

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
MAUI ELECTRIC COMPANY, LIMITED)
For Approval of Rate Increases and)
Revised Rate Schedules.)
_____)

DOCKET NO. 97-0346

ORDER NO. 21548

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

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Filed Jan. 20, 2005
At 11 o'clock A .M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

K. Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
MAUI ELECTRIC COMPANY, LIMITED)
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Docket No. 97-0346
Order No. **21548**

ORDER

On December 17, 2004, MAUI ELECTRIC COMPANY, LIMITED ("MECO") filed its revised firm capacity surcharge for its Maui Division, to take effect from January 1, 2005 to December 31, 2005.¹ MECO explains that:

1. The revised firm capacity surcharge is based on refunding \$126,213 (\$115,000 plus related revenue taxes) of the firm capacity cost resulting from the termination of the Power Exchange and Standby Agreement with Pioneer Mill Company, Limited ("Pioneer Mill"), upon the mill's closure on September 11, 1999.

2. Pioneer Mill's firm capacity surcharge of \$115,000 per year was included in determining MECO's Maui Division's rates in Amended Decision and Order No. 16922, MECO's 1999 calendar test year rate case.² A refund to MECO's Maui Division's customers of the amount of the firm capacity surcharge and

¹Docket No. 97-0346 arises out of MECO's 1999 calendar test year rate case. See Amended Decision and Order No. 16922, filed on April 6, 1999.

²Section IV(A)(2), Purchased Power Expense, of Amended Decision and Order No. 16922.

related revenue taxes is therefore necessary until MECO's rates are re-set in a future rate case proceeding.³

MECO's revised firm capacity surcharge is filed in accordance with Amended Decision and Order No. 16922. The commission finds good cause to approve MECO's revised firm capacity surcharge on short notice, effective from January 1, 2005 to December 31, 2005, pursuant to Hawaii Revised Statutes § 269-16(b).

THE COMMISSION ORDERS that MECO's revised firm capacity surcharge, filed on December 17, 2004, is approved on short notice, effective from January 1, 2005 to December 31, 2005.

DONE at Honolulu, Hawaii JAN 20 2005

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By Carlito P. Caliboso
Carlito P. Caliboso, Chairman

By Wayne H. Kimura
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:

Michael Azama
Michael Azama
Commission Counsel

By Janet E. Kawelo
Janet E. Kawelo, Commissioner

97-0346.cs

³See generally Section VII(D)(2), Firm Capacity Adjustment, of Amended Decision and Order No. 16922.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 21548 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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DIVISION OF CONSUMER ADVOCACY
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Karen Higashi

DATED: JAN 20 2005