

**REGULAR MEETING OF THE BOARD OF DIRECTORS  
KAUA'I ISLAND UTILITY COOPERATIVE  
Held Via Zoom Webinar  
On July 27, 2021**

**MINUTES**

**Call to Order at 9:03 a.m.**

**1. Roll Call**

- 1.1 **Directors present:** Allan Smith (Chair), Jan TenBruggencate (Vice Chair), Dee Crowell, David Iha, Janet Kass, James Mayfield, Calvin Murashige (Secretary), Teofilo Tacbian, Peter Yukimura (Treasurer), and David Bissell (President and CEO).
- 1.2 **Others present:** Laurel Loo (General Counsel), Chris Yuh (Finance Mgr.), Cameron Kruse (Engineering and Technology Mgr.), Beth Tokioka (Communications Mgr.), Brandee Holt (Regulatory Affairs Mgr.), and Vera Tabbe (Legal Assistant to General Counsel); Members of the press (0) and Member of the public (0).

**2. Approval of Minutes**

- 2.1 Janet Kass noted pages 8 through 14 are too fuzzy to read so that needs to be uploaded again.
- 2.2 The June 30, 2021 Regular Meeting minutes were approved unanimously. [Motion: TenBruggencate; Second: Murashige]
- 2.3 The July 9, 2021 minutes were approved unanimously. [Motion: Kass; Second: TenBruggencate]

**3. President's Report – David Bissell (President and CEO)**

- 3.1 President's report present by CEO David Bissell (report attached).
- 3.2 Safety – good for the month - no recordable for the month of June; however, a wasp sting at the Port Allen facility will be noted as reportable for July due to doctor's visit and medication given.
- 3.3 Heat Rate good for the month and essentially flat through the month.
- 3.4 Update provided on the SEPA Power Player Award – TenBruggencate requested it be noted as a National award. Beth will be sending out the article tomorrow (7/28/21).

- 3.5 Member Survey shows dramatic improvements in satisfaction. Beth stated she don't have the full final power point which shows all of the details but expect it soon and will have the contractor brief the committee in full at the next committee meeting. She received an email from them on Friday and was just ecstatic about the results. She read a portion from their conclusion.
- “The improvements seen in overall satisfaction and on the 13 attributes measured are dramatic and rarely seen in customer satisfaction research. While the ratings in the year 2016 to 2019 all generally fell within the same range, the increases in mean ratings in 2021 pushed averages even higher. What is not currently known is if the 2021 increases are a post pandemic reaction as people reflect on aspects of their lives that are constant and dependable. Related to this is the question of whether this increased satisfaction will be sustained going forward. However, regardless of the answers to these questions, it remains that satisfaction has increased dramatically over the seven years of tracking and KIUC should be very proud of these achievements.”
- More details are forthcoming.
- 3.6 Annual meeting held on July 22, 2021 with about 200 registered and about half of that actually participated. Feedback on annual meeting was positive. David liked the send in questions in advance as it gave the members the ability to participate.
- 3.7 West Kaua`i Energy P– project moving forward – submitted draft EA to DLNR. Hoping it'll get published in August.
- 3.8 PUC Docket – Having discussions with EarthJustice and the Hawaii State Energy office where the Consumer Advocate filed five or six IRs on Earth Justice. Working on setting up a meeting with Earth Justice next week, where we will see if we continue to progress. Statement of positions on PUC approval from Consumer Advocate and docket participants filed. KIUC rebuttal position due on August 27, 2021.
- 3.9 Talk Story scheduled for Tuesday, August 10, 2021, at the Kekaha Neighborhood Center. There's no planned agenda, just a back and forth exchange of information to the community.
- 3.10 Spoke at the Kaua`i Contractors Association annual scholarship dinner about the West Kaua`i Energy Project and was very well received.
- 3.11 Brad and Dawn Huff are off at the Westside today as DHHL is holding a meeting and touring the site so they will be participating with them.
- 3.12 Endangered Species – Drone installation of LED diverters on 8 segments of Powerline Trail for efficacy testing.
- 3.13 Powerline Trail maintenance – engineering group still working through details.
- 3.14 KIUC staff who teleworked are now back at work in the office.
- 3.15 Kapaia Turbine – Still being built by GE in Houston as there's COVID and manufacturing issues.

- 3.16 Anahola Service Center – Construction moving forward; however, might not be completed by the end of the year as hoped for. One issue was fire safety, sprinklers and water pressure.
- 3.17 Crude oil price averaged \$7.35 per barrel, up 10%. KIUC rate is lower than all islands except Oahu. KIUC average monthly bill \$12 lower than November 2018 which was the last time crude oil averaged \$71 per barrel.
- 3.18 Question asked as to whom makes decision between EA and EIS – David stated DLNR makes that decision.
- 3.19 Question asked as to vaccine – will it be mandate by KIUC? David stated we're not at 100% but will not mandate it. Feels KIUC is doing pretty well.
- 3.20 Laurel stated the Mayor encouraged people not to travel to Las Vegas due to the rise in COVID cases. David Iha stated more robust discussions are needed regarding the upcoming regional meeting September to determine if people should attend or not. Have until August 27, 2021, to cancel reservations.

#### **4. Financial Report – Chris Yuh (Finance Mgr.) on behalf of Karissa Jonas (CFO)**

- 4.1 The June 2021 preliminary financials were reviewed (scorecard attached).

#### **5. NRECA Hawaii Director Report – David Iha**

- 5.1 Didn't receive much communications – working on bipartisan infrastructure bill to include some things for COOP.
- 5.2 Directorship election - NRECA will be holding an election at the October board meeting. The Term begins March 2022.

#### **6. Charitable Foundation Board – Teofilo Tacbian, President**

- 6.1 Charitable foundation will meet tomorrow, July 28, 2021.
- 6.2 Assisted one household in June for a total of \$300. Current balance at \$9,388.
- 6.3 Annual LIHEAP has an energy program which provides one time assistance to help offset energy costs of the household and it's available to all qualifying residence. Program ended June 30, 2021, but still haven't heard as to how many applicants qualified to receive the fund. Will report at next board meeting.
- 6.4 KEO, assisted and approved 12 applications for a total of \$7,121 for the month of June.
- 6.5 Makana Program – 237 members registered and this year in June we collected \$1,251.

#### **7. Public Testimony – None**

#### **8. New Business**

- 8.1 **CBRE PPA – (F&A Action Item)**

8.1.1 Pilot program to allow individuals and businesses who don't have access to solar projects to participate in the solar reduction in rate bill. Yukimura submitted and moved to the Board.

Second by Kass.

8.1.2 Approved unanimously.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,  
Tadbian, TenBruggencate & Yukimura Total – 9

OPPOSED: None Total – 0

EXCUSED: None Total – 0

## 8.2 Aepe Feeders – (F&A Action Item)

8.2.2 Project budgeted in 2020 but delays caused it to carry some of the costs to the 2021 budget. Yukimura moved to approve budget request. Murashige Second.

8.2.3 Approved unanimously

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,  
Tadbian, TenBruggencate & Yukimura Total – 9

OPPOSED: None Total – 0

EXCUSED: None Total – 0

## 8.3 KIUC Board Policy – (F&A Action Item)

8.3.1 Policy 6 changes were made as to formatting only.

8.3.2 Kass moved to approve the changes to Policy 6.

Second by TenBruggencate.

8.3.3 Approved unanimously.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,  
Tadbian, TenBruggencate & Yukimura Total – 9

OPPOSED: None Total – 0

EXCUSED: None Total – 0

## 8.4 Appointments to Region 9 Committee – (Executive, Action Item)

8.4.1 TenBruggencate moved to confirm Crowell on the Resolutions Committee, Yukimura as the voting delegate, and Mayfield on the Nominating Committee. Second by Kass.

8.4.2 Approved unanimously.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,  
Tadbian, TenBruggencate & Yukimura Total – 9

OPPOSED: None Total – 0

EXCUSED: None Total – 0

**9. Calendar**

**9.5.1 August 17, 2021 Board Committee Meeting (9:00 a.m. via Zoom)**

8.5.1a Discussion was held to move the meeting to August 18, 2021, to accommodate some of the board members with prior commitments.

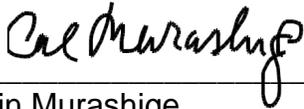
8.5.1b Approved unanimously

**9.5.2 August 26, 2021 Regular Board Meeting (1:00 p.m. via Zoom)**

9.5.2a No changes

**10. Executive Session.** The board adjourned at 11:18 to meet in executive session.

**11. Adjournment.** The meeting was adjourned by consensus at 12:06 p.m.



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Calvin Murashige  
Secretary



# President's Report

July 27, 2021

*David Bissell, President and CEO*

## *President's Report*

David Bissell, President and CEO  
July 27, 2021

### **Safety (June)**

	<u>Month</u>	<u>2021 YTD</u>	<u>2020 YTD</u>
Recordable Incidents	0	1	3
Days Away/Restricted	0	0	177

### **Availability and Reliability:**

	<u>Month</u>	<u>2021 YTD</u>	<u>2020 YTD</u>
Reportable Outages	0	22	11
Average Outage Hours Per Customer	0.00	0.99	0.44

### **Efficiency**

	<u>Month</u>	<u>2021 YTD</u>
Net Plant Heat Rate	9,258	9,402
Peak Demand (MW)	73.3	73.3

### **Residential Rates:**

July 2021	\$0.343/kwh Up \$0.001 from June
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## SEPA Power Player Award

# KIUC named Electric Cooperative Utility of the year by Smart Electric Power Alliance (SEPA)

*This Electric Cooperative demonstrates industry leadership through unique innovation in an effort to significantly accelerate the transformation to a clean and modern energy system.*



## Update items

- Member Survey shows “dramatic improvements” in satisfaction
- KIUC Annual Meeting held on zoom on July 22 with over 200 registering and over 100 participating
- West Kauai Energy Project
  - Draft Environmental Assessment filed with DLNR
  - PUC Docket
    - Statement of positions on PUC approval from Consumer Advocate and docket participants filed
    - KIUC rebuttal position due August 27
  - Talk Story Tuesday community outreach begins with first monthly meeting to be held at 4:30 on August 10<sup>th</sup> at the Kekaha Neighborhood Center
  - Project featured at Kauai Contractors Association annual scholarship dinner



## Update items

- Endangered Species
  - Drone installation of LED diverters on 8 segments of Powerline Trail for efficacy testing
    - Complex process with helicopter drop-offs for drone operators and crew
  - 2021 Year to Date Minimization 20%
  - Progress on HCP drafting continues
- KIUC staff who were teleworking are now working the majority of time in office
- Kapaia turbine still being worked on by GE in Houston
- Anahola Service Center
  - Steel building material on site and being installed



## Anahola Service Center- Construction



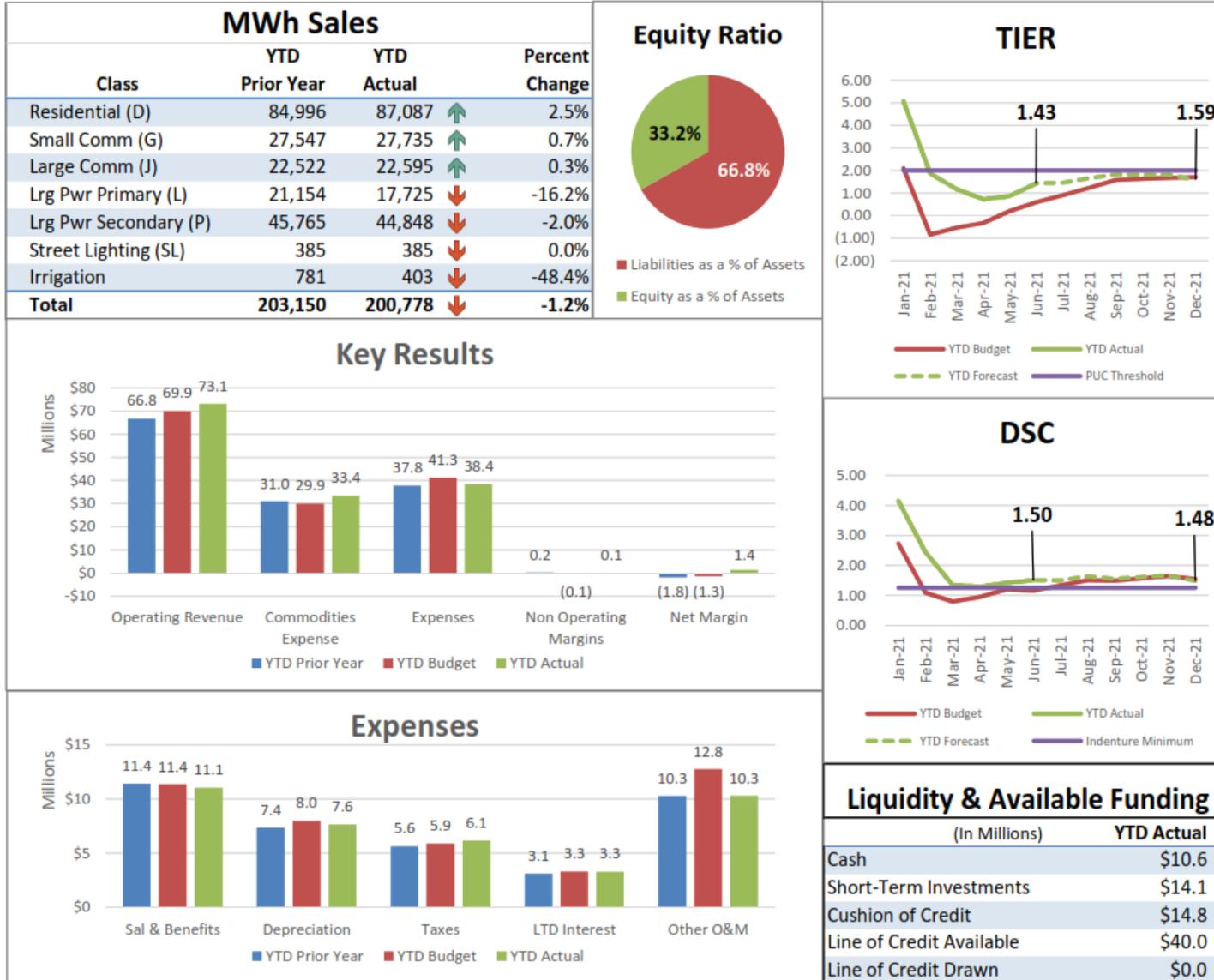
## Fuel Prices and Renewables

- 65% supply side renewable sourced generation in June
- Crude oil price averaged \$71.35 per barrel up 10%
- KIUC rate lower than all islands except Oahu
- KIUC average monthly bill \$12 lower than November 2018 which was the last time crude averaged \$71 per barrel



Mahalo!

# Financial Scorecard



~~KAUA'I ISLAND UTILITY COOPERATIVE~~  
~~KIUC POLICY NO. 6~~  
~~(Reviewed 05/29/2018)~~

**EMPLOYMENT OF RELATED PERSONS**

**PURPOSE OF POLICY:**

This policy describes the circumstances and conditions under which related persons may or may not be concurrently employed by ~~the Cooperative~~ KIUC.

**POLICY CONTENT:**

~~1. \_\_\_\_\_~~ ~~The KIUC's Board of Directors~~ recognizes that under certain circumstances and conditions, related persons may work for ~~KIUC the cooperative~~ in order to obtain and retain a qualified local workforce. The Board also recognizes the sensitivity of such employment and has determined the following rules shall apply:

- ~~1.~~ 1. For purposes of this policy, related persons include spouses, partners in a civil union, domestic partners, or reciprocal beneficiaries, children, siblings (whether of the whole or half blood), grandparents, grandchildren, great grandchildren, and the spouses of same. Adopted children shall be considered the same as children by blood.
- ~~2.~~ 2. Related persons with the requisite qualifications may be employed concurrently, provided there is no direct reporting relationship between such employees.

~~Adopted on this 29<sup>th</sup> day of May, 2018.~~

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Calvin Murashige  
Secretary

~~Reviewed: 05/29/2018~~  
~~Reviewed: 09/27/2016~~  
~~Reviewed: 10/28/2014~~  
~~Revised: 01/25/2011~~  
~~Original Adoption: 04/12/2000~~

Adopted on this XX<sup>th</sup> day of MONTH, 2021.

Revised: XX/XX/2021  
Reviewed: 09/27/2016  
Reviewed: 10/28/2014

Calvin Murashige  
Secretary

Revised: 01/25/2011  
Original Adoption: 04/12/2000

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