltage Adjustment in the applicable regular commercial rate schedule shall apply to the Standby Demand Charge and the Standby Energy Charge.

SHEET NO. 135C
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

MINIMUM CHARGE:

The monthly minimum charge shall be the sum of the Minimum Charge under the applicable regular commercial rate schedule and the Standby Demand Charge. The Minimum Charge under the applicable regular commercial rate schedule shall be based on the maximum kW provided by the Company's generation equipment in the current or 11 previous billing months less the Contract Standby kW. Where the Company determines that the installed capacity of the customer's non-utility power source(s) exceeds the customer's total kW requirement as determined by the Company, the monthly minimum charge shall be the sum of the Customer Charge under the applicable regular commercial rate schedule and the Standby Demand Charge.

TERMS AND CONDITIONS:

1. This tariff shall apply when a customer regularly obtains power service from a source(s) other than the Company, and obtains supplemental service from the Company when its non-utility power source(s) capability is less than its total power requirements; and/or requires standby service from the Company.

2. This tariff shall not apply
   a) to non-utility power sources used exclusively by a customer for emergency service; or
   b) to non-utility power sources that would be used exclusively by a customer for emergency service but for an agreement between the customer and the Company to use the non-utility power sources to reduce utility system load and/or provide capacity to the utility system; or
   c) to non-utility power sources that are at least fifty percent fueled by non fossil fuel energy, calculated on an annual fuel energy input basis; or
   d) to non-utility power sources that produce electricity for sale to the Company under a purchased power agreement that is approved by the Commission, unless otherwise specified in the purchase power agreement; or
   e) to non-utility power sources that are operated for the benefit of customers who have an interruptible service contract (Rider I) or curtailable service contract (Rider M, option B) with the utility; or
   f) to non-utility power sources covered under an agreement for net energy metering with the Company under Rule No. 18.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 135D
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

3. The connection and operation of the customer's non-utility power source(s) in parallel with the Company's system will be permitted when the customer is served under this Schedule and in accordance with the terms of a contract with the Company for parallel interconnection, as described in the Company's Rule No. 14.

4. Customers receiving service under this Schedule shall sign a Standby Service Contract with the Company, which shall specify the Contract Standby kW for standby service required from the Company, and the Scheduled Maintenance Service, if any, elected by the customer.

5. The Contract Standby kW normally will not be less than the lesser of (1) the Total Capacity of the customer's non-utility power source(s), or (2) the highest customer kW Load for the twelve months preceding commencement of service under this Schedule, or execution date of the Standby Service Contract, whichever is earlier. The customer must notify the Company of any changes in its non-utility power source(s) that may affect its Contract Standby kW specified in the Standby Service Contract. The Company may, from time to time, verify the customer's Contract Standby kW specified in the Standby Service Contract. Where the Company determines that the Contract Standby kW requires adjustment, the Company shall inform the customer in writing 60 days before such change becomes effective.

6. The maximum instantaneous demand may be limited by contract. When the capacity of the service connection is limited to conform to the Contract Standby kW, the customer shall provide, install and maintain at its expense, and the Company shall control, any circuit breaker and other equipment necessary to limit the service connection to the Contract Standby kW.

7. The Company shall not be liable for any consequential damages caused by, or resulting from any limitation of kW capacity supplied to the customer under this Schedule.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

SHEET NO. 135E
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

8. Scheduled Maintenance Service under this rate schedule shall be for power service during the Scheduled Maintenance Periods of the customer's non-utility power source(s). A customer shall specify in the Standby Service Contract whether it is taking Standard Scheduled Maintenance Service, Off-peak Scheduled Maintenance Service, or both.

   For Standard Scheduled Maintenance Service, maintenance for a customer's non-utility power source is subject to the following terms and conditions:

   a. A non-utility power source cannot be down for Standard Scheduled Maintenance Service more than 2 times during the calendar year.

   b. The customer shall specify its initial Scheduled Maintenance Periods (to be taken during the first calendar year or partial calendar year in which it takes Scheduled Maintenance Service), subject to review and approval by the Company, in the Standby Service Contract. Prior to July 1 of each year, the customer shall submit in writing to the Company any changes to the Scheduled Maintenance Periods for the following calendar year. Where the Company indicates within 60 days that any such changes are not acceptable to the Company based on operating, technical or other similar reasons, the Company and the customer will work together to determine the changes to the Scheduled Maintenance Periods that are reasonable and acceptable to both parties.

   c. Either the Company or the customer may request one change in the start date and/or duration of any scheduled outage by written request (specifying the reason for such request, and the proposed start date and/or duration of the scheduled outage) made at least thirty days before the scheduled start of such outage. The Company and the customer will make reasonable efforts to accommodate such requests (by written responses given within one week of receiving such requests).

SHEET NO. 135F
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

For Off-peak Scheduled Maintenance Service, a customer may elect Scheduled Maintenance Periods that occur only during the Company's off-peak period, subject to the following conditions:

a. A power source can be maintained during off-peak hours only with two-week prior notice to the Company. Notice can be given either by phone, fax, or e-mail, and must include the meter number for the power source(s) to be maintained and the expected additional kW demand to be provided by the Company during the Scheduled Maintenance Service period(s). Off-peak hours are 9 p.m. - 7 a.m., daily.

b. Maintenance on the same power source can be scheduled no more than twice within a four-week period. The customer must call the Company in advance of shutting off and/or starting up its power source that will be maintained under this provision.

c. The Standby Service Contract must specify the non-utility power source(s) and meter numbers of the sources to be maintained during off-peak hours under the above terms.

The total of the Scheduled Maintenance Periods arranged under Standard Scheduled Maintenance Service and Off-peak Scheduled Maintenance Service shall not exceed 3 weeks per non-utility power source within a calendar year.

9. The customer's non-utility power source(s) shall be metered with a meter or recorder capable of interval metering, unless the Company deems such metering to be impractical for engineering or operating reasons. If the customer's non-utility power source(s) cannot be metered by the Company, then the customer's Standby Billing kW per day shall be equal to the Contract Standby kW, and the customer shall not be eligible for Scheduled Maintenance Service. If the customer has more than one non-utility power source, and elects scheduled maintenance service for only one of its non-utility power sources at a time, then each of the customer's non-utility power sources shall be separately metered.

SHEET NO. 135G
Effective

MOLOKAI DIVISION

SCHEDULE SS - Continued

TERMS AND CONDITIONS - Continued

10. The Company shall install, own, operate, maintain, and read meters on the customer's non-utility power source(s) for billing purposes. The customer shall be responsible for any cost associated with metering its non-utility power source(s), including the total installed cost of the meters. All meters shall be installed at some convenient place approved by the Company upon the customer's premises, and shall be so placed as to be accessible at all times for inspection, reading, and testing.

    When the Company performs maintenance work on the meters on the customer's non-utility power source(s), the Company shall bill the customer for the total cost associated with such maintenance including labor and material costs, and shall add this amount to the customer's electric bill for the period. The Company shall provide the customer with the breakdown of such maintenance costs such as the labor cost, materials and supplies, taxes, and any other cost incurred.

    The customer shall, at its expense, furnish, install and maintain in accordance with the Company's requirements all associated equipment such as all conductors, service switches, fuses, meter sockets, meter and instrument transformer housing and mountings, switchboard meter test buses, meter panels, and similar devices, required for service connection and meter installations on customer's premises. The customer shall at its expense, provide a dedicated telephone line to connect the meter(s) to the Company's communication system.

11. The term of contract under this Schedule is at least one (1) year, and the contract shall remain in effect from month-to-month thereafter, unless terminated by either party upon thirty (30) days prior written notice to the other party. Early termination by the customer shall incur a fee equal to the sum of the last six months' Reservation Demand charges.

12. Service supplied under this Schedule shall be subject to the Rules and Regulations of the Company.

SHEET NO. 135H
Effective

MOLOKAI DIVISION

Standby Service Contract Form

This Contract covers Standby Service provided by MAUI ELECTRIC COMPANY, LTD. (MECO) to:
Customer:_____Account Number: _____
Service Address: _____

Under this Contract, the electric service provided by MECO to the customer's service location shall be served on rate Schedule SS and Schedule ___. All terms of Schedule _____ shall apply, except as further specified in Schedule SS and in this Contract.

The customer elects the following Scheduled Maintenance Service:
_____ Standard Scheduled Maintenance Service
_____ Off-peak Scheduled Maintenance Service
Contract Standby kW _____ (1)
Installed kW Capacity of Each Non-Utility Power Source _____ (2)
Total Number of Non-Utility Power Sources _____(3)

Standard Scheduled Maintenance Periods & Non-Utility Power Sources to be maintained: _____
_____
_____

This Contract shall become effective at the beginning of the first regular billing cycle following _____(date) or the first billing period after the installation of the required meters for service under Schedule _____ and Schedule SS, whichever occurs later.

The parallel interconnection of the customer's non-utility power sources with the Company's system shall be permitted in accordance with the terms and conditions specified in a contract for parallel interconnection.

Term of Contract shall be at least one year, and shall continue thereafter month-to-month until terminated by either party upon thirty (30) days prior written notice to the other party. This Contract may be terminated at any time by mutual agreement of the Company and the customer.

Authorized Customer Signature:		MECO Representative:	
_____	_____	_____	_____
Name	Date	Name	Date
_____		_____	
Title		Title	
_____			

MAUI ELECTRIC COMPANY, LTD.

Docket No. 03-0371, D&O No. 22248.
Transmittal Letter Dated August 28, 2006.

Hawaiian Electric Company, Inc.

Derivation of Standby Charge Rates

		Total Demand Costs at Proposed Rates					Sch J Standby Rate per kW	Sch PT Standby Rate per kW	Sch PP Standby Rate per kW	Sch PS Standby Rate per kW
		Sch. J (a)	Sch. PT (b)	Sch. PP (c)	Sch. PS (d)	% of Cost Applied (e)	(f=a*e)	(g=b*e)	(h=c*e)	(i=d*e)
L1	Generation (70% of Tot. Gen. Demand Costs)	$55,091.1	$4,069.0	$48,841.2	$20,970.9	0%	$0.0	$0.0	$0.0	$0.0
L2	Reserve Capacity (30% of Tot. Gen. Demand Costs)	$23,610.5	$1,743.9	$20,932.0	$8,987.5	100%	$23,610.5	$1,743.9	$20,932.0	$8,987.5
L3	Transmission	$18,482.3	$1,743.5	$16,680.3	$6,769.1	* [1]	$10,719.7	$1,011.2	$9,674.6	$3,926.1
L4	Distribution	$21,321.6	$0.0	$15,147.1	$7,762.5	100%	$21,321.6	$0.0	$15,147.1	$7,762.5
L5 = sum(L1:L4)	Total	$118,505.5	$7,556.4	$101,600.6	$44,490.0		$55,651.8	$2,755.1	$45,753.6	$20,676.1
L6	Non-coincident Sales mW						6202.6	307.8	4193.7	1837.4
L7	Energy Sales MWH						2,013,000	173,740	2,168,528	875,132
L8 = L5 ÷ L6	Proposed Reservation Demand Charge per kW						$8.97	$8.95	$10.91	$11.25
L9	Demand Costs Not in Reservation Charge						$62,853.7	$4,801.3	$55,847.0	$23,813.9
L10 = L9 x 10%	Demand Costs in Backup Energy Charge						$6,285.4	$480.1	$5,584.7	$2,381.4
L11 = L9 - L10	Demand Costs in Daily Demand Charge						$56,568.3	$4,321.2	$50,262.3	$21,432.5
L12 = (L11÷L6)÷30.5	Proposed Daily Demand Charge per kW						$0.30	$0.46	$0.39	$0.38
L13	Energy Costs at Proposed Rates (in $000s)						$195,714.0	$16,397.5	$205,025.3	$84,658.4
L14 = (L10÷L13)÷L7	Proposed Backup Energy Charge per kWh						$0.100	$0.097	$0.097	$0.099

[1] 60% of Transmission Demand Cost treated as Generation demand cost, and
40% of Transmission Demand Cost treated as Distribution demand cost

References:

L1-L4 (Columns A-D), L13: HECO-RWP-2201, Docket No. 04-0113, Page 6.
L3-L4 (Column C): Based on proportions used to derive Rider A charge in settlement agreement, Docket No. 99-0207.
L6-L7: HECO-RWP-2201, Docket No. 04-0113, Page 7.

Hawaii Electric Light Company, Inc.

Derivation of Standby Charge Rates

		Total Costs at Proposed Rates In $000s		% of Cost	Sch J Standby	Sch P Standby
		Sch. J (a)	Sch. P (b)	Applied (c)	Rate per kW (d = a x c)	Rate per kW (e = b x c)
L1	Generation (80% of Tot. Gen. Demand Costs)	$24,383.1	$12,754.2	0%	$0.0	$0.0
L2	Reserve Capacity (20% of Tot. Gen. Demand Costs)	$6,095.8	$3,188.6	100%	$6,095.8	$3,188.6
L3	Transmission Demand	$5,739.4	$2,952.4	*** [1]	$2,984.5	$1,535.3
L4	Distribution Demand	$6,108.1	$2,252.2	100%	$6,108.1	$2,252.2
L5 = sum(L1.L4)	Total	$42,326.4	$21,147.4		$15,188.4	$6,976.0
L6	Non-Coincident Sales mW				1,096.2	477.3
L7	Energy Sales MWH				354,900	238,100
L8 = L5 ÷ L6	Proposed Reservation Demand Charge per kW				$13.86	$14.62
L9	Demand Costs Not in Reservation Charge				$27,138.0	$14,171.4
L10 = L9 x 10%	Demand Costs in Backup Energy Charge				$2,713.8	$1,417.1
L11 = L9 - L10	Demand Costs in Daily Demand Charge				$24,424.2	$12,754.3
L12 = (L11÷L6)÷30.5	Proposed Daily Demand Charge per kW				$0.73	$0.88
L13	Energy Costs at Proposed Rates (in $000s)				$61,191.7	$40,344.2
L14 = (L10+L13)÷L7	Proposed Backup Energy Charge per kWh				$0.180	$0.175

[1] 60% of Transmission Demand Cost treated as Generation demand cost, and
40% of Transmission Demand Cost treated as Distribution demand cost

References:

L1-L4 (Columns A,B), L13: HELCO-WP-2001, Docket No. 05-0315, Page 6.
L3-L4 (Column C): Based on proportions used to derive Rider A charge in settlement agreement, Docket No. 99-0207.
L6-L7: HELCO-WP-2001, Docket No. 05-0315, Page 7.

Maui Electric Company, Ltd. - Maui Division

Derivation of Standby Charge Rates

		Total Costs at Proposed Rates In $000s		% of Cost	Sch J Standby	Sch P Standby
		Sch. J (a)	Sch. P (b)	Applied (c)	Rate per kW (d = a x c)	Rate per kW (e = b x c)
L1	Generation (80% of Tot. Gen. Demand Costs)	$10,710.5	$13,528.5	0%	$0.0	$0.0
L2	Reserve Capacity (20% of Tot. Gen. Demand Costs)	$2,677.6	$3,382.1	100%	$2,677.6	$3,382.1
L3	Transmission Demand	$2,960.2	$3,675.2	*** [1]	$1,539.3	$1,911.1
L4	Distribution Demand	$2,369.3	$2,115.9	100%	$2,369.3	$2,115.9
L5 = sum(L1.L4)	Total	$18,717.6	$22,701.7		$6,586.2	$7,409.1
L6	Non-Coincident Sales mW				705.0	720.3
L7	Energy Sales MWH				209,849	341,312
L8 = L5 + L6	Proposed Reservation Demand Charge per kW				$9.34	$10.29
L9	Demand Costs Not in Reservation Charge				$12,131.4	$15,292.6
L10 = L9 x 10%	Demand Costs in Backup Energy Charge				$1,213.1	$1,529.3
L11 = L9 - L10	Demand Costs in Daily Demand Charge				$10,918.2	$13,763.3
L12 = (L11+L6)÷30.5	Proposed Daily Demand Charge per kW				$0.51	$0.63
L13	Energy Costs at Proposed Rates (in $000s)				$9,789.7	$15,726.7
L14 = (L10+L13)÷L7	Proposed Backup Energy Charge per kWh				$0.052	$0.051

[1] 60% of Transmission Demand Cost treated as Generation demand cost, and
40% of Transmission Demand Cost treated as Distribution demand cost

References:
L1-L4 (Columns A-B), L13: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment D, Page 8.
L3-L4 (Column C): Based on proportions used to derive Rider A charge in settlement agreement, Docket No. 99-0207.
L6-L7: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment D, Page 11.

Maui Electric Company, Ltd. - Lanai Division

Derivation of Standby Charge Rates

		Total Costs at Proposed Rates In $000s		% of Cost	Sch J Standby	Sch P Standby
		Sch. J (a)	Sch. P (b)	Applied (c)	Rate per kW (d = a x c)	Rate per kW (e = b x c)
L1	Generation (80% of Tot. Gen. Demand Costs)	$540.2	$837.6	0%	$0.0	$0.0
L2	Reserve Capacity (20% of Tot. Gen. Demand Costs)	$135.1	$209.4	100%	$135.1	$209.4
L3	Transmission Demand	$0.0	$0.0	*** [1]	$0.0	$0.0
L4	Distribution Demand	$81.3	$100.2	100%	$81.3	$100.2
L5 = sum(L1.L4)	Total	$756.6	$1,147.2		$216.4	$309.6
L6	Non-Coincident Sales mW				22.3	22.6
L7	Energy Sales MWH				5,759	11,798
L8 = L5 + L6	Proposed Reservation Demand Charge per kW				$9.70	$13.68
L9	Demand Costs Not in Reservation Charge				$540.2	$837.6
L10 = L9 x 10%	Demand Costs in Backup Energy Charge				$54.0	$83.8
L11 = L9 - L10	Demand Costs in Daily Demand Charge				$486.2	$753.8
L12 = (L11+L6)÷30.5	Proposed Daily Demand Charge per kW				$0.71	$1.09
L13	Energy Costs at Proposed Rates (in $000s)				$530.6	$1,064.6
L14 = (L10+L13)÷L7	Proposed Backup Energy Charge per kWh				$0.102	$0.097

[1] 60% of Transmission Demand Cost treated as Generation demand cost, and
40% of Transmission Demand Cost treated as Distribution demand cost

References:
L1-L4 (Columns A-B), L13: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment E, Page 8.
L3-L4 (Column C): Based on proportions used to derive Rider A charge in settlement agreement, Docket No. 99-0207.
L6-L7: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment E, Page 11.

Maui Electric Company, Ltd. - Molokai Division

Derivation of Standby Charge Rates

		Total Costs at Proposed Rates In $000s		% of Cost	Sch J Standby	Sch P Standby
		Sch. J (a)	Sch. P (b)	Applied (c)	Rate per kW (d = a x c)	Rate per kW (e = b x c)
L1	Generation (80% of Tot. Gen. Demand Costs)	$889.0	$404.7	0%	$0.0	$0.0
L2	Reserve Capacity (20% of Tot. Gen. Demand Costs)	$222.3	$101.2	100%	$222.3	$101.2
L3	*Transmission Demand*	$36.4	$13.6	*** [1]	$18.9	$7.1
L4	Distribution Demand	$57.4	$37.9	100%	$57.4	$37.9
L5 = sum(L1.L4)	Total	$1,205.1	$557.4		$298.6	$146.2
L6	Non-Coincident Sales mW				27.5	23.1
L7	Energy Sales MWH				9,250	6,531
L8 = L5 ÷ L6	Proposed Reservation Demand Charge per kW				$10.86	$6.33
L9	Demand Costs Not in Reservation Charge				$906.5	$411.3
L10 = L9 x 10%	Demand Costs in Backup Energy Charge				$90.7	$41.1
L11 = L9 - L10	Demand Costs in Daily Demand Charge				$815.9	$370.1
L12 = (L11+L6)÷30.5	Proposed Daily Demand Charge per kW				$0.97	$0.53
L13	*Energy Costs at Proposed Rates (in $000s)*				$502.6	$350.4
L14 = (L10+L13)÷L7	Proposed Backup Energy Charge per kWh				$0.064	$0.060

[1] 60% of Transmission Demand Cost treated as Generation demand cost, and
40% of Transmission Demand Cost treated as Distribution demand cost

References:
L1-L4 (Columns A-B), L13: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment F, Page 8.
L3-L4 (Column C): Based on proportions used to derive Rider A charge in settlement agreement, Docket No. 99-0207.
L6-L7: Workpapers Supporting Final Rates, Docket No. 97-0346, Attachment F, Page 11.

HAWAIIAN ELECTRIC COMPANY, INC.
Standby Service Billing Examples @ Rebuttal Testimony Proposed Rates

ATTACHMENT C
PAGE 1

Line	CASE - SCHEDULE PS	A Schedule PS No DG, No Standby Rate (billed as if all energy purchased from HECO)	B Schedule PS DG, No Standby Rate (bill only energy supplied by HECO)	C Schedule PS DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, HECO meter, current month	975	900	900
L3	Max kW, HECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, HECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	Schedule P Billing kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, HECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$350.00	$350.00	$350.00
	Demand Charge			
L19	First 500 kW -$16.35/kW	$8,175.00	$8,175.00	$8,175.00
L20	Next 1000 kW -$15.85/kW	$8,051.80	$6,419.25	$2,694.50
	Energy Charge			
L21	First 200 kwh/kwb - 11.9578¢/kWh	$24,106.92	$14,110.20	$10,044.55
L22	Next 200 kwh/kwb - 11.1595¢/kWh	$22,497.55	$0.00	$0.00
L23	Over 400 kwh/kwb - 10.8503¢/kWh	$13,649.68	$0.00	$0.00
L24	Power Factor Adj	-$917.77	-$344.45	-$250.97
	Reservation Charge			
L25	at $11.25 / kw			$7,875.00
	Daily Demand Charge			
L26	at $0.38/kW/day			$2,774.00
	Standby Energy Charge			
L27	at 9.90 ¢/kWh			$3,366.00
L28	Total Month's Base Bill	$75,913.18	$28,710.00	$35,028.08
	Contribution to Fixed Costs			
L29	at 9.6 cents/kWh energy cost	$25,129.18	$17,382.00	$23,700.08
	Unrecovered Contribution			
L30	to Fixed Costs		$7,747.18	$1,429.10

Line	CASE - SCHEDULE PP	A Schedule P No DG, No Standby Rate (billed as if all energy *purchased from* HECO)	B Schedule P DG, No Standby Rate (bill only energy supplied by HECO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, HECO meter, current month	975	900	900
L3	Max kW, HECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, HECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	*Schedule P Billing* kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, HECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$400.00	$400.00	$400.00
	Demand Charge			
L19	First 500 kW -$16.15/kW	$8,075.00	$8,075.00	$8,075.00
L20	Next 1000 kW -$15.65/kW	$7,950.20	$6,338.25	$2,660.50
	Energy Charge			
L21	First 200 kwh/kwb - 11.9604¢/kWh	$24,112.17	$14,113.27	$10,046.74
L22	Next 200 kwh/kwb - 11.1772¢/kWh	$22,533.24	$0.00	$0.00
L23	Over 400 kwh/kwb - 10.8737¢/kWh	$13,679.11	$0.00	$0.00
L24	Power Factor Adj	-$916.20	-$342.32	-$249.39
	Reservation Charge			
L25	at $10.91 / kw			$7,637.00
	Daily Demand Charge			
L26	at $0.39/kW/day			$2,847.00
	Standby Energy Charge			
L27	at 9.70 ¢/kWh			$3,298.00
L28	Total Month's Base Bill	$75,833.52	$28,584.20	$34,714.85
	Contribution to Fixed Costs			
L29	at 9.6 cents/kWh energy cost	$25,049.52	$17,256.20	$23,386.85
	Unrecovered Contribution			
L30	to Fixed Costs		$7,793.32	$1,662.67

HAWAIIAN ELECTRIC COMPANY, INC.
Standby Service Billing Examples @ Rebuttal Testimony Proposed Rates

Line	CASE - SCHEDULE PT	A Schedule P No DG, No Standby Rate (billed as if all energy purchased from HECO)	B Schedule P DG, No Standby Rate (bill only energy supplied by HECO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, HECO meter, current month	975	900	900
L3	Max kW, HECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, HECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	Schedule P Billing kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, HECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$400.00	$400.00	$400.00
	Demand Charge			
L19	First 500 kW -$16.00/kW	$8,000.00	$8,000.00	$8,000.00
L20	Next 1000 kW -$15.50/kW	$7,874.00	$6,277.50	$2,635.00
	Energy Charge			
L21	First 200 kwh/kwb - 11.7511¢/kWh	$23,690.22	$13,866.30	$9,870.92
L22	Next 200 kwh/kwb - 10.9792¢/kWh	$22,134.07	$0.00	$0.00
L23	Over 400 kwh/kwb - 10.6800¢/kWh	$13,435.44	$0.00	$0.00
L24	Power Factor Adj	-$901.60	-$337.73	-$246.07
	Reservation Charge			
L25	at $8.95 / kw			$6,265.00
	Daily Demand Charge			
L26	at $0.46/kW/day			$3,358.00
	Standby Energy Charge			
L27	at 9.70 ¢/kWh			$3,298.00
L28	Total Month's Base Bill	$74,632.12	$28,206.07	$33,580.85
	Contribution to Fixed Costs			
L29	at 9.6 cents/kWh energy cost	$23,848.12	$16,878.07	$22,252.85
	Unrecovered Contribution			
L30	to Fixed Costs		$6,970.05	$1,595.27

HAWAIIAN ELECTRIC COMPANY, INC.
Standby Service Billing Examples @ Rebuttal Testimony Proposed Rates

ATTACHMENT C
PAGE 4

Line	CASE - SCHEDULE J	A Schedule J No DG, No Standby Rate *(billed as if all energy purchased from HECO)*	B Schedule J DG, No Standby Rate *(bill only energy supplied by HECO)*	C Schedule J DG, Standby Rate *(bill based on proposed Standby Rate Schedule)*
L1	Customer DG Capacity	0	40	40
L2	Max kW, HECO meter, current month	115	80	80
L3	Max kW, HECO meter, previous 11 months	120	90	90
L4	Max kW, Customer total requirement, current month	115	115	115
L5	Max kW, Customer total req, previous 11 months	120	120	120
L6	kWh, HECO meter	34,500	10,500	10,500
L7	kWh, Customer generation	0	24,000	24,000
L8	kWh, Customer total requirement	34,500	34,500	34,500
L9	Standby Billing kW per day (total for the month)	0	450	450
L10	Power Factor	95	95	95
L11	Standby Energy kWh	0	0	3,000
L12	Schedule J Billing kW	118	85	70
L13	Schedule J Billing kWh	34,500	10,500	7,500
L14	Contract Standby kW			40
L15	Standby Billing kW @ Average Per Day			15
L16	Load Factor, HECO Meter	40%	18%	18%
L17	Load Factor, Customer Generator		81%	81%
	Bill Components			
L18	Customer Charge	$70.00	$70.00	$70.00
	Demand Charge			
L19	All kW -$8.50/kW	$1,003.00	$722.50	$595.00
L20				
	Energy Charge			
L21	First 200 kwh/kwb - 13.6400¢/kWh	$3,219.04	$1,432.20	$1,023.00
L22	Next 200 kwh/kwb - 12.4919¢/kWh	$1,361.62	$0.00	$0.00
L23	Over 400 kwh/kwb - 11.4629¢/kWh	$0.00	$0.00	$0.00
L24	Power Factor Adj	-$55.84	-$21.55	-$16.18
	Reservation Charge			
L25	at $8.97 / kw			$358.80
	Daily Demand Charge			
L26	at $0.30/kW/day			$135.00
	Standby Energy Charge			
L27	at 10.0 ¢/kWh			$300.00
L28	Total Month's Base Bill	$5,597.82	$2,203.15	$2,465.62
	Contribution to Fixed Costs			
L29	at 9.6 cents/kWh energy cost	$2,285.82	$1,195.15	$1,457.62
	Unrecovered Contribution			
L30	to Fixed Costs		$1,090.67	$828.20

HAWAII ELECTRIC LIGHT COMPANY, INC.
Standby Service Billing Examples @ Direct Testimony Proposed Rates

ATTACHMENT C
PAGE 5

CASE - SCHEDULE P	A Schedule P *No DG, No Standby Rate* (billed as if all energy purchased from HELCO)	B Schedule P DG, No Standby Rate (bill only energy supplied by HELCO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)	D Schedule P DG, Rider A
Customer DG Capacity	0	700	700	700
Max kW, HELCO meter, current month	975	900	900	900
Max kW, HELCO meter, previous 11 months	1,040	910	910	910
Max kW, Customer total requirement, current month	975	975	975	975
Max kW, Customer total req, previous 11 months	1,040	1,040	1,040	1,040
kWh, HELCO meter	529,000	118,000	118,000	118,000
kWh, Customer generation	0	411,000	411,000	411,000
kWh, Customer total requirement	529,000	529,000	529,000	529,000
Standby Billing kW per day (total for the month)	0	7,300	7,300	7,300
Power Factor	97	97	97	97
Standby Energy kWh	0	34,000	34,000	34,000
Schedule P Billing kW	1,008	905	670	308
Schedule P Billing kWh	529,000	118,000	84,000	84,000
Contract Standby kW			700	700
Standby Billing kW @ Average Per Day			235	235
Load Factor, HELCO Meter	73%	18%	18%	18%
Load Factor, Customer Generator		79%	79%	79%
Bill Components				
Customer Charge	$500.00	$500.00	$500.00	$500.00
Demand Charge				
First 500 kW -$19.50/kW	$9,750.00	$9,750.00	$9,750.00	$6,006.00
Above 500 kW -$19.00/kW	$9,652.00	$7,695.00	$3,230.00	$0.00
Energy Charge				
First 200 kwh/kwb - 24.2453¢/kWh	$48,878.52	$28,609.45	$20,366.05	$14,935.10
Next 200 kwh/kwb - 22.0651¢/kWh	$44,483.24	$0.00	$0.00	$4,942.58
Over 400 kwh/kwb - 21.0620¢/kWh	$26,496.00	$0.00	$0.00	$0.00
Power Factor Adj	-$2,506.68	-$828.98	-$600.23	-$465.91
Reservation Charge at $14.62 / kw			$10,234.00	
Standby Charge at $13.10 / kW				$9,170.00
Daily Demand Charge at $0.88/kW/day			$6,424.00	
Scheduled Maintenance Energy at 16.1 cents / kWh				$5,474.00
Standby Energy Charge at 17.5 ¢/kWh			$5,950.00	
Total Month's Base Bill	$137,253.09	$45,725.47	$55,853.82	$40,561.78
Contribution to Fixed Costs at 17.2 cents/kWh energy cost	$46,265.09	$25,429.47	$35,557.82	$20,265.78
Unrecovered Contribution to Fixed Costs		$20,835.61	$10,707.26	$25,999.31

HAWAII ELECTRIC LIGHT COMPANY, INC.
Standby Service Billing Examples @ Direct Testimony Proposed Rates

ATTACHMENT C
PAGE 6

CASE - SCHEDULE J	A Schedule J No DG, No Standby Rate (*billed as if all energy purchased from HELCO*)	B Schedule J DG, No Standby Rate (bill only energy supplied by HELCO)	C Schedule J DG, Standby Rate (bill based on proposed Standby Rate Schedule)	D Schedule J DG, Rider A
Customer DG Capacity	0	40	40	40
Max kW, HELCO meter, current month	115	80	80	80
Max kW, HELCO meter, previous 11 months	120	90	90	90
Max kW, Customer total requirement, current month	115	115	115	115
Max kW, Customer total req, previous 11 months	120	120	120	120
kWh, HELCO meter	34,500	10,500	10,500	10,500
kWh, Customer generation	0	24,000	24,000	24,000
kWh, Customer total requirement	34,500	34,500	34,500	34,500
Standby Billing kW per day (total for the month)	0	450	450	450
Power Factor	95	95	95	95
Standby Energy kWh	0	0	3,000	0
Schedule J Billing kW	118	85	70	78
Schedule J Billing kWh	34,500	10,500	7,500	10,500
Contract Standby kW			40	40
Standby Billing kW @ Average Per Day			15	15
Load Factor, HELCO Meter	40%	18%	18%	18%
Load Factor, Customer Generator		81%	81%	81%
Bill Components				
Customer Charge	$65.00	$65.00	$65.00	$65.00
Demand Charge				
All kW -$12.00/kW	$1,416.00	$1,020.00	$840.00	$936.00
Energy Charge				
First 200 kwh/kwb - 26.4456¢/kWh	$6,241.16	$2,776.79	$1,983.42	$2,776.79
Next 200 kwh/kwb - 24.2283¢/kWh	$2,640.88	$0.00	$0.00	$0.00
Over 400 kwh/kwb - 23.2274¢/kWh	$0.00	$0.00	$0.00	$0.00
Power Factor Adj	-$102.98	-$37.97	-$28.23	-$37.13
Reservation Charge				
at $13.86 / kw			$554.40	
Standby Charge at $12.10/kW				$484.00
Daily Demand Charge				
at $0.73/kW/day			$328.50	
Scheduled Maintenance Energy at 16.9 cents/kWh				$0.00
Standby Energy Charge				
at 18.0 ¢/kWh			$540.00	
Total Month's Base Bill	$10,260.07	$3,823.82	$4,283.09	$4,224.66
Contribution to Fixed Costs				
at 17.2 cents/kWh energy cost	$4,326.07	$2,017.82	$2,477.09	$2,418.66
Unrecovered Contribution				
to Fixed Costs		$2,308.25	$1,848.98	$1,907.41

MAUI ELECTRIC COMPANY, LTD. - Maui Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE P	A Schedule P No DG, No Standby Rate (billed as if all energy purchased from MECO)	B Schedule P DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, MECO meter, current month	975	900	900
L3	Max kW, MECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, MECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	Schedule P Billing kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, MECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$225.00	$225.00	$225.00
	Demand Charge			
L19	First 500 kW -$8.50/kW	$4,250.00	$4,250.00	$4,250.00
L20	Above 500 kW -$8.00/kW	$4,064.00	$3,240.00	$1,360.00
	Energy Charge			
L21	First 200 kwh/kwb - 10.9997¢/kWh	$22,175.40	$12,979.65	$9,239.75
L22	Next 200 kwh/kwb - 9.4576¢/kWh	$19,066.52	$0.00	$0.00
L23	Over 400 kwh/kwb - 7.7456¢/kWh	$9,743.96	$0.00	$0.00
L24	Power Factor Adj	-$711.60	-$245.64	-$178.20
	Reservation Charge			
L25	at $10.29 / kw			$7,203.00
	Daily Demand Charge			
L26	at $0.70/kW/day			$4,599.00
	Standby Energy Charge			
L27	at 5.10 ¢/kWh			$1,734.00
L28	Total Month's Base Bill	$58,813.28	$20,449.01	$28,432.55
	Contribution to Fixed Costs			
L29	at 4.6 cents/kWh energy cost	$34,479.28	$15,021.01	$23,004.55
	Unrecovered Contribution			
L30	to Fixed Costs		$19,458.27	$11,474.73

MAUI ELECTRIC COMPANY, LTD. - Maui Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE J	A Schedule J No DG, No Standby Rate (billed as if all energy purchased from MECO)	B Schedule J DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule J DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	40	40
L2	Max kW, MECO meter, current month	115	80	80
L3	Max kW, MECO meter, previous 11 months	120	90	90
L4	Max kW, Customer total requirement, current month	115	115	115
L5	Max kW, Customer total req, previous 11 months	120	120	120
L6	kWh, MECO meter	34,500	10,500	10,500
L7	kWh, Customer generation	0	24,000	24,000
L8	kWh, Customer total requirement	34,500	34,500	34,500
L9	Standby Billing kW per day (total for the month)	0	450	450
L10	Power Factor	95	95	95
L11	Standby Energy kWh	0	0	3,000
L12	Schedule J Billing kW	118	85	70
L13	Schedule J Billing kWh	34,500	10,500	7,500
L14	Contract Standby kW			40
L15	Standby Billing kW @ Average Per Day			15
L16	Load Factor, MECO Meter	40%	18%	18%
L17	Load Factor, Customer Generator		81%	81%
	Bill Components			
L18	Customer Charge	$50.00	$50.00	$50.00
	Demand Charge			
L19	All kW -$5.75/kW	$678.50	$488.75	$402.50
L20				
	Energy Charge			
L21	First 200 kwh/kwb - 12.4165¢/kWh	$2,930.29	$1,303.73	$931.24
L22	Next 200 kwh/kwb - 11.4024¢/kWh	$1,242.86	$0.00	$0.00
L23	Over 400 kwh/kwb - 8.4403¢/kWh	$0.00	$0.00	$0.00
L24	Power Factor Adj	-$48.52	-$17.92	-$13.34
	Reservation Charge			
L25	at $9.34 / kw			$373.60
	Daily Demand Charge			
L26	at $0.51/kW/day			$229.50
	Standby Energy Charge			
L27	at 5.20 ¢/kWh			$156.00
L28	Total Month's Base Bill	$4,853.14	$1,824.56	$2,129.50
	Contribution to Fixed Costs			
L29	at 4.6 cents/kWh energy cost	$3,266.14	$1,341.56	$1,646.50
	Unrecovered Contribution			
L30	to Fixed Costs		$1,924.58	$1,619.64

MAUI ELECTRIC COMPANY, LTD. - Lanai Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE P	A Schedule P No DG, No Standby Rate (billed as if all energy purchased from MECO)	B Schedule P DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, MECO meter, current month	975	900	900
L3	Max kW, MECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, MECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	Schedule P Billing kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, MECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$200.00	$200.00	$200.00
	Demand Charge			
L19	First 500 kW -$8.50/kW	$4,250.00	$4,250.00	$4,250.00
L20	Above 500 kW -$8.00/kW	$4,064.00	$3,240.00	$1,360.00
	Energy Charge			
L21	First 200 kwh/kwb - 18.8358¢/kWh	$37,972.97	$22,226.24	$15,822.07
L22	Next 200 kwh/kwb - 17.2958¢/kWh	$34,868.33	$0.00	$0.00
L23	Over 400 kwh/kwb - 15.5858¢/kWh	$19,606.94	$0.00	$0.00
L24	Power Factor Adj	-$1,209.15	-$356.59	-$257.18
	Reservation Charge			
L25	at $13.68 / kw			$9,576.00
	Daily Demand Charge			
L26	at $1.09/kW/day			$7,957.00
	Standby Energy Charge			
L27	at 9.70 ¢/kWh			$3,298.00
L28	Total Month's Base Bill	$99,753.10	$29,559.65	$42,205.89
	Contribution to Fixed Costs			
L29	at 9.1 cents/kWh energy cost	$51,614.10	$18,821.65	$31,467.89
	Unrecovered Contribution			
L30	to Fixed Costs		$32,792.45	$20,146.21

MAUI ELECTRIC COMPANY, LTD. - Lanai Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE J	A Schedule J No DG, No Standby Rate (billed as if all energy purchased from MECO)	B Schedule J DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule J DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	40	40
L2	Max kW, MECO meter, current month	115	80	80
L3	Max kW, MECO meter, previous 11 months	120	90	90
L4	Max kW, Customer total requirement, current month	115	115	115
L5	Max kW, Customer total req, previous 11 months	120	120	120
L6	kWh, MECO meter	34,500	10,500	10,500
L7	kWh, Customer generation	0	24,000	24,000
L8	kWh, Customer total requirement	34,500	34,500	34,500
L9	Standby Billing kW per day (total for the month)	0	450	450
L10	Power Factor	95	95	95
L11	Standby Energy kWh	0	0	3,000
L12	Schedule J Billing kW	118	85	70
L13	Schedule J Billing kWh	34,500	10,500	7,500
L14	Contract Standby kW			40
L15	Standby Billing kW @ Average Per Day			15
L16	Load Factor, MECO Meter	40%	18%	18%
L17	Load Factor, Customer Generator		81%	81%
	Bill Components			
L18	Customer Charge	$50.00	$50.00	$50.00
	Demand Charge			
L19	All kW -$5.75/kW	$678.50	$488.75	$402.50
L20				
	Energy Charge			
L21	First 200 kwh/kwb - 20.6089¢/kWh	$4,863.70	$2,163.93	$1,545.67
L22	Next 200 kwh/kwb - 19.4319¢/kWh	$2,118.08	$0.00	$0.00
L23	Over 400 kwh/kwb - 16.4719¢/kWh	$0.00	$0.00	$0.00
L24	Power Factor Adj	-$76.60	-$26.53	-$19.48
	Reservation Charge			
L25	at $9.70 / kw			$388.00
	Daily Demand Charge			
L26	at $0.71/kW/day			$319.50
	Standby Energy Charge			
L27	at 10.20 ¢/kWh			$306.00
L28	Total Month's Base Bill	$7,633.67	$2,676.16	$2,992.19
	Contribution to Fixed Costs			
L29	at 9.1 cents/kWh energy cost	$4,494.17	$1,720.66	$2,036.69
	Unrecovered Contribution			
L30	to Fixed Costs		$2,773.52	$2,457.49

MAUI ELECTRIC COMPANY, LTD. - Molokai Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE P	A Schedule P No DG, No Standby Rate (billed as if all energy purchased from MECO)	B Schedule P DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule P DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	700	700
L2	Max kW, MECO meter, current month	975	900	900
L3	Max kW, MECO meter, previous 11 months	1,040	910	910
L4	Max kW, Customer total requirement, current month	975	975	975
L5	Max kW, Customer total req, previous 11 months	1,040	1,040	1,040
L6	kWh, MECO meter	529,000	118,000	118,000
L7	kWh, Customer generation	0	411,000	411,000
L8	kWh, Customer total requirement	529,000	529,000	529,000
L9	Standby Billing kW per day (total for the month)	0	7,300	7,300
L10	Power Factor	97	97	97
L11	Standby Energy kWh	0	34,000	34,000
L12	Schedule P Billing kW	1,008	905	670
L13	Schedule P Billing kWh	529,000	118,000	84,000
L14	Contract Standby kW			700
L15	Standby Billing kW @ Average Per Day			235
L16	Load Factor, MECO Meter	73%	18%	18%
L17	Load Factor, Customer Generator		79%	79%
	Bill Components			
L18	Customer Charge	$75.00	$75.00	$75.00
	Demand Charge			
L19	First 500 kW -$5.00/kW	$2,500.00	$2,500.00	$2,500.00
L20	Above 500 kW -$4.85/kW	$2,463.80	$1,964.25	$824.50
	Energy Charge			
L21	First 200 kwh/kwb - 16.3763¢/kWh	$33,014.62	$19,324.03	$13,756.09
L22	Next 200 kwh/kwb - 14.2763¢/kWh	$28,781.02	$0.00	$0.00
L23	Over 400 kwh/kwb - 7.1313¢/kWh	$8,971.18	$0.00	$0.00
L24	Power Factor Adj	-$908.77	-$285.46	-$204.97
	Reservation Charge			
L25	at $6.33 / kw			$4,431.00
	Daily Demand Charge			
L26	at $0.53/kW/day			$3,869.00
	Standby Energy Charge			
L27	at 6.00 ¢/kWh			$2,040.00
L28	Total Month's Base Bill	$74,896.85	$23,577.82	$27,290.62
	Contribution to Fixed Costs			
L29	at 5.4 cents/kWh energy cost	$46,330.85	$17,205.82	$20,918.62
	Unrecovered Contribution			
L30	to Fixed Costs		$29,125.03	$25,412.22

MAUI ELECTRIC COMPANY, LTD. - Molokai Division
Standby Service Billing Examples @ 1999 Final Rates

Line	CASE - SCHEDULE J	A Schedule J *No DG, No Standby Rate* (billed as if all energy purchased from MECO)	B Schedule J DG, No Standby Rate (bill only energy supplied by MECO)	C Schedule J DG, Standby Rate (bill based on proposed Standby Rate Schedule)
L1	Customer DG Capacity	0	40	40
L2	Max kW, MECO meter, current month	115	80	80
L3	Max kW, MECO meter, previous 11 months	120	90	90
L4	Max kW, Customer total requirement, current month	115	115	115
L5	Max kW, Customer total req, previous 11 months	120	120	120
L6	kWh, MECO meter	34,500	10,500	10,500
L7	kWh, Customer generation	0	24,000	24,000
L8	kWh, Customer total requirement	34,500	34,500	34,500
L9	Standby Billing kW per day (total for the month)	0	450	450
L10	Power Factor	95	95	95
L11	Standby Energy kWh	0	0	3,000
L12	Schedule J Billing kW	118	85	70
L13	Schedule J Billing kWh	34,500	10,500	7,500
L14	Contract Standby kW			40
L15	Standby Billing kW @ Average Per Day			15
L16	Load Factor, MECO Meter	40%	18%	18%
L17	Load Factor, Customer Generator		81%	81%
	Bill Components			
L18	Customer Charge	$40.00	$40.00	$40.00
	Demand Charge			
L19	All kW - $4.75/kW	$560.50	$403.75	$332.50
L20				
	Energy Charge			
L21	First 200 kwh/kwb - 19.6204¢/kWh	$4,630.41	$2,060.14	$1,471.53
L22	Next 200 kwh/kwb - 13.7734¢/kWh	$1,501.30	$0.00	$0.00
L23	Over 400 kwh/kwb - 11.9444¢/kWh	$0.00	$0.00	$0.00
L24	Power Factor Adj	-$66.92	-$24.64	-$18.04
	Reservation Charge			
L25	at $10.86 / kw			$434.40
	Daily Demand Charge			
L26	at $0.97/kW/day			$436.50
	Standby Energy Charge			
L27	at 6.40 ¢/kWh			$192.00
L28	Total Month's Base Bill	$6,665.29	$2,479.25	$2,888.89
	Contribution to Fixed Costs			
L29	at 5.4 cents/kWh energy cost	$4,802.29	$1,912.25	$2,321.89
	Unrecovered Contribution			
L30	to Fixed Costs		$2,890.04	$2,480.40

STANDBY AND SUPPLEMENTAL SERVICE

RATE SCHEDULE: SST-1

AVAILABLE:

In all territory served by the Company. Service under this rate schedule is on a customer by customer basis subject to the completion of arrangements necessary for implementation.

APPLICATION:

For electric service to any Customer, at a point of delivery, whose electric service requirements for the Customer's load are supplied or supplemented from the Customer's generation equipment at that point of service and require standby and/or supplemental service. For purposes of determining applicability of this rate schedule, the following definitions shall be used:

(1) "Standby Service" means electric energy or capacity supplied by the Company to replace energy or capacity ordinarily generated by the Customer's own generation equipment during periods of either scheduled (maintenance) or unscheduled (backup) outages of all or a portion of the Customer's generation.

(2) "Supplemental Service" means electric energy or capacity supplied by the Company in addition to that which is normally provided by the Customer's own generation equipment.

A Customer is required to take service under this rate schedule if the Customer's total generation capacity is more than 20% of the Customer's total electrical load and the Customer's generators are not for emergency purposes only.

Customers taking service under this rate schedule shall enter into a Standby and Supplemental Service Agreement ("Agreement"); however, failure to execute such an agreement will not pre-empt the application of this rate schedule for service.

SERVICE:

Three phase, 60 hertz, and at the available standard voltage. All service supplied by the Company shall be furnished through one metering point. Resale of service is not permitted hereunder.

Transformation Rider - TR, Sheet No. 8.820, does not apply to Standby Service.

MONTHLY RATE:

STANDBY SERVICE

Delivery Voltage:	Below 69 kv			69 kv & Above
Contract Standby Demand:	SST-1(D1) Below 500 kw	SST-1(D2) 500 to 1,999 kw	SST-1(D3) 2,000 kw & Above	SST-1(T) All Levels
Customer Charge:	$123.63	$123.63	$178.57	$389.19
Demand Charges:				
Base Demand Charges:				
Distribution Demand Charge per kw of Contract Standby Demand	$1.96	$2.30	$2.02	none
Reservation Demand Charge per kw	$0.73	$0.72	$0.72	$0.70
Daily Demand Charge per kw for each daily maximum On-Peak Standby Demand	$0.34	$0.33	$0.33	$0.33
Capacity Payment Charge	See Sheet No. 8.030			

(Continued on Sheet No. 8.751)

(Continued from Sheet No. 8.750)

Delivery Voltage:	Below 69 kv			69 kv & Above
	SST-1(D1)	SST-1(D2)	SST-1(D3)	SST-1(T)
Contract Standby Demand:	Below 500 kw	500 to 1,999 kw	2,000 kw & Above	All Levels
Non-Fuel Energy Charges:				
Base Energy Charges:				
On-Peak Period charge per kwh	0. 685¢	0.702¢	0.694¢	0. 628¢
Off-Peak Period charge per kwh	0. 685¢	0.702¢	0.694¢	0. 628¢
Conservation Charge	See Sheet No. 8.030			
Environmental Charge	See Sheet No. 8.030			
Additional Charges:				
Fuel Charge	See Sheet No. 8.030			
Franchise Fee	See Sheet No. 8.031			
Tax Clause	See Sheet No. 8.031			

Minimum: The Customer Charge plus the Base Demand Charges.

DEMAND CALCULATION:

The Demand Charge for Standby Service shall be (1) the charge for Distribution Demand **plus** (2) the greater of the sum of the Daily Demand Charges **or** the Reservation Demand Charge times the maximum On-Peak Standby Demand actually registered during the month **plus** (3) the Reservation Demand Charge times the difference between the Contract Standby Demand and the maximum On-Peak Standby Demand actually registered during the month.

SUPPLEMENTAL SERVICE

Supplemental Service shall be the total power supplied by the Company minus the Standby Service supplied by the Company during the same metering period. The charge for all Supplemental Service shall be calculated by applying the applicable retail rate schedule, excluding the customer charge.

RATING PERIODS:

On-Peak:

November 1 through March 31: Mondays through Fridays during the hours from 6 a.m. to 10 a.m. and 6 p.m. to 10 p.m. excluding Thanksgiving Day, Christmas Day, and New Year's Day.

April 1 through October 31: Mondays through Fridays during the hours from 12 noon to 9 p.m. excluding Memorial Day, Independence Day, and Labor Day.

Off-Peak:

All other hours.

CONTRACT STANDBY DEMAND:

The level of Customer's generation requiring Standby Service as specified in the Agreement. This Contract Standby Demand will not be less than the maximum load actually served by the Customer's generation during the current month or prior 23-month period less the amount specified as the Customer's load which would not have to be served by the Company in the event of an outage of the Customer's generation equipment. For a Customer receiving only Standby Service as identified under Special Provisions, the Contract Standby Demand shall be maximum load actually served by the Company during the current month or prior 23-month period.

(Continued on Sheet No. 8.752)

(Continued from Sheet No. 8.751)

STANDBY DEMAND:

When the Customer's generation is less than the minimum normal operating level as specified in the Agreement, the Standby Demand is the lesser of (1) the Contract Standby Demand minus the Customer's load being served by the Customer's generation, but not less than zero, or (2) the level of Demand being supplied by the Company.

DEMAND:

Demand is the kw to the nearest whole kw, as determined by the Company's time of use metering equipment for a 30-minute period as adjusted for power factor.

TERM OF SERVICE:

Not less than five years. The Customer shall give the Company at least five years written notice before the Customer may transfer from service under this rate schedule to an applicable retail rate schedule. Transfers, with less than five years written notice, to an applicable retail rate schedule may be permitted if it can be shown that such transfer is in the best interests of the Customer, the Company, and the Company's other ratepayers.

SPECIAL PROVISIONS:

The Customer will allow the Company to make all necessary arrangements to meter (1) the amounts of demand and energy supplied by the Company, (2) the gross demand and energy output of the Customer's generation equipment and, if the Customer is interconnected and operating electric generating equipment in parallel with the Company's system, (3) the capacity and energy supplied to the Company by the Customer's generation equipment. The Company shall provide and the Customer shall be required to pay the installation, operation and maintenance costs incurred by the Company for the metering equipment required in (2) and (3) described above. The Company shall retain ownership of all metering equipment.

Where the Customer and the Company agree that the Customer's service requirements are totally standby or totally supplemental, the Company shall bill the Customer accordingly and not require Company metering of the gross demand and energy output of the Customer's generation equipment provided that where only Standby Service is taken, (1) the Customer and the Company agree to the maximum amount of Standby Service to be provided by the Company and (2) the Customer agrees to and provides to the Company such data and information from the Customer's generating equipment from its own metering as is necessary to permit analysis and reporting of the load and usage characteristics of Standby and Supplemental Service.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service," the provision of this schedule shall apply.

Progress Energy

SECTION NO. VI
FIFTH REVISED SHEET NO. 6.310
CANCELS FOURTH REVISED SHEET NO. 6.310

RATE SCHEDULE SS-1
FIRM STANDBY SERVICE

Availability:

Available throughout the entire territory served by the Company.

Applicable:

To any customer, other than residential, having on-site generating equipment and requesting firm standby service. A Customer requesting firm standby service is required to take service under this rate schedule if his total generating capability: (1) exceeds 100 kW, (2) supplies at least 20% of his total electrical load, and (3) is operated for other than emergency and test purposes.

Character of Service:

Continuous service, alternating current, 60 cycle, single-phase or three-phase, at the Company's standard voltage available.

Limitation of Service:

Resale service not permitted hereunder. Service under this rate is subject to the Company's currently effective and filed "General Rules and Regulations for Electric Service."

Definitions:

"Standby electric service" refers to backup or maintenance service or both.

"Backup service" means electric energy or capacity supplied by the Company to replace energy or capacity ordinarily generated by a Customer's own generation equipment during an unscheduled outage of the Customer's generation.

"Maintenance service" means electric energy or capacity supplied by the Company to replace energy or capacity ordinarily generated by a Customer's own generation equipment during a scheduled outage of the Customer's generation.

"Supplemental service" means electric energy or capacity supplied by the Company in addition to that which is normally provided by the Customer's own generation equipment.

"Otherwise applicable rate schedule" refers to the rate schedule under which the Customer would have received service if the Customer had no self-generation.

Determination of Standby Service Requirements:

The Customer may elect either of the following two options for determination of standby service requirements:

Option A:

1. The Customer shall provide the Company within three (3) days of the end of the billing period the following information for each 30-minute time interval of occurrence of an unscheduled or scheduled outage of the Customer's generation:

   A. Amount of load in kW ordinarily supplied by Customer's generation.

   B. Amount of load reduction in kW, if any, as a direct result of Customer's generation outage.

(Continued on Page No. 2)

Progress Energy

SECTION NO. VI
THIRD REVISED SHEET NO. 6.311
CANCELS SECOND REVISED SHEET NO. 6.311

RATE SCHEDULE SS-1
FIRM STANDBY SERVICE
(Continued from Page 1)

Determination of Standby Service Requirements: (Continued)

Option A: (Continued)

2. For each 30-minute time interval of occurrence of an unscheduled or scheduled outage of the Customer's generation, the standby power amount shall be determined in accordance with the following formula:

   Standby power in kW =

   Amount of load in kW ordinarily supplied by Customer's generation,

   Minus Customer's Generation Output in kW,

   Minus Amount of load reduction in kW as a direct result of Customer's generation outage.

   Note: In no event shall standby power amount be less than zero.

3. For each 30-minute time interval of non-outages of the Customer's generation, the standby power is zero amount.

Option B:

1. A determination of the Customer's standby power use shall be made for each 30-minute time interval of the billing period in accordance with the following formula:

   Standby power in kW =

   Specified Maximum Self-Service Generating Capability in kW,

   Less a Specified Amount of Load Reduction in kW, if any, that directly results from an outage of the Customer's Generation,

   Minus Customer's Generation Output in kW.

   Note: *In no event shall standby power amount* be less than zero, nor shall standby power amount exceed the total amount of Company-supplied power.

2. Initially, the Customer and the Company shall mutually agree upon the Customer's Specified Maximum Self-Service Generating Capability. Whenever the Specified Maximum Self-Service Generating Capability is exceeded by a higher amount of actual self-service generation, such greater amount becomes the new specified amount. The Customer and the Company shall also mutually agree upon a Specified Amount of Load Reduction, if any, that would be a direct result of an outage of Customer's generation. Where a bona fide change in the Customer's generation facilities occurs, the Company and the Customer shall agree upon a new Specified Maximum Self-Service Generating Capability and a new Specified Amount of Load Reduction, if any, that would be a direct result of an outage of Customer's generation.

Determination of Supplemental Service Requirements:

A determination of the Customer's supplemental power use shall be made for each 30-minute time interval of the billing period in accordance with the following formula:

Supplemental Power in kW =

Total Company-Supplied Power in kW,

Minus Standby Power in kW.

(Continued on Page No. 3)

Progress Energy

SECTION NO. VI
TENTH REVISED SHEET NO. 6.312
CANCELS NINTH REVISED SHEET NO. 6.312

RATE SCHEDULE SS-1
FIRM STANDBY SERVICE
(Continued from Page No. 2)

Determination of Specified Standby Capacity:

1. Initially, the Customer and the Company shall mutually agree upon a maximum amount of standby capacity in kW to be supplied by the Company. This shall be termed for billing purposes as the "Specified Standby Capacity."

2. Where a bona fide change in the Customer's standby capacity requirement occurs, the Company and the Customer shall establish a new Specified Standby Capacity.

3. The Specified Standby Capacity for the current billing period shall be the greater of: (1) the mutually agreed upon Specified Standby Capacity, (2) the maximum 30-minute kW standby power requirement established in the current billing month, or (3) the maximum 30-minute kW standby power requirement established in any of the twenty-three (23) preceding billing months.

Rate Per Month:

1. **Customer Charge:**

Secondary Metering Voltage:	$92.29
Primary Metering Voltage:	$215.99
Transmission Metering Voltage:	$744.15

Note: Where the Customer has paid the costs of metering equipment pursuant to a Cogeneration Agreement, the Customer Charge shall be $74.42.

2. **Supplemental Service Charges:**

All supplemental power requirements shall be billed in accordance with the demand and energy charges of the otherwise applicable rate schedule.

3. **Standby Service Charges:**

A. **Distribution Capacity:**

$1.36 per kW times the Specified Standby Capacity.

Note: No charge is applicable to a Customer who has provided all the facilities for interconnection to the Company's transmission system.

B. **Generation & Transmission Capacity:**

The charge shall be the greater of:

1. $ 0.758 per kW times the Specified Standby Capacity, or

2. The sum of the daily maximum 30-minute kW demand of actual standby use occurring during On-Peak Periods times $0.361 /KW times the appropriate following monthly factor:

Billing Month	Factor
March, April, May, October	0.80
June, September, November, December	1.00
January, February, July, August	1.20

C. **Energy Charges:**

Non-Fuel Energy Charge:	0.633¢ per kWh
Plus the Cost Recovery Factors listed in Rate Schedule BA-1, *Billing Adjustments*, except the Fuel Cost Recovery Factor:	See Sheet No. 6.105 and 6.106

(Continued on Page No. 4)

Progress Energy

SECTION NO. VI
ELEVENTH REVISED SHEET NO. 6.313
CANCELS TENTH REVISED SHEET NO. 6.313

RATE SCHEDULE SS-1
FIRM STANDBY SERVICE
(Continued from Page No. 3)

Rate Per Month: (Continued)

3. **Standby Service Charges: (Continued)**

D. Delivery Voltage Credit:

When a Customer takes service under this rate at a distribution primary delivery voltage, the Distribution Capacity Charge hereunder will be reduced by 27¢ per kW.

E. Metering Voltage Adjustment:

Metering voltage will be at the option of the Company. When the Company meters at a voltage above distribution secondary, the appropriate following reduction factor shall apply to the Distribution Capacity Charge, Generation & Transmission Capacity Charge, Non-Fuel Energy Charge, and Delivery Voltage Credit hereunder:

Metering Voltage	Reduction Factor
Distribution Primary	1.0%
Transmission	2.0%

F. Fuel Cost Recovery Factor:

Time of Use Fuel Charges of applicable metering voltage provided on Tariff Sheet No. 6.105.

G.	**Gross Receipts Tax Factor:**	**See Sheet No. 6.106**
H.	**Right-of-Way Utilization Fee:**	**See Sheet No. 6.106**
I.	**Municipal Tax:**	**See Sheet No. 6.106**
J.	**Sales Tax:**	**See Sheet No. 6.106**

Premium Distribution Service Charge:

Where Premium Distribution Service has been established after 12/15/98 in accordance with Subpart 2.05, General Rules and Regulations Governing Electric Service, the Customer shall pay a monthly charge determined under Special Provision No. 3 of this rate schedule for the costs of all additional equipment, or the customer's allocated share thereof, installed to accomplish automatic delivery transfer including all line costs necessary to connect to an alternate distribution circuit.

In addition, the Distribution Capacity Charge included in the Rate per Month section of this rate schedule shall be increased by $0.74 per KW for the cost of reserving capacity in the alternate distribution circuit.

Rating Periods:

1. **On-Peak Periods** - The designated On-Peak Periods expressed in terms of prevailing clock time shall be as follows:

A.	Monday through Friday*:	6:00 a.m. to 10:00 a.m., and 6:00 p.m. to 10:00 p.m.
B.	Monday through Friday*:	12:00 Noon to 9:00 p.m.

* The following general holidays shall be excluded from the On-Peak Periods: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. In the event the holiday occurs on a Saturday or Sunday, the adjacent weekday shall be excluded from the On-Peak Periods.

2. **Off-Peak Periods** - The designated Off-Peak Periods shall be all periods other than the designated On-Peak Periods set forth above

Minimum Monthly Bill:

The minimum monthly bill shall be the Customer Charge and the Capacity Charges for Standby Service. Where Special Equipment to serve the Customer is required, the Company may require a specified minimum charge.

(Continued on Page No. 5)

Progress Energy

SECTION NO. VI
SIXTH REVISED SHEET NO. 6.314
CANCELS FIFTH REVISED SHEET NO. 6.314

RATE SCHEDULE SS-1
FIRM STANDBY SERVICE
(Continued from Page No. 4)

Terms of Payment:

Bills rendered hereunder are payable within the time limit specified on bill at Company-designated locations.

Term of Service:

Service under this rate schedule shall be under the same terms as that specified in the otherwise applicable rate schedule.

Special Provisions:

1. The Company may, under the provisions of this rate, require a contract with the Customer upon the Company's filed contract form. Whenever the Customer increases his electrical load, which increase requires the Company to increase facilities installed for the specific use of the Customer, a new Term of Service may be required.

2. Customers taking service under this rate schedule who desire to transfer to firm full requirements service will be required to give the Company written notice at least sixty (60) months prior to such transfer.

3. The Company will furnish service under this rate schedule at a single voltage. Equipment to supply additional voltages or additional facilities for the use of the Customer shall be furnished and maintained by the Customer. The Customer may request the Company to furnish such additional equipment, and the Company, at its sole option, may furnish, install, and maintain such additional equipment, charging the Customer for the use thereof at the rate of 1.67% per month of the installed cost of such additional equipment.

4. The Customer shall allow the Company to install time recording metering on the electrical output of all Customer-owned generation equipment. The permitted metering location(s) must be accessible to Company personnel for testing, inspection, maintenance, and retrieval of recording generation output data. The Customer shall reimburse the Company for the installed cost of the metering and be charged 0.50% per month of the installed cost of the metering equipment for operation and maintenance of the equipment by the Company.

5. Where the Company and the Customer agree that the Customer's service requirements are totally standby or totally supplemental, the Company shall bill the Customer accordingly and not require metering of the Customer's generation output.

6. Upon commencement of service under this rate schedule, if the Customer does not make an election of either Option A or Option B under the Determination of Standby Service Requirements, Option B will be applied. A Customer may exercise the election of Option A one time.

7. In the event the Customer electing Option A does not provide outage information to the Company within three (3) days of the end of the billing period, the Company shall render a bill based on all Company-supplied power being supplemental service. If the Customer provides outage information for the current billing period prior to the end of the next billing period, the Company shall issue a revised billing and assess the Customer an additional Customer Charge.

8. For determination of standby service requirements under Option A, the Customer should maintain accurate generation performance records available for review by the Company for verifying outage information utilized in the billing procedure. The Customer shall cooperate with the Company in providing additional information the Company deems necessary to validate appropriate billing determinants. If the Company deems that insufficient outage information is being provided by the Customer for appropriate determination of standby service requirements under Option A, the Company will subsequently require that this determination be performed under Option B.

9. For an amount of load reduction directly resulting from an outage of the Customer's generation to be recognized in the determination of standby service requirements, the Customer must satisfactorily demonstrate this capability initially and be subject to periodic verification upon request by the Company.

10. If the actual maximum 30-minute standby power supplied by the Company exceeds the prior billing month's Specified Standby Capacity, the Customer shall be billed on the excess amount for previous billings rendered up to twelve (12) months under the rate schedule for (1) distribution capacity and (2) generation and transmission capacity, at a rate of 125% of the corresponding standby service charges.

11. When an outage of the Customer's generating system is caused by an electrical isolation of the Customer due to conditions originating on the Company's system, no standby capacity requirement shall be recognized for billing purposes for the standby power utilized during Customer generation restart for a period not exceeding eight (8) hours from time of Company electrical restoration.