Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2004

Open to Public Inspection

A For the 2004 calendar year, or tax year beginning and ending

B Check if applicable: Address change; Name change; Initial return; Final return; Amended return; Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: KAUAI ISLAND UTILITY COOPERATIVE

Number and street (or P.O. box if mail is not delivered to street address): 4463 PAHE'E STREET — Room/suite

City or town, state or country, and ZIP + 4: LIHUE, KAUAI, HI 96766

D Employer identification number: 99-0346113

E Telephone number: (808) 246-4300

F Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

● Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? N/A [ ] Yes [ ] No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

G Website: ▶ WWW.KIUC.COOP

J Organization type (check only one) ▶ [X] 501(c) (12) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

K Check here ▶ [ ] if the organization's gross receipts are normally not more than $25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

I Group Exemption Number ▶

M Check ▶ [X] if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 119,466,409.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a			
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash $ noncash $)			1d	0.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	116,550,756.
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	370,452.
	5	Dividends and interest from securities			5	
	6 a	Gross rents SEE STATEMENT 1	6a	62,775.		
	b	Less: rental expenses SEE STATEMENT 2	6b	36,854.		
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	25,921.
	7	Other investment income (describe ▶)			7	
	8 a	Gross amount from sales of assets other than inventory — (A) Securities / (B) Other	8a			
	b	Less: cost or other basis and sales expenses	8b			
	c	Gain or (loss) (attach schedule)	8c			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
	9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ [ ]				
	a	Gross revenue (not including $ of contributions reported on line 1a)	9a			
	b	Less: direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	
	10 a	Gross sales of inventory, less returns and allowances	10a			
	b	Less: cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
	11	Other revenue (from Part VII, line 103)			11	2,482,426.
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	119,429,555.
Expenses	13	Program services (from line 44, column (B))			13	
	14	Management and general (from line 44, column (C))			14	
	15	Fundraising (from line 44, column (D))			15	
	16	Payments to affiliates (attach schedule)			16	
	17	Total expenses (add lines 16 and 44, column (A))			17	106,834,994.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	12,594,561.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	6,880,164.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3			20	<1,668,733.>
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	17,805,992.

• If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box . . . . ▶ [x]
Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.

Type or print	Name of Exempt Organization	Employer identification number
File by the extended due date for filing the return. See instructions.	KAUAI ISLAND UTILITY COOPERATIVE	99-0346113
	Number, street, and room or suite no. If a P.O. box, see instructions. 4463 PAHE'E STREET	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LIHUE, KAUAI, HI 96766	

Check type of return to be filed (File a separate application for each return):

- [x] Form 990
- [ ] Form 990-BL
- [ ] Form 990-EZ
- [ ] Form 990-PF
- [ ] Form 990-T (sec. 401(a) or 408(a) trust)
- [ ] Form 990-T (trust other than above)
- [ ] Form 1041-A
- [ ] Form 4720
- [ ] Form 5227
- [ ] Form 6069
- [ ] Form 8870

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ▶ WILLIAM SCHMIDT
Telephone No. ▶ 808-246-8213 FAX No. ▶ 808-246-8266
• If the organization does not have an office or place of business in the United States, check this box . . . . ▶ [ ]
• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15 , 20 05.
5 For calendar year 2004 , or other tax year beginning ______, 20__, and ending ______, 20__.
6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period
7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED IN ORDER TO FILE A COMPLETE AND ACCURATE EXEMPT ORGANIZATION RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . $
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 . . . . $
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. $ 0.00

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ William G Schmidt Title ▶ CFO Date ▶ 8/12/05

Notice to Applicant—To Be Completed by the IRS

- [x] We have approved this application. Please attach this form to the organization's return.
- [ ] We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- [ ] We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- [ ] We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- [ ] Other ______

Director ______ By: ______

EXTENSION APPROVED
AUG 2 7 2005
, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	
	Name: DELOITTE TAX LLP C/O KEVIN P. DOLAN
	Number and street (include suite, room, or apt. no.) or a P.O. box number: 191 PEACHTREE STREET, SUITE 1500
	City or town, province or state, and country (including postal or ZIP code): ATLANTA, GA 30303-1924

Form **8868**
(Rev. December 2004)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ ☒
- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only . . . . . . ▶ ☐

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization KAUAI ISLAND UTILITY COOPERATIVE	Employer identification number 99-0346113
	Number, street, and room or suite no. If a P.O. box, see instructions 4463 PAHE'E STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LIHUE, KAUAI, HI 96766	

Check type of return to be filed (file a separate application for each return):

☒ Form 990	☐ Form 990-T (corporation)	☐ Form 4720
☐ Form 990-BL	☐ Form 990-T (sec. 401(a) or 408(a) trust)	☐ Form 5227
☐ Form 990-EZ	☐ Form 990-T (trust other than above)	☐ Form 6069
☐ Form 990-PF	☐ Form 1041-A	☐ Form 8870

- The books are in the care of ▶ WILLIAM SCHMIDT

Telephone No. ▶ 808-246-8213 FAX No. ▶ 808-246-8266

- If the organization does **not** have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a **Group Return,** enter the organization's four digit Group Exemption Number (GEN)________ . If this is for the **whole** group, check this box ▶ ☐ . If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until AUGUST 15 , 20 05 to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ ☒ calendar year 20 4 or
▶ ☐ tax year beginning ________ , 20 __ , and ending ________ , 20 __

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . $

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit . . . . $

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions . . . . $

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

ISA
STF FED9056F.1

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ noncash $)	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	322,837.			
26 Other salaries and wages	26				
27 Pension plan contributions	27				
28 Other employee benefits	28				
29 Payroll taxes	29				
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34				
35 Postage and shipping	35				
36 Occupancy	36				
37 Equipment rental and maintenance	37				
38 Printing and publications	38				
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41	10,201,228.			
42 Depreciation, depletion, etc. (attach schedule)	42	17,007,020.			
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 4	43e	79,303,909.			
44 Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	106,834,994.			

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ ____ ; (ii) the amount allocated to Program services $ ____ ;

(iii) the amount allocated to Management and general $ ____ ; and (iv) the amount allocated to Fundraising $ ____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ▶

PROVIDING ELECTRIC GENERATION, TRANSMISSION AND DISTRIBUTION SERVICES.

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

a KIUC PROVIDES ELECTRIC GENERATION, TRANSMISSION AND DISTRIBUTION SERVICES TO APPROXIMATELY 33,200 CUSTOMERS ON KAUAI.

(Grants and allocations $)

b

(Grants and allocations $)

c

(Grants and allocations $)

d

(Grants and allocations $)

e Other program services (attach schedule) (Grants and allocations $)

f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶

Part IV Balance Sheets

					(A) Beginning of year		(B) End of year
		Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*					
Assets	45	Cash - non-interest-bearing			1,830,940.	45	5,109,132.
	46	Savings and temporary cash investments				46	
	47 a	Accounts receivable	47a	8,043,097.			
	b	Less: allowance for doubtful accounts	47b	79,045.	5,639,089.	47c	7,964,052.
	48 a	Pledges receivable	48a				
	b	Less: allowance for doubtful accounts	48b			48c	
	49	Grants receivable				49	
	50	Receivables from officers, directors, trustees, and key employees				50	
	51 a	Other notes and loans receivable	51a				
	b	Less: allowance for doubtful accounts	51b			51c	
	52	Inventories for sale or use				52	
	53	Prepaid expenses and deferred charges			1,136,908.	53	943,164.
	54	Investments - securities STMT 7 ▶ [ ] Cost [X] FMV			3,000,000.	54	8,550,896.
	55 a	Investments - land, buildings, and equipment: basis	55a				
	b	Less: accumulated depreciation	55b			55c	
	56	Investments - other				56	
	57 a	Land, buildings, and equipment: basis	57a	392,737,889.			
	b	Less: accumulated depreciation	57b	150,099,521.	251,241,556.	57c	242,638,368.
	58	Other assets (describe ▶ SEE STATEMENT 5)			18,787,162.	58	21,305,676.
	59	**Total assets** (add lines 45 through 58) (must equal line 74)			281,625,655.	59	286,511,288.
Liabilities	60	Accounts payable and accrued expenses			9,197,640.	60	8,910,799.
	61	Grants payable				61	
	62	Deferred revenue				62	
	63	Loans from officers, directors, trustees, and key employees				63	
	64 a	Tax-exempt bond liabilities				64a	
	b	Mortgages and other notes payable			250,132,055.	64b	244,530,597.
	65	Other liabilities (describe ▶ SEE STATEMENT 6)			15,415,796.	65	15,263,900.
	66	**Total liabilities** (add lines 60 through 65)			274,745,491.	66	268,705,296.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [ ] and complete lines 67 through 69 and lines 73 and 74.**					
	67	Unrestricted				67	
	68	Temporarily restricted				68	
	69	Permanently restricted				69	
		Organizations that do not follow SFAS 117, check here ▶ [X] and complete lines 70 through 74.					
	70	Capital stock, trust principal, or current funds			0.	70	0.
	71	Paid-in or capital surplus, or land, building, and equipment fund			257.	71	279.
	72	Retained earnings, endowment, accumulated income, or other funds			6,879,907.	72	17,805,713.
	73	**Total net assets or fund balances** (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)			6,880,164.	73	17,805,992.
	74	**Total liabilities and net assets / fund balances** (add lines 66 and 73)			281,625,655.	74	286,511,288.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements ▶	a	119,287,306.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments $		
(2)	Donated services and use of facilities $		
(3)	Recoveries of prior year grants $		
(4)	Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	0.
c	Line a minus line b ▶	c	119,287,306.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): REVENUE GROSS-UP $ 142,249.		
	Add amounts on lines (1) and (2) ▶	d	142,249.
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	119,429,555.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements ▶	a	106,692,745.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities $		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	0.
c	Line a minus line b ▶	c	106,692,745.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): EXPENSE GROSS-UP $ 142,249.		
	Add amounts on lines (1) and (2) ▶	d	142,249.
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	106,834,994.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 8		322,837.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? If "Yes," attach schedule. ▶ [ ] Yes [X] No

Part VI Other Information

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct or indirect political expenditures. See line 81 instructions — 81a: 0.			
b	Did the organization file Form 1120-POL for this year?	81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.) — 82b: N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? N/A	83b		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations.* Enter: a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders — 87a: 118,963,989.			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: 473,310.			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ N/A, section 4912 ▶ N/A ; section 4955 ▶ N/A			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction N/A	89b		
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ N/A			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ N/A			

90 a List the states with which a copy of this return is filed ▶ N/A

b Number of employees employed in the pay period that includes March 12, 2004 — 90b: 138

91 The books are in care of ▶ BILL SCHMIDT Telephone no. ▶ SAME AS PAGE 1

Located at ▶ 4463 PAHE'E STREET, SUITE #1 LIHU'E, HI ZIP + 4 ▶ 96766-1302

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* Form 1041 - Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92: N/A

Part VII **Analysis of Income-Producing Activities** (See page 33 of the instructions.)

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income (A) Business code	(B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a PROVIDE ELECTRIC POWER					116,550,756.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	370,452.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property	531120	25,921.			
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a SEE STATEMENT 9				29,110.	2,453,316.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		25,921.		399,562.	119,004,072.
105 Total (add line 104, columns (B), (D), and (E)) ▶					119,429,555.

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII **Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	THE PROVISION OF ELECTRIC GENERATION, TRANSMISSION, AND DISTRIBUTION
103A	SERVICES TO THE MEMBERS OF KIUC

Part IX **Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X **Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).*

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

▶ Signature of officer   11/14/05 Date   ▶ William G Schmidt CFO Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶   Date NOV - 8 2005   Check if self-employed ▶ ☐   Preparer's SSN or PTIN P00101371

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ DELOITTE TAX LLP
191 PEACHTREE STREET, SUITE 1500
ATLANTA, GA 30303

EIN ▶ 86-1065772

Phone no. ▶ 404-220-1500

423161 01-13-05

FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
OFFICE SPACE-KAUAI, HI	1	62,775.
TOTAL TO FORM 990, PART I, LINE 6A		62,775.

FORM 990	RENTAL EXPENSES		STATEMENT 2
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
TAXES		2,511.	
DEPRECIATION		14,279.	
SALARIES		312.	
OVERHEAD		94.	
INTEREST		19,658.	
- SUBTOTAL -	1		36,854.
TOTAL TO FORM 990, PART I, LINE 6B			36,854.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 3

DESCRIPTION	AMOUNT
CHANGES IN MEMBERSHIP	22.
CHANGE IN OTHER COMPREHENSIVE INCOME	51,222.
RETIREMENT OF PATRONAGE CAPITAL	<1,719,977.>
TOTAL TO FORM 990, PART I, LINE 20	<1,668,733.>

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
COST OF POWER	55,220,546.			
TRANSMISSION EXPENSE	673,903.			
DISTRIBUTION EXPENSE	2,818,377.			
MEMBER ACCOUNTS	1,798,833.			
MEMBER SERVICE AND INFORMATION	359,718.			
OPERATIONS EXPENSE	8,475,191.			
MAINTENANCE	88,561.			
TAXES	9,688,491.			
SALES EXPENSE	109,070.			
CHARITABLE CONTRIBUTIONS	71,219.			
TOTAL TO FM 990, LN 43	79,303,909.			

FORM 990 OTHER ASSETS STATEMENT 5

DESCRIPTION	AMOUNT
MATERIALS & SUPPLIES	9,045,208.
REGULATORY ASSETS	5,171,177.
ACCRUED UTILITY REVENUE	6,499,462.
SPECIAL DEPOSITS	9,710.
INTEREST AND DIVIDENDS RECEIVABLE	0.
SURVEY INVESTIGATION COSTS	580,119.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	21,305,676.

FORM 990 OTHER LIABILITIES STATEMENT 6

DESCRIPTION	AMOUNT
POST-RETIREMENT BENEFIT OBLIGATIONS	4,038,498.
OTHER DEFERRED CREDITS	3,542,649.
OTHER CURRENT LIABILITIES	1,170,236.
REGULATORY LIABILITIES	5,187,552.
CUSTOMER ADVANCE	1,324,965.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	15,263,900.

FORM 990 OTHER SECURITIES STATEMENT 7

SECURITY DESCRIPTION	COST/FMV	OTHER SECURITIES
CFC TEMPORARY INVESTMENTS	FMV	8,449,901.
INVESTMENT IN COOPERATIVES	FMV	100,995.
TO FORM 990, LINE 54, COL B		8,550,896.

Kauai Island Utility Cooperative
Form 990
Part V - List of Officers, Directors, Trustees, and Key Employees
2004

Name	Title	Average Hours Devoted to Position Per Week	Form W-2/1099 2004 Compensation
Alton Miyamoto	President/CEO	40	$ 245,933
Gregg Gardiner	Director Chairman	4	$ 4,499
Dennis M. Esaki	Director	4	$ 5,740
Ron Kouchi	Director Vice Chair	4	$ -
Walter W. Barnes	Director Treasurer	4	$ 12,835
James D. Mayfield	Director	4	$ 11,324
Ray W. Paler	Director Secretary	4	$ 17,219
Dee Crowell	Director	4	$ 6,360
Saburo Yoshioka	Director	4	$ 9,618
Susan Stayton	Director	4	$ 9,308
Total			$ 322,837

FORM 990 OTHER REVENUE STATEMENT 9

DESCRIPTION	BUS CODE	UNRELATED BUSINESS INC	EXCL CODE	EXCLUDED AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
MERCHANDISING & JOBBING					148,072.
SERVICE CONNECT REVENUE					113,867.
DSM PROGRAM REVENUE					2,120,168.
POLE RENTAL INCOME			11	29,110.	
RETURNED CHECKS FEES					12,520.
CAPITAL CREDITS					40,083.
COLLECTION FEE					18,606.
TO FORM 990, PART VII, LINE 103				29,110.	2,453,316.