

POWERING OUR 'OHANA

From generation
to generation



2024 Annual Report

Powering Our 'Ohana: From Generation to Generation

Aloha mai kākou,

When you live on a small island, everyone knows everyone, and people look out for each other like 'ohana. As a cooperative, it is one of our stated Ho'oka'ana Waiwai—shared values—to treat our coworkers and members as an extended 'ohana. You can see this in everything we do.

We want our crews to return home safely to their families, so we prioritize safety when they are working to keep the lights on 365 days a year.

We strive to keep our rates as low as possible for families on Kaua'i, and we provide rebates to homeowners and commercial members.

Through our grants and community support programs, we donate to many organizations and businesses that serve Kaua'i families.

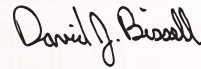
We communicate with and educate our members of all ages, from keiki to kūpuna. You'll see KIUC workers at schools, neighborhood centers and events around the island.

It is a privilege to be the sole electric provider on Kaua'i and serve our 'ohana, neighbors and friends. We are proud of what we have accomplished in 2024 and are excited about what is on the horizon for the future of our co-op.

Mahalo nui loa,



Allan A. Smith
Chairman of the Board



David J. Bissell
President and CEO



Cover photo: Lineman Micah Sibayan and his son, Micah "M.J." at the Touch-A-Truck event.
Back cover photo: Brennan and Noah, sons of KIUC employees Shelsey and Brenton Francisco.



2025 KIUC Board of Directors, left to right: Edmund Acoba, Mike Yamane, Jim Mayfield, Allan A. Smith, Peter Yukimura, Jan TenBruggencate, Cal Murashige, Phil Tacbian, David Iha

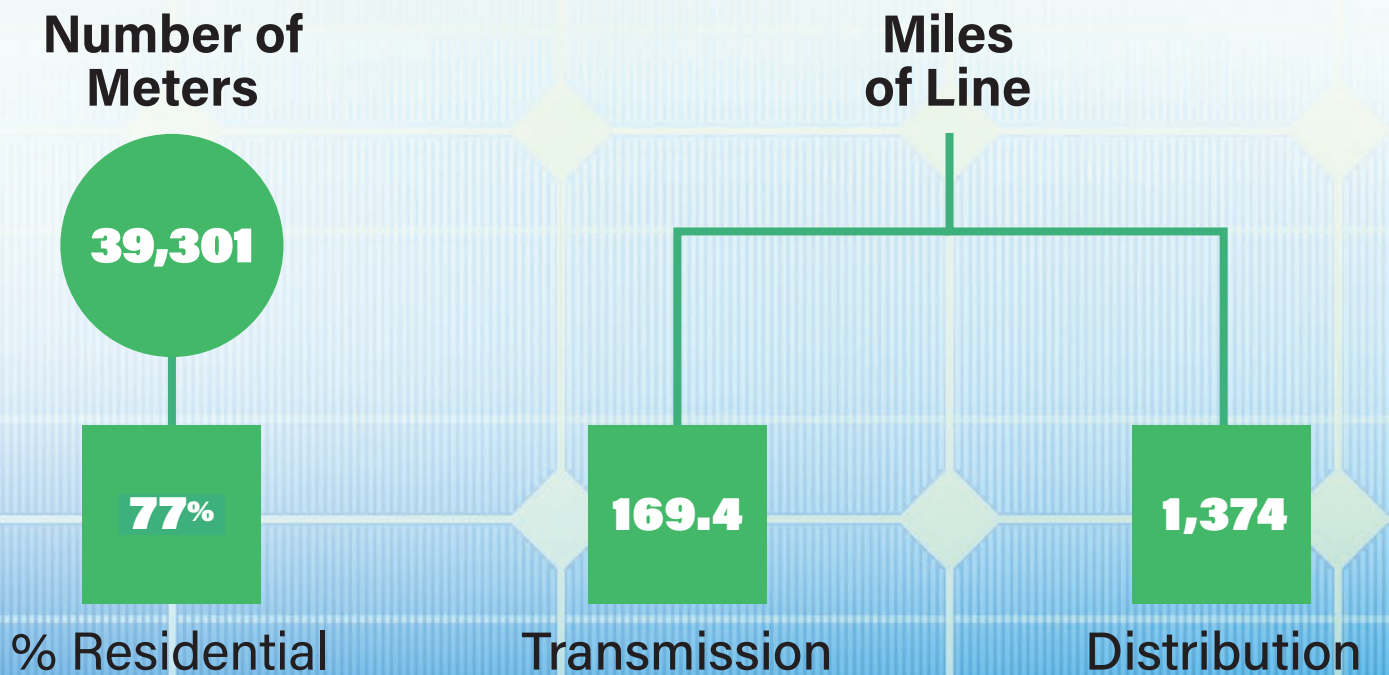
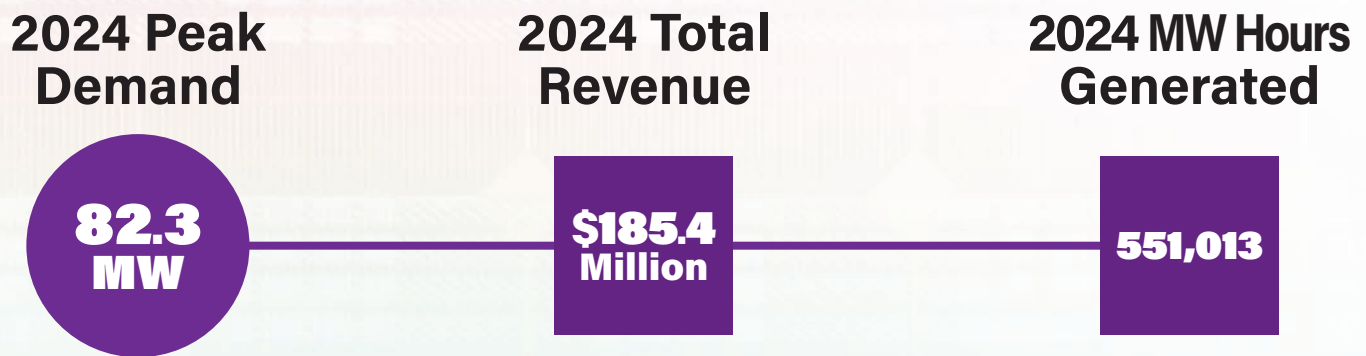
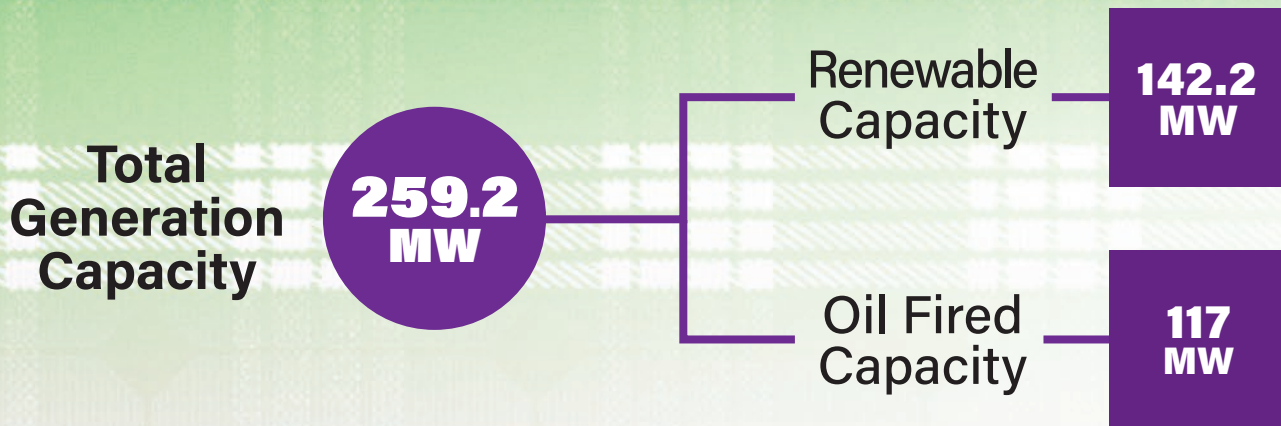
2025 Executive Board

<i>Chair:</i> Allan A. Smith	<i>Secretary:</i> Cal Murashige
<i>Vice Chair:</i> Jan TenBruggencate	<i>1st Assistant Secretary:</i> Phil Tacbian
<i>Treasurer:</i> Peter Yukimura	<i>NRECA National Director:</i> David Iha
<i>1st Assistant Treasurer:</i> Jim Mayfield	<i>Directors:</i> Edmund Acoba, Mike Yamane

2025 Board Committees

- | | | |
|--|--|--|
| <p>Executive
 <i>Chair:</i> Jan TenBruggencate
 <i>Members:</i> Cal Murashige, Allan A. Smith, Peter Yukimura</p> <p>Finance & Audit
 <i>Chairman:</i> Peter Yukimura
 <i>Members:</i> Jan TenBruggencate, Jim Mayfield, Cal Murashige, Allan A. Smith</p> <p>Government Relations/Legislative Affairs
 <i>Chairman:</i> Phil Tacbian
 <i>Members:</i> Beth Amaro, David Bissell, David Iha, Allan Smith, Mike Yamane, Peter Yukimura</p> | <p>International
 <i>Chair:</i> David Iha
 <i>Members:</i> Edmund Acoba, Allan A. Smith, Phil Tacbian, Peter Yukimura</p> <p>Member Relations
 <i>Chair:</i> Jim Mayfield
 <i>Members:</i> Beth Amaro, Cal Murashige, Allan A. Smith, Phil Tacbian</p> <p>Policy
 <i>Chair:</i> Edmund Acoba
 <i>Members:</i> David Bissell, Laurel Loo, Cal Murashige, Allan Smith, Phil Tacbian, Jan TenBruggencate</p> | <p>Strategic Planning
 <i>Chair:</i> Jim Mayfield
 <i>Members:</i> David Bissell, David Iha, Mike Yamane, Brad Rockwell, Allan A. Smith</p> <p>Loan Review
 <i>Chair:</i> Phil Tacbian
 <i>Members:</i> Peter Yukimura</p> |
|--|--|--|

2024 KIUC at a Glance



Safety, Preparedness and Resilience



KIUC employees test pole health with Thor's Hammer.

The safety of our members, employees and the community at-large is the highest priority for KIUC. While emergency planning has always been a part of KIUC's operational efforts, in 2024 KIUC worked with consultants to create a comprehensive Wildfire Mitigation Plan for submission to the Hawai'i Public Utilities Commission for approval.

Beginning in late 2023 and continuing throughout 2024, KIUC incorporated new technologies to enhance overall grid resilience and reliability while specifically focusing on wildfire prevention and mitigation.

Improving Situational Awareness

KIUC uses all available data to monitor evolving weather, fuel and other climatological conditions that may lead to fires. This includes daily evaluation, such as real-time field observations, review of weather station data, ongoing wildfire reporting, etc. Based on available information, KIUC appropriately

schedules work crews, adjusts equipment settings and prepares for fire conditions as needed.

In 2024, KIUC installed Tempest weather stations at locations throughout Kaua'i where reliable weather data was unavailable. These stations are monitored remotely and provide temperature, wind data (average speed, gust, direction), barometric pressure, precipitation, lightning detection and relative humidity.

Getting a Bird's-Eye View

KIUC has contracted with a company to inspect distribution circuits over the entire island using drones. These inspections should be completed by the end of 2025.

Drones improve the inspection process in locations where the environment and height and voltage levels of the equipment make it impossible for a lineworker to approach without deenergizing lines. The use of drone inspection does not require bucket trucks, foot patrols or climbing structures. Images of the conditions are created during the inspections so crews can follow up with maintenance and repairs, as well as monitor vegetation around lines and poles, which is a significant contributor to outages and, potentially, wildfires.

Hammer Time!

The health of utility poles is an important factor in energy resiliency. KIUC recently adopted a new technology called Thor's Hammer for pole inspections, which was recommended by wildfire mitigation consultants.

Thor's Hammer provides data on utility pole health using a special hammer connected to a geoscope with gyroscopic sensors and a sensor hub. The sensor hub is Bluetooth-enabled and quickly transmits data to the Thor's Poletest app and interactive portal, which provide geospatial visualization and data insights on the pole's condition.

KIUC has approximately 17,000 wood poles across the island. With the use of Thor's Hammer, pole testing is more accurate and less destructive to the pole, which leads to cost savings. Thor's Hammer saves time on labor by allowing the tester to assess each pole in less than a minute.

Preventing or minimizing damage to KIUC's infrastructure leads to lower operational costs and more stable electricity rates. Improving resilience against wildfire threats results in a more reliable, safe and cost-effective power supply for members. KIUC estimates it will spend as much as \$50 million from 2025 to 2027 to implement its Wildfire Mitigation Plan.

Find more information about KIUC's wildfire mitigation efforts at kiuc.coop/wildfire.

KIUC New Renewable Projects

KIUC's power mix in 2024 was slightly more than 50% renewable. Most renewable generation came from a combination of utility-scale and customer-sited solar (i.e., rooftop). At the end of 2024, more than 6,300 rooftop photovoltaic systems were installed, representing nearly 20% of residential and 10% of commercial members.

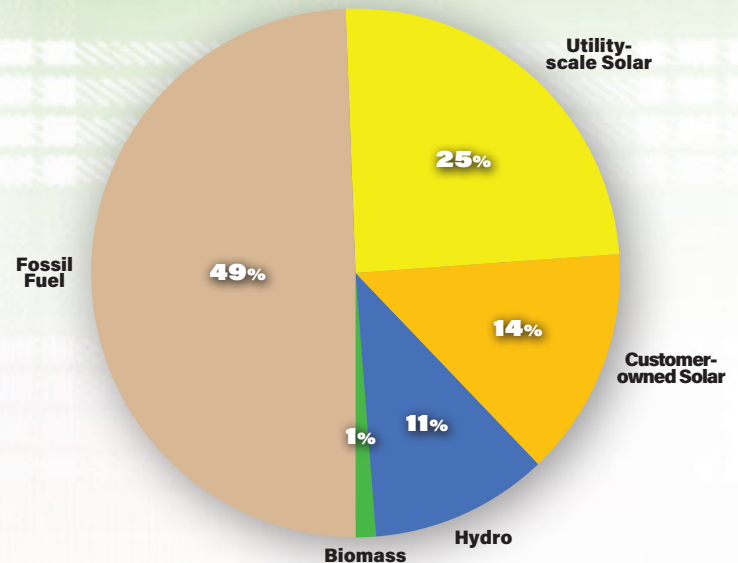
Renewable production in 2024 was affected by the closure of the Mahipapa biomass plant, which was under repair for most of the year. Historically, the biomass facility has accounted for 10% to 11% of KIUC's annual generation mix.

KIUC is pursuing two new renewable energy projects which, if successful, are expected to bring Kaua'i close to 80% renewable by 2028.

The two solar-plus-battery-storage projects would be developed by AES Hawai'i under power purchase agreements submitted to the Hawai'i Public Utilities Commission for approval in March 2025. Project details include:

- Mānā Solar + Storage: 35 megawatts (MW) solar with four-hour storage capacity to produce an average of 86,000 MWh annually of dispatchable renewable energy over the 25-year PPA. The project is proposed to be on land owned by the Agribusiness Development Corp. on the Mānā Plain and is expected to displace the use of 5.9 million gallons of diesel a year.
- Kaawanui Solar + Storage: 43 MW solar with four-hour storage capacity to produce an average of more than 100,000 MWh annually of dispatchable renewable energy over the 25-year PPA. The project is proposed to be on land managed by Gay & Robinson Inc. in Makaweli and is expected to displace the use of 7.1 million gallons of diesel a year.

2024 Fuel Mix by Source



In total, the two projects are expected to account for 35% to 40% of KIUC's annual energy production and generate enough electricity to power more than 30,000 homes.

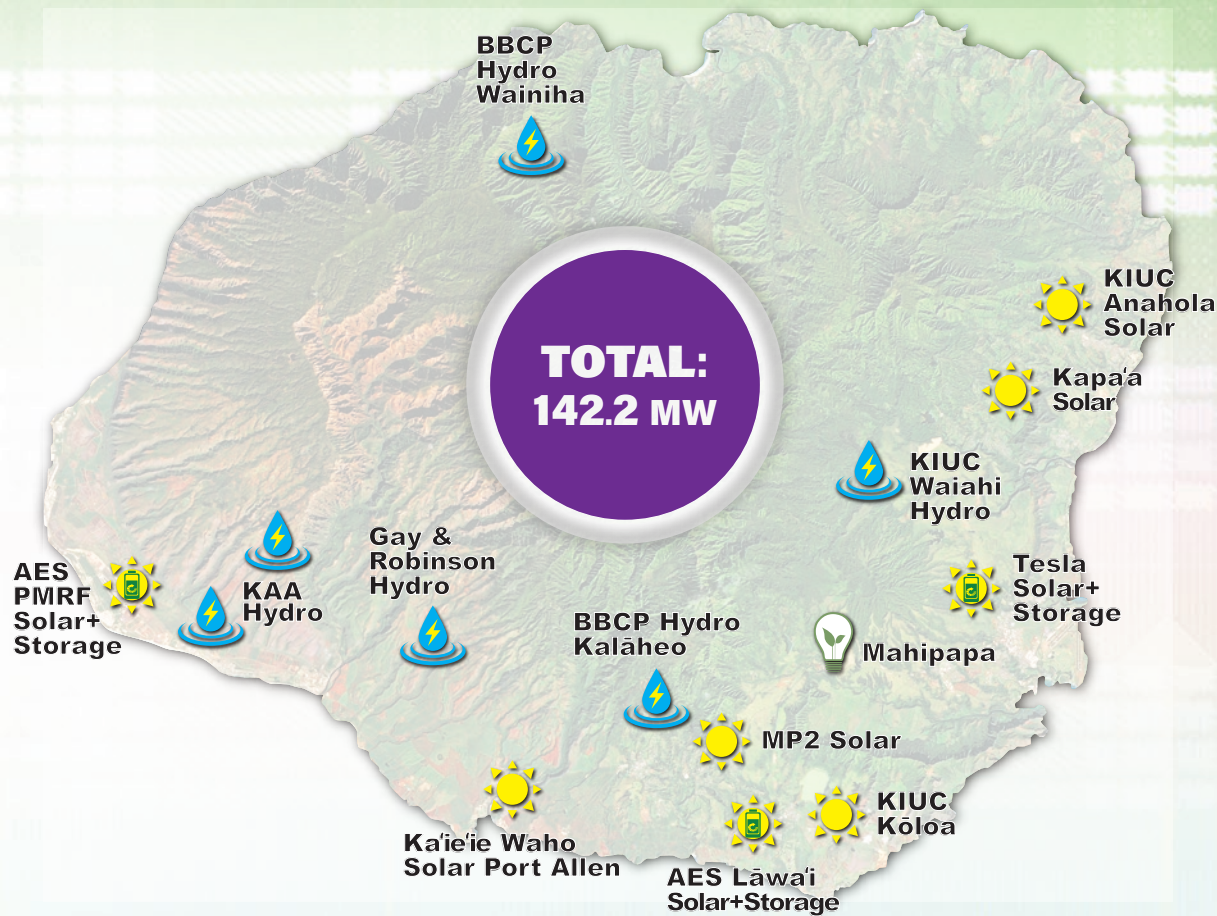
Because both projects are proposed on lands zoned for agriculture, state law requires they include considerations for compatible agriculture. AES is in active partnership discussions on robust agriculture activities that would be co-located at these sites.

In addition to bringing KIUC closer to its strategic goal of 100% renewable by 2033, the projects are expected to save KIUC members more than \$600 million compared to the projected cost of diesel over the 25-year life of the facilities.



AES Lāwa'i Solar + Storage facility

2024 Renewable Energy in Service



Active In Use	Type	MW	% of Generation
KIUC, Kōloa	Solar	12.0	4.00
KIUC, Anahola	Solar	12.0	4.14
Mahipapa	Biomass	6.7	1.37
Ka'ie'ie Waho, Port Allen	Solar	6.0	1.71
BBCP, Wainiha/Kalāheo	Hydro	6.0	4.04
KIUC, Waiahi	Hydro	1.5	0.23
Gay & Robinson, Olokele	Hydro	7.3	7.56
KAA, Waimea/Kekaha	Hydro	1.5	0.29
Kapa'a Solar	Solar	1.0	0.30
Tesla Solar+Storage	Solar	13.0	4.18
AES Lāwa'i Solar+Storage	Solar	20.0	7.38
AES PMRF Solar+Storage	Solar	14.0	5.39
MP2, 'Ōma'o	Solar	0.3	0.09
Customer Solar	Solar	41.4	4.41
Under Development	Type	MW	% of Generation
New Solar+Storage	Solar	78.0	40.0

Environmental Stewardship

For more than two decades, KIUC has worked closely with federal and state agencies to address the potential effects of utility structures and lights on Kaua'i's protected seabirds listed under the Federal and State of Hawai'i Endangered Species Act.

KIUC has implemented numerous measures reducing these potential impacts and improving seabird survival and recovery. In 2011, KIUC was granted a federal permit for its short-term Habitat Conservation Plan that accounted for impacts to seabirds and formalized measures to reduce those impacts from utility structures and protect seabirds and seabird habitat.

A draft Habitat Conservation Plan for a 50-year term was published in January 2023 for public and Endangered Species Recovery Committee review and comment through the state of Hawai'i, Office of Planning and Sustainable Development, Environmental Review Program's monthly publication, The

Environmental Notice. Since then, KIUC and its contractors have worked with state and federal agencies to review comments and revise the HCP accordingly. KIUC continues to work diligently toward a federal- and state-approved plan. The next step is to publish the revised draft HCP in the federal register and through the state of Hawai'i in 2025.

KIUC takes these responsibilities seriously and has spent more than \$82 million to date on these efforts. Much of that spending includes minimization and mitigation projects in partnership with the U.S. Fish and Wildlife Service, Division of Forestry and Wildlife, Kaua'i Endangered Seabird Recovery Project, Save Our Shearwaters Program, seabird experts, and other governmental, nonprofit and community groups. KIUC's minimization efforts have resulted in an estimated 66% decrease in seabird power line strikes, and the co-op's mitigation efforts have resulted in stable and increasing seabird populations and improved habitat in managed areas.

An 'a'o (Newell's shearwater) chick rests in its burrow within the Hono O Nā Pali Natural Area Reserve on the island of Kaua'i.



Serving Our Members



The KIUC Member Services team stands ready to assist.

Energy Efficiency and Affordability

As a small rural island adapting to growth and change, KIUC addresses the rising costs facing our ‘ohana and small businesses by implementing programs and services that help members reduce their energy use and lower their electricity bills. Residents learn about rebates and programs through a combination of in-person events, Currents magazine, print ads, website information and social media. Commercial members are emailed monthly energy-efficiency tips and news about rebates and programs.

Helping Members in Need

KIUC supports assistance programs for members in financial need. In 2024, KIUC partnered with County of Kaua‘i Agency of Elderly Affairs on the Qualified Member Appliance Replacement Program, which helps elderly members replace appliances. KIUC also partners with the state of Hawai‘i and KEO to disburse roughly **\$300,000** in federal funds annually via the Hawai‘i Home Energy Assistance Program. The KIUC Charitable Foundation—a separate nonprofit entity—provides funding to both KEO and Catholic Charities of Hawai‘i to offer bill-payment assistance to income-qualified applicants.

Working with Kaua‘i Habitat for Humanity, Kaua‘i Independent Food Bank, Hawai‘i Foodbank-Kaua‘i, County of Kaua‘i, Kaua‘i senior centers and Lions clubs, KIUC gave away LED lightbulbs. KIUC partnered with The Home Depot for appliance rebates, and with the County of Kaua‘i and Kaua‘i Economic Development Board for small business energy-efficiency grants. On an individual level, KIUC provided phone reviews or home visits to members who needed high-bill assistance.

Combined, these programs were highly successful, resulting in **806,700** kWh in residential energy savings and **1,115,803** kWh in commercial energy savings.

608

Hawai‘i Home Energy Assistance Program recipients

15

Qualified Member Appliance Replacement Program recipients

7,192

LED lights distributed

1,001

Appliance rebates processed

617

High-bill phone reviews and home visits

\$351,069

in incentives to **49** commercial projects

\$13,500

in grants to **two** small businesses for energy-efficiency projects



KIUC's Energy Services representatives share safety and energy efficiency tips with Kaua'i kūpuna.

Community Support and Impact

As a member-owned cooperative, KIUC members are a part of our larger 'ohana. By regularly attending outreach events throughout the year, KIUC staff can engage directly with our members and show our *aloha* for the island and *kuleana* in developing the potential of the next generation.

In 2024, staff represented KIUC at more than **10** events including, charity walks, beach and park cleanups, parades, school supply giveaways, and celebrations for veterans and towns, as well as volunteering for school and Earth month events of their own choosing.

KIUC staff volunteers attended more than **14** school events to educate and encourage the next generation. Keiki around the island learned about electrical safety, future careers and science, technology, engineering and math topics.

KIUC again sponsored **four** Kaua'i high school juniors to travel to Washington, D.C., for the National Rural Electric Cooperative Association Youth Tour, where they learn about electric co-ops and meet Hawai'i state legislators. Students share the long-lasting impacts of this formative experience in our fall issue of *Currents* magazine each year, and Youth Tour alumni share how the program affects their lives in our regular *Currents* feature, "Where Are They Now?"

Kaua'i United Way recognized KIUC's employees and board for being the top employee-giving group, and one of the top three per-capita giving groups for the 2024 fundraising campaign.

KIUC supports keiki education through school-based events.



KIUC leverages funds from the U.S. Department of Agriculture for its Revolving Loan Fund as a commitment to maintaining, strengthening and diversifying the Kaua'i economy. The fund provides opportunities for not-for-profit and for-profit entities to obtain loans at lower-than-base-rate interest. In 2024, KIUC worked with the westside family business Komohana Charters as a recipient.

"This is our dream, and we are so grateful. This is what we wanted, to support our family and a future doing this." ~ Bethany Fuller, Komohana Charters



Sharing of Aloha grants totaled **\$24,000** to numerous Kaua'i organizations, including:

- Chiefess Kamakahelei Middle School
- Flow Kakou Inc.
- Friends of Hawai'i Technology Academy
- Hanapēpē Pop Warner Association
- Hawai'i Children's Theatre
- Homeschool Now
- Kapa'a Middle School Booster Club
- Kaua'i High School Athletic Boosters
- Kaua'i High School Project Grad
- Kaua'i Agora
- Kaua'i High School
- Kaua'i North Shore Food Pantry
- Kaua'i Sailing Association
- Kaumakani Senior Center
- Keahi Soccer Club
- King Kaumuali'i Elementary PTSA
- King Kaumuali'i Elementary
- Malama Waters
- NFB Hawaii – Kaua'i Chapter
- Niumalu Canoe Club
- Shaka Hoops
- Sheila Bradley Usborne Books
- St. Theresa School
- UH Foundation - COGS
- Waimea Canyon Middle School
- Waimea High School JROTC
- Waimea High School Project Grad
- Waimea Youth Baseball
- We Care Kaua'i
- Zonta Club of Kaua'i Foundation

The KIUC Charitable Foundation awarded grants totaling **\$25,158** to the following organizations:

- Kaua'i Concert Association
- Kaua'i Economic Opportunity
- Kaua'i Planning and Action Alliance
- Kaua'i Search & Rescue
- Kumu's Cupboard
- Swim Kaua'i Aquatics
- UH Foundation



Summary of Operations

01/01/2024 - 12/31/2024

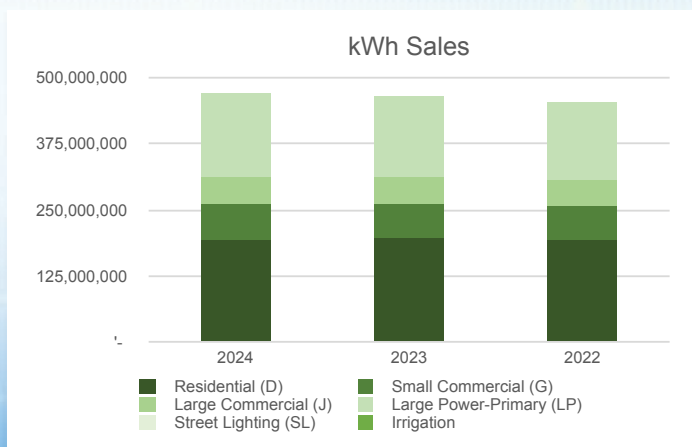
Organized as a rural electric cooperative, Kaua'i Island Utility Cooperative operates as a not-for-profit entity under section 501(c)(12) of the Internal Revenue Code. Sharing annual financial results with our members is crucial for several key reasons, including transparency and accountability, allowing members to understand how the organization manages its financial resources; building trust and confidence through open and accessible financial reporting; promoting member engagement between members and organization leadership; and facilitating informed decision-making and strategic planning by providing members with relevant financial data.

KIUC is pleased to report strong operating results in 2024, with operating revenues of \$185.4 million less operating costs of \$173.4 million, resulting in a positive net margin of \$7 million. KIUC's positive financial results are largely attributable to an increase in operating revenues of \$15.3 million over the prior year as a result of the interim rate increase granted by the Hawai'i Public Utilities Commission, which became effective Jan. 11, 2024, and finalized May 9, 2025, coupled with the cooperative's continued expense management.

Revenues

Operating revenues generated from energy sales totaled \$188.8 million, an increase of \$19.2 million or 11.3% over the previous year. Other operating revenues of \$0.5 million, which include rentals and fees and the change in the lost gross margin regulatory asset of \$3.9 million, contribute to net margins. LGM was accrued during the COVID-19 pandemic to account for significant loss in sales during that period.

In 2024, KIUC sold 472 million kilowatt-hours of electricity, which is a slight 1% increase from 2023. Kilowatt-hours sold increased from the prior year for most classes of service, except residential and large commercial.



Power Generation

Similar to other utilities, the cost of power generation is KIUC's largest expense, totaling \$106.6 million or 57.5% of revenues. Commodities, which are fuel and purchased power costs, are the largest component of power generation, totaling \$90.1 million or 48.6% of revenues. In 2024, KIUC and its members generated more than 278.8 million kWh from renewable sources, such as hydropower, solar and biomass, or 50.6% from renewable production.

Expenses

Operating expenses, excluding commodities, totaled \$83.3 million, an increase of \$7.3 million or 9.6% over the previous year. In 2024, the cost of operating and maintaining the electric lines totaled \$10.4 million or 5.6% of total revenues, the cost of servicing our members totaled \$3.3 million or 1.8% of revenues, and the cost of keeping our members informed totaled \$0.9 million or 0.5% 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 \$22.5 million or 12.2% of revenues.

Key Ratios

The equity-to-total-assets ratio measures the percentage of total assets owned by members and is one of the indicators used to monitor the cooperative's financial health. KIUC's equity ratio was 36.01% at year-end, compared to 34.03% in the prior year. The debt service coverage ratio measures the cooperative's ability to meet its debt obligations using operating income and is one of the primary metrics reviewed by KIUC's lenders. KIUC's debt service coverage ratio was 1.695 at year-end, compared to 1.38 the prior year. KIUC's consolidated long-term debt decreased \$11.9 million from the prior year.

Financial Goals

KIUC met its financial goals with positive net margins and maintained compliance with its required loan agreement ratios in 2024. Established by its members to provide service at the lowest possible cost, any excess revenue, or margin, is used to fund growth and maintenance before it is eventually returned to members in the form of capital credit retirements. Since 2002, KIUC has returned \$37.9 million to members in the form of patronage capital retirements. In 2025, KIUC will return an additional \$0.6 million in patronage capital retirements.

Sound financial management and resulting financial performance allow the cooperative to continue meeting the energy needs of our members through innovative energy solutions, while ensuring fair and reasonable rates.

Consolidated Balance Sheet

ASSETS	December 31,	
	2024	2023
UTILITY PLANT AT COST		
Electric Plant in Service	610,601,334	608,917,452
Right of Use Asset - Operating Lease	15,801,084	16,382,874
Electric Plant Acquisition Cost	54,852,453	54,852,453
Accumulated Depreciation and Amortization	(365,216,992)	(365,047,499)
Net Electric Plant in Service	316,037,879	315,105,280
Construction Work in Progress	10,277,336	11,164,049
Net Utility Plant	326,315,215	326,269,329
OTHER INVESTMENTS		
Investments in Subsidiary Companies	- 0	- 0
Investments in Associated Organizations	2,013,268	2,128,087
Rural Economic Development Loans	1,965,795	972,071
Other Investments [if maturity ≥ 1 yr]	- 0	- 0
Total Other Investments	3,979,063	3,100,158
CURRENT ASSETS		
Cash & Cash Equivalents	44,090,700	44,655,371
Restricted Cash & Cash Equivalents	322,969	1,298,990
Other Investments [if maturity < 1 yr]	- 0	- 0
Accounts and Notes Receivable (Less allowance for doubtful accounts of \$569,999 in 2021 and \$879,696 in 2020)	13,228,373	14,406,845
Accrued Unbilled Revenue	10,562,913	8,743,081
Energy Rate Adjustment Clause	144,676	- 0
Inventories	22,265,342	22,282,718
Other Current and Accrued Assets	1,610,751	1,329,072
Total Current Assets	92,225,724	92,716,077
POST-RETIREMENT BENEFIT ASSET	805,750	63,548
DEFERRED DEBITS	32,739,111	38,225,997
Total Assets	456,064,863	460,375,109
EQUITIES AND LIABILITIES		
EQUITIES AND MARGINS		
Memberships	623	610
Patronage Capital & Margins - Current Year	145,515,129	138,727,449
Other Equity	1,301,373	1,218,229
Post-retirement Benefit Obligation Gain (Loss)	(213,894)	(945,406)
Controlling Equity Interest	146,603,231	139,000,882
Capital Account - KRS II LLC	17,625,064	17,666,736
Equity Interest	17,625,064	17,666,736
Total Equities and Margins	164,228,295	156,667,618
LONG -TERM DEBT	240,993,192	253,179,484
ASSET RETIREMENT OBLIGATION	3,198,096	3,075,035
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	11,528,575	11,233,584
Current Maturities of Operating Lease Obligations	811,177	674,238
Accounts Payable	7,250,949	8,344,475
Energy Rate Adjustment Clause	- 0	644,475
Consumer Deposits	1,433,888	1,302,837
Accrued Employee Compensation	2,671,276	2,518,252
Accrued Taxes	9,864,765	8,470,966
Other Current and Accrued Liabilities	1,312,346	1,200,317
Total Current Liabilities	34,872,976	34,389,144
DEFERRED CREDITS	12,772,304	13,063,828
Total Liabilities, Equities, and Margins	456,064,863	460,375,109

Consolidated Statement of Income & Patronage Capital

	Year Ended December 31,	
	2024	2023
	Amount	Amount
OPERATING REVENUES		
Residential	79,983,441	72,799,495
Irrigation	246,415	274,534
Commercial and Industrial	107,769,950	95,894,420
Public Street and Highway Lighting	806,209	667,512
Other Operating Revenues	482,384	461,907
Loss gross margin change in deferral	(3,881,617)	- 0
Total Operating Revenues	185,406,782	170,097,868
OPERATING EXPENSES		
Power Cost	101,712,144	94,853,081
Transmission - Operation	490,683	582,772
Transmission - Maintenance	1,569,829	751,440
Distribution - Operation	1,716,440	1,676,733
Distribution - Maintenance	5,482,810	4,929,469
Customer Accounts	2,461,481	2,127,748
Customer Service and Information	346,099	299,154
Administrative and General	26,018,757	22,396,985
Depreciation and Amortization	17,786,292	18,737,926
Taxes	15,706,169	14,457,938
Accretion Expense	123,061	117,115
Other Interest Expense	- 0	- 0
Total Operating Expenses	173,413,765	160,930,361
OPERATING MARGINS - Before Interest	11,993,017	9,167,507
INTEREST ON LONG-TERM DEBT	6,956,228	7,331,442
OPERATING MARGINS	5,036,789	1,836,065
NONOPERATING MARGINS		
Interest Income	1,734,110	2,015,695
Capital Credits	97,845	197,835
Loss from Subsidiaries	- 0	- 0
Other Nonoperating Income (Expense)	171,723	202,555
Total Nonoperating Margins	2,003,678	2,416,085
EXTRAORDINARY ITEMS	- 0	- 0
NET MARGINS	7,040,467	4,252,150
Net Loss (Margins) Attributed to Non-Controlling Interest	12,244	8,514
NET MARGINS - COOPERATIVE	7,052,711	4,260,664

Consolidated Statement of Cash Flows

	December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Margins	7,052,711	4,260,664
Adjustments to Reconcile Net Margins to Net Cash from Operating Activities		
Depreciation and Amortization	17,786,292	18,737,925
Amortization of deferred debits	5,056,195	(3,882,824)
Accretion Expense	123,061	117,115
Noncash Lease Expense	(385,033)	(635,689)
Interest Earned on Cushion of Credit	(6)	(118,531)
Capital Credits	(97,845)	(197,834)
Income Attributable to Non-Controlling Equity Interest	(12,244)	(8,514)
Forgiveness of PPP Loan	- 0	- 0
Change in Assets and Liabilities:		
Accounts and Notes Receivable	(641,360)	(818,059)
Energy Rate Adjustment Clause	(789,151)	733,901
Inventories and Other Current Assets	(264,303)	264,200
Deferred Debits	430,691	- 0
Post Retirement Benefit Obligations	(10,690)	88,443
Payables and Accrued Expenses	696,377	(2,986)
Deferred Credits	(291,524)	2,154,649
Net Cash from Operating Activities	28,653,171	20,692,460
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to Utility Plant, net	(17,832,178)	(15,462,097)
Rural Economic Development Loans	(993,724)	(4,637)
Other Investments	212,664	10,094,817
Net Cash from Investing Activities	(18,613,238)	(5,371,917)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from Long-Term Debt	- 0	- 0
Payments on Long-Term Debt	(11,369,323)	(7,267,385)
Net Activity on Line of Credit	- 0	- 0
Contributions from Non-Controlling Equity Interest	- 0	- 0
Capital Distributions Paid to Investor	(29,428)	(48,801)
Memberships	13	12
Other Equities	83,144	78,914
Retirement of Patronage Capital	(265,031)	(246,920)
Net Cash from Financing Activities	(11,580,625)	(7,484,180)
CHANGE IN CASH AND CASH EQUIVALENTS	(1,540,692)	7,836,363
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	45,954,361	38,117,998
CASH AND CASH EQUIVALENTS - END OF YEAR	44,413,669	45,954,361

Vision

Improve the quality of life for KIUC's members and 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
- Democratic Member Control
- Members' Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Cooperation Among Cooperatives
- Concern for Community



**Kaua'i Island
Utility Cooperative**
Your Touchstone Energy® Cooperative

