

**REGULAR MEETING OF THE BOARD OF DIRECTORS  
KAUA'I ISLAND UTILITY COOPERATIVE**

Via Video Conference Call

On November 21, 2023

**MINUTES**

Meeting called to order by Chair Smith at 1:01 p.m.

**1. Roll Call**

- 1.1. **Directors present:** Directors Allan Smith (Chair), Jan TenBruggencate (Vice-Chair), Calvin Murashige (Secretary), Peter Yukimura (Treasurer), Dee Crowell, David Iha, Janet Kass, James Mayfield, Teofilo Tacbian; and David Bissell (CEO)
- 1.2. **Others present:** Stacie Dellamano (CFO), Laurel Loo (General Counsel), Teresa Amoy (Executive Administrator), Beth Amaro (Member Services & Communications Mgr.), Brad Rockwell (COO); Lisa Ubay (Mgr. of HR and Safety), Cameron Kruse (Engineering & Technology Mgr.), Chris Yuh (Mgr. of Finance, Risk & Analytics), Daurice Arruda (Accounting Mgr.), Erin Tsuda (Finance Mgr.), Corinne Cuaresma (Controller), Scott Sato (Energy Services Supervisor), Allison Young (Communications & PR Specialist), Shelsey Francisco (Financial Analyst); Members of the press (0) and Member of the public (0)
- 1.3. **Absent/Excused:** None

**2. Approval of the Agenda**

- 2.1. The Board of Directors' Agenda of November 21, 2023, was approved as circulated with no adjustments made.

**3. Approval of Minutes**

- 3.1. The minutes of October 26, 2023, Regular Board meeting were approved as amended to reflect in section 9.1, on the second vote, Director Kass abstained from voting.

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

- 4.1. CEO discussed November's President's Report (report attached). COO provided an update on KPS scheduled outage. The project has been in the works for a couple of years with coordinating materials, equipment, and labor to replace a number of boiler tubes. (Slides attached). No action taken.

5. **Financial Report – Stacie Dellamano (CFO)**

5.1. CFO discussed finance and accounting updates and summarized the Board Financial Report submitted to the Board of Directors (report attached). No action taken.

6. **NRECA Hawai'i Director Report – Director David Iha update:**

6.1. Director Iha summarized NRECA's October 2023 Board update and the November 2023 update (attached).

7. **Charitable Foundation Board – Director Teofilo Tacbian update:**

7.1. Director Tacbian on behalf of the Foundation thanked the Committee Chair, Dee Crowell and all volunteers who helped with the Charitable Foundation Golf Tournament this past Saturday. Director Crowell, who chaired the Golf Tournament Committee noted that it was a very successful tournament with 42 teams and 168 participants.

7.2. The Charitable Foundation Board has applications pending that will be handled at their next meeting and will also wrap up the golf tournament numbers.

8. **Public Testimony**

8.1. No public testimony.

9. **New Business**

9.1. **Policy 20 Fiduciary Duty and Appointment to Fill Board Vacancies.**

- Director Kass explained that the Policy Committee is charged with reviewing all KIUC's policies at least every three years. Policy 20 was reviewed at the last Policy Committee meeting and the committee recommends no changes.

- **MOTION:** Director Kass moved to accept Policy 20 with no changes.

[Motion: Kass] [Second: Murashige]

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

OPPOSED: None Total – 0

EXCUSED: None Total – 0

**Motion carried**

9.2. **Board Request Approval for Attorney Invoices over the CEO Approval Limit**

- Board Approval Request form to approve attorney invoice which exceeds the CEO's expenditure limits of \$100,000. Request to approve July's invoice in the amount of \$178,236 for the services of the law firm Schneider, Tanaka, Radovich, Andrew, & Tanaka (STRAT).

- **MOTION** to approve the Board Approval Request form.

[Motion: Yukimura] [Second: Mayfield]

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

OPPOSED: None

Total – 0

EXCUSED: None

Total – 0

**Motion carried**

## 10. Calendar

- 10.1. **December 1, 2023** – Lights on Rice Parade (5:00pm – 8:00pm)
- 10.2. **December 6, 2023** – Board Budget Workshop (1:00pm, MCR)
- 10.3. **December 7, 2023** – Board Committee Meetings (9:00am, MCR)
- 10.4. **December 14, 2023** – Regular Board Meeting (1:00pm, via Zoom)
- 10.5. **December 16, 2023** – Waimea Lighted Parade (5:00pm – 9:30pm)
- 10.6. **December 22, 2023** – **HOLIDAY** – In observance of Christmas Eve (KIUC Offices Closed)
- 10.7. **December 25, 2023** – **HOLIDAY** – Christmas Day (KIUC Offices Closed)
- 10.8. **December 29, 2023** – In observance of New Year’s Eve, KIUC Offices open ½ day

11. **Executive Session** – No executive session.

## 12. Adjournment

- 12.1. The meeting was adjourned at 1:34 p.m.

*Calvin Murashige*

Calvin Murashige (Dec 14, 2023 15:28 HST)

---

Calvin Murashige

Board Secretary

November 21, 2023

David Bissell, President & CEO

# PRESIDENT'S REPORT

# PRESIDENT'S REPORT

Safety (October)	Month	2023 YTD	2022 YTD
Recordable Incidents	1	3	2
Availability and Reliability	Month	2023 YTD	2022 YTD
Reportable Outages	4	34	18
Average Outage Hours Per Customer	0.56	3.57	1.28
Efficiency	Month	2023 YTD	
Net Plant Heat Rate	9,027	9,032	
Peak Demand (MW)	80.3	80.3	
Residential Rates			
November 2023	\$0.365/kwh down \$0.019 from October		

# UPDATE ITEMS

- KIUC rates continue to be lowest in state
- Rate case
  - November 3- Settlement reached with Consumer Advocate (CA) and Statement of Probable Entitlement of 7.95% increase filed with HPUC
  - November 17- Settlement reached with Friends of Mahaulepu
  - November 27- Interim Rate Decision and Order
- Union Negotiations
  - 4-year agreement reached becomes effective December 4
  - Has been ratified by union and approved by KIUC board
- Wildfire Mitigation Plan
  - Plan development continues
  - Red flag warning was issued Tuesday, November 14

# KPS OUTAGE 11-5 TO 11-22



MAHALO!

# KPS Outage

Nov 5 - 20























80-9

GE L7/5752P  
BD

GE L7/5752P  
BD

GE L7/5752P  
BD





















# Kaua'i Island Utility Cooperative

Your Touchstone Energy® Cooperative



## **Board Meeting Financial Report**

**November 2023**

# Finance, Accounting, Regulatory and Warehouse Monthly Summary

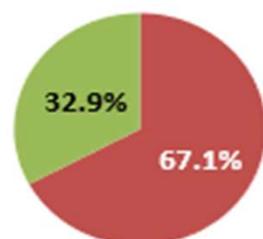
## Finance and Accounting Update

- Scorecard – key performance monthly stats
- Financial Results
  - Balance Sheet (Form 7 Reporting)
  - Income Statement (Form 7 Reporting)
- Outstanding Loan Detail Report
- A/R Reports
- Total kWh Sold Report
- Treasury Management Monthly Discussion
- BAR Form – STRAT – Attorney over \$100,000

## MWh Sales

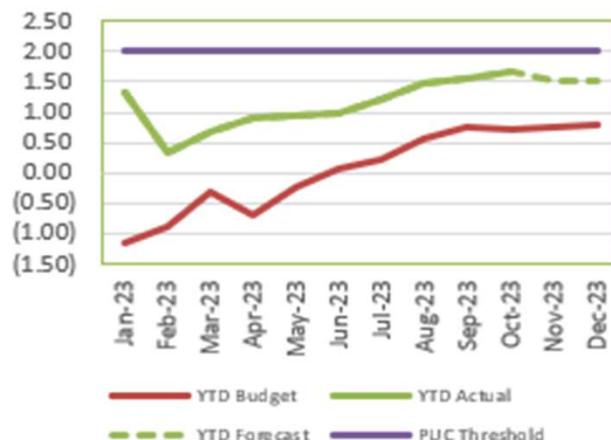
Class	YTD Prior Year	YTD Actual		Percent Change
Residential (D)	160,191	160,563	↑	0.2%
Small Comm (G)	53,993	54,242	↑	0.5%
Large Comm (J)	42,585	42,700	↑	0.3%
Lrg Pwr Primary (L)	36,857	40,624	↑	10.2%
Lrg Pwr Secondary (P)	86,715	86,823	↑	0.1%
Street Lighting (SL)	618	578	↓	-6.5%
Irrigation	2,039	884	↓	-56.6%
<b>Total</b>	<b>382,999</b>	<b>386,415</b>	↑	<b>0.9%</b>

## Equity Ratio

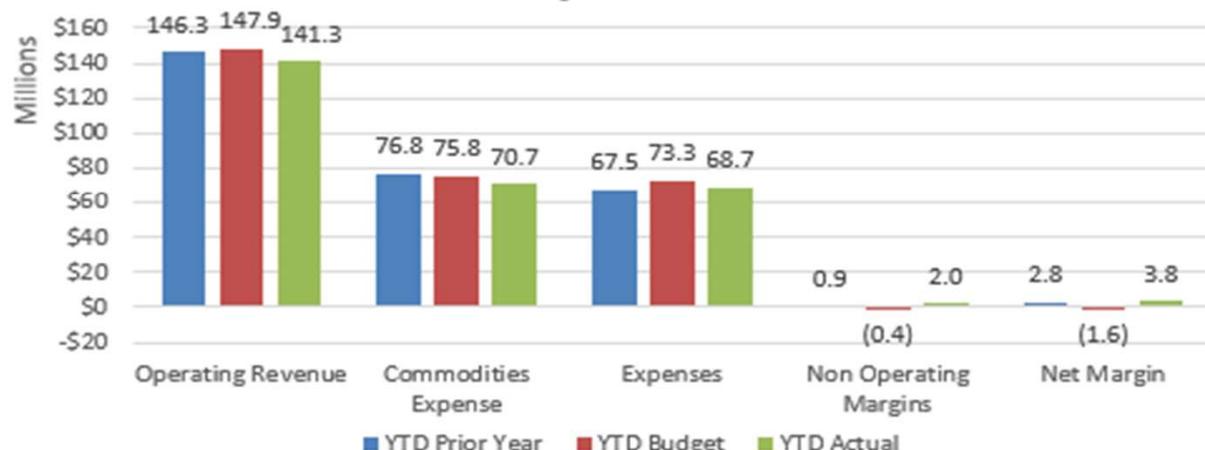


■ Liabilities as a % of Assets  
■ Equity as a % of Assets

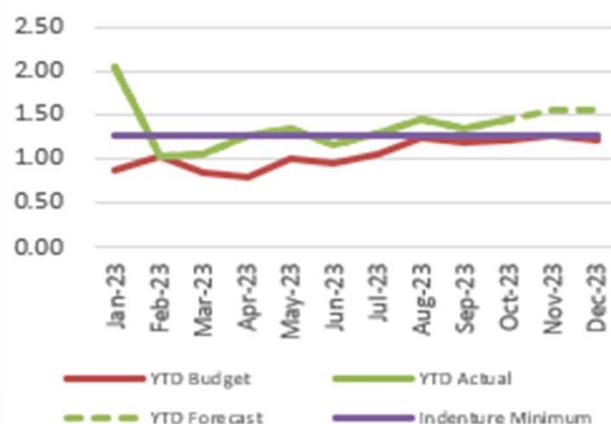
## TIER



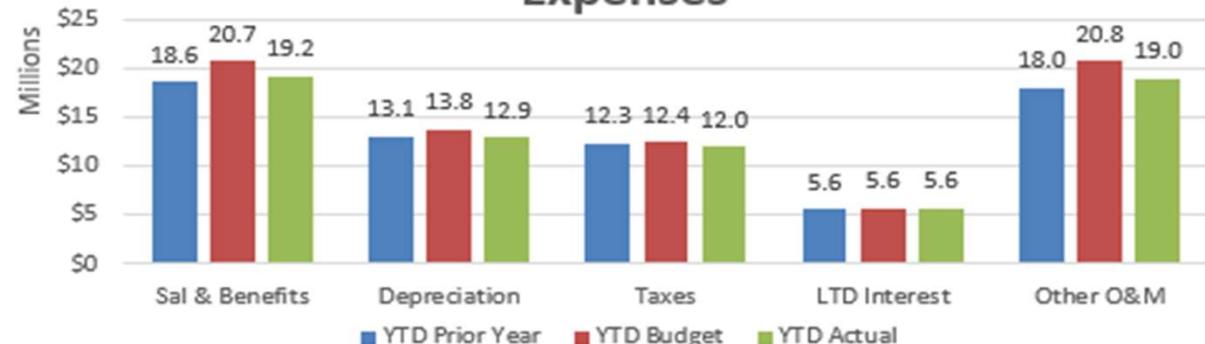
## Key Results



## DSC



## Expenses



## Liquidity & Available Funding

(In Millions)	YTD Actual
Cash	\$0.2
Short-Term Investments	\$41.2
Cushion of Credit	\$0.0
<b>Total Cash &amp; Investments</b>	<b>\$41.4</b>
Line of Credit Available	\$100.0
Line of Credit Drawn	\$0.0

## General Ledger Financial And Operating Report Electric Distribution

### BALANCE SHEET FOR OCT 2023

	Last Year	This Year	Variance
<b>ASSETS AND OTHER DEBITS</b>			
1. Total Utility Plant in Service	580,812,399.95	601,071,645.07	20,259,245.12
2. Construction Work in Progress	14,984,462.88	10,834,273.52	-4,150,189.36
3. Total Utility Plant (1 + 2)	595,796,862.83	611,905,918.59	16,109,055.76
4. Accum. Provision for Depreciation and Amort.	334,677,627.08	339,018,220.17	4,340,593.09
5. Net Utility Plant (3 - 4)	261,119,235.75	272,887,698.42	11,768,462.67
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	24,871,242.23	22,387,100.27	-2,484,141.96
8. Invest. in Assoc. Org. - Patronage Capital	1,158,794.30	1,263,969.31	105,175.01
9. Invest. in Assoc. Org. - Other - General Funds	831,300.00	831,300.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0.00	0.00	0.00
11. Invest. in Economic Development Projects	510,000.03	995,465.97	485,465.94
12. Other Investments	0.00	0.00	0.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	27,371,336.56	25,477,835.55	-1,893,501.01
15. Cash - General Funds	2,288,915.87	1,786,521.12	-502,394.75
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	-4,119.36	-30,903.52	-26,784.16
18. Temporary Investments	41,847,028.25	41,228,549.43	-618,478.82
19. Notes Receivable (Net)	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)	11,575,245.00	11,178,607.25	-396,637.75
21. Accounts Receivable - Other (Net)	412,675.23	555,085.28	142,410.05
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	21,296,301.16	22,074,150.66	777,849.50
24. Prepayments	1,211,814.89	1,919,559.46	707,744.57
25. Other Current and Accrued Assets	8,857,468.87	8,983,616.63	126,147.76
26. Total Current and Accrued Assets (15 thru 25)	87,485,329.91	87,695,186.31	209,856.40
27. Regulatory Assets	32,083,056.00	35,106,046.88	3,022,990.88
28. Other Deferred Debits	-48,804.02	136,613.20	185,417.22
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	408,010,154.20	421,303,380.36	13,293,226.16

## General Ledger Financial And Operating Report Electric Distribution

### BALANCE SHEET FOR OCT 2023

	Last Year	This Year	Variance
<b>LIABILITIES AND OTHER CREDITS</b>			
30. Memberships	595.79	608.28	12.49
31. Patronage Capital	131,555,827.22	134,480,568.86	2,924,741.64
32. Operating Margins - Prior Years	0.00	0.00	0.00
33. Operating Margins - Current Year	2,774,946.68	3,827,496.07	1,052,549.39
34. Non-Operating Margins	0.00	0.00	0.00
35. Other Margins and Equities	269,720.11	136,710.20	-133,009.91
36. Total Margins & Equities (30 thru 35)	134,601,089.80	138,445,383.41	3,844,293.61
37. Long-Term Debt - RUS (Net)	0.00	0.00	0.00
38. Long-Term Debt - FFB - RUS Guaranteed	117,886,218.07	118,759,126.23	872,908.16
39. Long-Term Debt - Other - RUS Guaranteed	0.00	0.00	0.00
40. Long-Term Debt - Other (Net)	120,080,206.57	119,828,361.85	-251,844.72
41. Long-Term Debt - RUS Econ. Devel. (Net)	0.00	0.00	0.00
42. Payments - Unapplied	-6,211,240.11	0.00	6,211,240.11
43. Total Long-Term Debt (37 thru 41 - 42)	231,755,184.53	238,587,488.08	6,832,303.55
44. Obligations Under Capital Leases - Noncurrent	0.00	13,583,205.15	13,583,205.15
45. Accumulated Operating Provisions	-211,122.46	32,671.90	243,794.36
46. Total Other Noncurrent Liabilities (44 + 45)	-211,122.46	13,615,877.05	13,826,999.51
47. Notes Payable	0.00	0.00	0.00
48. Accounts Payable	5,198,722.91	5,881,441.47	682,718.56
49. Consumers Deposits	1,288,874.09	1,521,473.95	232,599.86
50. Current Maturities Long-Term Debt	13,911,272.96	0.00	-13,911,272.96
51. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
52. Current Maturities Capital Leases	0.00	0.00	0.00
53. Other Current and Accrued Liabilities	11,205,256.43	10,884,096.06	-321,160.37
54. Total Current & Accrued Liabilities (47 thru 53)	31,604,126.39	18,287,011.48	-13,317,114.91
55. Regulatory Liabilities	0.00	0.00	0.00
56. Other Deferred Credits	10,260,875.94	12,367,620.34	2,106,744.40
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	408,010,154.20	421,303,380.36	13,293,226.16
Current Assets To Current Liabilities	2.77 to 1	4.80 to 1	
Margins and Equities To Total Assets	32.99 %	32.86 %	
Long-Term Debt To Total Utility Plant	38.90 %	38.99 %	

KAUAI ISLAND UTILITY COOPERATIVE  
NOTES, BONDS, AND OTHER INDEBTEDNESS  
TEST YEAR ENDED DECEMBER 31, 2023  
(IN THOUSANDS, EXCEPT PERCENTAGES)

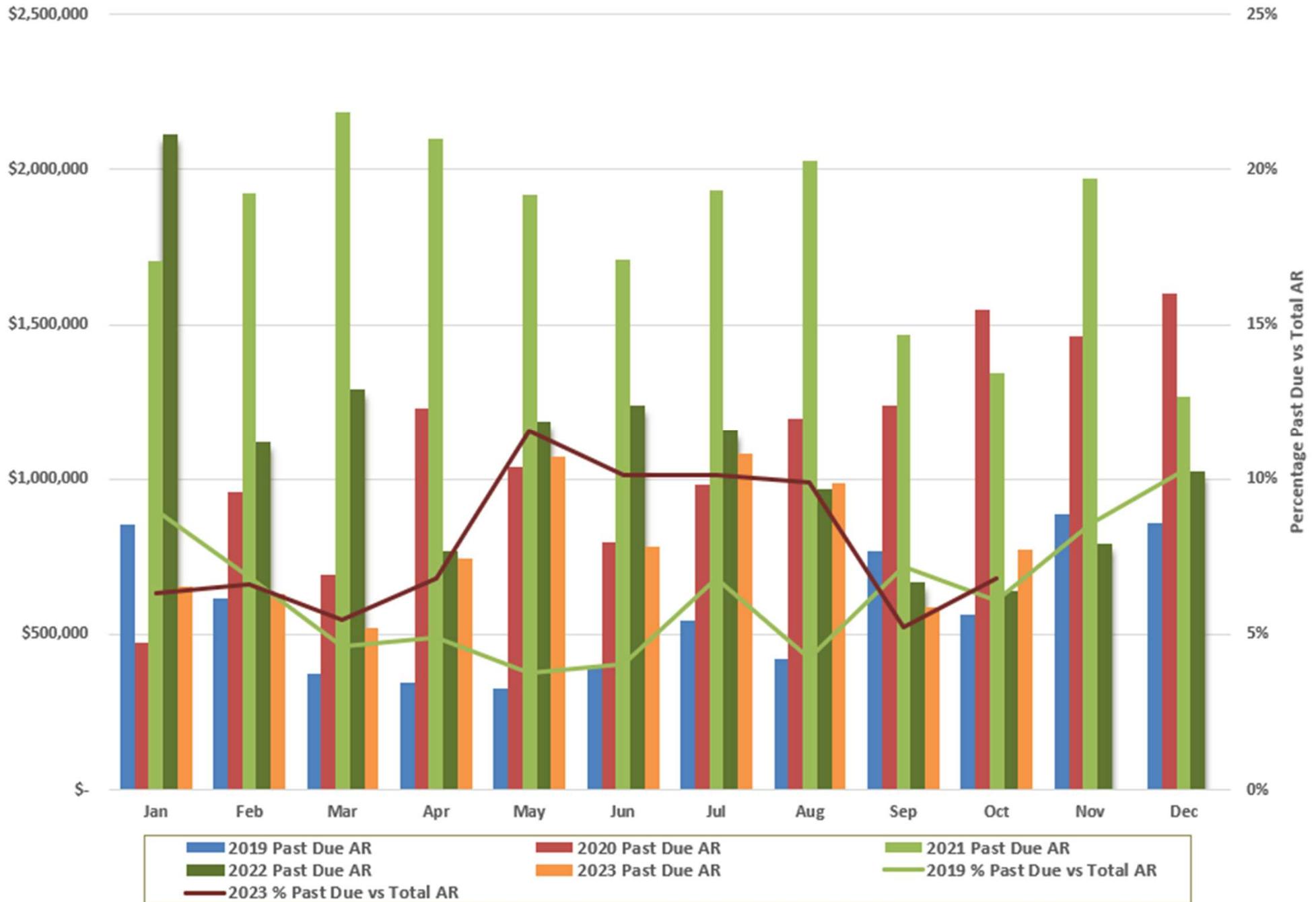
LINE NO.	LENDER	DATE OF NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	LOAN #	ORIGINAL AMOUNT	BALANCE AT 12/31/2022	BALANCE AT 12/31/2023	TY 2023
										INTEREST EXPENSE
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
1	CFC	12/17/03	12/18/03	09/30/23	3.69%	HI001-9005	\$8,240	\$412	\$-	\$8
2	CFC	04/30/19	04/30/19	03/31/35	2.55%	HI001-9014-001	103,134	78,215	72,705	1,930
3	CFC	02/06/20	02/25/20	12/31/49	2.76%	HI001-9019B	26,500	24,856	24,227	680
4							<u>137,874</u>	<u>103,483</u>	<u>96,932</u>	<u>2,618</u>
5	FFB	06/01/04	10/19/04	12/31/23	2.84%	B8 - 1-1	8,240	580	-	10
6	FFB	06/01/04	10/19/04	12/31/23	2.57%	B8 - 1-2	8,240	580	-	9
7	FFB	06/01/04	10/19/04	12/31/23	4.43%	B8 - 1-3	16,480	1,298	-	36
8							<u>32,960</u>	<u>2,458</u>	-	<u>55</u>
9	FFB	07/01/11	06/07/12	12/31/42	2.42%	C8#1 - 2-1	8,716	6,523	6,263	155
10	FFB	07/01/11	10/23/12	12/31/42	2.60%	C8#1 - 2-2	1,606	1,210	1,163	31
11	FFB	07/01/01	06/24/13	12/31/42	3.26%	C8#1 - 2-3	9,100	7,028	6,770	225
12	FFB	07/01/11	11/25/13	12/31/42	2.66%	C8#1 - 2-4	2,689	2,007	1,928	52
13	FFB	07/01/11	03/18/14	12/31/42	3.33%	C8#1 - 2-6	5,198	4,091	3,942	134
14	FFB	07/01/11	08/07/14	12/31/42	3.02%	C8#1 - 2-7	5,731	4,510	4,340	134
15	FFB	07/01/11	05/08/15	12/31/42	2.67%	C8#1 - 2-8	4,213	3,339	3,208	87
16	FFB	07/01/11	09/18/15	12/31/42	2.72%	C8#1 - 2-9	748	598	575	16
17	FFB	01/15/15	10/29/15	12/31/42	2.56%	C8#2 - 3-1	6,000	4,801	4,611	121
18	FFB	01/15/15	01/12/16	12/31/42	2.64%	C8#2 - 3-2	35,587	28,723	27,601	744
19							<u>79,588</u>	<u>62,830</u>	<u>60,401</u>	<u>1,699</u>
20	FFB	12/01/17	04/24/18	12/31/51	3.20%	D8 - 4-1	22,192	20,820	20,366	659
21	FFB	12/01/17	10/22/18	12/31/51	3.44%	D8 - 4-2	5,707	5,368	5,256	183
22	FFB	12/01/17	06/06/19	12/31/51	2.58%	D8 - 4-3	4,776	4,448	4,341	113
23	FFB	12/01/17	06/22/20	12/31/51	1.33%	D8 - 4-4	3,992	3,729	3,620	49
24	FFB	12/01/17	10/08/21	12/31/51	2.09%	D8 - 4-5	7,889	7,694	7,494	159
25	FFB	12/01/17	05/19/22	12/31/51	3.24%	D8 - 4-6	3,450	3,415	3,341	109
26	FFB	12/01/17	08/29/22	12/31/51	3.42%	D8 - 4-7	12,706	12,645	12,379	428
27							<u>60,712</u>	<u>58,119</u>	<u>56,797</u>	<u>1,700</u>
28	COBANK	02/06/20	02/22/21	02/20/51	2.90%	00102606 T01	18,119	17,408	17,004	506
29	COBANK	02/06/20	02/10/22	02/10/52	3.33%	00102606 T01-DS	4,900	4,812	4,713	161
30							<u>23,019</u>	<u>22,220</u>	<u>21,717</u>	<u>667</u>
31	<b>TOTAL</b>						<b>\$334,153</b>	<b>\$249,110</b>	<b>\$235,847</b>	<b>\$6,739</b>
32	Adjustment due to Rounding						-	-	-	-9
33	<b>ADJUSTED TOTAL</b>						<b>\$334,153</b>	<b>\$249,110</b>	<b>\$235,847</b>	<b>\$6,730</b>
	CWP Loan Funds Needed (with Add of Hana Kukui Purchase (\$25M) and Remodel (\$15M) for a total \$40M)						\$ 203,400	\$ 203,400	\$ 203,400	
	LOC Available (60M Disaster, CFC \$20, CFC \$5M CoBank \$15M)						\$ 100,000	\$ 100,000	\$ 100,000	
	<b>Outstanding Total Loan Balances</b>						<b>\$637,553</b>	<b>\$552,510</b>	<b>\$539,247</b>	
	LOC Available Deduct out of Ceiling (60M Disaster, CFC \$20, CFC \$5M CoBank \$15M)						\$ (100,000)	\$ (100,000)	\$ (100,000)	
							<b>\$537,553</b>	<b>\$452,510</b>	<b>\$439,247</b>	

## General Ledger Financial And Operating Report Electric Distribution

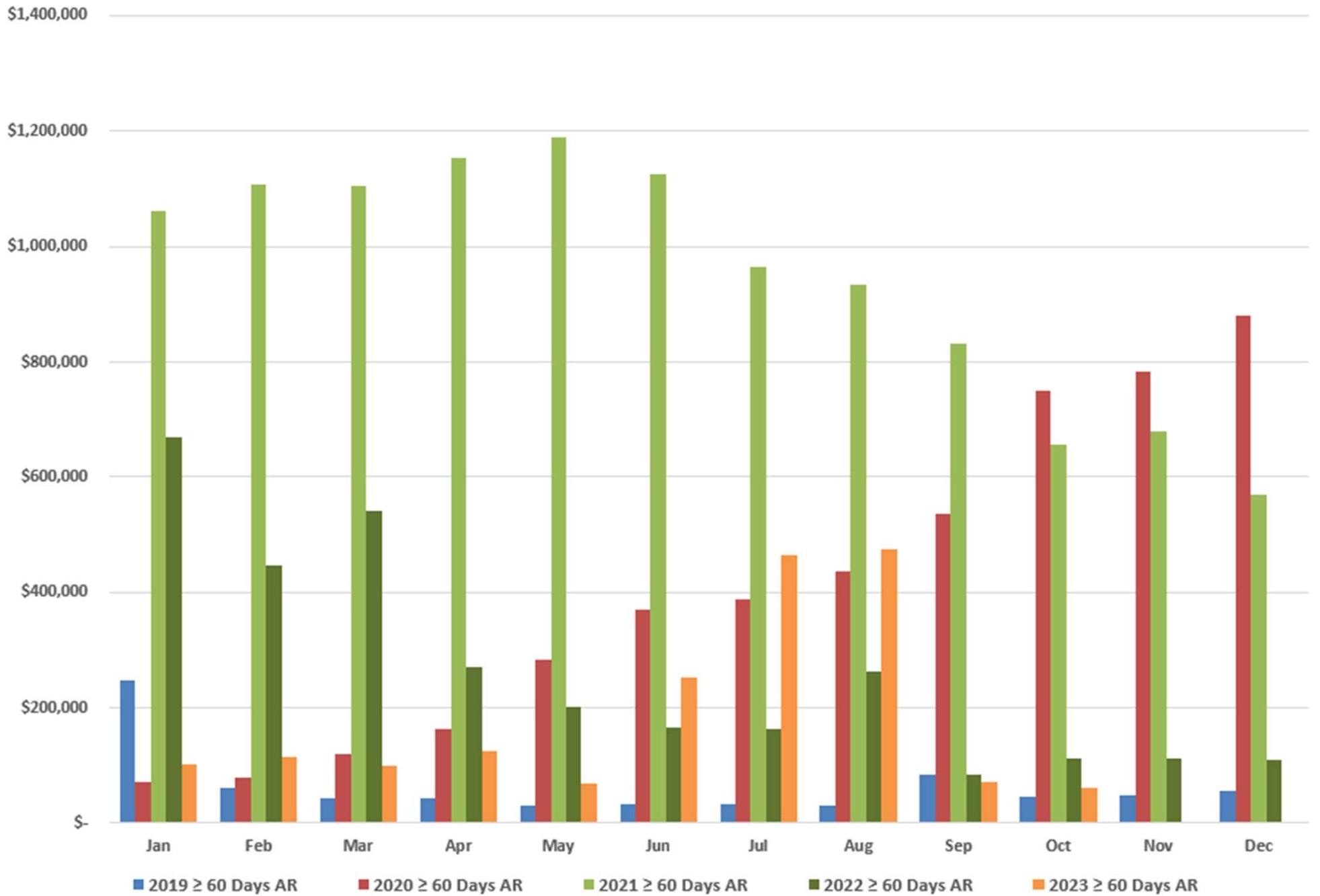
### INCOME STATEMENT FOR OCT 2023

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	146,286,387.74	141,263,415.38	146,849,824.00	15,919,047.59	15,867,912.00
2. Power Production Expense	47,796,018.41	44,203,238.51	47,763,759.00	5,903,406.17	5,972,099.00
3. Cost of Purchased Power	39,806,552.40	37,739,868.94	40,378,017.00	3,309,292.81	3,768,666.00
4. Transmission Expense	988,989.43	1,054,698.14	1,221,259.00	164,936.16	115,990.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,450,079.94	1,356,119.04	1,185,661.00	139,126.98	117,010.00
7. Distribution Expense - Maintenance	3,691,460.02	3,977,663.15	4,417,987.00	377,527.09	444,515.00
8. Customer Accounts Expense	1,917,311.12	1,889,349.79	2,457,006.00	180,511.48	246,579.00
9. Customer Service and Informational Expense	236,509.37	268,268.00	401,540.00	31,415.82	29,714.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	17,522,829.17	18,391,391.16	21,614,560.00	1,807,542.79	2,515,084.00
12. Total Operation & Maintenance Expense (2 thru 11)	113,409,749.86	108,880,596.73	119,439,789.00	11,913,759.30	13,209,657.00
13. Depreciation & Amortization Expense	13,081,135.52	12,915,885.63	15,442,295.00	1,276,244.11	1,544,230.00
14. Tax Expense - Property & Gross Receipts	3,654,399.86	3,528,743.07	3,671,247.00	397,578.48	396,698.00
15. Tax Expense - Other	8,637,531.34	8,448,870.18	8,673,113.00	945,095.67	935,827.00
16. Interest on Long-Term Debt	5,592,190.05	5,633,887.73	5,622,700.00	554,821.20	553,700.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	0.00	0.00	326,000.00	0.00	60,000.00
19. Other Deductions	60,506.99	23,102.27	71,375.00	4,150.00	2,830.00
20. Total Cost of Electric Service (12 thru 19)	144,435,513.62	139,431,085.61	153,246,519.00	15,091,648.76	16,702,942.00
21. Patronage Capital & Operating Margins (1 minus 20)	1,850,874.12	1,832,329.77	-6,396,695.00	827,398.83	-835,030.00
22. Non Operating Margins - Interest	1,046,036.19	2,452,031.94	796,917.00	252,842.88	79,342.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	-438,375.31	-838,139.65	-1,121,859.00	-100,353.25	-144,991.00
25. Non Operating Margins - Other	133,142.00	198,774.38	159,710.00	-1,430.03	15,971.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	183,269.68	182,499.63	205,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	2,774,946.68	3,827,496.07	-6,356,927.00	978,458.43	-884,708.00
Operating - Margin	2,774,946.68	3,827,496.07	-6,356,927.00	978,458.43	-884,708.00
Non Operating - Margin	0.00	0.00	0.00	0.00	0.00
Times Interest Earned Ratio - Operating	1.33	1.33			
Times Interest Earned Ratio - Net	1.50	1.68			
Times Interest Earned Ratio - Modified	1.46	1.65			

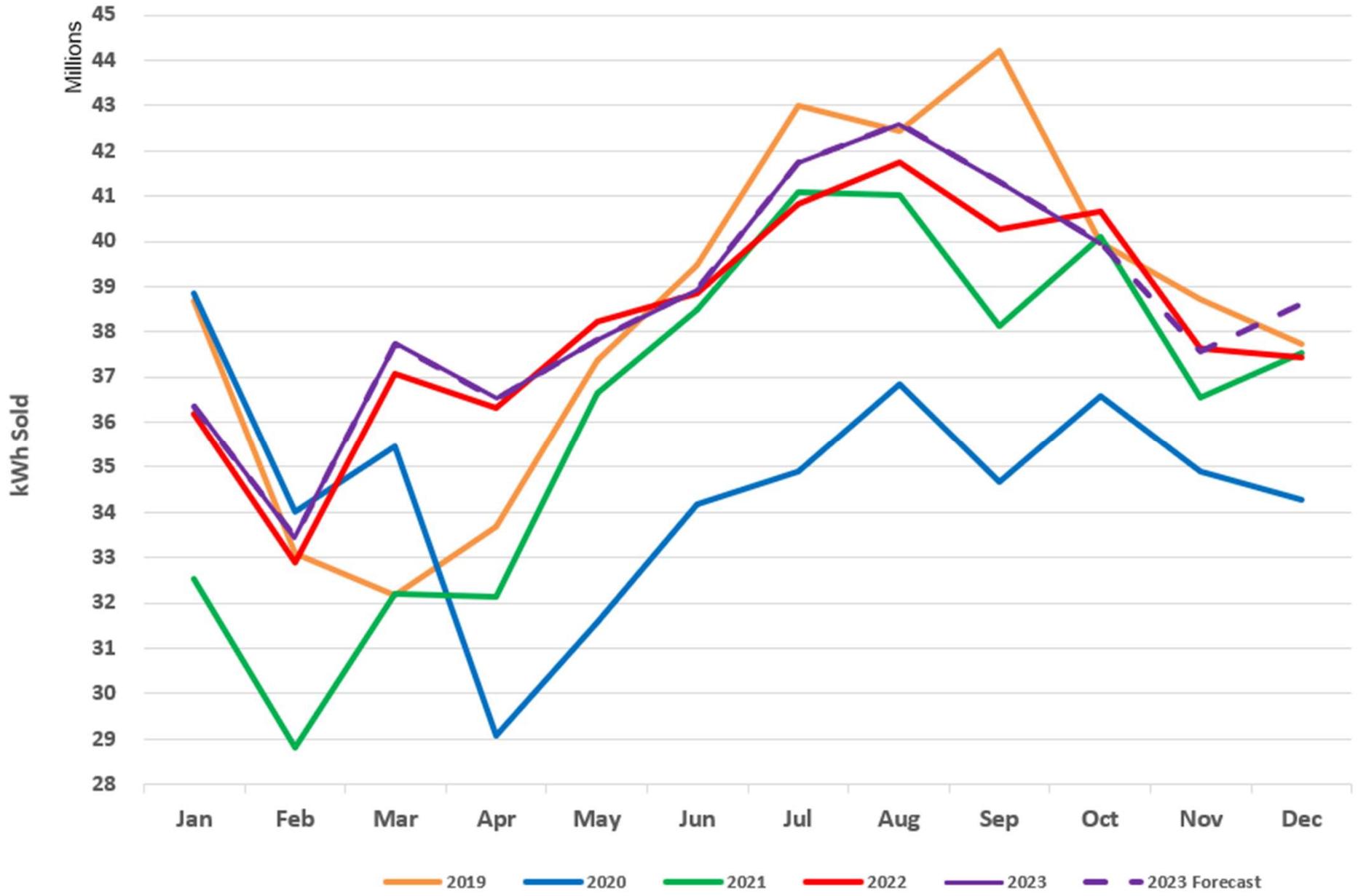
### YOY > 30 days vs Total AR



### YOY $\geq$ 60 Days vs Total AR



### Total kWh Sold



# Treasury Management – Monthly Discussion

- Ratings:
  - No changes in Money Market Fund Rating even with the downgrade of US Government Credit Ratings for Treasury.
- Current Summary Of Investments:
- \$31.3M Dreyfus Funds – AAA Rating Money Market Fund very ST
  - Government MM Fund – Treasury Only
  - Stable Value type of money market (heavily regulated and makes it difficult to break the dollar)
  - 4.97% Interest Rate
- \$4.94M CFC Daily and Monthly Commercial Paper – ST to Medium Term Investment – Daily to Monthly A2 Moody and S&P A-
  - Daily Fund \$4.9M 4.60%
- \$4.90M CoBank Commercial Paper Investment – AA- Moody and S&P
  - 60-day Investment – 4.20%
- \$254,800 Central Pacific Bank – Backup Checking in NISC if needed
  - Backup for Checking in Money Market (unlimited) account
  - 4.08%

**Questions?**

# NRECA Board Update

October 2023



- ◆ More than 50 electric co-ops were selected to negotiate contracts for approximately \$650 million in federal infrastructure funding from the Department of Energy's Grid Resilience Innovation Partnership (GRIP) program. A NRECA wildfire mitigation consortium of 39 of co-ops was selected to negotiate for approximately \$100 million. The GRIP infrastructure funding is an important step as electric co-ops work to harden systems against wildfires and enhance the reliability of the grid.
- ◆ A recent [report](#) sheds light on the important economic impact of electric cooperatives across the country. According to the analysis, commissioned by NRECA and the National Rural Utilities Cooperative Finance Corporation (CFC), electric co-ops support nearly 623,000 jobs with \$51 billion in pay and benefits, and contribute an average of \$111 billion to U.S. gross domestic product each year.
- ◆ NRECA sponsored POLITICO's *The Future of Grid Reliability* [event](#) to continue the conversation in Washington on electric system reliability. The event included Jim Matheson, Rep. Bob Latta (R-OH), Rep. Scott Peters (D-CA), and a discussion panel that included Heather Teilhet from Oglethorpe Power.
- ◆ Washington, D.C., area news organization Axios held a virtual event presented by NRECA Broadband that examined the state of play for new solutions, legislative policies and innovations regarding rural broadband. Participants included Jim Matheson, Sen. Tina Smith (D-Minn.) and Sen. Roger Marshall (R-Kan.).
- ◆ NRECA is partnering with the Kellogg School of Management at Northwestern University, one of the world's foremost institutions for business education, on the NRECA Executive Leadership [Program](#), endowed by CoBank. The new week-long educational opportunity for CEOs, C-Suite roles and MIP graduates was fully subscribed within the first two weeks of its announcement.

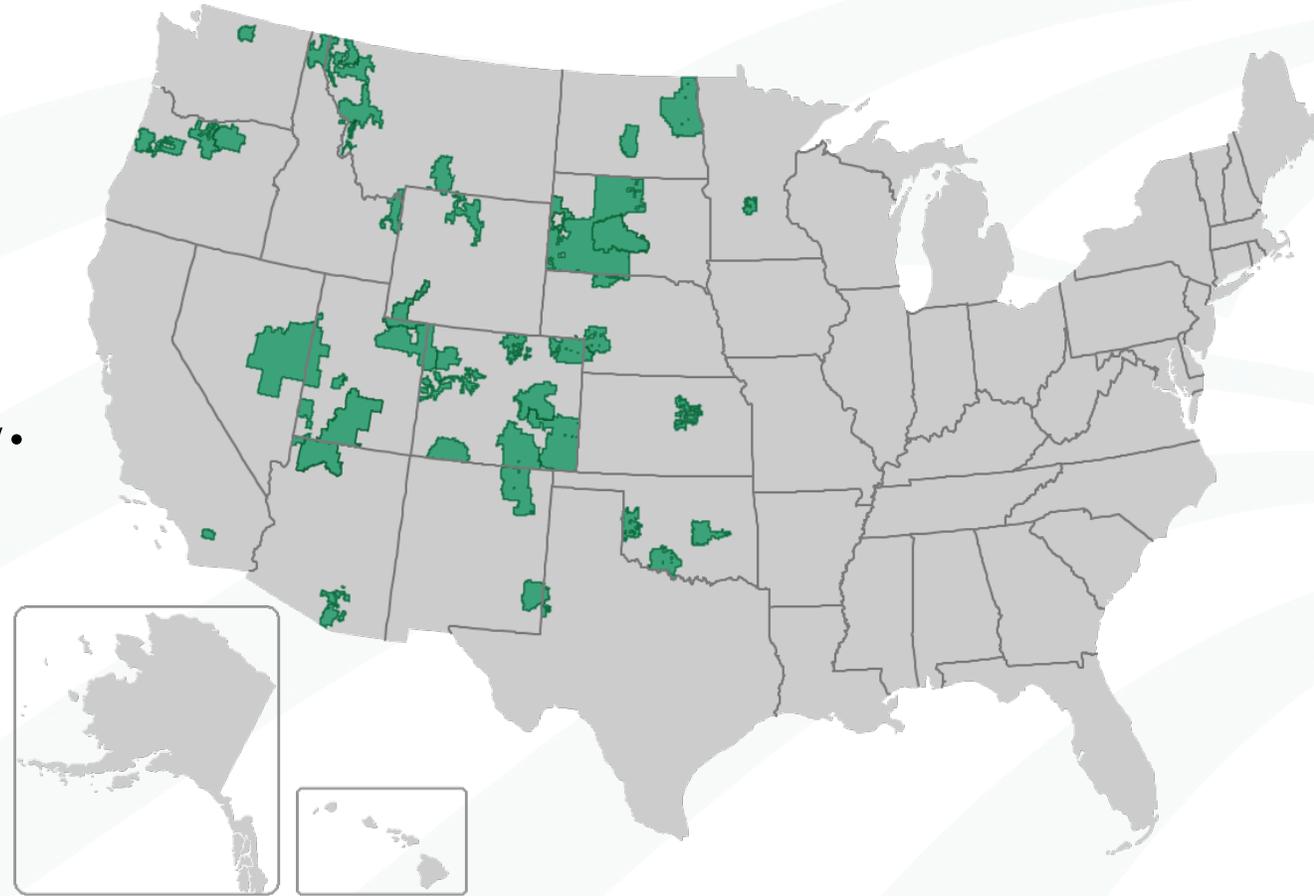
NRECA Board of Directors

# NRECA Update

November 2023

# Facilitating Cooperation Among Cooperatives

- More than 50 co-ops were selected to negotiate contracts for approximately \$650 million from the DOE.
- NRECA consortium of 39 co-ops were selected for \$100 million.



*Co-ops participating in the NRECA GRIP wildfire consortium.*

# Amplifying Co-op Voices

- NRECA sponsored POLITICO's *The Future of Grid Reliability* event to continue the reliability conversation in Washington.
- Axios event presented by NRECA Broadband examined the state of play for rural connectivity.



Rep. Scott Peters, D-Calif.



NRECA CEO Jim Matheson



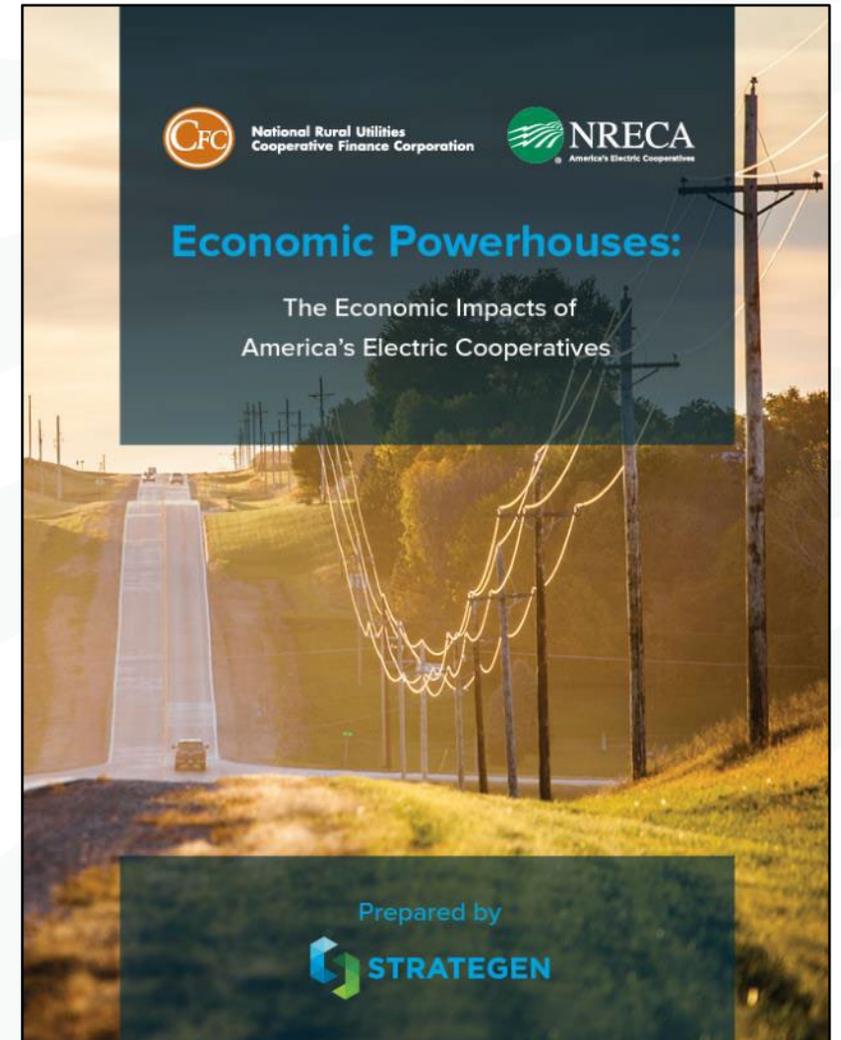
Sen. Roger Marshall, R-Kan.



Sen. Tina Smith, D-Minn.

# Reporting the Economic Impact of Co-ops

- A recent report sheds light on the important economic impact of electric cooperatives:
  - Support nearly 623,000 jobs and \$51 billion in pay and benefits.
  - Create more than \$226 billion in total sales output.
  - Contribute \$111 billion to U.S. GDP.



# Improving Learning Opportunities

- NRECA is partnering with the Kellogg School of Management at Northwestern University on the NRECA Executive Leadership Program.





On behalf of the KIUC Charitable Foundation, I want to thank the following for helping to make our Fun raiser Golf Tournament a great success that is was: Committee Chairman Dee Crowell, Coordinator Shelley Paik, Members, Kyle Cremer, Scott Sato, Shelsey & Brenden Francisco, Allan & Linda Smith, Teresa Amoy, Julie & Sarah Morioka, Erin Tsuda, Carrice Gardner, Lisa Ubay, Tane Oriol, Daurice Arruda, Beth Amaro, Peter Yukimura, David Iha, Carey Koide, Lyn Casticimo, Mike Yamane, TrINETTE KauI, Jonah Knapp, Brianna Pacleb, Brooks Braun, Chris Yu, Reina Kurisu, Maile Alfiler, Percy Sanchez (Blaze Entertainment), TJ Esaki-Kua, KRISTEN YANAGAWA & GANG.

T PHIL TACBIAN, PRESIDENT

# BOARD APPROVAL REQUEST FORM

## Requestor

Department Accounting Date 9/20/2023  
Name Stacie Dellamano Title: Financial VP & CFO

Program/Project Name Attorney Invoices Over CEO Limit / Rate Case Expense

Project Dates (if any) \_\_\_\_\_

Deadline(s) \_\_\_\_\_

## Description of Request (attach documentation if needed)

Requesting approval to pay the following invoice, which exceeds the CEO's expenditure limit of \$100,000 per attorney invoice:

- Schneider Tanaka Radovich Andrew & Tanaka (STRAT) invoice #14-9001-205M dated 09/19/2023, in the amount of \$178,236.05

## Financial Impact

Fiscal Year: 2023

Budgeted?  Unbudgeted? \_\_\_\_\_

O&M \_\_\_\_\_ Capital  (if NEW, attach Capital Justification Sht)

Original Budget Amt \_\_\_\_\_

Additional/Change \_\_\_\_\_

Revised Budget Amt \$ \_\_\_\_\_ -

Required (Initials)

CEO Review: DB

## Committee Referral/Action

Committee F&A

Meeting Date: 10/17/2023 11/14/2023

Committee Recommendations: \_\_\_\_\_

Cmte Chairperson Presiding: Peter Yukimura

## Board Action

Board Workshop \_\_\_\_\_ Wrkshp Date: \_\_\_\_\_

Board Meeting Date 10/26/2023 11/21/2023

Action Taken: Approved 1st/2nd: \_\_\_\_\_

Other Info: \_\_\_\_\_ Res No. \_\_\_\_\_

File Date & Location \_\_\_\_\_

July 2023

**KIUC BOARD POLICY NO. 20**  
**FIDUCIARY DUTY AND APPOINTMENTS TO FILL BOARD VACANCIES**

**PURPOSE OF POLICY:**

The purpose of this policy is to state the fiduciary duty of directors, and to make it clear that the Board may fill vacancies on the Board with existing Directors or leave the vacancies unfilled.

**POLICY CONTENT:**

**I. Fiduciary Duty of Directors**

All Directors are fiduciaries of the Cooperative and its members. As fiduciaries, Directors have, among others, four overriding duties to the Cooperative and its members. These are the duties of good faith, due care, loyalty and attention.

**II. Appointment of Existing Directors to Fill Board**

The Bylaws allow the Board to fill vacancies on the Board. A vacancy may be filled with a sitting Director. However, no sitting Director may be appointed to fill more than one unexpired term without standing for election thereafter.

**III. Leaving Vacancies Unfilled**

The Board may also elect not to fill an unexpired term provided there remain at least seven (7) sitting Directors without such an appointment.

Adopted on this 21<sup>st</sup> day of November, 2023

Calvin Murashige  
Secretary

Reviewed: 11/21/2023  
Revised: 11/23/2020  
Reviewed: 07/31/2018  
Reviewed: 10/25/2016  
Reviewed: 10/28/2014  
Reviewed: 10/25/2011  
Reviewed: 09/27/2011  
Original Adoption: 05/19/2005