



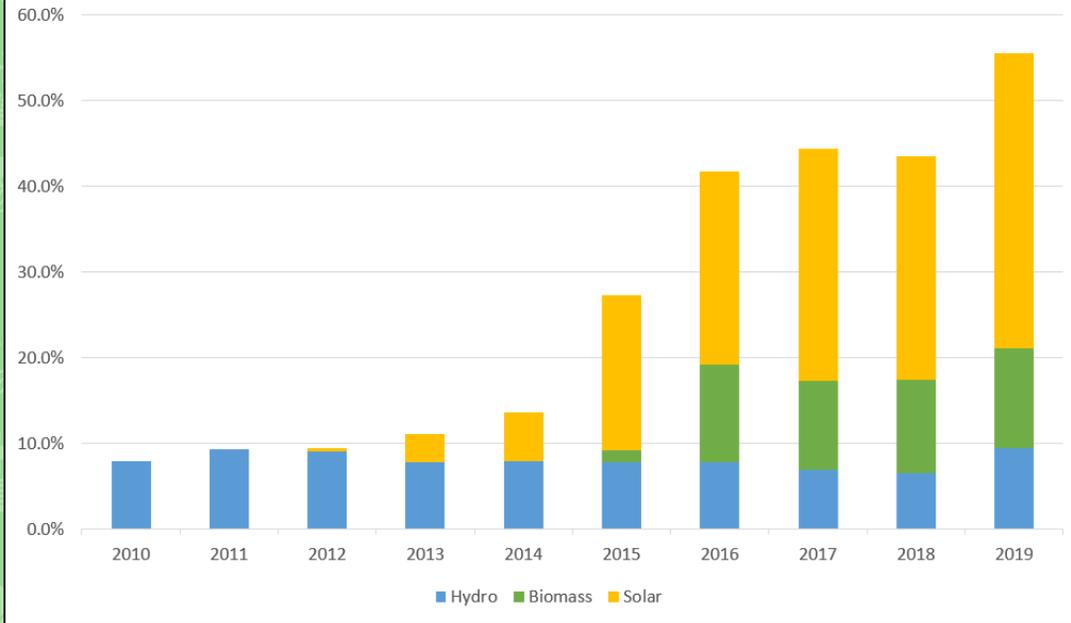
MORE THAN HALF FULL

2020 ANNUAL MEETING



RENEWABLE ENERGY ON KAUA'I

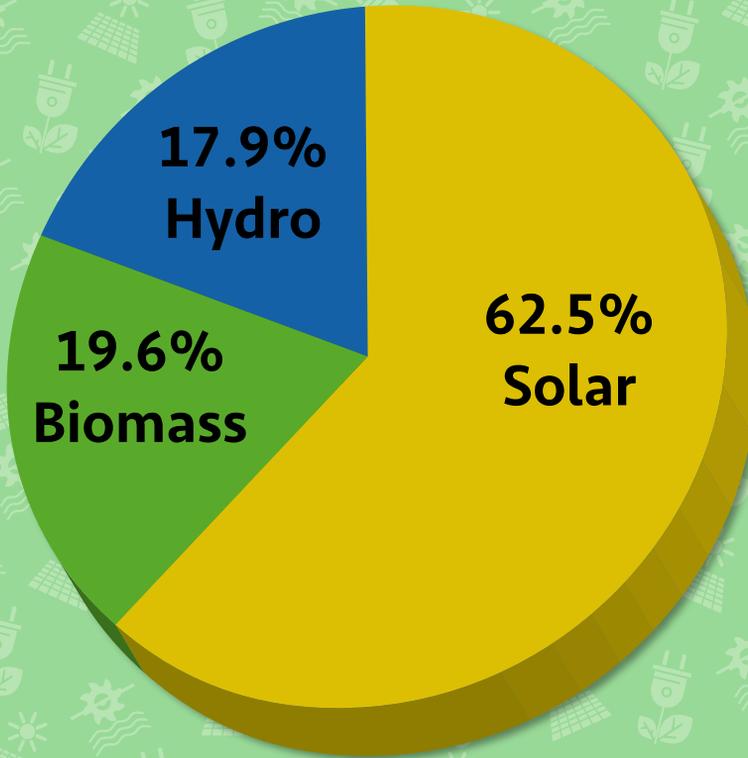
Percentage of Generation by Renewable Type



MORE THAN
HALF
FULL



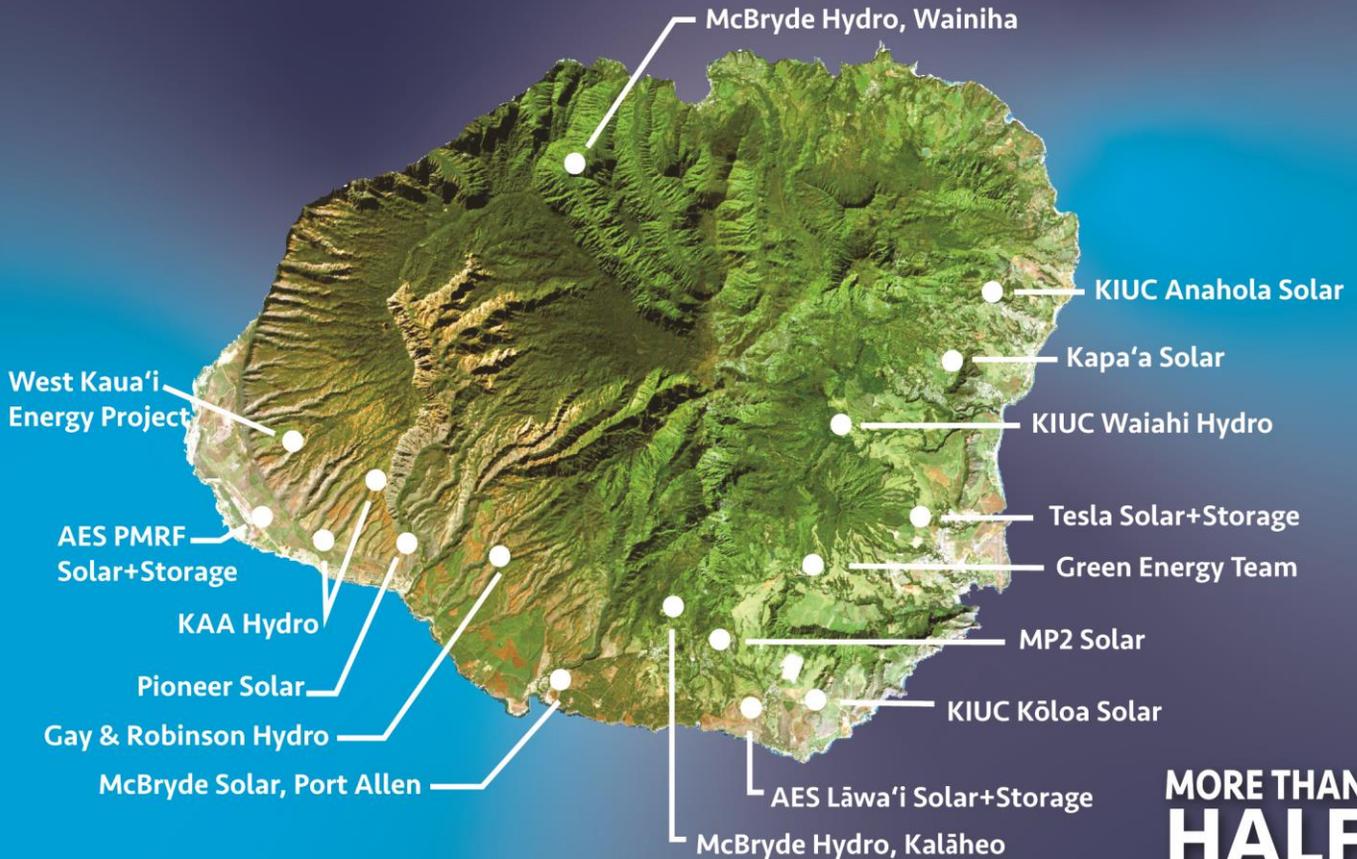
RENEWABLES BY TYPE



**BASED ON PERCENTAGE OF SALES.*

**MORE THAN
HALF
FULL**

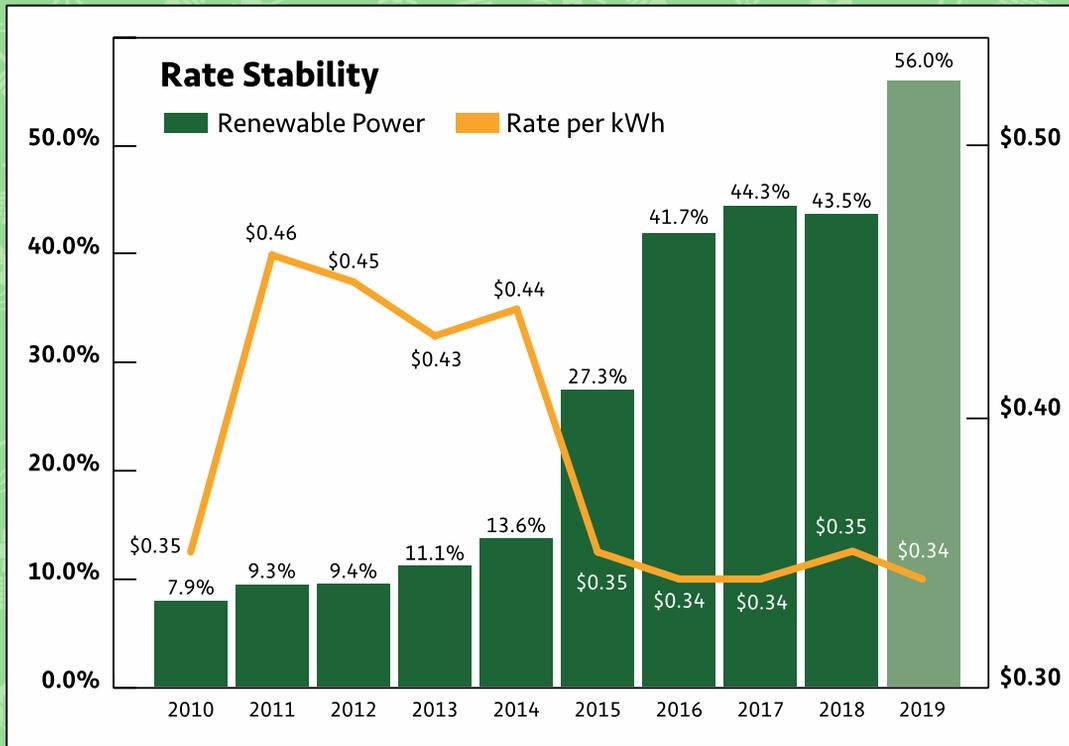
RENEWABLE DISTRIBUTION



**MORE THAN
HALF
FULL**



RENEWABLES AND RATES



MORE THAN
HALF
FULL

THE "SOLAR" BONUS

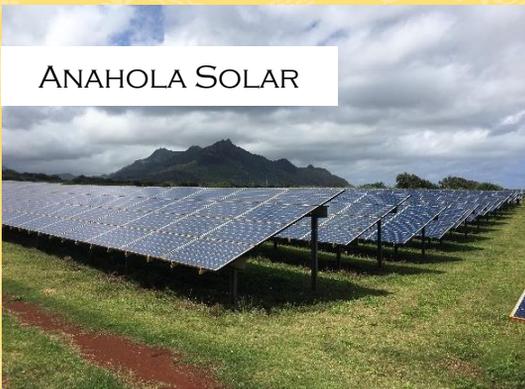
AES LāWA'Ī



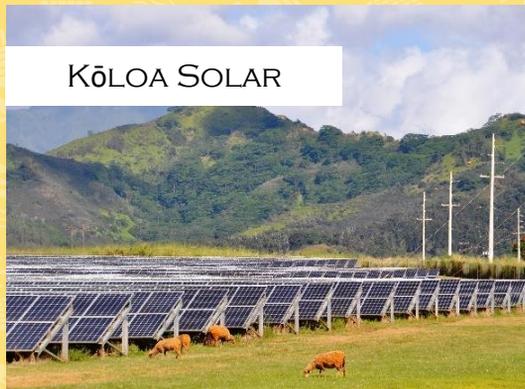
TESLA



ANAHOLA SOLAR



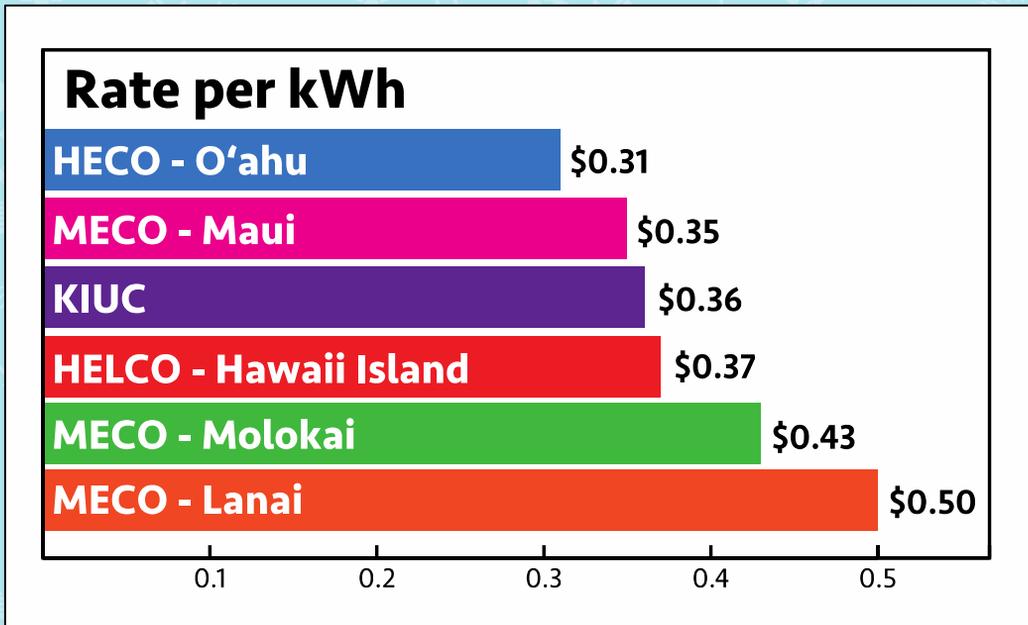
KōLOA SOLAR



**\$3.4
MILLION
SAVINGS**

**MORE THAN
HALF
FULL**

STATEWIDE RATE COMPARISON



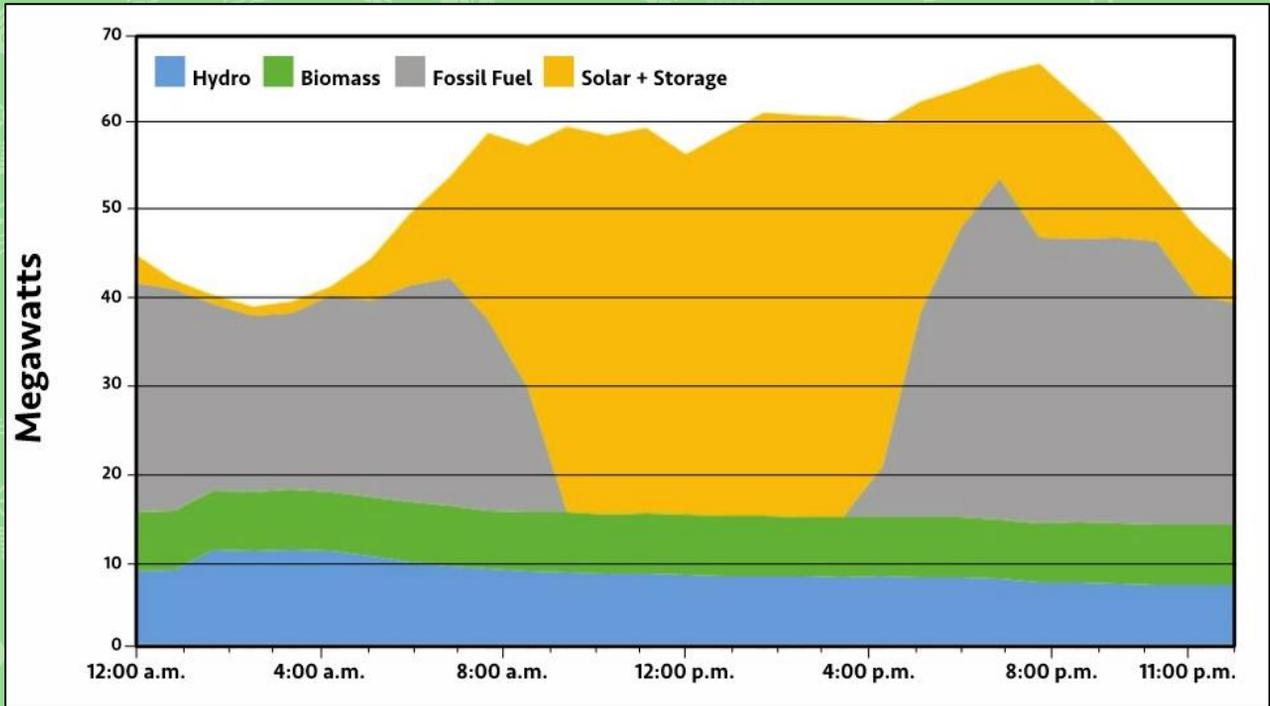
SOURCE: HAWAII PUBLIC UTILITIES COMMISSION FY19 ANNUAL REPORT

NOTE: O'AHU'S CUSTOMER BASE IS EIGHT TIMES GREATER THAN KAUAI, AND HECO USES LOW-COST COAL AS A FUEL SOURCE.

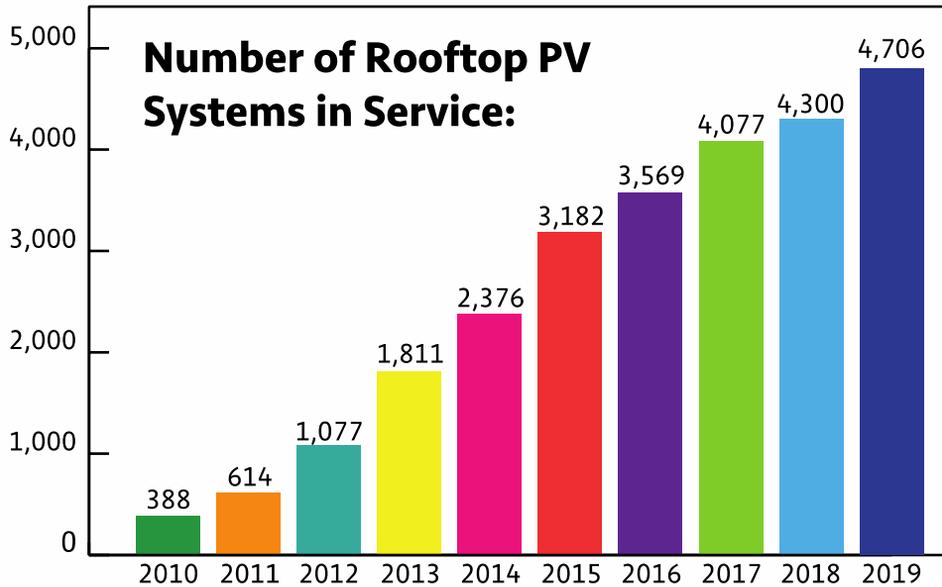
**MORE THAN
HALF
FULL**

RENEWABLE MILESTONE

DECEMBER 7, 2019



ROOFTOP CONTRIBUTION



MORE THAN
**HALF
FULL**

2019 FINANCIAL RESULTS

KIUC RETURNED STRONG RESULTS IN 2019

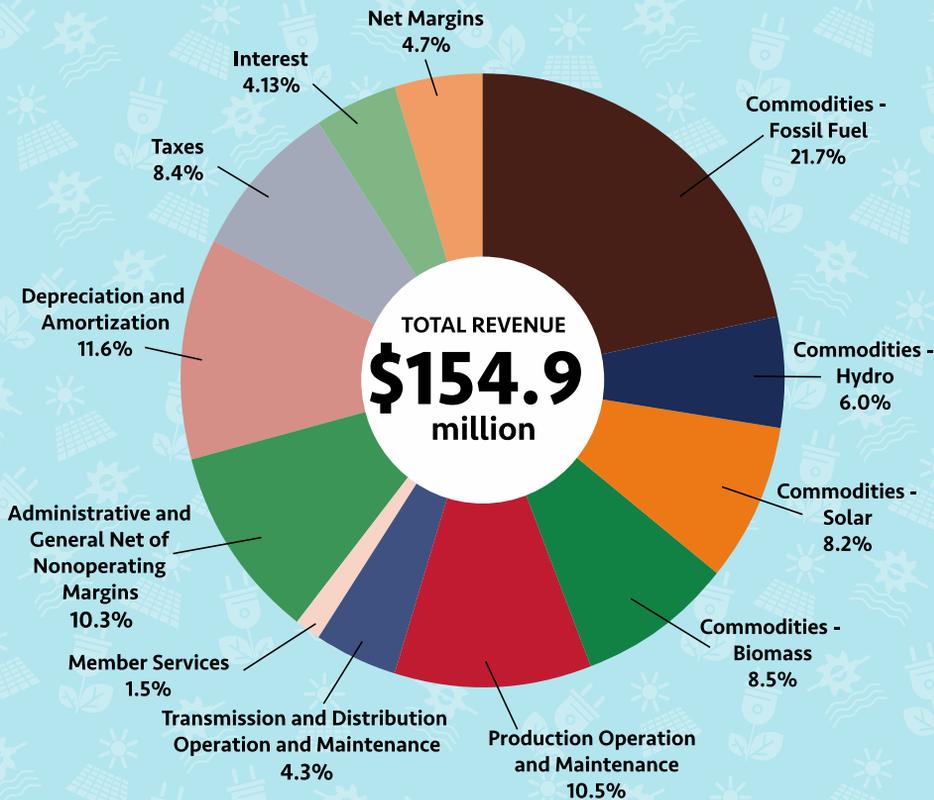


- ❖ 2.1% INCREASE IN USAGE
- ❖ 4.8% DECREASE IN REVENUE
- ❖ REDUCED USE OF FOSSIL FUEL BY 20%
- ❖ \$1.24 MILLION IN PATRONAGE CAPITAL RETIREMENTS

MORE THAN
**HALF
FULL**



2019 FINANCIAL RESULTS



MORE THAN
**HALF
FULL**

HOW YOUR DOLLAR IS SPENT



Purchase of Fossil Fuel **\$0.22**

Purchase of Renewables **\$0.23**

Operations **\$0.26**

Debt Service **\$0.16**

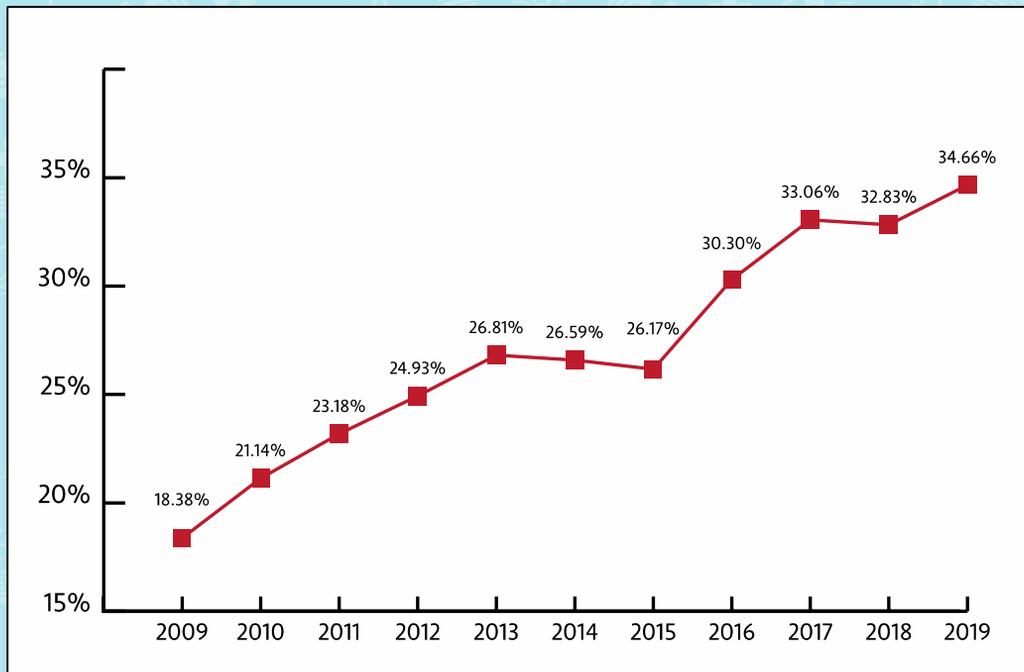
Taxes **\$0.08**

Your Margin **\$0.05**

TOTAL **\$1.00**

**MORE THAN
HALF
FULL**

TOTAL EQUITY AS % OF ASSETS



MORE THAN
HALF
FULL



PROJECT UPDATES

AES PMRF

14 MW PV - 70 MWH STORAGE



- ❖ SUBSTATION UNDER CONSTRUCTION
- ❖ EXPECTED COMPLETION 4TH QUARTER 2020
- ❖ FACILITY CAN BE “ISLANDED” TO SERVE PMRF IF NEEDED

MORE THAN
**HALF
FULL**

PROJECT UPDATES

WEST KAUA'I ENERGY PROJECT

24 MW



- ❖ PUMPED STORAGE HYDRO
- ❖ OPENS LAND FOR NEW AGRICULTURAL HOMESTEADS
- ❖ IRRIGATION WATER FOR AGRIBUSINESS DEVELOPMENT CORP AND KEKAHA AG ASSOCIATION TENANTS

MORE THAN
**HALF
FULL**



PROJECT UPDATES

WAIIAHI HYDRO PLANTS



DRAFT ENVIRONMENTAL ASSESSMENT

- ❖ MORE THAN 200 COMMENTS RECEIVED
- ❖ FINAL DRAFT TO BE SUBMITTED TO DLNR THIS SUMMER
- ❖ NOT CURRENTLY DIVERTING DUE TO PENDING SIPHON REPAIR

MORE THAN
**HALF
FULL**

COVID 19 UPDATE

- ❖ MEMBER SERVICES REMAIN CLOSED
- ❖ COMPANY PROTOCOLS IMPLEMENTED TO INSURE HEALTH AND SAFETY OF WORKFORCE
- ❖ KEO AND OTHER AGENCIES PROVIDING ASSISTANCE FOR QUALIFIED MEMBERS
KIUC CHARITABLE FOUNDATION DONATED \$20,000
- ❖ SUSPENSION OF MEMBER DISCONNECTS



MORE THAN
**HALF
FULL**



COVID 19 FINANCIAL IMPACTS

- ❖ REVENUE DOWN 8% YEAR TO DATE THROUGH JUNE
 - DOWN 20% APRIL THROUGH JUNE VERSUS 2019
- ❖ PROJECTING 10% DECREASE FOR 2020 VERSUS 2019
- ❖ STEPS TAKEN TO MINIMIZE FINANCIAL IMPACT
 - REDUCE NON-ESSENTIAL SPENDING
 - PAYCHECK PROTECTION PROGRAM LOAN RECEIVED
 - RESTRUCTURING DEBT
 - REQUEST TO PUC TO ESTABLISH REGULATORY ASSET TO RECORD AND ACCRUE LOST GROSS MARGINS ASSOCIATED WITH THE COVID-19

MORE THAN
**HALF
FULL**



MAHALO!

