

### KIUC Puts the Spotlight on Accomplishments at Annual Meeting

*Līhu'e, Kaua'i, HI – 08/01/2019* – Moving Kaua'i to 55% renewable generation while maintaining stable rates for the past four years were among the accomplishments highlighted at KIUC's 17<sup>th</sup> Annual Membership Meeting.

Roughly 250 people attended the meeting, during which an update on cooperative activities was provided by the KIUC Board of Directors, followed by questions and answers and then public testimony. After the meeting, members were provided chili and rice and had an opportunity to talk directly with board members and staff.

Some of the highlights from the presentation include:

**Renewable progress:** KIUC closed 2018 with 43.5% renewable generation, but quickly moved to 55% in 2019 with the opening of the AES Lāwa'i solar plus storage facility in January. Between the new Lāwa'i plant and the Tesla solar plus storage facility in Kapaia, which has been in service since 2017, roughly 40% of Kaua'i's night time peak load is supplied by solar. KIUC estimates that in 2018, members realized a savings of more than \$700,000 due to the replacement of diesel with lower-cost solar provided by Tesla. It was noted that the savings should be significantly higher in 2019 with a full year of production from the even lower priced AES facility is realized.

**Path to 70% renewable and beyond:** Two projects in development are expected to bring KIUC well beyond its strategic goal of reaching 70% renewable by 2030:

- AES Distributed Energy, Inc. (PMRF) – Construction is underway on this 14 megawatt solar-plus-battery storage facility at the Pacific Missile Range Facility at Barking Sands. It is expected to be operational by mid-2020 and will increase KIUC's nighttime dispatchable solar capacity by 74 megawatt hours: to a total of 226 megawatt hours.
- West Kaua'i Energy Project (Waimea/Kekaha) – Utilizing pump storage hydro technology, this facility is expected to produce a full 15% of Kaua'i's energy needs. The project involves the rehabilitation of three reservoirs (Pu'u Lua, Pu'u 'Ōpae and Mana) and will provide irrigation and other infrastructure for agricultural homestead lands owned by the Department of Hawaiian Homelands. The project, which will be the first in the world to use photovoltaic resources to pump water uphill during the day, is currently in the engineering/design phase. It could potentially be in service as early as 2023.

(more)

**Rate stability:** As KIUC continues to replace diesel and its volatile pricing with lower-priced renewables under long term power purchase agreements, rates have stabilized and that trend is expected to continue. KIUC has not had a rate increase since 2009, and does not anticipate filing for a rate increase in the near future. KIUC's residential rates have averaged between 34 and 35 cents per kilowatt hour since 2015: down from 44 cents per kilowatt hour as recently as 2014.

**Solid financial results:** By the end of 2017, KIUC had reached nearly 33% equity: a significant accomplishment given that, when the cooperative was formed in 2002, it was 100% debt financed. Another notable achievement is that the weighted average cost of debt has dropped from more than 4% in 2002 to 2.73% today. Additionally, implementation of various cost saving measures along with robust sales in 2018 led to a year-end margin of \$2.5 million: which was recently returned to members in the form of patronage capital retirements.

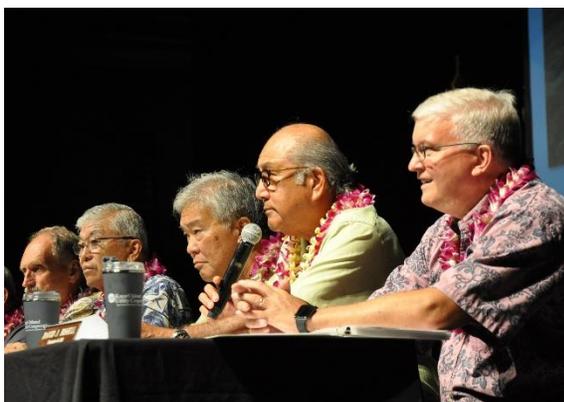
“We appreciate our members coming out to the Annual Meeting, giving us a chance to have a productive dialogue,” stated Board Chair Allan Smith. “KIUC's board members are elected by our member-owners, and we take that accountability very seriously.”

Attendees received a copy of KIUC's 2018 Annual Report, which is available on the cooperative's website: [www.kiuc.coop](http://www.kiuc.coop).

**About KIUC:**

*KIUC is a member-owned cooperative serving 33,000 customer accounts on the island of Kaua'i. Formed in 2002 and governed by a nine-member, elected board of directors, KIUC is one of 930 electric co-ops serving more than 42 million Americans across 56% of the nation's landscape. KIUC has surged from less than 10% renewable generation in 2010 to more than 50 % renewable in 2019, and leads the nation in energy storage watts per customer.*

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KIUC's President and CEO David Bissell listens to testimony with R-L: Board Chair Allan Smith, Directors Dee Crowell and David Iha and Board Vice Chair Jan TenBruggencate



KIUC staff assist attendees signing up to testify at the Annual Meeting