Inside:
Interest Rates Decline
Emergency Preparedness

The Storm of a Century
Hits Kaua‘i Hard
4568 Kuli Rd, Kalaheo
3 Bedrooms, 2.5 baths located on a quaint country road. Master Bedroom and bath with oversized jacuzzi tub. Oak hardwood floors and crown molding. Property has a BONUS WWII Bunker in the Hillside! $659,000(fs). Call: Karen Agudong, REALTOR(B) 652-0677 or email: Karen@Alohaisland.com.

4381 Olali Street, Eleele Road
3 bedrooms, 2 full bathrooms and a fenced yard with tons of fruit trees. Recently painted exterior for a beautiful, fresh and clean look. Appliances included! $525,000(fs). Call: Karen Agudong, REALTOR (B) 652-0677 or email: karen@alohaisland.com.

2 HOMES and an Amazing View!
5138 Kaunaloa Street, Hanapepe
Main home is 4 bed / 2 bath with laminate flooring, solar and photovoltaic panels. Additional 1 bedroom, 1 bath home is located on the rim with gorgeous valley views; laminate flooring, split AC system, photovoltaic panels and solar. $715,000(fs). Call: Karen L. Agudong, REALTOR(B) (808) 652-0677.

4145 Koaki Place, Lihue (Puako Subdivision)
Dynamic in your face mountain views with this single story home in the beautiful Puako subdivision in Lihue. There are 3 bedrooms and an additional den space with closed doors which can be used as a 4th bedroom or private office. With over 15,000 sf of land, this large spacious lot gives a feel of ample space and privacy in your back yard. Beautiful circle driveway located off of a short cul de sac. If you have been waiting for views, this home has it! $1,060,000(fs). Call: Karen L. Agudong, REALTOR(B) (808) 652-0677.

5622 Ileina Lane, Kapaa
5,000 sf starter lot in Kapaa. County standard roadway must be put in by purchaser prior to receiving building permit from county to build. Buyer to conduct due diligence with appropriate county agencies. $100,000(fs). Call: Karen Agudong, REALTOR(B) 652-0677 or email: Karen@Alohaisland.com.

In Escrow

4381 Olali Street, Eleele Road
3 bedrooms, 2 full bathrooms and a fenced yard with tons of fruit trees. Recently painted exterior for a beautiful, fresh and clean look. Appliances included! $525,000(fs). Call: Karen Agudong, REALTOR (B) 652-0677 or email: karen@alohaisland.com.

5138 Kaunaloa Street, Hanapepe
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Save postage, get your Currents online

Currents is mailed quarterly to members of Kaua’i Island Utility Cooperative. This issue and back issues also are available online at www.kiuc.coop.

If you would like to help the cooperative save paper and postage, you can receive Currents via email or simply read it on our website. Just send a note to currents@kiuc.coop and we will take you off the mailing list.

We’re also open to story ideas, letters and suggestions. And we’re always looking for new recipes. Thank you for reading Currents.
From the Chairman

**co-operative** (adjective) co-op-er-a-tive [kōˈapərətiv]
1. involving mutual assistance in working toward a common goal.

As members of Kaua‘i Island Utility Cooperative, we can take pride in the fact that we all contribute, and benefit from, the success of our member-owned electric cooperative. After 15 years of operating as a co-op, we are starting to see significant progress in many areas, such as conversion to renewable energy production, reduction of the cost of debt and an increase in equity, to name a few.

One of the big advantages of the cooperative model is that our customers—i.e., member-owners—participate in the governance of our utility by electing a board of directors charged with leading the organization in a manner that benefits all and ensures long-term sustainability. However, as we celebrate our self-sufficiency, it is important to remember that strategic partnerships are vital to our continued success.

Several directors returned recently from the annual NRECA Legislative Conference in Washington, D.C. This trip gives us the opportunity to keep abreast of national issues that may affect our operations, connect with our cooperative colleagues throughout the country and meet with our Congressional delegation to ask for assistance when necessary.

Partnerships that have been cultivated throughout the years at all levels of government have contributed to many of our successful initiatives. Collaboration is increasingly important as we seek to integrate industry best practices that are evolving along with the rapid pace of technology improvements.

We have been fortunate to enjoy tremendous support from our elected representatives at the federal, state and county levels. Your board of directors will continue to cultivate these relationships, keeping the cooperative model and the many benefits it offers our member-owners in the forefront of discussions.

After all, working together toward a common goal is the essence of who we are.

Aloha pumehana,
Allan A. Smith

Board Actions

*Below is a summary of some of the actions taken by the KIUC Board of Directors in March and April 2018.*

<table>
<thead>
<tr>
<th>March 20, 2018 Annual Board Meeting</th>
</tr>
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<tbody>
<tr>
<td>Motion carried nomination and confirmation of board officers: Chair Allan Smith, Vice Chair Jan TenBruggencate, Treasurer Peter Yukimura, Secretary Calvin Murashige</td>
</tr>
<tr>
<td>Motion carried confirmation of board committee chairs and members</td>
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<tr>
<th>March 20, 2018</th>
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<tbody>
<tr>
<td>Motion carried Resoultion 01-18, commendation for Patrick Gegen</td>
</tr>
<tr>
<td>Motion carried Board Policy No. 15, strategic planning, no substantive changes</td>
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<tr>
<td>Motion carried Board Policy No. 31, safety, no substantive changes</td>
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</tbody>
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<table>
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<tr>
<th>April 24, 2018</th>
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</thead>
<tbody>
<tr>
<td>Accepted 2017 final audit report</td>
</tr>
<tr>
<td>Motion carried Resolution 02-18, 2017 patronage capital retirement of $3,255,029</td>
</tr>
<tr>
<td>Motion carried Resolution 03-18, 2018 load forecast</td>
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<tr>
<td>Motion carried albizia tree trimming and removal budget request of $150,000</td>
</tr>
<tr>
<td>Motion carried Puu Opae Hydro Project budget request of $350,000 for EIS consultant and assessment studies</td>
</tr>
<tr>
<td>Motion carried Board Policy No. 21, financial fraud and deterrence, revised</td>
</tr>
<tr>
<td>Motion carried Board Policy No. 23, electioneering, no substantive changes</td>
</tr>
<tr>
<td>Motion carried Administrative Policy No. 700-10-001, procurement, amended and updated</td>
</tr>
<tr>
<td>Motion carried approval of 2018 CEO goals as discussed in 4/20 Executive Committee meeting</td>
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The History of Powering Kaua’i

By Cal Murashige, Board Member

Today’s residents of Kaua’i are part of the electrical grid that has been owned and operated by the Kaua’i Island Utility Cooperative since 2002. More than 100 years ago, residents who lived within the grid of a plantation-owned and operated electrical power system received electric power from the area sugar mill and/or a plantation-constructed hydroelectric power plant.

In 1905, Kaua’i Electric was incorporated as a subsidiary of McBryde Sugar in order to build a 2.4 megawatt hydroelectric power plant on the Wainiha River. In 1914, Lihu’e Plantation began building the Waiahi power plant on the south fork of the Wailua River. The Waiahi Electric Co., a division of Lihu’e Plantation, was set up as a public utility serving four small towns. The Kalâheo power plant, Koloa Plantation’s hydroelectric power plant, and Hawaiian Sugar Co.’s hydroelectric plant on the Olokele Ditch provided electric power to their respective mills and neighboring communities.

All of the power plants on Kaua’i eventually became part of Kaua’i Electric in the 1950s with its merger with Waiahi Electric. Kaua’i Electric provided the island of Kaua’i with electric power until it was acquired by Citizens Utilities Co., a Connecticut corporation, in 1969. Until 2002, not much changed from the consumers’ standpoint. The plantations made business decisions regarding the generation of power and the revenue collected. Citizen Utilities, with no Kaua’i ties, was concerned with its bottom line and for the well-being of its shareholders. Even letters to the Garden Island seemed to have little or no impact on the electric rates and services provided.

Since 2002, KIUC has been owned by its members and governed by its member-elected board of directors. Members are informed through Facebook, Currents and the KIUC website of actions taken by the KIUC board and other information of interest to its members. Members are also invited to attend community forums to learn of KIUC’s plans to meet its strategic goals and better serve its members.

As discussed in the last issue of Currents, net margins are retired to the members in the form of patronage capital. During the past century, there have been many changes in how power is delivered to the people of Kaua’i, with most of them outside of our individual control. Fortunately for all of the member-owners of KIUC, where we go from here is squarely in our own hands.
Bon Dance Schedule

June 8-9 Kapaa Jodo Mission
June 15-16 West Kauai Hongwanji Mission (Hanapepe)
June 22-23 Lihue Hongwanji Mission
June 29-30 Waimea Shingon Mission
July 6-7 Koloa Jodo Mission
July 13-14 West Kauai Hongwanji Mission (Waimea)
July 20-21 Kapaa Hongwanji Mission
July 27-28 Waimea Higashi Hongwanji Mission
August 3-4 Kauai Soto Zen Temple

All dances start at 7:30 p.m. unless otherwise noted. Temple links are the location of the respective temple.

The 2018 Bon Dance schedule is sponsored by: Kauai Island Utility Cooperative
The Cost of Debt

Kaua‘i Island Utility Cooperative’s cost of debt has dropped dramatically during the past eight years. We sat down with the cooperative’s chief financial officer, Karissa Jonas, to get more insight into what this means.

Currents: Why is cost of debt important to KIUC and its member-owners?

Karissa: The cost of debt is important because it is the average interest rate that KIUC paid on its outstanding debt for that year. The lower the interest rate, the less interest expense that needed to be paid, which saves KIUC and its member-owners money. It is also the basis for the patronage capital retirement calculation. Every year, KIUC retires the amount of net margin earned over a 2.0 TIER, where TIER equals interest expense plus net margin, divided by interest expense. When KIUC pays less interest expense, it takes less net margin to reach the 2.0 TIER amount, therefore the member-owners will be given more patronage capital retirement.

Currents: Why was the cost of debt higher in KIUC’s early years?

Karissa: The main reason KIUC’s cost of debt was higher in the early years was because market interest rates were higher back then. That being said, whenever KIUC borrowed money, the interest rates the co-op obtained on its debt were low compared to the interest rates most businesses could get. As an electric cooperative, KIUC has access to federal government loans that have very low interest rates compared to general business market interest rates.

Currents: What contributed to the rapid decline in the cost of debt from 2012 to 2017?

Karissa: From 2005 through 2011, KIUC was paying down debt and periodically had the opportunity to select a new interest rate for tranches—slices or sections—of debt. In 2008, interest rates started to decline, so tranches that were up for interest rate repricing were repriced at lower interest rates. Beginning in 2012, KIUC began borrowing money on a new debt issuance. Interest rates at that time were much lower than they had been in KIUC’s early years. KIUC was borrowing in new debt about the same amount as it was paying off in principal on the older debt. However, the new debt had much lower interest rates than the older debt. KIUC was in essence swapping higher-cost debt for lower-cost debt. In 2016, KIUC refinanced the original debt used to buy Kaua‘i Electric with a lower interest rate loan, but kept the same maturity date. All of these factors contributed to the rapid decline in the cost of debt since 2012.

Currents: How do you expect this graph to trend in the future?

Karissa: As market interest rates increase, due to the Fed raising interest rates, KIUC’s interest rate on new borrowed money will increase over time. However, when KIUC was borrowing money in a low interest rate environment in 2012, we typically locked in the interest rate over the 30-year life of the loan, which has a maturity date of December 31, 2042. Again, it should be noted that even when market interest rates increase, as an electric cooperative, KIUC has access to federal government loans that have lower interest rates compared to general business market interest rates.

Currents: Anything else important for our members to know?

Karissa: Member-owners periodically ask, “Should KIUC pay off all of its debt and not borrow money?” The answer is no, KIUC should not pay off all of its debt and not borrow money. KIUC borrows money to replace old equipment to keep the electric lines, substations and generators running in good order. KIUC also borrows money to build new renewable projects, such as the Port Allen Battery Energy Storage System or the Anahola Solar Project. By borrowing the money to pay for these investments in equipment, KIUC can spread the cost over a 30-year period instead of asking all of the member-owners to pay for it in the year we purchase it. Everyone who benefits from using that equipment over its 30-year useful life will help pay for it over that period.
Co-op Connections Program Returns to Kaua’i

By Teofilo Phil Tacbian, Board Member

Being a member of a cooperative brings many benefits, but there is one benefit you may not be aware of. Did you know that as a member of Kaua‘i Island Utility Cooperative you have access to valuable discounts at businesses on Kaua‘i and throughout the nation? The Co-op Connections program is available to all of our members, and this year we are relaunching it with brand-new discount offers at businesses all over Kaua‘i.

Co-op Connections has existed for 13 years, and KIUC is one of more than 500 cooperatives around the country whose members are enrolled. The wonderful thing about Co-op Connections is that you will not only find deals on Kaua‘i at restaurants, shops and businesses offering a variety of services, but you will also find deals when you’re traveling in many areas throughout the mainland.

Our local businesses also can benefit from offering a discount to members of the Co-op Connections program. Your discount will be available to KIUC’s 25,000 members as well as the 25 million Co-op Connections cardholders throughout the nation. Co-op Connections’ new mobile app makes it easy for members to find all available discounts wherever they may be.

Your Co-op Connections card also helps you access a 20 percent discount with 2,000 online retailers such as Bed Bath & Beyond, Target and Lands’ End. You can save an average of 20 percent on hotel stays and 10 percent on sporting events, concerts and more when you’re traveling.

Another benefit of Co-op Connections is the Healthy Savings program, which has saved KIUC members more than $16,000 on prescriptions. Healthy Savings also offers significant savings on dental, vision, hearing, lab and imaging services and chiropractic work.

It’s easy to participate. As a KIUC member, you are already enrolled. Look for your Co-op Connections card in the mail this summer or go to www.connections.coop to learn more. If you are a business owner interested in participating with a discount offer, please send us an email at connections@kiuc.coop and we’ll get information to you right away.
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Do you need help with your utility bill? The federal Low Income Home Energy Assistance Program (LIHEAP) assists low income households with a one-time annual credit on their electric bill. Kaua’i Economic Opportunity (KEO) will be accepting applications during the month of June only. You must meet certain criteria to qualify.

Please call KEO at 245-4077.

ATTENTION BUSINESS OWNERS

Looking for new ways to share your business?

Let the Co-op Connections® Card program help you reach millions of local electric cooperative members from Kaua’i and throughout the nation.

FREE!

1. To request a participant agreement or program information, send an email to connections@kiuc.coop.

2. Complete the form, including a unique discount (available only for CCC holders).

3. Return the form via email to connections@kiuc.coop. Create an account on connections.coop in order to access and manage discount.

Agreements must be received by June 15, 2018 in order to be included in the program launch.
Answering the Call of Duty

KIUC employees restore power in record time after rare storm wreaks havoc on the north shore of Kaua‘i.
When a raging storm pummeled Kaua‘i on Sunday, April 15, most of the north shore was without power. Buildings, roadways and vehicles were washed away, causing widespread destruction. By the time the storm subsided, Black Pot Beach Park was nearly unrecognizable. The extent of the damage north of Lumaha‘i Beach was largely unknown due to numerous landslides along Kūhiō Highway leading to Hā’ena.

A disaster of this magnitude requires a massive and coordinated response by multiple agencies, and Kaua‘i Island Utility Cooperative has an important role to play in this effort. By the end of the day Monday, April 16, power had been restored to all but a handful of members on the north shore.

KIUC’s response began Saturday evening as the first impacts of the storm were felt. “A power outage in Wainiha caused pumps operated by the Department of Water to stop working, and the road was already inaccessible due to landslides,” says Transmission and Distribution Manager Carey Koide.

Carey was called into the County’s Emergency Operation Center to confer with DOW and others on options to address the situation.

Sunday’s weather didn’t allow for helicopter access to Wainiha. Nevertheless, a KIUC crew was staged on the north shore ready to jump on board if the opportunity arose. In the meantime, troubleshooters spent the day restoring power following a series of lightning strikes in Hanamaulu, Wailua, Kapahi, Kapa’a and ‘Anini. A handful of other issues, including inspecting exposed conduits resulting from culvert collapses in Kalīhiwai and Princeville, kept KIUC field personnel busy in adverse weather conditions.

Staffing at power plants was beefed to up to ensure backup generation was maintained in the event of widespread outages and to manage temporary outages where necessary to complete field repairs. KIUC’s transmission grid has redundant routes to most of its switchyards. When lightning caused an outage on one of the transmission lines, the redundant route maintained power to KIUC customers. Transmission line outages due to lightning strikes were resolved as safely and quickly as possible to prevent customer outages. Member services personnel were called in to manage increased call volume from residents and businesses without power.

Late in the afternoon, a woman and her child were stranded in their vehicle on a flooded roadway in Lāwa‘i. Spotting a rescue helicopter hovering overhead, an off-duty KIUC foreman sprang into action and called the Port Allen Member Services Representatives Didi Kajihara and Reygin Rull answer member calls during the storm.
Power Plant to request that lines in the area be de-energized so the airlift could be completed safely. The rescue was conducted and power was restored within 17 minutes.

In the days to come, as T&D crews were helicoptered in to Wainiha and worked in Hanalei to restore power in adverse conditions, other KIUC departments were supporting various needs. A spike in call volume kept member services staff busy assisting members without power.

“Calls were streaming in at sometimes double the normal pace in the days immediately following the storm,” says Member Services Manager Maile Alfiler.

KIUC’s accounting staff worked across departments to compile damage estimates to submit to the Hawai‘i Emergency Management Agency so a comprehensive request for Federal Emergency Management Agency aid for Kaua‘i could be completed. This is the first step in potentially recovering 75 percent of eligible costs to repair damages incurred on the system.

KIUC representation was maintained throughout the week in the EOC.

“EOC duty is never boring,” says Ed Nakaya, KIUC’s key accounts manager. “Whether you are coordinating lunches for field workers, arranging for helicopter transport or relaying information on outages, there’s always something to do.”

As recovery efforts progressed, KIUC’s communications team put out a steady flow of media advisories and shared up-to-date information on outages and restoration via social media.

“Facebook and Twitter play a big role in keeping our members informed,” says Communications Manager Beth Tokioka. “So many people on the north shore had no access to television or internet, but they could follow social media on their cell phones. You can never offer too much information in a situation like this.”

By the end of the day Thursday—four days after the storm—all power had been restored and KIUC’s damaged poles were repaired.

“Our initial restoration work was essentially done, but there was still significant devastation and more bad weather on the way,” Carey says.

On Friday, a KIUC foreman worked side by side in the Wainiha landslide area with Spectrum employees to repair their lines and restore communications to the isolated communities north of Hanalei.

Disaster preparedness is a key element of KIUC’s ongoing operational plan.

“I’m very proud of the way our team responded and the role KIUC was able to play in moving the recovery effort forward, not just for us but for other agencies as well,” President and CEO David Bissell says. “At the end of the day, we need to remember that this is a long-term effort. Each of us must dig deep and find ways to help our friends and neighbors recover from this disaster in the months to come.”
Make a Plan to Prepare for Hurricane Season

Hurricane season is June 1 through November 30

The best time to plan for a hurricane is before it happens. It is important to be prepared. Don’t wait until a warning is given to begin making your plans. Know where emergency shelters are located and have a plan in place. Communicate the emergency plan with your family.

It is important to know the difference between a hurricane watch and a warning:

- **Hurricane watch**—A hurricane is possible within 48 hours. Stay tuned for additional advisories.
- **Hurricane warning**—A hurricane is expected within 36 hours. If advised to evacuate, do so immediately.

In the event of a hurricane watch or warning, tune to local media for further instructions. KIUC will post updates on Facebook and be in contact with the radio stations with special advisories.

The County of Kaua‘i has a Connect-CTY mass notification service that enables county officials to create and disseminate voice and text messages regarding civil defense emergencies through a single phone call. To sign up for the County of Kaua‘i’s Emergency Notifications, go to www.kauai.gov.

Before the storm hits, secure your home and board up windows. Have at least seven days of food and water for each person (and pets) in your household. Prepare to evacuate, fuel your car and review evacuation routes.

If you are not required to evacuate, stay indoors and shelter in place. Turn off all switches on your electric circuit panel and main breaker before heavy winds begin. Keep refrigerator and freezer doors closed as long as possible.

After the storm, if you are in a safe location, it is best to stay where you are until authorities say it is OK to leave. Stay tuned to the radio or television for information.

Report any downed power lines by calling emergency dispatch 911. If any lines from utility poles are on the ground, assume they are dangerous. Do not touch them.

Be safe, have a plan in place.

A hurricane is a tropical cyclone with sustained winds of 74 mph or higher.

- **Category One** - Winds 74-95 mph
- **Category Two** - Winds 96-110 mph
- **Category Three** - Winds 111-130 mph
- **Category Four** - Winds 131-155 mph
- **Category Five** - Winds 155-and up

Go Bag Checklist

Hawai‘i Emergency Management Agency (formerly State Civil Defense)

Important documents
- Identification card or driver’s license
- Credit/debit card numbers
- Bank account information
- Medical insurance cards
- Advance health care directives
- Copy of titles/deeds to property
- Copy of prescriptions (medicine, hearing aids, glasses, etc.)

Change of clothes and sturdy shoes

Portable battery- or crank-powered radio

Flashlight

Batteries

Manual can opener

First-aid kit

Non-perishable foods (energy bars, beef jerky and nuts)

Storage containers for water (roll-up water bottles are good)

Hygiene supplies

Comfort items

Whistle
Kaua‘i Island Utility Cooperative added more energy storage watts per customer during 2017 than any other utility in the nation, according to the Smart Electric Power Alliance.

SEPA’s annual top 10 lists recognize the U.S. utilities that added the most new solar and energy storage to the grid. The lists include the top utilities in four categories: new solar megawatts and watts per customer, and new energy storage megawatts and watts per customer.

Largely due to the Tesla solar-plus-storage facility that opened in March 2017, KIUC added 415.3 watts of storage per customer in 2017, more than eight times as much storage as second-place honoree Tucson Electric Power.

“Battery storage is a key part of our cooperative’s push towards 100 percent renewable, and we are pleased KIUC is leading the way in using battery technology to move solar energy into our evening peak demand period,” says KIUC President and CEO David Bissell.

KIUC was also ranked No. 5 on the SEPA top 10 list of annual megawatts of utility energy storage.

The Tesla plant in Kapaia was the largest utility-scale storage-plus-solar facility in the world when it opened in March 2017. The plant stores energy in 272 lithium-ion Tesla Powerpack batteries during the day, enabling KIUC to dispatch up to 52 megawatt hours of power during the evening peak. By the end of 2017, the addition of the Tesla facility allowed KIUC to reach 46 percent renewable generation.

KIUC’s board of directors has set a strategic goal of reaching 70 percent renewable generation by 2030. Two additional solar-storage projects that are in development with AES are expected to push KIUC’s renewable generation to more than 60 percent by the end of 2019.

“All of these projects are being procured via long-term purchase agreements at prices well below the current cost of oil,” David says. “This provides us with pricing stability and a downward pressure on rates over time.”

This year’s top 10 lists—both solar and storage—are based on data provided by 412 utilities, which together serve more than 90 million customers across the United States.
We’re Looking For You!

We’re looking for the following inactive members with uncashed refund checks.

A review of our accounts indicate the following INACTIVE members did not cash refund checks that were issued during the period of July 1, 2016, to June 30, 2017. To request that a new check be issued, please complete the form below and submit it to us with a copy of your picture ID.

Alan Soares
Anna Mae Crowder
Anthony Parker Jr
Anthony L Doyle Jr
Audrey Ho
Avis Onaga
Blake L Medeiros
Brian P Watson
Carla J Fernandez
Carma K Wallace
Carole Hinck
Chad Naumu
Chloe Karoub
Craig Murdock
Davelyn Kaui
Debra J Difrenna
Derek M Umakoshi
Gayle Odonnell
Hans Kohler
Harue Kojima
Hector J Tapia Perez
Judy Agualdo
Kauai Sunrise Farms Llc
Keith Bjorklund
Kela International
Kevin R Swartz
Kyle Moore
Lindsey Darryl
Lois J Skinner
Margarita Alekseyeva
Mark A Cowan
Mark W Kracht
Marvilee Nitta
Michael B Vincent
Philip C Gowan
Prakong K Gibson
Puanani T Mckeague
Re3 LLC
Rodney Allan Medeiros
Scott Sato
Snow Country Lodging LLC
Spencer R Kinne
Waste Management of Hawaii Inc
William L Hill

Please Print:

Name: _____________________________________________________________________________________________
Mailing Address: ____________________________________________________________________________________
City: _____________________________________ State: ______________________  Zip: ________________________
Telephone Number: __________________________________________________________________________________
Email: _____________________________________________________________________________________________
KIUC Account Number: ______________________________________________________________________________

Signature of Member ___________________________ Date ___________________________
All people deserve quality care at the end of life—it is a fundamental part of living. For the past 35 years on our beautiful Garden Island, Kaua‘i Hospice has been providing this model of high-quality compassionate care that helps patients and families live as fully as possible.

Our success has been measured through the countless stories of families expressing their gratitude in the care they wanted and received. A recent Gallup poll revealed that close to nine in 10 adults (88 percent) would prefer to die in their homes, free of pain, surrounded by family and loved ones. Kaua‘i Hospice works to make this happen, having served nearly 3,000 patients and families during the past 35 years. Our focus is on caring. Hospice uses an interdisciplinary team of healthcare professionals and trained volunteers who address symptom control, pain management, and emotional and spiritual support expressly tailored to the patient’s needs and wishes.

Since 2012, Kaua‘i Hospice has been developing the planned expansion of our service line of support further upstream for individuals who are seriously ill and in pursuit of continued treatment. This type of care is palliative care and is offered through our Palliative Medicine Partners program. To palliate or to provide palliative care means to provide comfort while supporting the patient’s goals of care. Hospice is palliative care offered in the last six months of life. Palliative care alone can begin from the point of diagnosis of a serious illness.

Our other important services are grief care and bereavement support for individuals experiencing loss. We are blessed to provide the presence and skills of highly trained counselors and grief specialists to listen and offer guided support.

Today, Kaua‘i Hospice is able to hold true to our mission because of the tremendous support from our community and generous businesses such as Kaua‘i Island Utility Cooperative. We want to thank KIUC for once again being a sponsor of our 29th annual Concert in the Sky held Wednesday, July 4, at the Vidinha Soccer Field in Līhu‘e. The gates will open at 3 p.m. and the event runs until 9:30 p.m. The day includes entertainment, ono grinds, local craft and artisan vendors, and a fun zone for the keiki. This event is a tradition for many of Kaua‘i’s families and is a wonderful and fun way to support the important work of Kaua‘i Hospice. Please plan to attend. Tickets go on sale June 1 at all Times/Big Save Markets and at Kaua‘i Hospice.

For more information, visit www.kauaihospice.org.

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For more information, visit www.kauaihospice.org.
Mokihana Club

Dear Friends at KIUC,

Our 16th annual event was such an enjoyable and successful day.

This would not have been possible without your most generous support. Qualified students from Kaua‘i Community College School of Nursing will now be able to focus on their studies with a reduced concern for expenses.

Members of the Mokihana Club wish to sincerely thank you for your generous donation.

Your kokua is greatly appreciated by the Mokihana Club and the dedicated scholarship recipients who will be serving our community.

Kapaa Middle School Choir and Ukulele Band Boosters Club

Many thanks for your support!

Thank you for believing in our program and showing your support for a wonderful group of students. We will represent our island at the Heritage Music Festival in Anaheim, California. This festival really showcases their love for their music and the culture.

Mālama Kaua‘i

Aloha,

Thanks so much to the Sharing of Aloha Committee for your support with Volunteer Kaua‘i in 2017. With help from sponsors like KIUC, we were able to launch volunteerkauai.org and begin educating and advocating for sustainable and authentic tourism on Kaua‘i.

We extend our gratitude and wish you a healthy and happy new year!

Kekaha Elementary School

On behalf of the fourth-grade students of Kekaha Elementary School, may I extend our sincere appreciation for your generous donation. As you know, under weighted student formula, smaller schools such as Kekaha School are challenged to maintain services and programs on a limited budget. Your donation will become part of the funding that we will use to benefit the fourth grade students’ Big Island trip.

We truly appreciate your generosity, and are proud to know that we have such a caring business partner within the Kaua‘i community. We look forward to reciprocating your kindness in the near future. 🙏
Turkey Wonton

1 tray ground turkey breast
3 cloves garlic, microplaned
1 finger ginger, grated
2 tablespoons oyster sauce
1 egg
1 tray wonton wrappers
1 teaspoon salt

In a bowl, mix turkey, garlic, ginger, oyster sauce, egg and salt. Use a teaspoon to scoop mixture and place on wonton wrapper. Moisten edges of wrapper and fold in half. Set aside until all wrappers are filled. Heat oil in a pan and drop in wonton. Fry until golden brown.

Refreshing Orange Yogurt/Cheese

2 cups Greek yogurt
2 cups cottage cheese
1 package orange gelatin (can use sugar-free)
2 cans mandarin oranges, liquid drained

Combine all ingredients and chill.
Members and Community

**Baked Turmeric Tofu**

1 block firm or extra-firm tofu  
2 tablespoons cumin  
1 tablespoon cayenne  
2 tablespoons turmeric  
Olive oil  
Sea salt

Heat oven to 400 F.  
Drain water from tofu and cut into 1-inch cubes. Place tofu in a large bowl and drizzle with olive oil. Sprinkle with salt. Toss cumin, cayenne and turmeric on tofu. Marinate for at least 30 minutes. Put tofu pieces on a lined baking sheet. Bake for 20 minutes, flip tofu and bake for an additional 20 minutes or until it is crispy to your preference.

**Korean Poke**

1 pound ahi, cubed  
2 tablespoons gochujang sauce  
2 tablespoons honey  
1 tablespoon shoyu  
1 teaspoon sesame oil  
1 tablespoon sesame seeds

In a small bowl, whisk together the gochujang sauce, honey, shoyu and sesame oil. Add ahi to the sauce and coat evenly. Sprinkle with sesame seeds.

**Honey Yogurt Baked Chicken**

3 chicken breasts  
¼ cup honey  
1 medium container Greek yogurt  
1 tablespoon Italian seasoning  
4 garlic cloves, minced  
1 box whole grain cereal flakes or corn flakes, crushed  
Salt  
Pepper

Heat oven to 400 F.  
Wash chicken breasts and pat dry. Cut into 1-inch-thick pieces and sprinkle with salt and pepper. In a large bowl, mix Greek yogurt, honey, Italian seasoning and garlic. Add the chicken. Place the crushed cereal in a shallow bowl. Dip the chicken in the cereal, then place on a lined baking sheet. Bake for 30 minutes.
Every year, KIUC is required by law to provide our ratepayers annual fuel mix and average electric cost information.

**HRS [§269-16.4] Annual Fuel Mix Disclosure**

(a) Beginning June 1, 2004, and every June 1 thereafter, each retail supplier of electricity shall disclose fuel mix information by generation category to its existing and new retail electricity customers for the prior calendar year.

(b) Beginning June 1, 2004, and every June 1 thereafter, each retail supplier of electricity shall state the average retail price of electricity (per kilowatt-hour) for each rate class of service for the prior calendar year. The average retail price of electricity for each rate class of service shall be determined by dividing the total electric revenues for each rate class of service by the total kilowatt-hours sold to each respective rate class.

(c) The disclosure required by this section shall be:

1. Printed either on the customer’s bill or as a bill insert; provided that this disclosure requirement shall not result in increased costs to ratepayers;
2. Posted and updated on the suppliers Internet website, if any.

(d) As used in this section, the term “fuel mix” means the electricity sold to retail electricity customers expressed in terms of percentage contribution by generation category. The total fuel mix included in each disclosure shall total one hundred percent. [L 2003, c 147, §2]

### REVENUE

<table>
<thead>
<tr>
<th>Rate Class of Service</th>
<th>Schedule</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential D</td>
<td>$49,870,560</td>
<td>$68,457,684</td>
<td>$55,512,573</td>
<td>$55,787,615</td>
<td>$58,459,375</td>
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</tr>
<tr>
<td>General Lighting Service G</td>
<td>$26,633,998</td>
<td>$26,487,476</td>
<td>$21,661,344</td>
<td>$21,287,562</td>
<td>$22,238,251</td>
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<tr>
<td>General Lighting Service J</td>
<td>$21,676,632</td>
<td>$20,541,391</td>
<td>$16,404,878</td>
<td>$16,783,317</td>
<td>$16,437,111</td>
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</tr>
<tr>
<td>Large Power P</td>
<td>$45,649,059</td>
<td>$43,467,971</td>
<td>$32,883,220</td>
<td>$32,657,931</td>
<td>$34,047,916</td>
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</tr>
<tr>
<td>Large Power L</td>
<td>$18,943,198</td>
<td>$18,163,410</td>
<td>$15,063,959</td>
<td>$15,205,417</td>
<td>$15,341,807</td>
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</tr>
<tr>
<td>Streetlight SL</td>
<td>$1,616,931</td>
<td>$1,594,732</td>
<td>$1,362,924</td>
<td>$1,268,893</td>
<td>$708,102</td>
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</tr>
<tr>
<td>Irrigation</td>
<td>$82,525</td>
<td>$38,762</td>
<td>$59,629</td>
<td>$16,264</td>
<td>$143,182</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$184,472,903</strong></td>
<td><strong>$178,751,426</strong></td>
<td><strong>$142,948,627</strong></td>
<td><strong>$143,006,999</strong></td>
<td><strong>$147,375,744</strong></td>
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### KWH SALES

<table>
<thead>
<tr>
<th>Rate Class of Service</th>
<th>Schedule</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential D</td>
<td>157,866,897</td>
<td>159,151,338</td>
<td>161,826,042</td>
<td>163,958,718</td>
<td>169,346,334</td>
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<tr>
<td>General Lighting Service G</td>
<td>59,077,990</td>
<td>60,426,103</td>
<td>61,801,021</td>
<td>61,187,770</td>
<td>62,824,313</td>
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</tr>
<tr>
<td>General Lighting Service J</td>
<td>51,396,701</td>
<td>50,187,490</td>
<td>50,791,819</td>
<td>52,044,639</td>
<td>50,282,542</td>
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<tr>
<td>Large Power L</td>
<td>47,900,542</td>
<td>47,426,575</td>
<td>50,125,564</td>
<td>52,481,360</td>
<td>51,926,563</td>
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<tr>
<td>Streetlight SL</td>
<td>2,758,039</td>
<td>2,768,844</td>
<td>2,780,067</td>
<td>2,564,454</td>
<td>878,661</td>
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<tr>
<td>Irrigation</td>
<td>264,086</td>
<td>124,668</td>
<td>319,884</td>
<td>97,972</td>
<td>896,148</td>
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<tr>
<td><strong>Total KWH Sold</strong></td>
<td><strong>431,478,196</strong></td>
<td><strong>429,923,505</strong></td>
<td><strong>432,078,059</strong></td>
<td><strong>439,087,962</strong></td>
<td><strong>445,097,973</strong></td>
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</tbody>
</table>

### AVERAGE RETAIL PRICE

<table>
<thead>
<tr>
<th>Rate Class of Service</th>
<th>Schedule</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential D</td>
<td>$0.443</td>
<td>$0.430</td>
<td>$0.343</td>
<td>$0.340</td>
<td>$0.345</td>
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<tr>
<td>General Lighting Service G</td>
<td>$0.451</td>
<td>$0.438</td>
<td>$0.351</td>
<td>$0.348</td>
<td>$0.354</td>
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<tr>
<td>General Lighting Service J</td>
<td>$0.422</td>
<td>$0.409</td>
<td>$0.323</td>
<td>$0.322</td>
<td>$0.327</td>
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<tr>
<td>Large Power P</td>
<td>$0.407</td>
<td>$0.396</td>
<td>$0.315</td>
<td>$0.306</td>
<td>$0.313</td>
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</tr>
<tr>
<td>Large Power L</td>
<td>$0.395</td>
<td>$0.383</td>
<td>$0.301</td>
<td>$0.290</td>
<td>$0.295</td>
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</tr>
<tr>
<td>Streetlight SL</td>
<td>$0.586</td>
<td>$0.576</td>
<td>$0.490</td>
<td>$0.495</td>
<td>$0.806</td>
<td></td>
</tr>
<tr>
<td>Irrigation</td>
<td>$0.312</td>
<td>$0.311</td>
<td>$0.186</td>
<td>$0.166</td>
<td>$0.160</td>
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</tr>
</tbody>
</table>

### Fuel Mix Generation

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomass</td>
<td>0</td>
<td>0</td>
<td>5,712,000</td>
<td>51,777,705</td>
<td>48,129,375</td>
</tr>
<tr>
<td>Fossil Fuel</td>
<td>394,496,741</td>
<td>373,392,469</td>
<td>350,287,271</td>
<td>291,388,281</td>
<td>287,976,993</td>
</tr>
<tr>
<td>Hydro</td>
<td>34,919,235</td>
<td>35,556,586</td>
<td>35,163,744</td>
<td>35,767,255</td>
<td>32,044,403</td>
</tr>
<tr>
<td>Photovoltaic</td>
<td>22,353,471</td>
<td>36,840,330</td>
<td>60,414,488</td>
<td>78,911,992</td>
<td>95,611,554</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>451,769,447</td>
<td>445,789,385</td>
<td>451,577,503</td>
<td>457,845,233</td>
<td>463,762,325</td>
</tr>
</tbody>
</table>

* Gross Generation kWh
** Prior reports included own-use from customer-sited generation. Starting from the 2012 calendar year report, prior and current data revised to include only surplus energy from customer-sited generation.

### Fuel Mix Percentage

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomass</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Fossil Fuel</td>
<td>87%</td>
<td>84%</td>
<td>78%</td>
<td>64%</td>
<td>62%</td>
</tr>
<tr>
<td>Hydro</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Photovoltaic</td>
<td>5%</td>
<td>8%</td>
<td>13%</td>
<td>17%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
We are pleased to report the KIUC results of operations through March 31, 2018, are favorable. The year-to-date electricity usage on the island is 2 percent higher than in the prior year. Even with the increase in sales volume, KIUC is still doing everything we can, while maintaining safety and reliability, to reduce costs in various areas in order to operate efficiently and effectively, and continue to maintain a strong financial position. Revenues, expenses and net margins totaled $37.6 million, $36.8 million, and $0.8 million, respectively, for the three-month period ending March 31, 2018.

As is the case for all electric utilities, the cost of power generation is the largest expense, totaling $21.4 million or 56.9 percent of revenues. Commodities, which are fuel and purchased power costs, are the largest component of power generation, totaling $17.5 million or 46.5 percent of revenues. Fossil fuel is the largest component of commodities, totaling $10.4 million or 27.6 percent of revenues. Other commodities include hydro power, totaling $1.1 million or 3.0 percent of revenues; solar power, totaling $2.8 million or 7.5 percent of revenues; and biomass power, totaling $3.2 million or 8.4 percent of revenues. The remaining $3.9 million or 10.4 percent of revenues represents the cost of operating and maintaining the generating units.

The cost of operating and maintaining the electric lines totaled $1.5 million or 4.0 percent of total revenues. The cost of servicing our members totaled $0.8 million or 2.1 percent of revenues. The cost of keeping our members informed totaled $0.1 million or 0.3 percent of revenues. Administrative and general costs, which include legislative and regulatory expenses, engineering, executive, human resources, safety and facilities, information services, financial and corporate services, and board of director expenses, totaled $4.6 million or 12.1 percent of revenues.

Being capital intensive, depreciation and amortization of the utility plant costs $4.0 million or 10.7 percent of revenues. Although not subject to federal income taxes, state and local taxes amounted to $3.1 million or 8.4 percent of revenues. Interest on long-term debt, at a favorable sub-5 percent interest rate, totals $1.4 million or 3.6 percent of revenues. Non-operating net margins added $0.1 million to overall net margins. Revenues less total expenses equal margins of $0.8 million or 2.2 percent of revenues. Margins are allocated to consumer members and paid when appropriate.
KIUC Board of Directors
Chairman: Allan Smith
Vice Chairman: Jan TenBruggencate
Treasurer: Peter Yukimura
Secretary: Calvin K. Murashige
Board: Dee Crowell, David Iha, Janet Kass, Jim Mayfield, Teofilo Phil Tacbian

Executive
Chairman: Jan TenBruggencate
Members: Calvin K. Murashige, Allan Smith, Peter Yukimura

Finance & Audit
Chairman: Peter Yukimura
Members: Janet Kass, Jim Mayfield

Government Relations/Legislative Affairs
Chairman: Teofilo Phil Tacbian
Members: Dee Crowell, David Iha

International
Chairman: David Iha
Members: Teofilo Phil Tacbian, Jan TenBruggencate

Member Relations
Chairman: Calvin K. Murashige
Members: Janet Kass, Jan TenBruggencate

Policy
Chairman: Dee Crowell
Members: Jim Mayfield, Calvin K. Murashige

Strategic Planning
Chairman: Jim Mayfield
Members: Dee Crowell, Janet Kass

SUNDAY, AUGUST 5, 2018
OCEAN COURSE HOKUALA

$120 per player ($125 after 7/31) • 7:30am Shotgun Start • 4 Person Modified Scramble
GO TO YWCAKAUAI.ORG FOR SPONSORSHIP & REGISTRATION

awards luncheon to follow
proceeds benefit the YWCA of Kaua`i

SANDER KEAHI MENONCA
Sandy’s namesake nephew

Sandar Keahi Mendonca
05.15.1978 – 01.25.2006

YWCA IS ON A MISSION TO END VIOLENCE AGAINST WOMEN