



# Kaua'i Island Utility Cooperative

Your Touchstone Energy® Cooperative



**23<sup>rd</sup> Annual Membership Meeting**  
**Wednesday, July 30, 2025**

# **KIUC Overview and Strategic Goals**

# KIUC Overview

- Began operating as a cooperative in 2002
  - RUS Funded acquisition with 100% debt
- One of 900+ electric cooperatives in the United States
- 35,000 member accounts (30,000 residential; 5,000 commercial)
- Governed by nine-member Board of Directors
- 140 employees

# Strategic Plan 2023-2033

- **Goal 1: Cost of Electricity** – *KIUC will deliver electricity at the lowest possible cost.*
- **Goal 2: Carbon Footprint** – *KIUC will contribute to a sustainable Kauai.*
- **Goal 3: Resilience and Reliability** - *KIUC will become more resilient, improve reliability, and be better able to handle operational challenges and threats from cybersecurity, local climate change impacts, and natural disasters such as hurricanes and floods.*

**Goal: 100% Renewable by 2033**

# **Economic/Financial Overview and 2024 Key Results**

# Overall Economic Climate

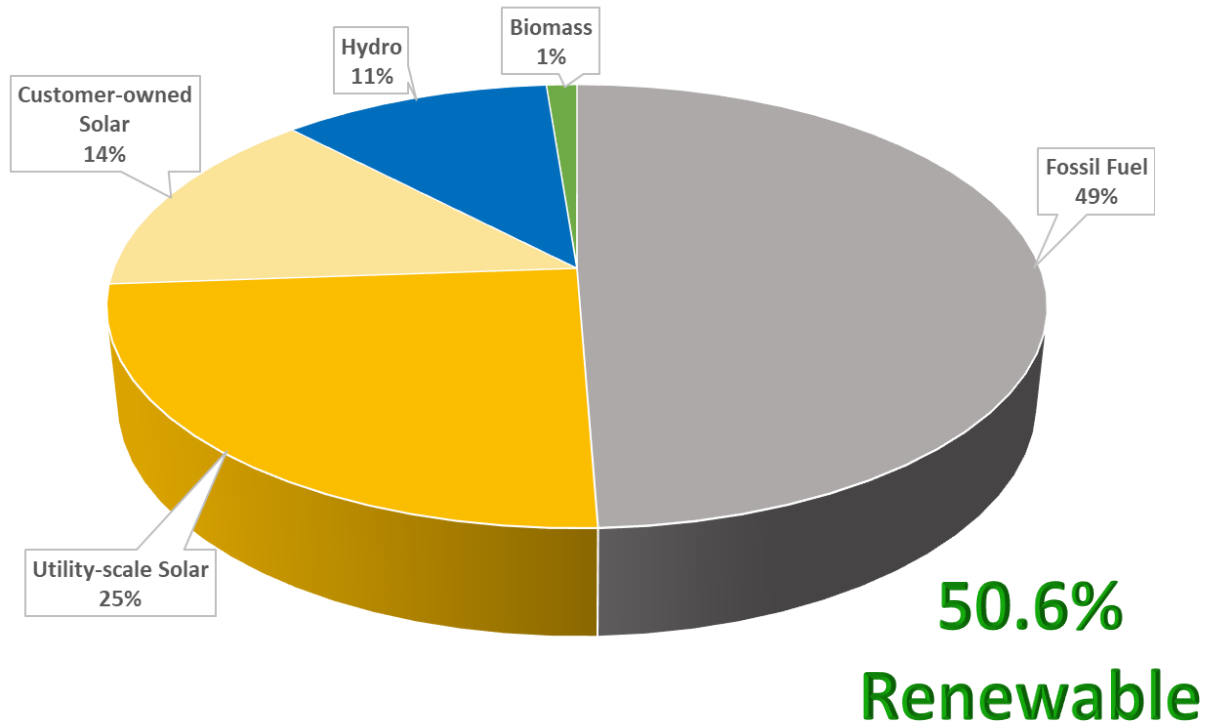
- Tariffs, tax policy, and grant funding all unclear
  - Impact on KIUC could be significant
  - Pending renewable projects likely impacted
- Electricity sales levels could decrease if visitor arrivals and spending decline
- Changes in oil pricing will impact monthly kWh costs

# KIUC Financials

- 2024
  - Net Margin: \$7 million
  - MWh sales: Up 1% vs. 2023
  - Assets \$456 million
  - Debt \$237 million, Equity \$146 million
  - Patronage Capital Retirement: \$664,166
- YTD 2025 (through June)
  - MWh sales: Up 4.0% vs YTD 2024
  - O&M Expenses: Even vs YTD 2024
  - Commodities\*: Down 9.0% vs YTD 2024
  - Equity Ratio: 36.19%

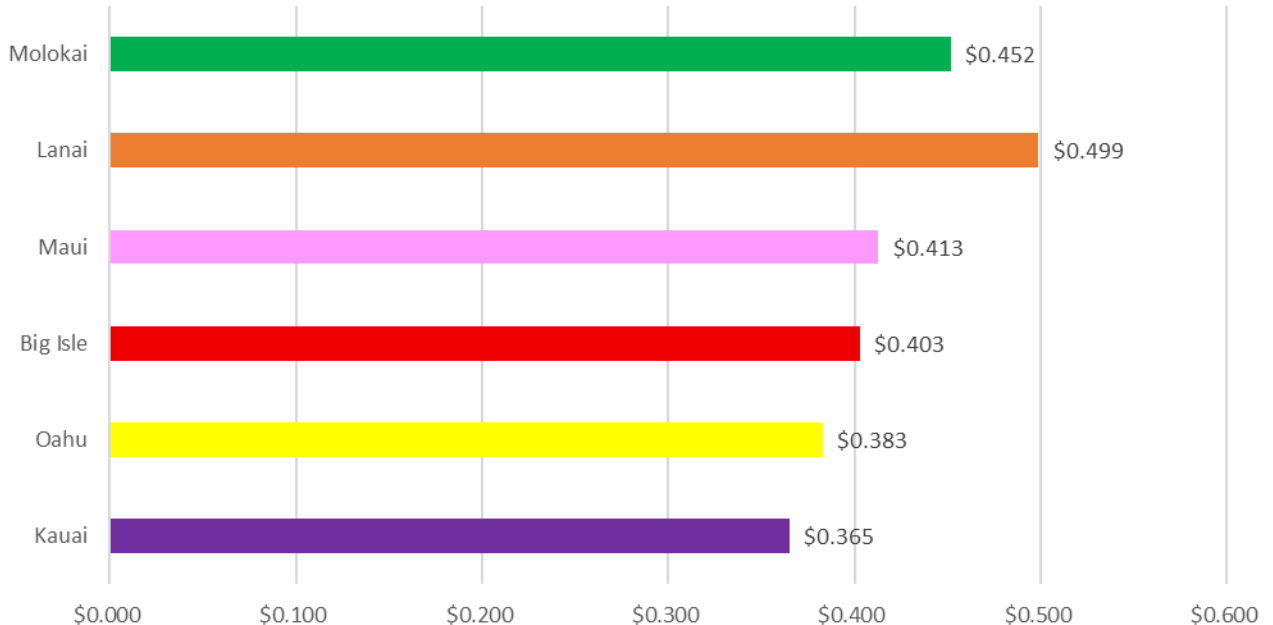
*\*Cost of fuel and purchased power*

# KIUC Fuel Mix 2024

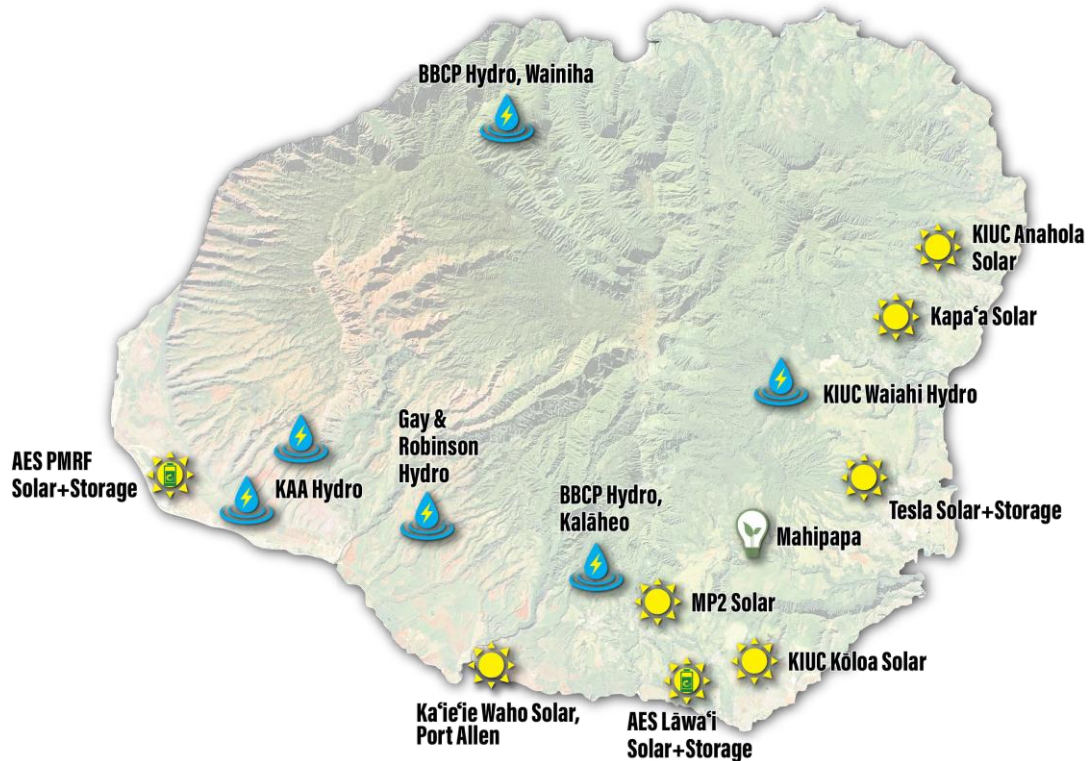


# Renewable Energy and Rates

July 2025



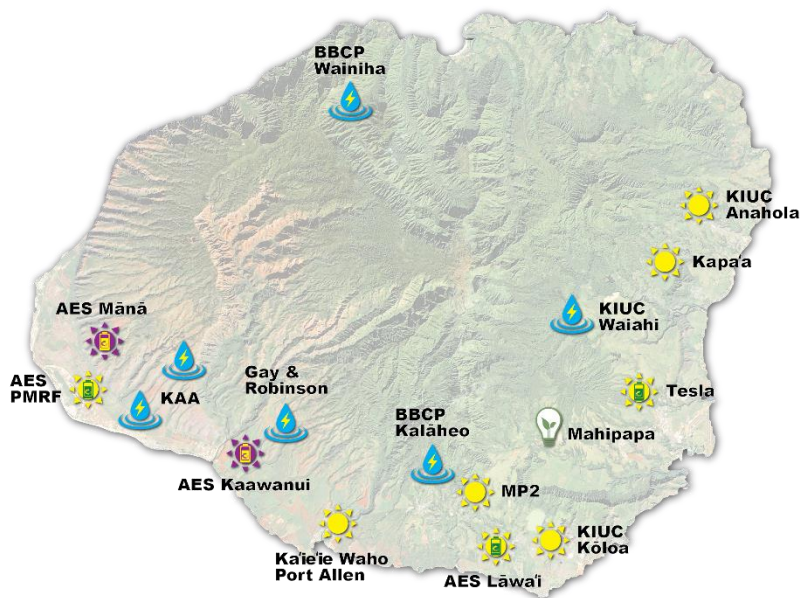
# KIUC Renewable Resources



# Project Updates

# New Renewable Projects

Two additional Solar + Battery projects with AES:  
Mānā and Kaawanui



- ✓ Each project would supply about 20% of Kauaʻi's energy
- ✓ Increase RPS to 80%+
- ✓ Applications with the PUC

# Grant-Funded Projects

- Battery storage upgrade at three current solar sites
  - \$33 million capital cost
  - \$16 million federal GRIP grant approved
  - New ERA PACE loan of \$24 million “closed” with potential for \$5 million in loan forgiveness
- Synchronous Condenser at Port Allen
  - Converting a generator to run without diesel to provide grid stability during periods of 100% renewable
  - \$3.2 million with potential for 50% in federal grant

# Endangered Species Compliance

- Habitat Conservation Plan
  - \$5 million expense in 2025
  - Progressing towards 2026 approval
  - 50-year term



# **Wildfire Mitigation and Emergency Preparedness**

# Wildfire Mitigation Plan (WMP)

[www.kiuc.coop/wildfire](http://www.kiuc.coop/wildfire)



# WMP - Vegetation Management

- 40% increase in annualized spend
- \$2.2 million budgeted in 2025
- Two companies providing service in addition to line crews



# WMP - Pole Replacement

- Pole inspections continue
  - Sonic and drone based
- Roughly 6% of 16,000 poles require replacement
- 245 poles changed 2024
- 400+ to be replaced in 2025
  - \$6.5 million in 2025



# WMP – Estimated Costs

(in thousands)

	2025	2026	2027
WMP Development	\$ 20-50	\$ 20-50	\$ 20-50
WMP Implementation	\$ 5,600 to 9,020	\$ 10,460 to 18,920	\$ 13,560 to 20,920
WMP Administration	\$ 750	\$ 1,000	\$ 1,200

- Pole inspections and replacements \$15 million
- Drone inspections of facilities and vegetation \$2.6 million
- Fuse and lightning arrester replacement \$37 million
- Vegetation management costs additional

# WMP – Cost Recovery

- SB897: Provides KIUC more affordable cost recovery for wildfire mitigation expenditures along with potential limitation on liability for certain wildfire claims



Photo credit: Civil Beat

# Emergency Preparation

- Increased pole and transformer inventories
  - Target level: One month of supplies on hand for storm crews (835 poles)

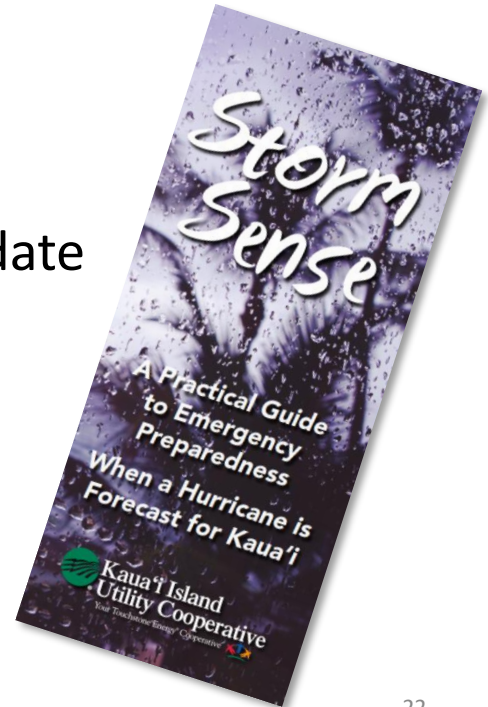
Current inventory: 1,056 poles

- Storm reserve plus change out support
- 50% of pole inventory is composite



# Emergency Preparation

- Members should always be prepared for potential extended power outages during extreme weather
- Keep contact information up to date for emergency notifications
- See Storm Sense area on our website ([kiuc.coop](http://kiuc.coop)) for more information on emergency preparation



# **The Cooperative Difference**

# Financial Benefits

- Access to low-cost federal funding for system improvements through USDA's Rural Utility Service loans
- FEMA cost reimbursement for restoration costs incurred during presidentially declared disaster (up to 75%)



# KIUC Charitable Foundation

- Separate 501c3
- Collects unclaimed refunds which would be turned over to the state
- Other funding sources
  - Annual fundraising golf tournament
  - Makana Program



# KIUC Charitable Foundation

**2024 Grants: \$25,157.90**

Kaua'i Economic Opportunity

Kaua'i Concert Association

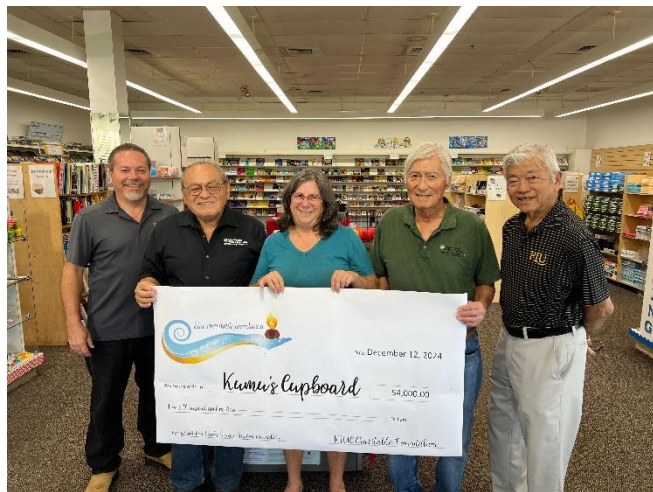
Kaua'i Planning and Action  
Alliance

Kumu's Cupboard

Swim Kaua'i Aquatics

Kaua'i Search and Rescue

University of Hawai'i  
Foundation



# Mahalo!

