

KIUC Puts the Spotlight on Accomplishments and Member Benefits at Annual Meeting

Līhu'e, Kaua'i, HI – 07/28/2017 – For KIUC and its member-owners, 2016 was a groundbreaking year filled with important milestones. That was the message delivered by board members and the cooperative's top management at the 15th KIUC Annual Meeting, held last night at Kaua'i War Memorial Convention Hall.

“We were able to report that over the past nine years we've seen the amount of renewable generation triple, while our rates came down 18 percent,” said KIUC's President and Chief Executive Officer, David Bissell. “Additionally, our reliability rating of 99.988 percent in 2016 was the best we've recorded since we became a cooperative 15 years ago.”

Roughly 200 people attended the meeting, during which an update on cooperative activities was provided, followed by questions and answers and then public testimony. After the meeting, members in attendance were provided chili and rice and had an opportunity to talk directly with board members and staff.

Some of the highlights from the presentation include:

Renewable progress: In early 2016 the Green Energy Team biomass plant became operational, and now provides nearly nine percent of Kaua'i's power around the clock. KIUC also experienced the full impact of its various solar inputs, and routinely reached more than 90 percent renewable penetration during daylight hours on sunny days throughout the year. By year's end, KIUC's renewable portfolio had grown to 36 percent, up from nine percent in 2008. In the process, the cooperative reduced its diesel consumption by 10 million gallons per year.

Rate stability: Between 2008 and 2016 KIUC rates decreased 18 percent, which includes a reduction over the past 12 months. The shift to renewables promises to have a long-term downward pressure on rates, as 20- and 25-year power purchase agreements (PPA) at favorable rates replace the fluctuating price of diesel.

(more)

Record reliability: In 2016, KIUC posted its most favorable reliability rate to date: 99.988 percent. That means that the average member experienced roughly 1.04 hours of outage for the entire year. It was noted during the meeting that the batteries associated with our solar facilities have helped stabilize and buffer the grid against outages, which should only improve as additional solar-plus-battery projects are developed.

Member service enhancements: KIUC's SmartHub service continues to grow in popularity, giving members the ability to check usage, pay bills, report service issues and receiving notifications on-line. Since its launch in late 2015, 3,500 members have signed up for SmartHub. KIUC's Energy Wise programs offer rebates for qualifying residential and commercial appliance upgrades, home and business efficiency consultations, along with other services that promote efficiency and conservation which translates to member savings over time.

Path to 70 percent renewable: In January, the Board of Directors set a goal of reaching 70 percent renewable by the year 2030. The following projects are expected to bring KIUC to that goal:

- Tesla (Kapaia) – This solar-plus-battery storage project is the first utility-scale dispatchable solar facility in the world. Opened in March of this year, Tesla now delivers 13 megawatts of power for four hours during evening peak. KIUC has a 20-year PPA with Tesla to purchase power at 13.9 cents per kWh, which is lower than the current cost of diesel.
- AES Distributed Energy, Inc. (Lāwa'i) – Following the Tesla agreement, KIUC secured a 25-year PPA with AES for an even larger dispatchable solar project on the south side. If approved by the Hawai'i Public Utilities Commission and other regulatory agencies, the AES facility will dispatch 20 megawatts for five hours during evening peak, for an even lower price of 11 cents per kWh. A third dispatchable solar project is also being discussed with AES.
- Pu'u Ōpae Pumped Storage Hydro (Waimea) – A landmark mediation agreement that was reached in April between KIUC and four other parties has laid the groundwork for development of a facility that could provide a full 20 percent of our energy needs. The agreement sets stream flow standards for the Waimea River, and allows diversion of water within limits for the renewable energy project, agricultural irrigation, and uses that conform with long-range plans on property owned by the Department of Hawaiian Homelands. Aside from renewable power, the project will provide valuable infrastructure for DHHL and allow it to open up more of its lands on the westside.

(more)

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

Attendees received a copy of KIUC’s 2016 Annual Report, which is available on the cooperative website: www.kiuc.coop.

KIUC is a member-owned cooperative serving 33,000 customers on the island of Kaua‘i. Governed by a nine-member, elected board of directors, KIUC is one of 900 electric co-ops serving more than 42 million people in 47 states.

###



L-R: Board Chair Allan Smith, Board member Teofilo “Phil” Tacbian, Representative James Tokioka, Mayor Bernard Carvalho, Jr., Board members Peter Yukimura, Dee Crowell, Jan TenBruggencate, James Mayfield, Pat Gegen



Energy Services Supervisor Kathryn Williams helps prepare goodie bags for attendees



Nā Hōkū Hanohano award-winning musical group Kūpaoa entertains prior to the start of the meeting