

September 2019

Kaua'i Island Utility Cooperative

Currents

**2019 Youth Tour
Participants Experience
Lifetime of Firsts**



Inside:

*By the Numbers — 2018 Annual Report
Save Our Shearwaters Season Opens*



Aloha Island Team



KAREN L. AGUDONG, REALTOR(B)

RB-17447

808-652-0677 • email: karen@alohaisland.com



219 KOILI LANE, WAILUA
3 bedroom / 1 bath home with a very spacious and completely fenced yard on a small cul de sac street in Wailua Homesteads. Great opportunity in Wailua Homesteads. Sold as-is. \$529,000(fs). Call: Karen L. Agudong, REALTOR(B) 652-0677 or email: Karen@AlohaIsland.com.



IN ESCROW

5345 MAKALE'A STREET, POIPU
Poipu Beach Estates Home with Guest House and Swimming Pool. This gorgeous home is located in Poipu's Visitor Destination Area and only minutes from beaches and shopping. \$1,595,000(fs). Call: Karen L. Agudong, REALTOR(B) 652-0677 or email: Karen@AlohaIsland.com.



3614 KAUMUALII HIGHWAY, LAWAI
3 HOMES on one lot PLUS an additional home with incomplete renovations! Gorgeous 26,000 + sf lot with beautiful mature fruit trees and the relaxing sound of the stream nearby. Great property at a great price! Sold As-is. \$999,999(fs). Call: Karen L. Agudong, REALTOR(B) 652-0677 or email: Karen@AlohaIsland.com.



PIKAKE SUBDIVISION LOT #1714, LIHUE
STUNNING MOUNTAIN and GOLF COURSE VIEWS. Excellent location toward the end of the cul de sac. Flag lot enhances privacy. May qualify for an additional Guest Cottage. Close to Kukui Grove Shopping Center, Kauai Community College, Schools and Beaches. \$549,000(fs). Call: Karen L. Agudong, REALTOR(B) 652-0677 or email: Karen@AlohaIsland.com.



YOUR PROPERTY HERE!
Looking to sell your home? Inventory is low and buyers are looking to purchase property before the interest rates go up. Please contact Karen for a FREE comparative market analysis of your property.

EXP REALTY • KAREN L. AGUDONG • MAILING ADDRESS: PO BOX 3255, LIHUE, HI 96766

808-652-0677 • WWW.ALOHAISLAND.COM • EMAIL: KAREN@ALOHASISLAND.COM

KAREN L. AGUDONG, REALTOR(B) "ALOHA ISLAND TEAM" EXP REALTY (808) 652-0677.

Branch Office Address: 2970 Kele St. Suite 118 Lihue, 96766

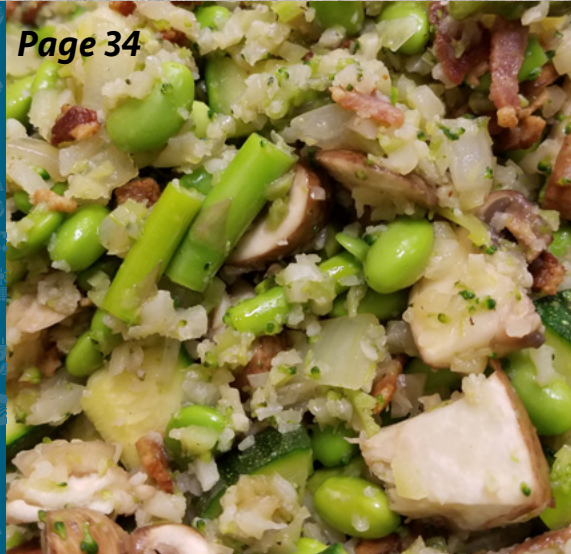
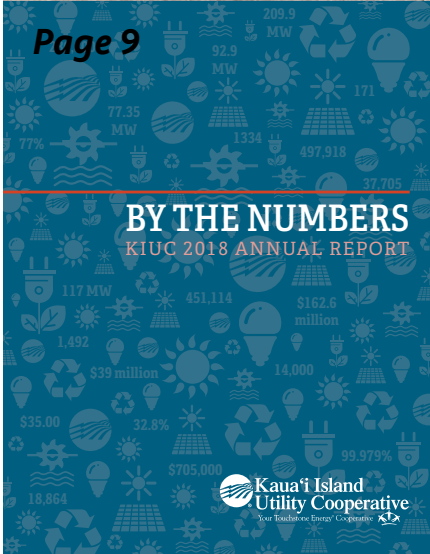
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EDITOR

Beth Tokioka

CONTRIBUTORS

Jennifer Brown, Katie Cook, Amy Doubet-Devitt, Tia Fulks, Karissa Jonas, Janet Kass, Carolyn Larsen, Jim Mayfield, Shelley Paik, Kasiah Vercelli, Kallen Wachi

ON THE COVER

Tia Fulks, Kallen Wachi, Kasiah Vercelli and Katie Cook pose with President Roosevelt's statue in the Third Term room at the Franklin Delano Roosevelt Memorial.

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.



Only active KIUC members will be mailed KIUC Currents. KIUC Currents can be found online at www.kiuc.coop under News and Currents.

KIUC is an equal opportunity provider and employer.



From the Chairman

Aloha!

As always, we appreciate our members' support and participation. The 2019 annual meeting was well-attended and provided the opportunity for good dialogue among members, board and staff.

It is our hope that you will take the time to read the KIUC 2018 Annual Report, reprinted in this edition of Currents, to better understand the progress we've made, the challenges we face and the exciting direction in which we're heading.

I also invite you to visit our website, www.kiuc.coop, and examine a recent progress report published on the KIUC Strategic Plan 2016-2030. This plan was developed with valuable input from our members. It provides a roadmap that we are following and is yielding tangible results.

The success of our cooperative will be measured in large part by the active engagement of our members. Please stay informed, stay in touch and help us guide our beloved island home to a healthy, clean and sustainable future.

Mahalo nui loa,

Allan Smith

Board Actions

Below is a summary of some of the actions taken by the KIUC Board of Directors in May, June and July 2019.

May 28, 2019, Board Meeting

Motion carried, board policy No. 2, authority and responsibility of the CEO. Reviewed, no substantive changes.

Motion carried, board policy No. 28, offers to acquire cooperative's assets. Reviewed, no substantive changes.

Motion carried, appointment of Dee Crowell as Hawai'i representative on NRECA Resolutions Committee (2019).

Motion carried, appointment of Jan TenBruggencate to NRECA Region 9 Nominating Committee.

June 25, 2019, Board Meeting

Motion carried, 2019 budget amendment, data archival system, additional \$250,000.

Motion carried, board policy No. 14, KIUC policy procedure and practice formulation, review and approval. Reviewed, no substantive changes.

Motion not carried, request CEO and staff stay apprised of any opportunities and developments in the telecommunications industry in Hawai'i and to apprise the board of directors of any significant developments.

July 30, 2019, Board Meeting

Motion carried, review of the 2016-2030 strategic plan.

Ratified decision to approve amendment to general counsel's annual contract.



2007 Hawai'i Kansas Youth Tour delegates visited Market Square in Old Town Alexandria, Virginia.

From a Parent's Perspective

By Jim Mayfield

Each Kaua'i parent wants the best for his or her children. We work hard and sacrifice so much for their benefit. We look for opportunities to help our children broaden their horizons and experiences, whether by taking them to our beaches and mountain parks, enrolling them in all kinds of music, art, theater, dance, sports, academics and cooking opportunities. While we wish we could do more, there is only so much time and money. But what if there was a free opportunity organized by someone else that gave my child an opportunity they might never be able to experience?

Many electric cooperatives across the mainland and Alaska—as well as KIUC—send a number of their high school students for one week each summer to Washington, D.C., for an all-expenses-paid trip. The students spend time with youth from states they have never visited and know little about. They meet their Congressional representatives and senators. They attend lectures by professionals who teach them how Congress and our government works. They visit national museums. And they have fun!

Twelve years ago, my daughter Kimberley was chosen to join the four-student Kaua'i delegation. It was a competitive application; my second daughter did not get picked in a later year. The process required an application, essays and an in-person interview with members of KIUC's Board of Directors and associates. It was such good practice for future job interviews and college applications. As the program at KIUC was quite new, none of us understood what was involved, but it certainly sounded like a wonderful opportunity.

Looking back, here are some of the things I believe Kim took away from this tour:

1. She learned how our government operates. Part of this education came from her studying in advance of her in-person interview at KIUC, but most of it came from the visits she made and lectures she received while on the trip.

2. She learned how electricity was produced across the country, how production and usage had changed in recent years and how it was expected to change in the years to come. This was her first exposure to electric vehicles and cars. She now owns one with her parents.
3. She got a glimpse of life in a rural environment, where children seldom or never travel by airplane, and where a neighboring town visit was exciting and eagerly awaited.
4. She learned what a cooperative is and how each of us, including young adults, can follow and participate in our cooperative.
5. She made friends she still keeps in touch with many years later via social media and annual KIUC get-togethers with all past Youth Tour participants, including the "aunties" who chaperone the trips.

As hard as Kim's mother and I have worked to provide our daughters with all sorts of opportunities, this is an experience we would never have been able to provide without first encouraging Kimberley to take a chance and apply. Perhaps you know a high school student who should apply? 🌸

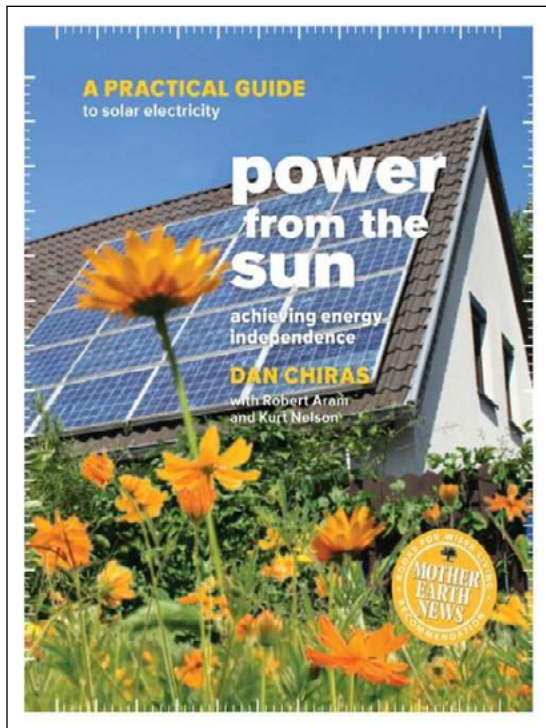


2007 Youth Tour participants Kim (Mayfield) Bitterwolf, Ian Ramos, the late Michael Julian and Alyssa Nishihira visited the late Sen. Daniel Akaka and his wife, Millie, in his Capitol office.

“Got Energy Literacy?”

By Carolyn Larson, Branch Manager at Līhu‘e Public Library.

Knowledge is power. Līhu‘e Public Library partners with KIUC to bring you a broad range of book titles on energy topics available through your Kaua‘i neighborhood library. While promoting energy literacy, titles will cover many viewpoints and are not meant to reflect the policies of KIUC or the public library.



Power from the Sun

Achieving Energy Independence

By Dan Chiras

Call Number: 621.31244 Ch

Here is a guidebook written for anyone interested in installing a solar electric system. It provides a basic understanding of electricity, solar energy and the sun. It covers solar site assessment, discusses the types of Photo Voltaic (PV) systems, advances in PVs, charge controllers, inverters, batteries, and generators. It also covers the installation and maintenance of a PV system. The book offers an overview of the many options available and will help homeowners make wise decisions during the design, purchase, and installation of solar electric systems. Illustrated with black and white photographs and helpful diagrams.

Another basic source book about solar is The Complete Idiot’s Guide to Solar Power for Your Home by Dan Ramsey which covers the equipment and know-how you’ll need to generate your own power. You may also want to browse the Real Goods Solar Living Source Book edited by Doug Pratt. It is a guide to renewable energy technologies and sustainable living that discusses solar as well as other sustainability technologies for an independent homestead. It includes sample products and cost estimates. ☺

Kaua'i Habitat for Humanity®
HAMMERS N' ALES
OKTOBERFEST

Hammers N' Ales, an island style Oktoberfest, will feature great food, cold drinks, music, sunshine, and fun. All food and drink is included in the ticket price along with a logo tasting glass.

This is a 21 and over event.

October 12, 2019
2:00 pm to 6:00 pm
Poipu Beach Athletic Club

For tickets visit
www.kauaihabitat.org

\$75 Advance Ticket/\$85 At the Door

Energy Management



By Janet Kass

I'm one of these energy geeks—folks that like to do everything they can to reduce their electricity usage. I moved from Michigan to the middle of the Pacific in 2017, and knew I had to adjust to higher energy costs. I was motivated to see what I could do to lower my electric bill.

As soon as I arrived, I created an inventory of all the things in my house and yard that use electricity. Then I attempted to figure out how much energy each device used in a year: watts used times hours used per year. Light bulbs are nice. Their energy is printed on the bulb itself (e.g., 100 watts). For other items, I plugged the energy-using device into my Kill-a-Watt device, which tells you how much energy an item uses. Then I estimated how many hours a day I have that item turned on.

Next, I looked at my biggest energy users and decided whether I wanted to do anything about them. My biggest energy user was my pond pump. It used about a third of my annual electricity. If you have a pond or pool or air conditioner, do you want to give that up just because it uses a lot of energy? I doubt it.

It took me about a year to figure out what to do about my pond pump. My solution was to reduce my usage. I bought a pond aerator that uses 11% of the power my pump uses. I run the aerator at night and the pump during the day, substantially cutting my electric bill.

My refrigerator was the next biggest culprit—about one-quarter of my total usage. Old refrigerators and freezers are

notorious energy hogs. If you have one, you'll probably recoup the cost of the new refrigerator through energy savings in just a few years. However, I'm not going to replace my refrigerator until it dies. When that happens, I'll apply for a \$50 rebate from KIUC for a new energy-efficient model.

Lights were probably our third-biggest energy user. The previous owner of our house was still using incandescents and CFLs, so we bought a bunch of LED light bulbs. We ordered what we needed online because the sizes we needed weren't available on Kaua'i. I estimate that reduced our electric bill about 10%. That energy savings offset the cost of the new bulbs in less than a year.

Then I started using more electricity. As a newcomer living fairly near to Wai'ale'ale, I was horrified by how much mildew appears spontaneously. We bought an energy-efficient fan for our closets that does a great job of circulating air in an enclosed space. I run it several hours a day on a timer, and I no longer have a mildew problem in those closets.

To keep myself comfortable at night, I bought a bladeless fan that has 10 different speed settings. I use one of the three lowest settings—only 3 watts per hour—and I can hardly hear the fan. The fan was costly, but it is quiet and incredibly energy efficient.

Perhaps you will find an idea here that you haven't already tried. For other ideas about how to reduce your energy usage, see "Energy Wise Programs" on KIUC's website. ☺



Save Our Shearwaters

Kaua'i Humane Society

The official Save Our Shearwaters season begins September 15 and runs through December 15. SOS staff collects the birds and rehabilitates them until they are ready to be released into the wild.

You can help by:

- Keeping a ventilated box and towel in your vehicle.
- If you find a downed bird, gently pick it up with the towel covering the head, and completely around its back and wings. Place in the container.
- Keep the bird covered and quiet in a shaded area. Do NOT feed it or give it water.
- Take the bird to the nearest aid station listed below as soon as possible. Please do NOT attempt to release the bird yourself.
- Please record the information requested at the aid station.

For more information visit SaveOurShearwaters.org or contact the Kaua'i Humane Society at 632.0610 extension 109. If you have found a bird or have a question regarding seabirds, please call the SOS hotline at 635.5117.

SOS Aid Station Locations

West

Hanapēpē Fire Station
Kalāheo Fire Station
Kōloa Fire Station

South

Waimea Fire Station

Central-East

Kapa'a Fire Station
Kaua'i Humane Society
Līhu'e Fire Station

North

Hanalei Fire Station
Hanalei Liquor Store
Kaiākea Fire Station
Kilauea Medical Group



BY THE NUMBERS

KIUC 2018 ANNUAL REPORT



**Kaua'i Island
Utility Cooperative**

Your Touchstone Energy® Cooperative



The Big Picture



Kaua'i Island Utility Cooperative is among the youngest of our nation's 900-plus electric cooperatives. Shortly after taking ownership of the utility in 2002, leadership and staff of KIUC set aggressive goals and embarked on a journey that is now being watched and recognized from around the globe.

Moving from less than 10% renewable generation in 2010 to more than 50% renewable as this publication goes to print is just one of KIUC's remarkable achievements. This annual report tells a story that began 17 years ago, but is far from over. Our members make us strong and help us set the pace as we move forward: we appreciate your continued support.

Mahalo nui loa,

A handwritten signature in black ink that reads "Allan A. Smith".

Allan A. Smith

Chairman

A handwritten signature in black ink that reads "David J. Bissell".

David J. Bissell

President and Chief Executive Officer

KIUC At A Glance



Generation Capacity
209.9 megawatts (MW)

117 MW
Oil-fired
Generation
Capacity

92.9 MW
Renewable
Generation
Capacity

451,114
Megawatt
Hours Sold
in 2018

Miles of line
171 miles transmission
1,334 miles distribution

37,705
Number of Meters

77%
Residential

\$162.6
million
Total Revenue 2018

77.35 MW
2018 Peak Demand

Putting the Power in Your Hands



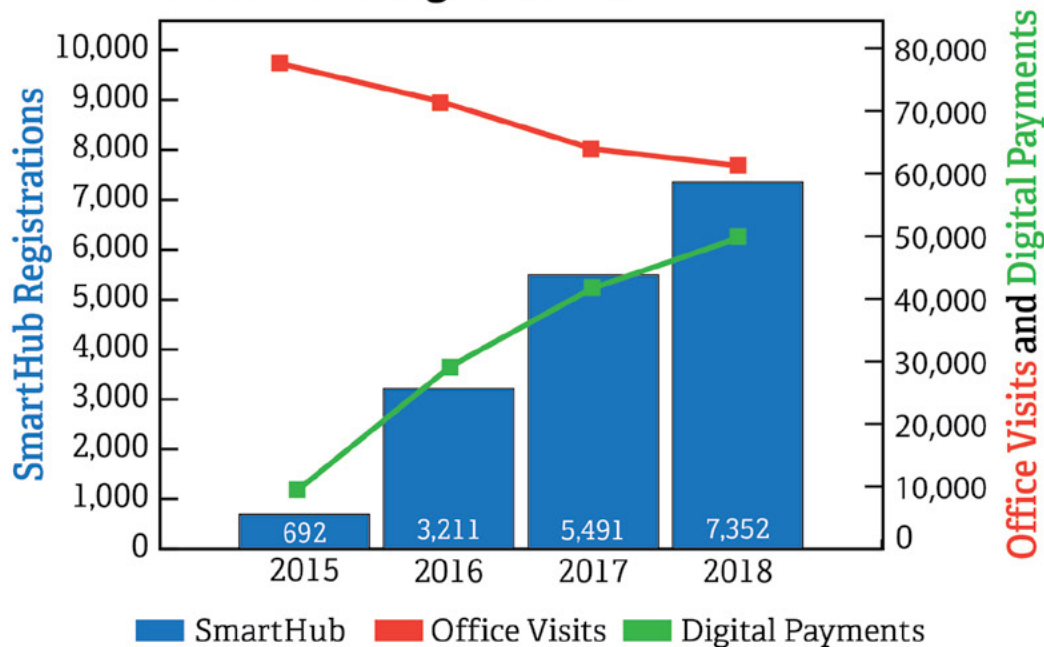
As a not-for-profit cooperative, we are owned by the members we serve. KIUC leadership and staff work hard throughout the year to provide a variety of tools and programs that allow you to better communicate with us, as well as manage your account and your energy use.

We encourage you to explore the options available with our Member Services and Energy Services staff. Members serving members is what makes our cooperative special.

Sincerely,

Maile Alfiler, Member Services Manager

SmartHub Registrations



SmartHub is a great tool offered by KIUC to track and manage your energy use, monitor bill payments and report outages.

The number of KIUC members registered for SmartHub has increased more than tenfold since 2015. During

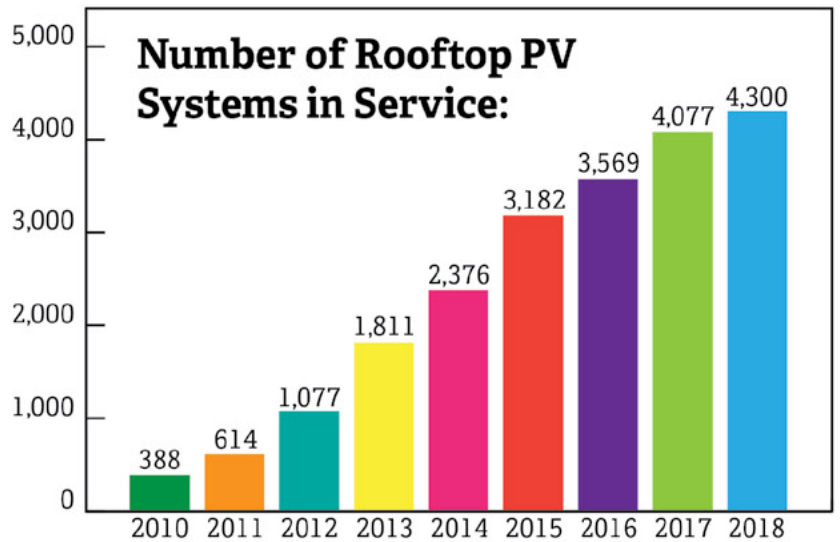
that period, we also saw an increase in the number online payments being made and a decrease in visits to the KIUC offices.

We place a priority on making your interactions with KIUC as convenient, pleasant and efficient as possible.

Number of Rooftop Photovoltaic Systems Installed



31.3 MW in 2018
11% of Sales in 2018
3,963 Residential Rooftops
337 Commercial Rooftops



Pono Home Energy Efficiency Program

The Pono Home program is a partnership with County of Kauai designed to perform energy and water saving retrofits for low and moderate income residents.

Pono Home assisted 73 houses and positively impacted more than 185 Kauai residents by installing:

- 1,492 LED's of varying wattages**
- 42 low flow showerheads**
- 64 aerators, both kitchen and bathroom**
- 119 seven outlet smart power strips**



"With just \$28,000 in funding, we accomplished annual savings of 113,616 kWh and 645,004 gallons of water, while reducing CO2 emissions by 197,692 pounds. That's remarkable and a great win for the people of Kauai."

– Scott Cooney, Chief Executive Officer, Pono Home

Staying Connected



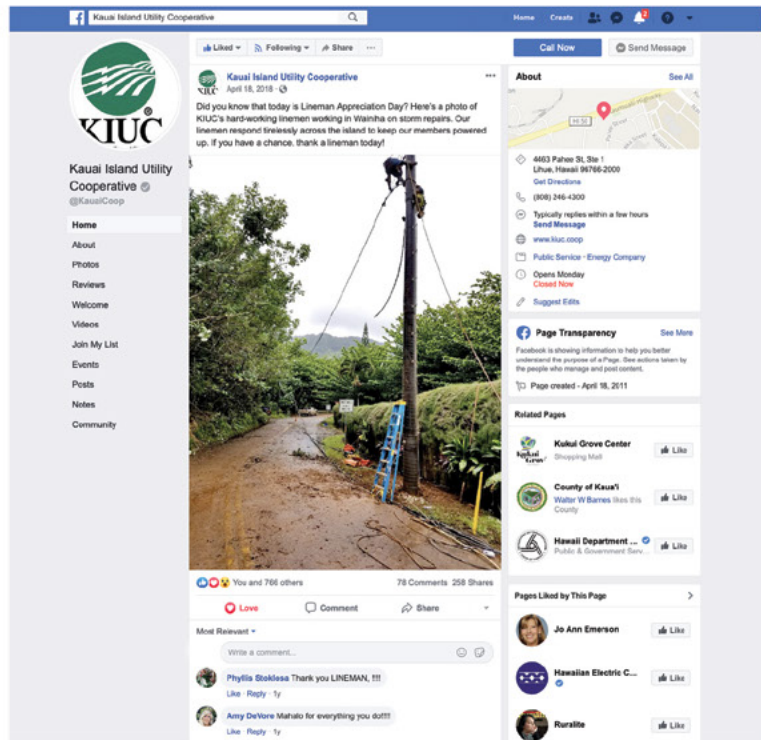
Keeping members informed is a high priority for us at KIUC. Over the past few years we've increased our use of social media, and in 2018 revamped our website to provide as much information as possible to the public. Stay connected with us via our online resources, Currents magazine or direct communication via phone or email.

We look forward to hearing from you!

Warmest regards,
Beth Tokioka, Communications Manager

Getting Social

In 2018 KIUC's Facebook page continued to serve as a primary source of up-to-date information on coop activities, outages and more.



@KIUC
1,719 followers

Total Impressions
236,800

Twitter also played a vital role in keeping our members informed.



KIUC.coop

KIUC's website is a great source of information, and underwent a complete redesign in 2018: offering more information, greater functionality and greater ease of navigation both on desktop and mobile devices.

Top three pages visited on the KIUC website:



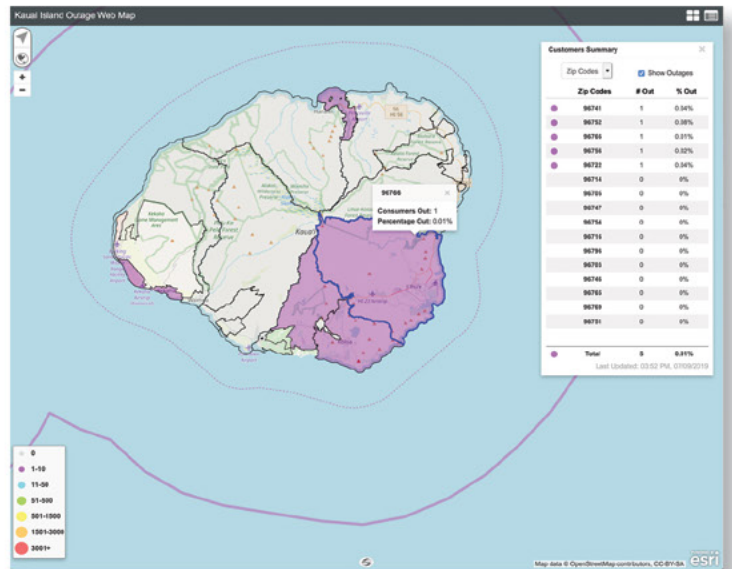
Member Services



Outage Map



Employment Information



A new feature on the KIUC website is the outage map. Since its launch in September 2018, the outage map is being accessed on average 200 times per month by our members.

Watching the Pocketbook



One of the most important advantages of being a cooperative is we are not profit-driven. Our goal is to minimize expenses and budget appropriately so that our financial needs are met. Should we have excess earnings come December 31, that money is returned to our member-owners via patronage capital: either by a credit to your individual equity account, or in the form of a check or bill-credit when our Board of Directors chooses to “retire” patronage capital.



Since 2002, KIUC has progressed from being 100% debt financed to having more than 30% equity today. Our strong financial position is attributable to many factors, such as:

- ❖ Rate stabilization due to the volatile cost of diesel being replaced by stable, lower-priced renewables
- ❖ Taking advantage of the collective purchasing power of more than 900 cooperatives nationwide
- ❖ Access to minimal cost of capital from lenders such as Cooperative Finance Corporation and the Rural Utilities Service



A strong cooperative contributes to a strong community. We are delighted to serve our members and support our island home.

Aloha,

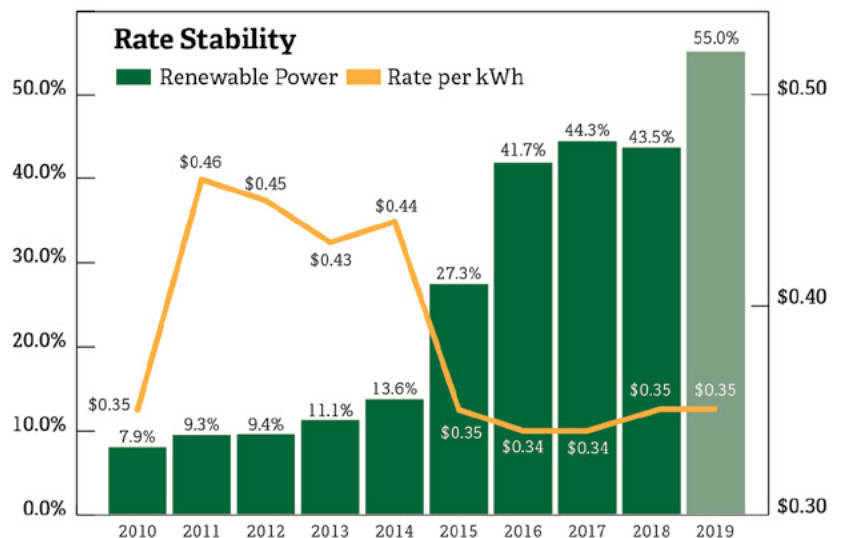
Karissa Jonas, Chief Financial Officer

Lisa Ubay, Human Resources and Safety Manager

Rick Eckert, Financial Planning and Strategy Manager

Stabilizing Rates

Volatility in the crude oil market has caused significant fluctuations in KIUC's rate per kWh. However, rates were relatively stable between 2015 and 2018, in part due to the increasing percentage of the cooperative's power being supplied by lower cost renewables with stable, long-term pricing. This trend continues through mid-year 2019.





Patronage Capital Retirements

Patronage capital credits come from the money a cooperative has left over, called margins, after paying all of its expenses in a given year. At the end of the year, the margins are allocated and credited to each member's patronage capital account according to the amount paid for energy used. When KIUC's finances permit, that money is returned to members in the form of patronage capital retirements.

\$2.5 million

Amount to be retired to members based on 2018 financial results

\$39 million

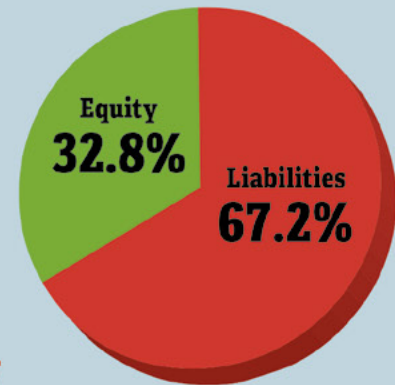
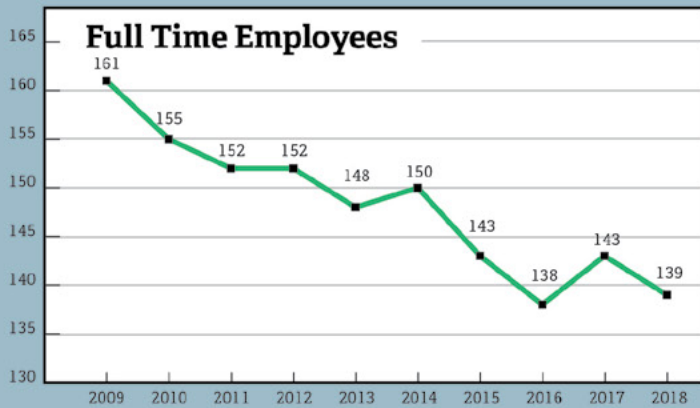
Total amount of patronage capital retirements through 2018

\$35.00

Average patronage capital retirement for member using 500 kWh of electricity per month

Keeping an Eye on Costs

Managing expenses is critical to an electric cooperative in its mission to provide the most affordable rates to its members. Primarily due to strategic deployment of technology, KIUC has been able to reduce its employee count over the past ten years without sacrificing customer service.



Equity

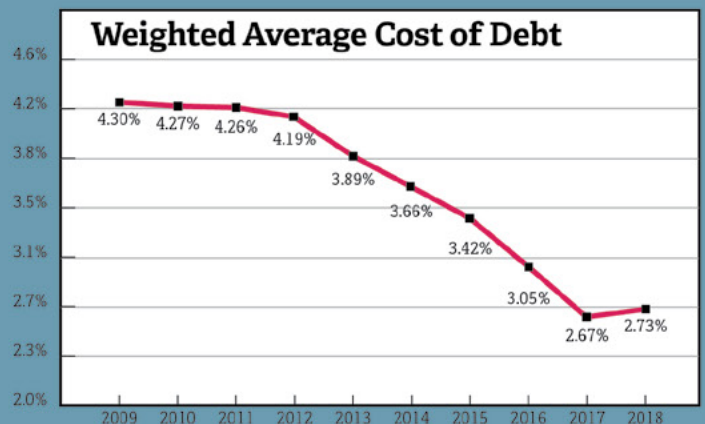
When KIUC purchased Kauai Electric 17 years ago, the cooperative was 100% debt financed with zero equity.

Today, our equity ratio is more than 32%. That's the portion of the utility that KIUC members own outright and free of debt.

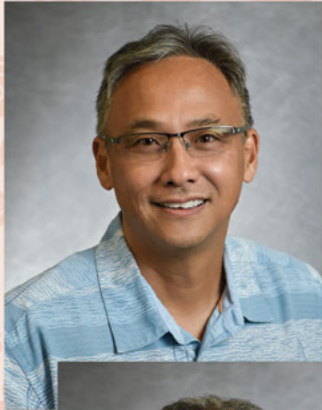
Debt Service

KIUC's weighted average cost of debt is the average interest rate we're paying on the money we borrow. When the cooperative was formed the cost of debt was more than 4%.

As a cooperative with access to low-cost capital, KIUC was able to reduce its debt service significantly, which saves money for our member-owners.



Keeping You Powered



At the core of KIUC's mission is to provide safe, reliable power to our members. Our operations, power generation and transmission & distribution teams work around the clock to insure that you have electricity when you need it. When outages occur, we stand ready to respond and take pride in restoring you as quickly as possible.

KIUC's grid includes a wide variety of power inputs: from conventional generators to solar, biomass and hydro-powered renewable facilities. Each has its own unique characteristics, strengths and vulnerabilities. Keeping these moving parts working in synch while seamlessly delivering power to our members is not an easy task.

Our staff has risen to the challenge: facility improvements, information technology enhancements and focus on cybersecurity help us significantly improve our ability to provide you with uninterrupted power 24 hours a day. It's a continual process that is embraced by each of our dedicated team members.

Mahalo,

Mike Yamane, Chief of Operations

Carey Koide, Transmission and Distribution Manager

Tree Trimming

Since 2010, KIUC has spent
\$12.6 million
 on tree trimming

25%
 of tree trimming budget
 spent on transmission line clearing

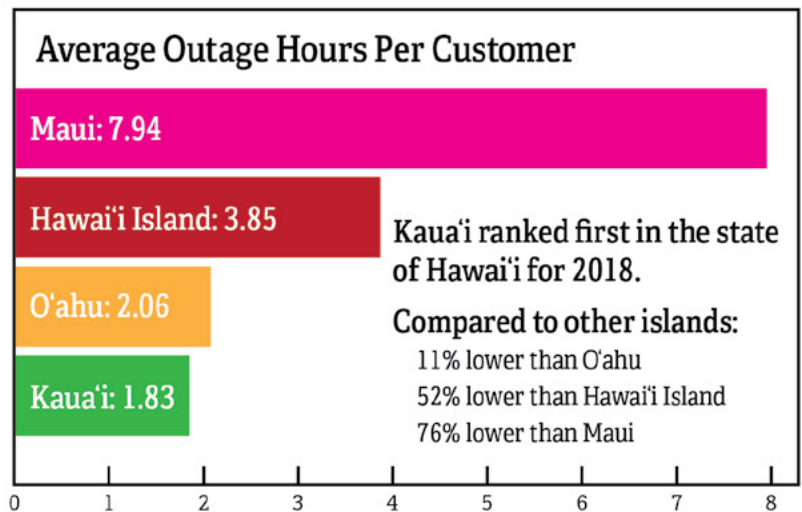
75%
 of tree trimming budget
 spent on distribution line clearing

Reliability

2018: 99.979%

Average hours of outage per customer: 1.83

Average duration of outage: 23 minutes



Batteries Making an Impact

Underfrequency events impact grid stability and potentially cause “load shedding” in order to prevent an islandwide blackout. In 2014, KIUC began installing battery energy storage systems to support utility scale solar fields, which is contributing to a downward trend in underfrequency events.

Resiliency/Emergency Response

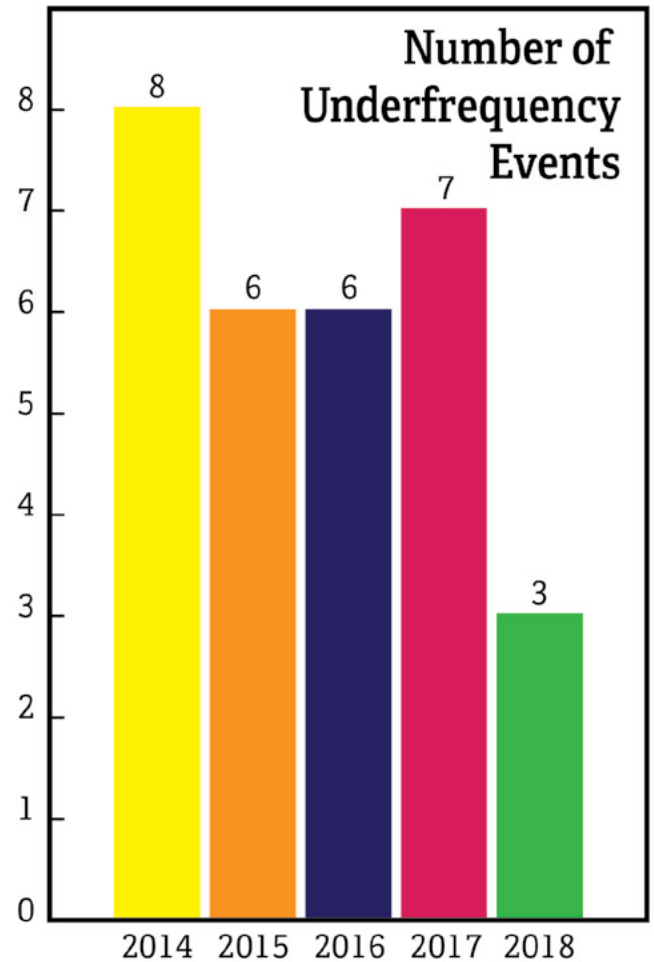
The torrential rains of April 14-15, 2018 on Kauai’s north shore set a new record for the most rainfall during a 24-hour period in the United States. Damage was significant, primarily on Kauai’s north, east and south sides, and KIUC crews worked throughout the day and night to respond to outages as conditions permitted.

14,000
Number of Customers
Out at Peak

90%
Number of Customers
Restored Within 24 hours

515.5
Total Overtime Hours Logged
(hourly employees)

\$368,000
Total Damage to KIUC Assets



Hurricane Lane

Because KIUC is a not-for-profit cooperative, we are able to apply for reimbursement of up to 75% of FEMA-eligible costs. FEMA has yet to determine how much of the cost of the April 2018 flood will be reimbursed to KIUC. However, we did receive FEMA funds related to costs associated with Hurricane Lane in August 2018:

Total Damage: \$59,279

\$51,466

Eligible for FEMA Reimbursement

\$38,599

Approved FEMA Reimbursement

Leading the Way



The strategic direction forged by our Board of Directors beginning in 2008 has launched us to more than 50% renewable in 10 short years. This has not gone unnoticed: KIUC is nationally and internationally known as an innovative trailblazer in renewable technology.

In 2018 we had the first full year of production from the Tesla solar plus storage facility, which was like no other when it was opened. KIUC ended 2018 with an impressive 43.5% renewable generation, in spite of unusual weather patterns that did not allow us to maximize either our solar or hydro resources.

The AES Lāwaʻi solar plus storage facility was constructed during 2018, and two other renewable projects took important steps forward: a second AES solar plus storage array at the Pacific Missile Range Facility in Kekaha and the West Kauaʻi Energy Project, which will utilize pumped storage hydro coupled with solar.

Moving closer to our strategic goal of 70% renewable by 2030 and the State of Hawaiʻi mandate of 100% renewable by 2045 is good for our members and for the environment. Best of all, the strides we're making are paving the way for other utilities around the globe.

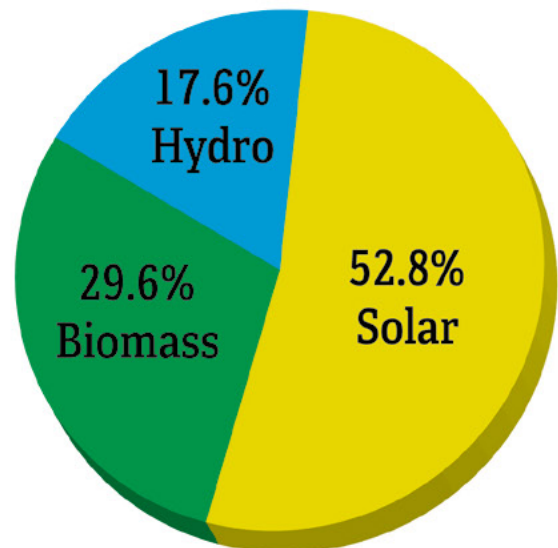
Aloha,
Brad Rockwell, Power Supply Manager

Renewable Portfolio

12.7 million
Gallons of Diesel Avoided

100%
Highest Achieved
Renewable Generation

Renewables by Type*



*Based on percentage of sales

Solar Generation

Utility Scale = **77.4%**

Rooftop = **22.6%**

Tesla Battery Storage

21 months in operation

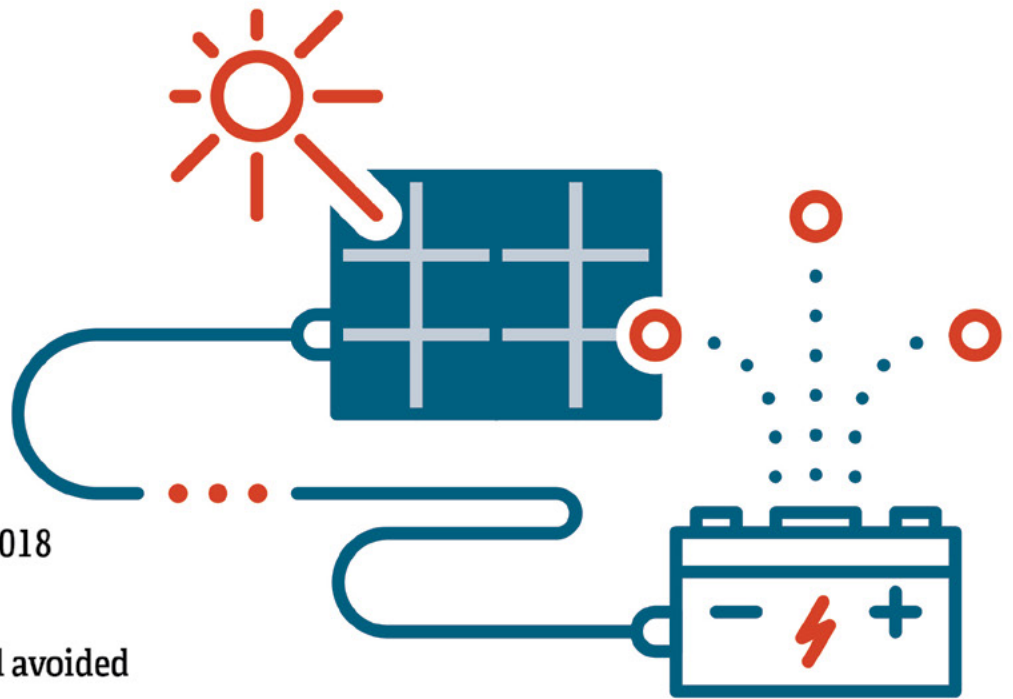
Meets **20%** of
nighttime peak demand

18,864 MWh produced in 2018

4.2% of sales

1.4 million gallons of diesel avoided

\$705,000 saved versus cost of diesel



Accolades



Smart Electric
Power Alliance

#1 Annual Storage Watts Per Customer

#5 Annual Megawatts of Storage



Corporate
Member
of the Year



Associate
Member
of the Year



KAUA'I UNITED WAY

Top Employee Giving Group
2018 Total: \$35,000

2018 Board of Directors

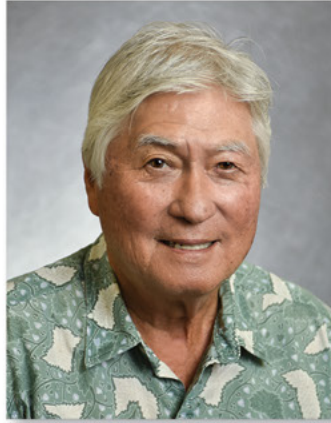
Executive Board



Allan Smith
Chairman



Jan TenBruggencate
Vice Chair



Peter Yukimura
Treasurer



Calvin K. Murashige
Secretary

Board of Directors



Dee Crowell



David Iha



Janet Kass



Jim Mayfield



Teofilo Phil Tachian

2018 Executive Board

Chairman: Allan Smith

Vice Chair: Jan TenBruggencate

Treasurer: Peter Yukimura

Secretary: Calvin K. Murashige

Board: Dee Crowell, David Iha,
Janet Kass, Jim Mayfield,
Teofilo Phil Tachian

**79 years
and 9 months**

*Total years of collective
experience on KIUC Board.*

2018 Board Committees

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 Tachian

Members: Dee Crowell, David Iha

International

Chairman: David Iha

Members: Teofilo Phil Tachian,
Peter Yukimura

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

Summary of Operations

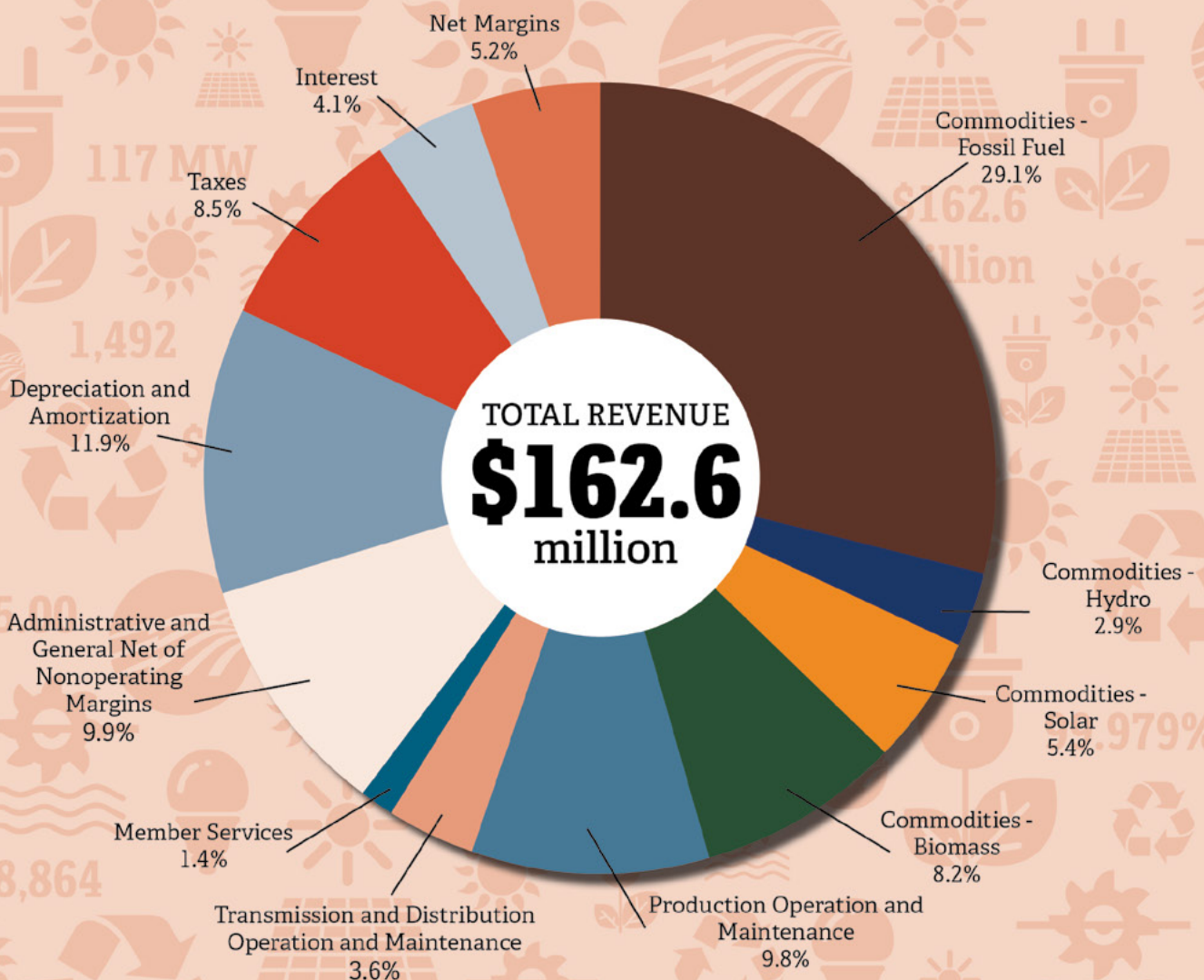
For the period 01/01/2018 through 12/31/2018

KIUC ended 2018 in a strong financial position: revenues were up 10% from the prior year and there was a 1.4% increase in electricity usage by members. The increase in revenue can be attributed primarily to increased fossil fuel prices and a decrease in solar energy production due to prolonged periods of inclement weather. Renewable production from biomass, solar and hydro reached 43.5% in spite of these challenges. Construction of the AES Lāwa'i dispatchable solar facility, completed at the close of 2018, promises to propel Kaua'i beyond the 50% mark in renewable production in 2019.

The cooperative is working hard to reduce costs, operate efficiently and effectively, and preserve a strong financial position, while maintaining safety and reliability. Revenues, expenses, and net margins totaled \$162.6 million, \$154.2 million, and \$8.4 million, respectively, for the 12-month period ending December 31, 2018.

As is the case for all electric utilities, the cost of power generation is KIUC's largest expense, totaling \$90.2 million or 55.4% of revenues. Commodities, which are fuel and purchased power costs, are the largest component of power generation totaling \$74.2 million. Currently, fossil fuel is the largest component of commodities, followed by biomass, solar and hydropower. The remaining \$16.0 million represents the cost of operating and maintaining the generating units.

The below chart summarizes expenditures by type.



Balance Sheet

December 31, 2018 and 2017

	December 31,	
	2018	2017
Assets		
UTILITY PLANT AT COST		
Electric Plant in Service	\$ 547,695,291	\$ 541,587,292
Electric Plant Acquisition Cost	54,852,453	54,852,453
Accumulated Depreciation and Amortization	(306,950,384)	(290,182,705)
Net Electric Plant in Service	295,597,360	306,257,040
Construction Work in Progress	15,598,523	4,779,354
Net Utility Plant	311,195,883	311,036,394
OTHER INVESTMENTS		
Investments in Associated Organizations	1,515,565	1,336,331
Rural Economic Development Loans	832,479	960,426
Total Other Investments	2,348,044	2,296,757
CURRENT ASSETS		
Cash & Cash Equivalents	17,821,710	11,376,600
Restricted Cash & Cash Equivalents	2,623,304	2,484,517
Other Investments	5,000,000	-
Accounts and Notes Receivable (Less allowance for doubtful accounts of \$125,000 in 2018 and \$225,000 in 2017)	10,804,057	9,846,528
Accrued Unbilled Revenue	8,620,834	7,954,977
Inventories	15,051,310	14,379,607
Other Current Assets	1,643,155	1,354,861
Total Current Assets	61,564,370	47,397,090
DEFERRED DEBITS		
	13,974,299	11,799,858
Total Assets	\$ 389,082,596	\$ 372,530,099
Equities and Liabilities		
EQUITIES		
Memberships	\$ 533	\$ 515
Patronage Capital	116,290,932	111,417,571
Other Equity	766,937	646,973
Post-retirement Benefit Obligation Gain (Loss)	(1,399,334)	(1,515,500)
Controlling Equity Interest	115,659,068	110,549,559
Capital Account - A&B KRS II LLC	19,304,898	20,400,187
Non-Controlling Equity Interest	19,304,898	20,400,187
Total Equities	134,963,966	130,949,746
LONG-TERM DEBT, Less Current Maturities		
	204,211,945	192,756,653
POSTRETIREMENT BENEFITS OBLIGATION		
	452,257	596,600
ASSET RETIREMENT OBLIGATIONS		
	2,542,345	2,450,209
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	15,710,813	15,194,997
Line of Credit	-	3,000,000
Accounts Payable	6,098,780	5,176,835
Energy Rate Adjustment Clause	756,880	4,588
Consumer Deposits	1,898,031	1,481,759
Accrued Employee Compensation	2,068,306	1,976,448
Accrued Taxes	7,832,897	6,525,850
Other Current and Accrued Liabilities	566,234	622,477
Total Current Liabilities	34,931,941	33,982,954
DEFERRED CREDITS		
	11,980,142	11,793,937
Total Liabilities and Equities	\$ 389,082,596	\$ 372,530,099

Statement of Income and Patronage Capital

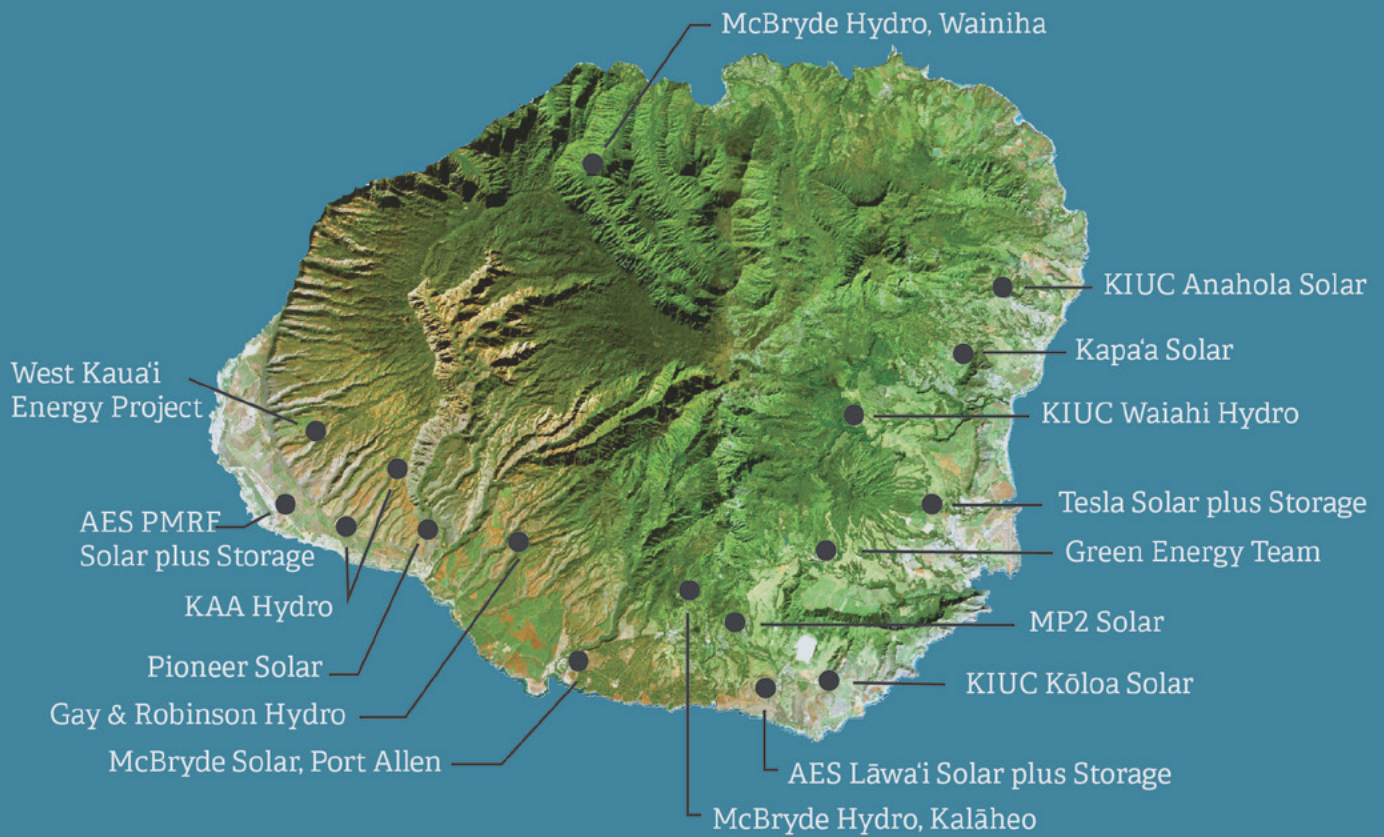
For the years ended December 31, 2018 and 2017

	Year Ended December 31,	
	2018	2017
OPERATING REVENUES		
Residential	\$ 65,170,080	\$ 58,459,375
Irrigation	361,634	143,182
Commercial and Industrial	95,941,559	88,065,085
Public Street and Highway Lighting	719,376	708,102
Other Operating Revenues	466,989	474,044
Total Operating Revenues	162,659,638	147,849,788
OPERATING EXPENSES		
Power Cost	90,182,164	76,031,389
Transmission - Operation	414,004	380,737
Transmission - Maintenance	572,903	595,295
Distribution - Operation	1,208,431	1,370,681
Distribution - Maintenance	3,733,766	3,723,289
Customer Accounts	1,976,634	2,031,531
Customer Service and Information	347,423	434,316
Administrative and General	17,857,110	17,513,329
Depreciation and Amortization	19,343,605	18,589,648
Taxes	13,780,073	12,456,979
Accretion Expense	92,136	87,955
Other Interest Expense	114,013	115,851
Total Operating Expenses	149,622,262	133,331,000
OPERATING MARGINS - Before Interest	13,037,376	14,518,788
INTEREST ON LONG-TERM DEBT	6,602,071	6,451,639
OPERATING MARGINS	6,435,305	8,067,149
NONOPERATING MARGINS		
Interest Income	986,367	752,621
Capital Credits	349,740	318,974
Other Nonoperating Income (Expense)	154,552	(152,751)
Total Nonoperating Margins	1,490,659	918,844
EXTRAORDINARY INCOME	94,892	-
NET MARGINS	8,020,856	8,985,993
Net Loss (Margins) Attributable to Non-controlling Interest	411,672	(2,083)
NET MARGINS - COOPERATIVE	\$ 8,432,528	\$ 8,983,910
PATRONAGE CAPITAL - BEGINNING OF YEAR	\$ 111,417,571	\$ 102,596,914
Allocation of Net Margins	8,432,528	8,983,910
Patronage Capital Retired	(3,559,167)	(163,253)
PATRONAGE CAPITAL - END OF YEAR	\$ 116,290,932	\$ 111,417,571

Statement of Cash Flows

For the years ended December 31, 2018 and 2017

	December 31,	
	2018	2017
OPERATING ACTIVITIES		
Net Margins	\$ 8,432,528	\$ 8,983,910
Adjustments to Reconcile Net Margins to Net Cash from Operating Activities		
Depreciation and Amortization	19,813,713	19,112,913
Accretion of Asset Retirement Obligation	92,136	87,955
Interest Earned on Cushion of Credit	(736,098)	(700,416)
Capital Credit Allocations	(349,740)	(318,974)
Net Margins Attributable to Non-controlling Equity Interest	(411,672)	2,083
Change in Assets and Liabilities:		
Accounts Receivable and Unbilled Revenue	(1,623,386)	(174,515)
Energy Rate Adjustment Clause	752,292	(351,336)
Inventories and Other Current Assets	(959,997)	(597,389)
Deferred Debits	(2,174,441)	(362,964)
Post Retirement Benefit Obligation	(28,177)	139,400
Payables and Accrued Expenses	2,242,763	(252,803)
Deferred Credits	186,205	2,891,620
Net Cash from Operating Activities	<u>25,236,126</u>	<u>28,459,484</u>
INVESTING ACTIVITIES		
Additions to Utility Plant, net	(19,535,086)	(12,151,941)
Grant Funds and Tax Credit Applied to Utility Plant	-	2,328,294
Rural Economic Development Loans	127,947	202,440
Other Investments	(4,829,494)	18,459
Net Cash used for Investing Activities	<u>(24,236,633)</u>	<u>(9,602,748)</u>
FINANCING ACTIVITIES		
Borrowings from Long-Term Debt	27,899,000	-
Principal Payments on Long-Term Debt	(15,191,794)	(14,799,975)
Net Activity on Line of Credit	(3,000,000)	(2,308,600)
Distribution to Non-controlling Equity Interest	(683,617)	(1,119,721)
Memberships	18	16
Other Equities	119,964	69,448
Retirement of Patronage Capital	(3,559,167)	(163,253)
Net Cash from (used for) Financing Activities	<u>5,584,404</u>	<u>(18,322,085)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	6,583,897	534,651
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>13,861,117</u>	<u>13,326,466</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 20,445,014</u>	<u>\$ 13,861,117</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest	<u>6,716,084</u>	<u>6,567,490</u>
Income Taxes	<u>6,015</u>	<u>4,079</u>
Noncash Investing Activities:		
Liabilities Incurred for Utility Plant Additions	<u>438,116</u>	<u>448,796</u>



	Type	MW	% of Sales
Active			
KIUC, Kōloa	Solar	12.0	3.9
KIUC, Anahola	Solar	12.0	4.1
Green Energy Team	Biomass	6.7	10.9
McBryde, Port Allen	Solar	6.0	2.3
McBryde, Wainiha/Kalāheo	Hydro	6.0	4.4
KIUC, Waiahi	Hydro	1.5	1.0
Gay & Robinson, Olokele	Hydro	1.3	0.9
KAA, Waimea/Kekaha	Hydro	1.5	0.3
Pioneer, Waimea	Solar	0.3	0.1
Kapa'a Solar	Solar	1.0	0.3
Tesla Solar Storage	Solar	13.0	4.2
MP2, 'Ōma'o	Solar	0.3	0.1
Customer Solar	Solar	31.3	11.0
Under Construction/Permitting			
AES Lāwa'i Solar Storage	Solar	20.0	8.9
Gay & Robinson, Olokele	Hydro	6.0	5.5
Under Development			
West Kauai Energy Project	Hydro	25.0	16.6
AES PMRF Solar plus Storage	Solar	14.0	7.8

**Total Renewable
Energy in Service 2018**
92.9 MW/43.5%

**Potential Renewable
Energy in Service 2025**
157.9 MW/82.3%

Vision, Mission and Culture

Vision — Improve the quality of life for KIUC's members and on Kaua'i

Mission — Be an energy solutions leader by:

- ☉ Safely providing reliable power that is fairly and competitively priced
- ☉ Encourage conservation and efficient use of energy resources
- ☉ Increasing sustainable power supply and environmental stewardship

Culture — The culture is shaped by several elements, all critical to KIUC's success. KIUC embraces the seven cooperative principles and a Hawaiian-based values system, derived from an employee-adopted set of shared values called Ho'oka'ana Waiwai.

7 Cooperative Principles

Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership.

Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.

Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



4463 Pahe'e Street, Suite 1, Līhu'e, HI 96766-2000
808.246.4300 • www.kiuc.coop



Printed on Kaua'i
using recycled paper.

Statement of Operations

For the period 01/01/2019 – 07/31/2019

We are pleased to report that the KIUC results of operations through July 31, 2019 are favorable. The year-to-date electricity usage on the island is the same as in the prior year. Even with the consistent 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 \$87.4 million, \$83.2 million and \$4.2 million, respectively, for the seven-month period ending July 31, 2019.

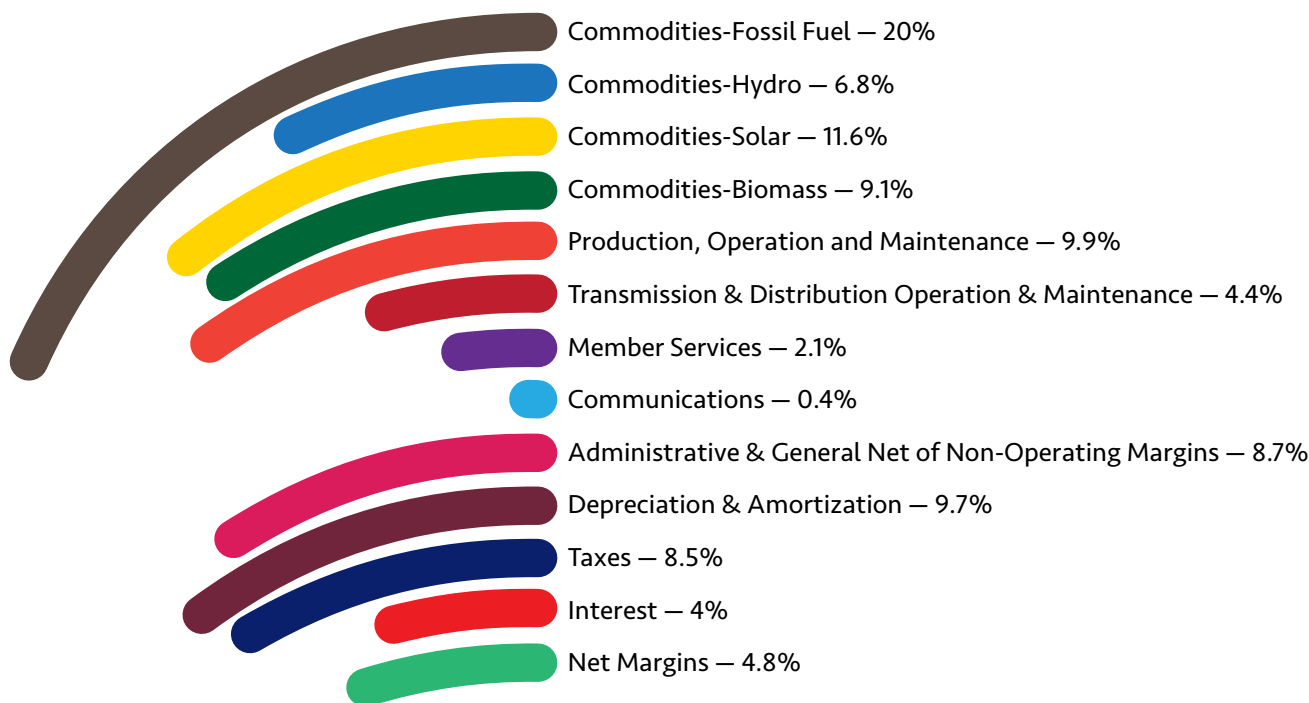
As is the case for all electric utilities, the cost of power generation is the largest expense, totaling \$50.2 million or 57.4% of revenues. Commodities, which are fuel and purchased power costs, are the largest component of power generation totaling \$41.6 million or 47.6% of revenues. Currently, fossil fuel is the largest component of commodities totaling \$17.5 million or 20% of revenues. Other commodities include hydropower totaling \$5.9 million or 6.8% of revenues, solar power totaling \$10.2 million or 11.6% of revenues, and biomass power totaling \$8 million or 9.1% of revenues. The remaining \$8.6 million or 9.9% of

revenues represents the cost of operating and maintaining the generating units.

The cost of operating and maintaining the electric lines totaled \$3.8 million or 4.4% of total revenues. The cost of servicing our members totaled \$1.8 million or 2.1% of revenues. The cost of keeping our members informed totaled \$0.4 million or 0.4% 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 \$8.8 million or 10.1% of revenues.

Being capital intensive, depreciation and amortization of the utility plant costs \$8.5 million or 9.7% of revenues. Although not subject to federal income taxes, state and local taxes amounted to \$7.4 million or 8.5% of revenues. Interest on long-term debt, at a very favorable sub-5% interest rate, totals \$3.5 million or 4% of revenues. Non-operating net margins added \$1.2 million to overall net margins. Revenues less total expenses equal margins of \$4.2 million or 4.8% of revenues. Margins are allocated to consumer members and paid when appropriate. 🌱

PERCENTAGE OF TOTAL REVENUE





2019 delegates Kasiah Vercelli, Katie Cook, Tia Fulks and Kallen Wachi.

Four Teens Represent Kaua'i

Four dynamic high school juniors attended the National Rural Electric Cooperative Association Youth Tour to Washington, D.C., in June. This year's delegates were Katie Cook of Island School, Tia Fulks of Kaua'i High School, Kasiah Vercelli of Kapa'a High School and Kallen Wachi of Waimea High School.

KIUC partners with Kansas Electric Cooperatives and the students form the Hawai'i/Kansas delegation. Our group of 40 students meets up with nearly 1,800 other students from electric cooperatives across the country for Youth Tour in D.C. Here are the impressions of our delegates.

By Tia Fulks

This past June, I had the honor and privilege to participate in the 2019 Hawai'i/Kansas Youth Tour. This was an opportunity of a lifetime, being able to see the heart of our nation. It enabled me to develop a new appreciation and perspective of our nation as a whole. As I reflect on this experience, I gained two valuable takeaways that have impacted me: learning more about our nation's history, and the similarities between myself and my Kansas peers.

To start off, I was able to obtain knowledge about our nation's history. While visiting Washington, D.C., there were many sites we visited. These were the highlights of my trip: JFK Memorial, the Holocaust Museum, the Vietnam Wall, the Smithsonian Museum, and being able to view the original Declaration of Independence. At each of these sites I learned to have a deeper appreciation for the people who made tremendous sacrifices that I often take for granted. I also learned the rich history of each of these sites, which I would have never learned simply by reading a textbook or watching a video. The impact of visiting these landmarks taught me the importance of learning about our past is critical in what happens in our future.

In addition, my perspective of others changed as I became acquainted with my peers from Kansas. Often, many individuals go into different environments or situations and aren't always open-minded, including myself. But from this experience I learned that my Kansas peers and I had more similarities versus differences. Being a part of the Kansas/Hawai'i Youth Tour brought complete strangers together, but in the short 10 days we left bonded forever. Some of the similarities that brought us together were the stresses of



Tia visiting the White House.

preparing for adulthood, the love of playing sports and the same taste in music. The experience has better prepared me for meeting new people when I do go away to college.

As I reflect on my participation in this amazing program, some of my future plans and goals include learning more about our government system and its history, becoming more active in serving my community, and using this experience to finish my last year of high school and prepare for college. I am motivated to use this experience to hopefully inspire other teenagers here on Kaua'i to apply for the KIUC Youth Tour. I strongly feel that Kaua'i's youth aren't always exposed to more than what we have here on our island. But anyone fortunate enough to be a part of this tour would greatly benefit from this once-in-a-lifetime opportunity. 🌟



Katie in front of the National Archives.

By Katie Cook

The Kaua'i Youth Tour transported us 4,882 miles to the other side of the country to visit 10 memorials, two Smithsonian museums, a professional baseball game, and our state senators: creating memories and friendships that will last forever. Not only did I stand where presidents were inaugurated in the Capitol, or in the Ford Theatre where Abraham Lincoln was shot in 1865, but I also made connections with people that made these experiences even more memorable. The 39 delegates and I discussed our concerns with our government and co-ops as we "met as strangers, toured as friends, and returned as 'ohana." I remember reading this quote on one of the T-shirts the first day we arrived in Washington, D.C., dubious if I would call these people "family" before I left. I was proven wrong on the last day of our trip when I found myself and others crying as we hugged and parted from our new Kansas 'ohana.

This Youth Tour program granted me with the amazing opportunity to visit incredible sites, one of them being the United States Capitol. With

approximately 540 rooms, the Capitol was filled to the brim with what seemed to be an endless inventory of history, each room telling its own story. After years of reading about the government system, I was able to witness it firsthand and sit in the same room where these decisions are made! However, I was most inspired by

meeting our state senators and their staff as we were given the opportunity to address our concerns within our community. After talking with them, I realized that they came from humble beginnings, starting in the same place that I am in now: an eager student wanting to make a difference in the world. I'm now convinced that a girl like me, from the middle of the Pacific Ocean, can make a monumental change in not only my community but in the country.

I will never forget the feeling instilled in me after visiting the Vietnam War Memorial. This 492-foot wall holds the names of thousands of veterans who died sacrificing their lives to protect our country. I was shocked to see a soldier with the same name as my brother. Suddenly, this became more than just a name on the wall. It gave me a sense of connection to the veteran and his loved ones. Seeing my reflection, touching the thousands of deeply engraved names and feeling the cold, hard granite beneath my fingertips sent shivers down my spine. The wall revealed an immense loss to our country.

Thanks to KIUC, I was able to walk in the footsteps of great historical figures and witness the spirit of American government and culture. Words on a textbook page came to life on this trip, an experience I never would have had without Youth Tour.

I am grateful for KIUC for sponsoring this unforgettable trip, providing me with memories that will stick with me for the rest of my life, and for aunty Shelley Paik who managed to keep us delegates in order, as well as contributing to the wonderful memories I acquired on the trip. 🌟



Tia, Katie and Kallen met with Senator Brian Schatz.



Kallen imitates the statue at the National Zoo.

By Kallen Wachi

Growing up in Hawai'i, you feel isolated from the rest of the nation. It's just so different from the upper 49. I always identified with my state first and country second. Being 2,556 miles from the continental U.S., I never thought an island chain in the middle of the Pacific would have any voice in a country so vast.

Visiting our nation's capital of Washington, D.C., reminded me that Hawai'i and its residents are part of something bigger than themselves—part of a mission to live in a free world, with D.C. being the forefront of American democracy. Every monument, every museum paid homage to the value and fragility of democracy in American society.

What I realized on this trip was America's history is a conquest for democracy. The Washington Monument symbolizes a man determined to ensure his nation's citizens the right to life, liberty and the pursuit of happiness. I can recall that day going to the National Archives Museum reading those very words on the document that became the gravitas to our quest for democracy. The Constitution and the Bill of Rights adjacent to these documents ensure our government makes all citizens born equal and live in a free society, where their natural rights shall not be

infringed. On this trip, I was able to see this in action, interacting with the individuals that protect and execute our nation's values.

What's great living in a democracy is that all opinions, no matter how extreme

or unorthodox they may be, can be respected. Coming from a Democrat-majority state and attending this Youth Tour with students from a more conservative state opened my eyes to the differences in opinions this nation has. We see this all the time in the news, where two political groups are unable to respect each other because of their beliefs (*cough). The thing is, while we do have our differences in opinion, at least we have the right to have these different opinions. No matter your political stance in this nation, you are able to live free from oppression. As we later observed, this is a luxury to many in other countries.

As we observed in the National Holocaust Museum, the Nazis persecuted anyone who did not align with the values of their regime. This resulted in the genocide of people not only because of their religion or chosen lifestyle, but also because of their political beliefs. I recall seeing that the

Holocaust serves as a reminder that we shall be grateful for our freedoms and acceptance in differences because there are many instances in which democracy falls and intolerance is upheld.

While many minority demographics have faced oppression in our history, we have tried to maintain our democratic values throughout. The result is representation for all people, united under one nation. Seeing the seal of the state of Hawai'i on the door of Senator Mazie Hirono's office opened my eyes to the unity of our country at the federal level. We are not only part of the state of Hawai'i, but part of a nation that unites people from different cultural and socioeconomic backgrounds under one equal playing field. We are part of the United States of America. We are part of a nation that is for the people and by the people. It has inspired me to be part of America's mission of democracy.

This trip inspired me to be part of something bigger than myself. That I am not just a kid from Hawai'i. I am an individual part of a nation that for the past 243 years, has strived to execute and protect the values of democracy. 🌍



Hawai'i/Kansas delegates visiting the National Archives.



Kasiah reads the inscriptions from President John F. Kennedy's Inaugural address and other speeches near his gravesite at Arlington National Cemetery.

By Kasiah Vercelli

The roar of an airplane during takeoff. The Pacific Ocean thousands of feet below us. Four acquaintances who became close friends. Coffee we used to battle our jet lag. Marble monuments gleaming in the sunlight. Massive buildings with halls that echo our nation's history. New places. New faces. New foods. The Youth Tour was a beautiful whirlwind of new experiences that left an indelible impact on me, and an experience for which I am profoundly grateful.

Coming from a small island with white sandy beaches on one side of my town and towering mountains behind it, I always thought my life was profoundly different from that of kids on the mainland. Kaua'i is 3,891 miles from Topeka, Kansas—a land filled with cattle and wheat, and golden fields spreading farther than the eye can see. But over the course of my week on Youth Tour, I began to understand that we were much more similar than I had once thought. We had a special kind of connection; an understanding brought to us by the one thing we unequivocally had in common. We all grew up in small, rural towns, where everybody knows everybody else, and driving around back roads is a typical fun Friday night. All of my preconceived notions about just how different our lives must be were completely blown out of the water.

Before the trip, I was extremely apprehensive about spending the week with a massive group of strangers. But it was ultimately not the places I went, but the people I went with that I found most inspiring. The friends I made from Kansas are some of the nicest individuals I have ever met. And despite the things that made us different—be it opinion, politics or otherwise—our mutual respect for one another and the understanding that we all want what is best for our communities united us and established bonds that will last a lifetime.

That linking thread of close communities served as more than just a way to foster friendships. It led me to realize how great the cooperative model really is. The very essence of “the co-op way” is to help each other and improve the lives of those being served by it. After being given the opportunity to attend Youth Tour and later represent Hawai'i as our state's Youth Leadership Council delegate, I can proudly say that I am a believer in the positive change co-ops can make in both small towns and the world as a whole. I hope to one day live and work in Washington, D.C., in some form of government service or advocacy.

I'd like to once again thank KIUC and the National Rural Electric Cooperative Association for this truly life-changing opportunity. I strongly encourage any high school juniors to apply for the program next year. 🌱



Erin, Rileigh Heeke, Katie, Kasiah and Brayden Schmidt join The Breadline sculpture at the FDR Memorial.



Congratulations to Haley Okamoto, a 2019 \$1,000 recipient of the Glenn English National Cooperative Leadership Foundation Scholarship, also known as the Youth Tour Alumni Scholarship, which awards one \$10,000 and four \$1,000 scholarships annually. Haley attends Portland State University and is a 2015 Hawai'i/Kansas delegate and Youth Leadership Council representative.

Summer Harvest Recipes

Garlic Shrimp Zucchini Boats

- | | |
|---|------------------------------|
| 2 zucchini | ½ teaspoon thyme |
| Shrimp (about 15 pieces of the 31-40 size), shelled, deveined and cut into pieces | ½ teaspoon herbs de Provence |
| 1 portobello mushroom, diced | 3 tablespoons butter |
| 6 garlic cloves, diced | ¼ cup shredded cheese |
| | ½ teaspoon sea salt |
| | 1 teaspoon ground pepper |

Slice the zucchini in half lengthwise. Scrape the insides to hollow it. Set aside scrapings and score the outside of the zucchini. Place skin side up on a baking sheet lined with parchment paper. Lightly coat with olive oil. Broil for 3 minutes. Remove from oven and flip zucchini over, skin side down.

In a pan, sauté butter and garlic until garlic softens. Add the zucchini scrapings, mushrooms, thyme and herbs de Provence. Cook on medium heat until liquid evaporates. Add shrimp. Cook until shrimp is just turning opaque. Season with salt and pepper.

Fill zucchini shells with mixture, and top with shredded cheese. Broil for 3 minutes or until cheese melts.



Kimchee Taegu Cauliflower Rice

- | | |
|---|---------------------------|
| 1 pound frozen riced cauliflower | 1 tray mushrooms, chopped |
| 1 cup broccoli florets | 1 cup kimchee, chopped |
| ¾ cup taegu, chopped into 1-inch pieces | 4 eggs |
| | 1 tablespoon sesame oil |
| | ½ teaspoon sea salt |

Sauté mushrooms in sesame oil. Add cauliflower, broccoli and salt until heated through, about 10 minutes. Add kimchee; mix. Remove from heat. Add taegu.

In a separate pan, fry the eggs over medium heat. Combine cooked eggs with the mixture.

Cauliflower Fried Rice

- 8 strips bacon, chopped
- 2 packages of frozen riced cauliflower (or make your own with fresh cauliflower, about 4 cups)
- 1 package frozen riced broccoli (or make your own with a broccoli crown)
- 1 package frozen shelled edamame
- 1 bunch asparagus, chopped
- 1 zucchini, chopped
- 1 tray mushrooms, chopped
- 5 cloves garlic, minced
- 1 round onion, diced
- 1 bunch green onion, sliced
- 3 eggs
- 3 tablespoons shoyu
- ½ teaspoon sea salt, divided
- Ground pepper, to taste

In a large pan, brown the bacon on medium heat. Add round onion and garlic. Cook for about 2 minutes. Add frozen vegetables. Keep stirring ingredients to break up frozen chunks. When heated through, sprinkle with a little salt. Add the asparagus, zucchini and mushrooms. Cook until vegetables are tender. Move ingredients to the sides of the pan and crack eggs in the middle. Whisk the eggs to scramble. As they cook, combine with the other ingredients. Add shoyu and a little more salt and pepper to taste.



Keto Instant Pot Crack Chicken

- 4 slices bacon, chopped
- 3 pounds boneless, skinless chicken breasts
- 2 8-ounce blocks cream cheese
- ½ cup water
- 2 tablespoons apple cider vinegar
- 2 tablespoons dried chives
- 2 teaspoons garlic powder
- 2 teaspoons onion powder
- 1 teaspoon crushed red pepper flakes
- 2 teaspoons dried dill
- ½ teaspoon salt
- ½ teaspoon black pepper
- 2 cups shredded cheddar
- 1 bunch green onion, thinly sliced

Turn the pressure cooker on, press “sauté” and wait 2 minutes for the pot to heat up. Add the chopped bacon and cook until crispy. Remove and set aside on a plate. Press “cancel” to stop sautéing.

Add the chicken, cream cheese, water, vinegar, chives, garlic powder, onion powder, crushed red pepper flakes, dill, salt and black pepper to the pot. Turn the pot on manual, high pressure for 20 minutes. When done, do a quick release.

Shred chicken. Stir in the cheddar cheese, bacon and green onions. Serve.

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David Bissell
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**KIUC is accepting submissions for the
2020 Calendar of Student Art**

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4463 Pahe'e Street, Suite 1
Lihu'e, Hawai'i 96766-2000
808.246.4300 ■ www.kiuc.coop
currents@kiuc.coop



**Deadline is
October 15, 2019**

Calendar rules can be found at
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