

Superseding Revised Sheet No. 63
Effective

REVISED SHEET NO. 63
Effective

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" - Residential Service
Schedule "E" - Electric Service For Employees
Schedule "G" - General Service - Non-Demand
Schedule "J" - General Service - Demand
Schedule "H" - Commercial Cooking, Heating, Air
Conditioning and Refrigeration Service
Schedule "PS"- Large Power Secondary Voltage Service
Schedule "PP"- Large Power Primary Voltage Service
Schedule "PT"- Large Power Transmission Voltage Service
Schedule "F" - Public Street Lighting, Highway Lighting
and Park and Playground Floodlighting
Schedule "U" - Time-of-Use Service
Schedule "TOU-R" - Residential Time of Use Service Pilot
Program

All terms and provisions of Schedules "R", "E", "G", "J", "H", "PS", "PP", "PT", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 287.83 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP generation for fuel delivered to the fuel tank at the customer site used for the company-owned CHP, and a cost for purchased energy of 3.005 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 287.83 cents per million Btu, and/or the purchased energy cost is more or less

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter Dated September __, 2003

Superseding Revised Sheet No. 63A
Effective

REVISED SHEET NO. 63A
Effective

than 3.005 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu, multiplied by a generation conversion factor of 0.011170 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 287.83 cents per million Btu multiplied by a generation conversion factor of 0.011170 million Btu per kilowatthour, weighted by the proportion of the 1995 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 3.005 cents per kilowatthour weighted by the proportion of the 1995 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter Dated September __, 2003

SHEET NO. 63B
Effective

billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, purchased energy contracts and CHP contracts, and may be revised to reflect any revisions or changes in operations, purchased energy contracts and CHP contracts, subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Clause to reconcile the revenue variance over the sales estimated for the subsequent quarter.

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter Dated September __, 2003

Superseding Revised Sheet No. 63
Effective

REVISED SHEET NO. 63
Effective

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" - Residential Service
Schedule "E" - Electric Service For Employees
Schedule "G" - General Service - Non-Demand
Schedule "J" - General Service - Demand
Schedule "H" - Commercial Cooking and Heating Service
Schedule "P" - Large Power Service
Schedule "F" - Street Lighting Service
Schedule "U" - Time-of-Use Service

All terms and provisions of Schedules "R", "E", "G", "J", "H", "P", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 469.72 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP energy for fuel delivered to the fuel tank at the customer site used for the CHP, and a cost for purchased energy of 6.404 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 469.72 cents per million Btu, and/or the purchased energy cost is more or less than 6.404 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This

HAWAII ELECTRIC LIGHT COMPANY, INC.

Superseding Revised Sheet No. 63A
Effective

REVISED SHEET NO. 63A
Effective

Energy Cost Adjustment Clause (Continued)

adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu multiplied by an efficiency factor of 0.014629 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 469.72 cents per million Btu multiplied by the 2000 test-year efficiency factor of 0.014629 million Btu per kilowatthour, weighted by the proportion of the 2000 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 6.404 cents per kilowatthour weighted by the proportion of the 2000 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated September __, 2003

SHEET NO.63B
Effective

Energy Cost Adjustment Clause (Continued)

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, purchased energy contracts, and CHP contracts, and may be revised to reflect any revisions or changes in operations and the purchased energy contracts, subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Clause to reconcile the revenue variance over the sales estimated for the subsequent quarter.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Transmittal Letter Dated September __, 2003

Superseding Revised Sheet No. 69
Effective April 15, 1999

REVISED SHEET NO. 69
Effective

MAUI DIVISION

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" - Residential Service
Schedule "E" - Electric Service For Employees
Schedule "G" - General Service - Non Demand
Schedule "J" - General Service - Demand
Schedule "H" - Commercial Cooking, Heating, Air
Conditioning and Refrigeration Service
Schedule "P" - Large Power Service
Schedule "F" - Public Street Lighting
Schedule "U" - Time-of-Use Service

All terms and provisions of Schedules "R", "E", "G", "J", "H", "P", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 369.60 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP energy for fuel delivered to the fuel tank at the customer site used for the CHP, and a cost for purchased energy of 5.028 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 369.60 cents per million Btu, and/or the purchased energy cost is more or less than 5.028 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu multiplied by a generation conversion factor of 0.011032 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 369.60 cents per million

MAUI ELECTRIC COMPANY, LIMITED

Superseding Sheet No. 69A
Effective May 5, 1997

REVISED SHEET NO. 69A
Effective April 15, 1999

MAUI DIVISION

Energy Cost Adjustment Clause (Continued)

Btu multiplied by a generation conversion factor of 0.011032 million Btu per kilowatthour, weighted by the proportion of the 1999 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 5.028 cents per kilowatthour weighted by the proportion of the 1999 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, purchased energy contracts, and CHP contracts, and may be revised to reflect any revisions or changes in the Company's operations, purchased energy contracts, and CHP contracts subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Factor to reconcile the revenue variance over the sales estimated for the subsequent quarter.

MAUI ELECTRIC COMPANY, LIMITED

Transmittal Letter Dated September __, 2003

Superseding Revised Sheet No. 63
Effective

REVISED SHEET NO. 63
Effective

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" -	Residential Service
Schedule "E" -	Electric Service For Employees
Schedule "G" -	General Service - Non-Demand
Schedule "J" -	General Service - Demand
Schedule "H" -	Commercial Cooking, Heating, Air Conditioning and Refrigeration Service
Schedule " <u>PS</u> "--	Large Power <u>Secondary Voltage Service</u>
Schedule " <u>PP</u> "--	Large Power <u>Primary Voltage Service</u>
Schedule " <u>PT</u> "--	Large Power <u>Transmission Voltage Service</u>
Schedule "F" -	Public Street Lighting, Highway Lighting and Park and Playground Floodlighting
Schedule "U" -	Time-of-Use Service
Schedule " <u>TOU-R</u> " -	<u>Residential Time of Use Service Pilot Program</u>

All terms and provisions of Schedules "R", "E", "G", "J", "H", "PS", "PP", "PT", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 287.83 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP generation for fuel delivered to the fuel tank at the customer site used for the company-owned CHP, and a cost for purchased energy of 3.005 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 287.83 cents per million Btu, and/or the purchased energy cost is more or less

HAWAIIAN ELECTRIC COMPANY, INC.

Superseding Revised Sheet No. 63A
Effective

REVISED SHEET NO. 63A
Effective

than 3.005 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu, multiplied by a generation conversion factor of 0.011170 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 287.83 cents per million Btu multiplied by a generation conversion factor of 0.011170 million Btu per kilowatthour, weighted by the proportion of the 1995 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 3.005 cents per kilowatthour weighted by the proportion of the 1995 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's

HAWAIIAN ELECTRIC COMPANY, INC.

SHEET NO. 63B

Effective

billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, ~~and~~ purchased energy contracts and CHP contracts, and may be revised to reflect any revisions or changes in operations, ~~and the purchased energy contracts,~~ and CHP contracts, subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Clause to reconcile the revenue variance over the sales estimated for the subsequent quarter.

HAWAIIAN ELECTRIC COMPANY, INC.

Transmittal Letter Dated September , 2003

Superseding Revised Sheet No. 63
Effective

REVISED SHEET NO. 63
Effective

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" - Residential Service
Schedule "E" - Electric Service For Employees
Schedule "G" - General Service - Non-Demand
Schedule "J" - General Service - Demand
Schedule "H" - Commercial Cooking and Heating Service
Schedule "P" - Large Power Service
Schedule "F" - Street Lighting Service
Schedule "U" - Time-of-Use Service

All terms and provisions of Schedules "R", "E", "G", "J", "H", "P", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 469.72 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP energy for fuel delivered to the fuel tank at the customer site used for the CHP, and a cost for purchased energy of 6.404 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 469.72 cents per million Btu, and/or the purchased energy cost is more or less than 6.404 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, a corresponding adjustment (Energy Cost Adjustment Factor) to the energy charges shall be made. This

HAWAII ELECTRIC LIGHT COMPANY, INC.

Superseding Revised Sheet No. 63A
Effective

REVISED SHEET NO. 63A
Effective

Energy Cost Adjustment Clause (Continued)

adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu multiplied by ~~the current~~ an efficiency factor of 0.014629 ~~measured in~~ million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 469.72 cents per million Btu multiplied by the 2000 test-year efficiency factor of 0.014629 million Btu per kilowatthour, weighted by the proportion of the 2000 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 6.404 cents per kilowatthour weighted by the proportion of the 2000 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

HAWAII ELECTRIC LIGHT COMPANY, INC.

SHEET NO. 63B
Effective

Energy Cost Adjustment Clause (Continued)

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, and purchased energy contracts, and CHP contracts, and may be revised to reflect any revisions or changes in operations and the purchased energy contracts, subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Clause to reconcile the revenue variance over the sales estimated for the subsequent quarter.

HAWAII ELECTRIC LIGHT COMPANY, INC.

Superseding Revised Sheet No. 69
Effective ~~May~~ April 15, 1997~~9~~

REVISED SHEET NO. 69
Effective April 15, 1999

MAUI DIVISION

ENERGY COST ADJUSTMENT CLAUSE

Applicable To

Schedule "R" - Residential Service
Schedule "E" - Electric Service For Employees
Schedule "G" - General Service - Non Demand
Schedule "J" - General Service - Demand
Schedule "H" - Commercial Cooking, Heating, Air
Conditioning and Refrigeration Service
Schedule "P" - Large Power Service
Schedule "F" - Public Street Lighting
Schedule "U" - Time-of-Use Service

All terms and provisions of Schedules "R", "E", "G", "J", "H", "P", "F" and "U" are applicable, except that the Energy Cost Adjustment described below will be added to the customer bills.

All base rate schedule discounts, surcharges, and all other adjustments will not apply to the energy cost adjustment.

Energy Cost Adjustment Clause:

This Energy Cost Adjustment Clause shall include the following:

FUEL AND PURCHASED ENERGY - The above rates are based on a cost of fuel for Company generation (exclusive of company-owned CHP) of 369.60 cents per million Btu for fuel delivered in its service tanks, 0.000 cents per kilowatthour of company-owned CHP energy for fuel delivered to the fuel tank at the customer site used for the CHP, and a cost for purchased energy of 5.028 cents per kilowatthour. Company-generated energy from non-fuel sources shall be considered as zero fuel cost in the determination of the composite fuel cost. When the Company-generated net energy cost is more or less than 369.60 cents per million Btu, and/or the purchased energy cost is more or less than 5.028 cents per kilowatthour, and/or there is Company-generated energy from CHP sources, there shall be a corresponding adjustment (Energy Cost Adjustment Factor) to the base energy charges shall be made. This Adjustment shall be comprised of a Company Generation Component, a CHP Energy Component and a Purchased Energy Component.

The Company Generation Component shall be the difference in current generation cost and base generation cost, adjusted for additional revenue taxes. The current generation cost shall be determined by the current fuel cost in cents per million Btu multiplied by a generation conversion factor of 0.011032 million Btu per kilowatthour, weighted by the proportion of current Company generation to total system net energy in kilowatthours. The base generation cost is the base fuel cost of 369.60 cents per million

MAUI ELECTRIC COMPANY, LIMITED

Superseding Sheet No. 69A
Effective May 5, 1997

REVISED SHEET NO. 69A
Effective April 15, 1999

MAUI DIVISION

Energy Cost Adjustment Clause (Continued)

Btu multiplied by a generation conversion factor of 0.011032 million Btu per kilowatthour, weighted by the proportion of the 1999 test year generation to total system net energy in kilowatthours.

The CHP Energy Component shall be the current cost of CHP energy in cents per kilowatthour weighted by the proportion of current company-owned CHP energy to total system net energy, adjusted to the sales delivery level and for revenue taxes.

The Purchased Energy Component shall be the difference between (1) the current purchased energy cost weighted by the proportion of current purchased energy to total system net energy, and (2) the base purchased energy cost of 5.028 cents per kilowatthour weighted by the proportion of the 1999 test year purchased energy to total system net energy, adjusted to the sales delivery level and for additional revenue taxes. The Energy Cost Adjustment Factor shall be the sum of the Generation Component, the CHP Energy Component and the Purchased Energy Component.

The revenue tax requirement shall be calculated using current rates of the Franchise Tax, Public Service Company Tax, and Public Utility Commission fee.

The Energy Cost Adjustment shall be effective on the date of cost change. When a cost change occurs during a customer's billing period, the Energy Cost Adjustment will be prorated for the number of days each cost was in effect.

This Energy Cost Adjustment Clause is consistent with the terms of the Company's operations, ~~and purchased energy contracts,~~ and CHP contracts, and may be revised to reflect any revisions or changes in the Company's operations, ~~and the purchased energy contracts,~~ and CHP contracts subject to approval by the Commission.

Reconciliation Adjustment:

In order to reconcile any differences that may occur between recorded and forecasted Energy Cost Adjustment Clause revenues, the year-to-date recorded revenue from the Energy Cost Adjustment Clause will be compared with the year-to-date revenue expected from the Energy Cost Adjustment Clause on a quarterly basis. If there is a variance between the recorded Energy Cost Adjustment Clause revenue and the expected Energy Cost Adjustment Clause revenue, an adjustment, lagged by two months, shall be made to the Energy Cost Adjustment Factor to reconcile the revenue variance over the sales estimated for the subsequent quarter.

MAUI ELECTRIC COMPANY, LIMITED