Final Report

2013 Equity Management Plan



September 2013





September 25, 2013

Mrs. Karissa Jonas Financial Vice Present and Chief Financial Officer Kaua'i Island Utility Cooperative 4463 Pahe'e Street, Suite 1 Lihue, Hawai'i 96766-2032

Subject: 2013 Equity Management Plan Report

Dear Mrs. Jonas:

SAIC Energy, Environment & Infrastructure, LLC, is pleased to submit this final report on the 2013 Equity Management Plan for Kaua'i Island Utility Cooperative. This report sets forth and summarizes the methodology, assumptions and results of the 2013 Equity Management Plan analysis.

The preparation of the 2013 Equity Management Plan and this report was a collaborative effort by KIUC staff and our project team. On behalf of SAIC, we wish to express our appreciation for your assistance on this effort along with the assistance of other KIUC staff members who provided the timely information and review necessary for the successful completion of this project.

Thank you for the opportunity to be of service to KIUC.

Sincerely,

SAIC Energy, Environment & Infrastructure, LLC

Laurie A. Tomczyk

Senior Financial and Rates Consultant

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This report has been prepared for the use of the client for the specific purposes identified in the report. The conclusions, observations and recommendations contained herein attributed to SAIC constitute the opinions of SAIC. To the extent that statements, information and opinions provided by the client or others have been used in the preparation of this report, SAIC has relied upon the same to be a ccurate, and for which no a ssurances are intended and no representations or warranties are made. SAIC makes no certification and gives no assurances except as explicitly set forth in this report.

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2013 Equity Management Plan

Kaua'i Island Utility Cooperative

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2013 EQUITY MANAGEMENT PLAN

Introduction

Kaua'i Island Utility Cooperative (KIUC) retained SAIC Energy, Environment and Infrastructure, LLC (SAIC) in May 2012 to assist KIUC staff with the development of a 2013 Equity Management Plan (2013 EMP). The 2013 EMP is a spreadsheet-based model that contains several elements designed to help KIUC evaluate its projected financial performance under various scenarios over a ten-year planning period from 2013 through 2022.

A critical element of the 2013 EMP was the projection of annual operating results under various financial and operational assumptions. As part of the development of the 2013 EMP, several factors were considered to be of significant importance in KIUC's financial planning efforts. These factors include:

- Building equity levels to increase KIUC's equity ratio,
- Meeting or exceeding minimum loan covenant requirements including Times Interest Earned ratios (TIER) and Debt Service Coverage (DSC) ratios,
- Balancing borrowing needs and equity levels to fund KIUC's capital needs,
- Maintaining general consistency with KIUC's strategic plan and resource planning,
- Achieving the Hawai'i Renewable Portfolio Standard requirements,
- Maintaining appropriate cash reserve levels, and
- Evaluating future revenue requirement and future rate adjustment needs.

KIUC's prior EMP was finalized in June 2009 (2009 EMP). This 2009 EMP included consideration of a baseline financial projection and three alternative scenarios. The 2009 EMP was developed in the context of helping KIUC determine an appropriate TIER level to be used for rate setting purposes and to demonstrate KIUC's ability to maintain financial strength to KIUC's lenders.

The purposes set by KIUC for the 2013 EMP were to update the 2009 EMP to reflect KIUC's new capital financing plans and updated load forecast projections, and to test the sensitivity of various factors on KIUC's operating results. A Base Case EMP analysis was prepared to show projected financial results associated with KIUC's planned renewable energy capital development program. This Base Case Scenario included a realistic but aggressive build out of KIUC renewables generation portfolio and the assumed continuation of KIUC's current ratemaking practices.

This Base Case Scenario was compared with several alternative scenarios that included: (1) a scenario that showed the impacts of implementing a decoupling rate



mechanism based on KIUC's achieving an average 1.80 TIER¹ each year throughout the projection period, (2) a scenario designed to show the sensitivity of projected results to lower load growth, (3) a scenario that assumed no additional KIUC renewables projects were developed, and (4) a scenario that showed the sensitivity of projected results to no fuel price increases.

Approach

According to KIUC Board policies, the KIUC EMP should set forth a plan for optimizing members' equity investment in the cooperative that also facilitates providing electricity to the members at the lowest reasonable cost and maintaining KIUC's financial strength. Consistent with this direction, the development of the 2013 EMP involved discussions of various financial management and other issues that included KIUC management and staff, SAIC staff, and input from the KIUC Board of Directors. The KIUC Board participated in a workshop that addressed the EMP process and analysis results.

A detailed financial spreadsheet model was developed as part of the 2013 EMP process. This model includes projections of annual revenues and expenditures for the 10-year study period of 2013 through 2022. Year-end balance sheet projections were also developed in the model as were supporting schedules for plant investment, funding requirements and sources, and existing and new debt service payments.

SAIC worked with KIUC management to identify several financial-related variables to be reviewed in the EMP process and used the EMP model to analyze the impact of these variables on KIUC's projected financial results. The interrelationships of these variables in the EMP required that numerous planning assumptions be considered conjointly.

Based on the results of these analyses and input from the KIUC staff and Board of Directors, the key elements of the Base Case Scenario were selected to represent a status quo financial course of action for KIUC to take that balances the needs of its members, lenders, and regulators, while achieving KIUC's financial and strategic goals based on current operating and financial assumptions. The Base Case Scenario was designed to meet the following goals included in KIUC's 2013-2025 Strategic Plan:

- Decrease average residential energy bills by 10 percent, after adjusting for oil prices, over the next 10 years through implementation of KIUC's renewable energy plan, assertive cost control measures, and innovative efficiency solutions for members.
- Generate at least 50 percent of energy using renewable resources by 2023.
- Target a TIER of 1.80 to 2.00 annually and an equity-to-assets ratio of approximately 35 percent.

¹ TIER = (Patronage Capital or Margins + Interest on Long-Term Debt)/Interest on Long-Term Debt

Some key assumptions used in the Base Case Scenario include (1) commercial operation of two new 12 MW solar projects developed through KIUC subsidiaries in 2014, (2) purchase of power from a new 6.7 MW biomass plant beginning in 2014, (3) development of approximately 17 MW of new KIUC-owned hydroelectric power starting commercial operation in 2018, (4) continued use of a 2.27 regulatory TIER² for rate setting purposes, and (5) no base rate increases during the projection period. A full discussion of the key assumptions used in the EMP Base Case is provided later in this report.

The results of the Base Case Scenario as well as four alternative scenarios are presented in this report. These alternative scenario results are presented to show the sensitivity of projected results to variations in selected key discrete variables. The alternative scenarios are as follows:

- **Alternative Scenario 1 Decoupling:** Another goal in KIUC's 2013-2025 Strategic Plan is to develop a decoupling mechanism for KIUC's ratemaking This decoupling mechanism would be designed to protect the cooperative from financial degradation resulting from downward trends in sales volumes caused by conservation and energy efficiency efforts, continued expansion of customer-sited generation, and down economic cycles. In this alternative scenario, the assumption was made that the decoupling mechanism would allow KIUC to achieve an average TIER of 1.80 each year beginning in 2014 instead of the current 2.27 regulatory TIER.
- Alternative Scenario 2 Lower Sales: Projected sales were assumed to be equal to the Low Case Energy Sales from KIUC's 2012 Load Forecast, which results in little or no sales growth during the projection period. Projected sales in 2022 are 8.8 percent lower in Alternative Scenario 2 as compared to the Base Case Scenario.
- Alternative Scenario 3 No Renewables Additions: KIUC was assumed to obtain all of its energy requirements over the projection period from existing generating plants and purchased power resources without development of any of the new solar, biomass, or hydroelectric projects included in the Base Case Scenario.
- Alternative Scenario 4 Flat Fuel Prices: Fuel prices were assumed to remain at 2013 levels throughout the projection period.

The 2013 EMP, like any financial plan, is expected to be adjusted periodically as conditions change and as each year's operating results become known. Given the significant changes envisioned over the projection period, possible modifications to plans as new information or opportunities become available, and the potential for further decline of KIUC's energy sales, it is recommended that KIUC review and update this EMP annually during the next several years as part of its ongoing financial planning process.

² The amortization of KIUC's acquisition adjustment was removed from operating expenses for purposes of calculating the regulatory TIER level as required in the PUC's Decision and Order No. 19658 issued in Docket No. 02-0060 for the purposes of establishing rates.

Financial Goals

KIUC's vision is to improve the quality of life for its members and for Kaua'i by achieving its mission of being an energy solutions leader by: (1) safely providing reliable power that is fairly and competitively priced, (2) practicing conservation and efficient use of energy resources, and (3) increasing sustainable power supply and environmental stewardship.

In order to accomplish this mission, it is important for KIUC to achieve the following key financial goals.

- Equity Levels: KIUC has established a minimum long-term equity ratio goal of 35 percent. Preferably this goal would be achieved with a gradual but steady increase in its equity ratio during the EMP projection period. KIUC began operations as a completely debt financed cooperative with no equity at the time of the Kaua'i Electric acquisition in November 2002. Although KIUC is not required to maintain a specific equity ratio, its lenders and regulators have expectations regarding KIUC's build-up of equity to establish financial strength over time. In addition, a 30 percent equity level is required for KIUC to be relieved of costly loan accommodation requirements and to allow KIUC to make unrestricted retirements of patronage capital without the approval of its lender, the Rural Utilities Service (RUS).
- TIER and DSC Levels: KIUC's lenders have minimum TIER and DSC requirements to ensure the security of debt service payments. However, the results of the EMP analyses show these minimum levels are not sufficient for KIUC to meet its financial goals and are not consistent with the cooperative electric industry in general. Higher levels for TIER and DSC are necessary to provide adequate cash reserve levels, for equity funding of capital improvements, and accumulation of equity to maintain and increase the equity ratio. Therefore, KIUC has established an annual target achieved TIER range of 1.80 to 2.00.
- Funding of Capital Expenditures: Significant capital expenditures, particularly for generating resources, will be required during the ten-year projection in order for KIUC to provide efficient and reliable service to its members and meet KIUC's renewable energy goals. KIUC's 2013-2025 Strategic Plan calls for meeting 50 percent of KIUC's annual kilowatt-hour (kWh) sales with eligible renewable resources by 2023, and reducing greenhouse gases to 1990 levels. This renewables goal exceeds the requirements established by Act 234, the 2007 law establishing the framework to reduce greenhouse gas emissions emitted in 2020 to the 1990 emission level. It also surpasses the requirements set by Act 73 in 2010, the Hawai'i Clean Energy Initiative, which calls for 70 percent clean energy by 2030, with 40 percent of that amount coming from renewable sources. It is important for KIUC to maintain strong financial performance levels to assure its access to low cost capital to fund these capital expenditures, to protect the investment of its members in the KIUC system, and to keep its rates for electric service at reasonable levels in the future. KIUC will need to continue to balance its borrowing needs with equity financing out of rates throughout the projection period.

- Cash Levels: Consistent with the 2009 EMP and its 2009 general rate case filing, KIUC has determined that minimum levels of cash or cash equivalents, such as established lines of credit, equal to approximately thirty days of operating expenses (i.e., operations, maintenance, and interest expenses) are necessary for maintaining sufficient liquidity for cash transaction requirements and unforeseen events. This is consistent with the cash levels requested in other general rate case filings before the PUC.
- Rate Stability and Competiveness: KIUC's 2013-2025 Strategic Plan calls for decreasing the average residential energy bill by 10 percent, after adjusting for oil prices, over the next 10 years through implementation of their renewable energy plan, assertive cost control measures, and innovative efficiency solutions for members. In developing the 2013 EMP, KIUC worked diligently to balance this goal with the goals of developing more efficient and renewable generating resources and accumulation of equity.

Key Base Case Scenario Assumptions

Various assumptions were made in developing the 2013 EMP Base Case Scenario projections. In general terms, the principal assumptions used in the 2013 EMP Base Case Scenario are as follows:

- **Renewables Additions:** Two new solar facilities are scheduled to be commercially operational in 2014. They are both being developed through KIUC subsidiaries. In addition, a new biomass facility owned and operated by a third party is expected to become operational in mid-2014 and to sell power to KIUC. Also, KIUC is planning to add additional hydroelectric generation to its resource mix during the projection period. Assumptions used for these renewables additions are as follows:
 - KIUC Renewable Energy Solutions One LLC (KRS1) A 12 MW solar facility owned and operated by KRS1, a KIUC subsidiary; commercially operational in the fourth quarter of 2014; KIUC will borrow the funds necessary to construct the facility and then loan them to KRS1; gross capital cost of \$57.2 million; federal grant funds of \$16.3 million used to offset construction costs; one-time state tax refund of \$5.3 million; purchase power agreement payments by KIUC to KRS1 set at the level necessary for KRS1 to annually achieve a 1.25 TIER; and annual cash disbursements from KRS1 to KIUC above a minimum KRS1 cash level.
 - KIUC Renewable Energy Solutions Two LLC (KRS2) A 12 MW solar facility developed and operated by KRS2, a KIUC subsidiary; commercially operational in the third quarter of 2014; KRS2 will borrow the funds necessary to construct the facility; gross capital cost of \$41.3 million; initial equity investment of \$27.2 million by a separate tax entity established by KIUC to take advantage of the tax benefits associated with KRS2; initial one percent ownership of KRS2 by KIUC and 99 percent ownership by the tax entity until an equity flip occurs in year 2020 at which time KIUC will have

95 percent ownership of KRS2; purchase power agreement payments by KIUC to KRS2 equal to \$125 per MWh; and annual cash disbursements from KRS2 to KIUC above a minimum KRS2 cash level.

- Green Energy A 6.7 MW biomass plant owned and operated by a third party, power sold to KIUC through a purchase power agreement, and commercially operational in the third quarter of 2014.
- New Hydroelectric Four facilities with a total of 16.8 MW of capacity, owned and operated by KIUC, commercially operational by 2018, and total capital cost of \$81.5 million excluding capitalized interest.

It is anticipated that modifications to the timing, costs, and even the resource mix presented herein may occur over the study period, as conditions change and additional information and opportunities becomes available.

- Additional Capital Expenditures: Additional capital improvement expenditures were projected to be \$208.3 million over the 10-year study period including \$38.1 million for other generation projects, \$144.6 million for transmission and distribution projects, and \$25.6 million for other general projects. Large new capital projects include the North Shore transmission line at \$16.0 million, the Anahola Service Center at \$4.9 million, the Waiahi upper powerhouse expansion at \$3.5 million, and the Lihue substation transformer upgrades at \$3.3 million. The projected capital costs also include the costs for completing projects already under construction including the AEPO substation project with \$5.6 million of remaining costs for completion and the advanced metering infrastructure project with \$2.5 million of remaining costs for completion. Projected capital expenditures were provided by KIUC and primarily based on KIUC's five-year construction plan and long range plan.
- **RUS Cushion of Credit:** A withdrawal from the RUS cushion of credit account in the amount of \$5.5 million was assumed to be made in 2015 and used to fund capital expenditures.
- Capital Credit Retirements: Consistent with the final outcome of KIUC's 2009 general rate case filing, the amount of regular capital credit retirements was assumed to be those amounts of excess margins resulting from a TIER exceeding 2.00 in the prior calendar year.
- Load Forecast: The projected customer sales, numbers of customers, and load requirements are based on KIUC's adopted 2012 Load Forecast. Sales are projected to decrease by 2.2 percent in 2013 and 1.0 percent in 2014, and then increase on average 1.3 percent per year from 2015 through 2022.
- **No Base Rate Increases**: No changes to base rates were assumed throughout the projection period. Continued use of a 2.27 regulatory TIER for rate setting purposes was assumed.
- Fuel and Purchased Power Cost Recovery: Fuel and purchased power costs were projected by KIUC consistent with the load forecast projections and assumed additions of new generating capacity presented above. Fuel prices assumed by KIUC are from Stillwater Associates projections based on the most

recent Energy Information Administration report. Continued use of the Energy Rate Adjustment Clause (ERAC) was assumed including the fuel efficiency premium portion in which KIUC is allowed to recover fuel costs calculated based on a target sales heat rate of 9,850 Btu/kWh and actual per Btu fuel prices, provided the actual sales heat rate is equal to or less than the target sales heat rate. Purchased power agreement payments by KIUC to KRS1 and KRS2 were included as purchased power in the calculation of the ERAC charges, and power from KIUC's existing and new hydroelectric plants were included as KIUC generated power in the calculation of the ERAC charges.

Key Alternative Scenario Assumptions

The assumptions in the Base Case and Alternative Scenarios are the same except as follows:

- **Alternative Scenario 1 Decoupling:** Assumptions that differ from those in the Base Case Scenario include the following:
 - Annual average TIER achieved through implementation of a decoupling rate mechanism is equal to 1.80 beginning in 2014.
 - No regular capital credit payments are made to members beginning in 2014.
 - The efficiency premium portion of the ERAC charge calculation is discontinued in 2014 as part of the implementation of the decoupling mechanism.
- Alternative Scenario 2 Lower Sales: Assumptions that differ from those in the Base Case Scenario include the following:
 - The low case projections from the adopted KIUC 2012 Load Forecast were used in place of the Base Case projections from the 2012 Load Forecast.
 - A 1.5 percent base rate increase was necessary in 2016 in order for KIUC to meet its financial targets for the rest of the projection period.
- Alternative Scenario 3 No Renewables Additions: Assumptions that differ from those in the Base Case Scenario include the following:
 - All of KIUC's energy requirements over the projection period were assumed to be supplied from existing generating plants and purchased power resources without development of any of the new solar, biomass, or hydroelectric projects included in the Base Case Scenario.
 - A 4.0 percent base rate increase was necessary in 2017 in order for KIUC to meet its financial targets for the rest of the projection period.
- Alternative Scenario 4 Flat Fuel Prices: The only assumption that differs from those in the Base Case Scenario is that fuel prices were assumed to remain at 2013 price levels throughout the projection period.

Overview of EMP Model Results

The following table provides an outline of the detailed 2013 EMP model results as provided in the appendices to this report. The Base Case Scenario results are provided in Appendix A. The alternative scenario results are presented in Appendices B through E. All information is presented in nominal dollars, as applicable. Separate results are provided for KIUC, KRS1, and KRS2.

Table 1
Kaua'i Island Utility Cooperative
Outline of 2013 EMP Model Results

Table	Description
Table 1 – Summary of Results	Key results including average unit revenues, margins, equity ratio, year-end cash balances, TIER and DSC ratio levels
Table 2 – Summary of Assumptions	Basic financial assumptions, capital credit retirement assumptions, target days of working cash, KRS1 and KRS2 capital costs, debt terms, operation dates
Table 3 – Projected Revenues at Existing Rates	Projected energy sales by customer class; projected revenues from energy sales at rate levels that became effective in October 2010 by customer class
Table 4 – Income Statement	Projected operating revenues and expenses, operating margins and total margins, unit revenues from energy sales
Table 5 – Pro forma Balance Sheet	Projected year end assets, equities and liabilities; financial ratios
Table 6 – Statement of Operations – Cash Basis	Projected cash from operations, annual debt service payments, uses of cash margins, TIER, DSC, capital credits balance
Table 7 – General Funds Summary	Projected general fund balances; sources and uses of general funds
Table 8 – Plant Investment and Depreciation Expense	Additions and replacements to utility plant; depreciation expense
Table 9 – Long-term Debt Service	Long-term debt; new debt incurred; annual debt service payment obligations; funding requirements for capital additions
Table 10 – Projected ERAC Revenues	Total projected KIUC energy requirements; projected energy resources; estimated cost of purchased power and power production; fuel costs

Base Case Scenario Results

A summary of key financial indicators for the Base Case Scenario is presented in Table 2 and discussed below. Detailed results are presented in Appendix A. The components and results of the 2013 EMP Base Case Scenario are based on the financial and operational objectives and assumptions defined previously.

Table 2 Kaua'i Island Utility Cooperative Summary of Results: Base Case Scenario

		Actual					Proje	cted				
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Unit Revenues (¢/kWh)											
2	Non-Fuel & Purchased Power Charges											
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.79	16.44	16.44	16.44	16.44	16.45	16.45	16.45	16.46
4	Efficiency Premimum in ERAC	0.82	0.49	0.89	0.59	0.60	0.62	4.45	4.61	4.72	4.88	5.07
5		17.47	17.23	17.68	17.03	17.03	17.06	20.90	21.05	21.16	21.34	21.52
6	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.00	17.03	17.03	17.00	20.90	21.05	21.10	21.34	21.52
7	First and Directored Device Channel											
	Fuel and Purchased Power Charges	40.05	40.04	40.77	40.40	40.40	40.44	40.44	40.40	40.40	40.00	40.00
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.39	1.01	1.74	(1.19)	(0.57)	(0.06)	0.66	1.45
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.51	20.14	20.85	17.92	18.53	19.04	19.75	20.54
11												
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.95	36.54	37.17	37.91	38.81	39.58	40.20	41.09	42.06
13	% Change from 2012	na	-2.2%	-8.1%	-15.9%	-14.5%	-12.8%	-10.7%	-9.0%	-7.5%	-5.5%	-3.3%
14												
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16												
17	Long-Term Interest Expense	8,335	7,770	8,005	8,834	10,432	11,263	13,001	12,376	11,713	11,033	10,460
18	Margins	11,091	8,409	9,651	8,028	6,984	6,438	15,003	15,995	17,032	18,155	19,218
19												
20	Equity to Total Assets	24.9%	26.2%	27.1%	28.8%	27.0%	25.6%	28.9%	32.1%	35.3%	38.5%	41.2%
21												
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,640	\$2,908	\$4,000	\$4,000	\$6,842	\$10,604	\$10,694	\$10,199	\$9,766
23	Days of Operating Cash on Hand	8	17	9	7	10	10	17	26	25	23	21
24	RUS TIER	2.33	2.08	2.21	1.91	1.67	1.57	2.15	2.29	2.45	2.65	2.84
25	Regulatory TIER	2.61	2.37	2.49	2.16	1.89	1.77	2.33	2.48	2.65	2.85	3.05
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.66	1.49	1.39	1.33	1.61	1.63	1.65	1.68	1.69
27	CFC Debt Service Coverage - 1.35 Minimum	na	1.65	1.64	1.46	1.36	1.31	1.59	1.61	1.63	1.65	1.67
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	17%	0%	0%	0%	13%	23%	31%	39%
29												
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
31	Cap Ex Paid With Debt (\$000)	na	10,000	13,322	1,646	55,863	54,707	-	-	-	-	6,485
32	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
33	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	0	0	5,500	0	0	0	0	0	0	0
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	10,485	7,825	8,088	15,785	13,489	17,081	16,814	15,343
35	,			, -	.,					,		-,-
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$11,646	\$55,863	\$54,707	\$85,208	\$0	\$0	\$0	\$6,485
37	Debt Used to Repay Short-Term Debt (\$000)	na	10.000	10.000	10.000	0	0	85.208	0	0	0	0
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	1,646	55,863	54,707	0	0	Ö	0	6,485
40			,	,	.,	,	,					-,
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219	\$206	\$189	\$192	\$196	\$201	\$204	\$208	\$212	\$217
42	% Change from 2012	na	-2.3%	-8.1%	-15.7%	-14.3%	-12.6%	-10.6%	-8.9%	-7.5%	-5.5%	-3.4%
43	g		2.570	570		70	70	. 0.0 /0	0.070		0.070	3.770
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$39.04	\$9.13	\$23.11	\$0.00	\$0.00	\$0.00	\$26.69	\$47.67	\$69.14	\$91.32
45	Apple A. Tambar I at out recirculor oo NYTH 103 Oustomer	110	Ψ00.04	ψ5.15	Ψ20.11	ψ0.00	ψ0.00	ψ0.00	Ψ20.00	ψ+1.01	ψ00.14	ψ01.02
46	Renewable Power (% of total power requirements)											
47	KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%
48	Purchased	8%	12%	17%	25%	25%	24%	24%	24%	24%	23%	23%
49	Total	10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%
49	Iulai	10%	13%	۷۵%	31%	31%	30%	5 2 %	5∠%	51%	51%	50%

Figure 1 presents historical and projected effective achieved TIER levels for KIUC. TIER levels reach their lowest levels in 2016 and 2017 when the new hydroelectric plants are assumed to be constructed. The highest levels are achieved beginning in 2018 and beyond when the amount of the ERAC efficiency premium increases as a result of including the power from the new hydroelectric plants in the calculation of the fuel efficiency premium amount.

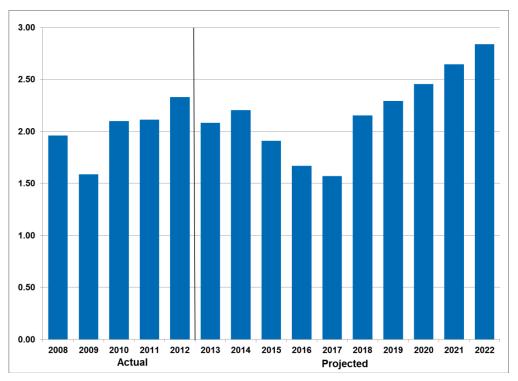


Figure 1: Total Effective Achieved TIER Levels

Total KIUC annual capital expenditures and sources of funding are shown in Figure 2. It is projected that KIUC will have approximately \$272 million of capital expenditures from 2013 through 2022. Of this amount, it is projected that \$142 million will be paid with borrowed funds and the remaining \$130 million will be funded with equity from rate revenues recovered over the 10-year study period and the \$5.5 million RUS cushion of credit withdrawal assumed in 2015 that is shown as cash in Figure 2. The largest amount of these expenditures is projected to occur during the 2016 and 2017 time period when the new hydroelectric plants are being constructed. The projected amount that will be borrowed to construct the new hydroelectric plants is \$85 million including capitalized interest.

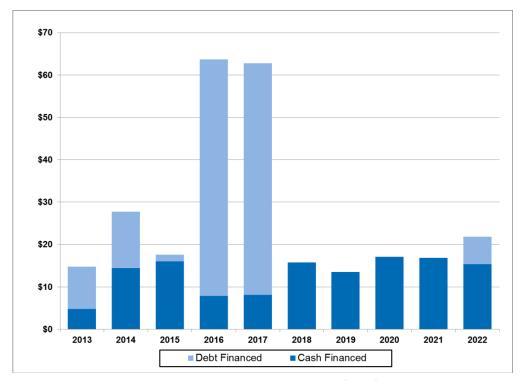


Figure 2: Annual Capital Expenditures and Funding (\$000)

The capital expenditures shown in Figure 2 exclude expenditures for development of the KRS1 and KRS2 solar facilities through KIUC's subsidiary companies. The projected amount of construction financing required for KRS1 and KRS2 is \$99 million, and the projected amount of long-term financing is \$50 million.

Total assets are projected to increase from \$315 million in 2012 to approximately \$450 million in 2022. These assets include KIUC's investments in KRS1 and KRS2.

A significant portion of the investment in new generation will assist KIUC in developing higher levels of renewable resources to meet the renewable standard portfolio requirements in Hawai'i and KIUC's strategic goal of 50 percent by 2023, as well as decrease KIUC's exposure to higher oil costs as a fuel expense component of rates. Figure 3 illustrates the percent of generation that will be from renewable resources over the 10-year study period. As shown in Figure 3, the projected amount of power from renewables in 2022 is 50 percent, which exceeds the renewable standard portfolio requirements in Hawai'i and KIUC's strategic goal.

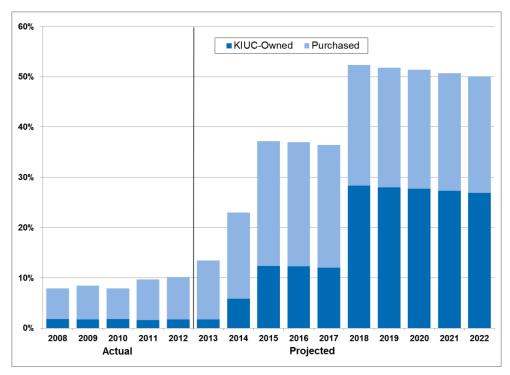


Figure 3: Percent Renewable Generation

Figure 4 shows historical and projected fuel and purchased power costs. As shown in this figure, fuel costs for thermal generation are expected to drop significantly until 2015 when they are projected to increase on average 4 percent per year through 2022. Other purchased power costs are projected to drop significantly when KIUC begins purchasing energy from the Green Energy biomass plant in the third quarter of 2014. The gross purchased power costs shown for KRS1 and KRS2 in Figure 4 represent the assumed purchased power agreement prices. The net KRS1 and KRS2 costs shown are the projected purchased price prices less cash disbursements. Overall, fuel and purchased power costs are projected to be 2.3 percent lower in 2022 than in 2012.

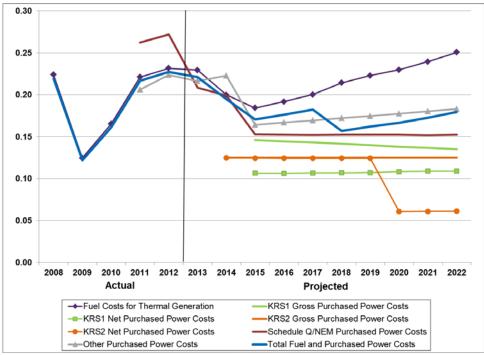


Figure 4: Fuel and Purchased Power Costs (\$/kWh)

The 2013 EMP was developed in part to review KIUC's ability to balance its borrowing needs with the need to increase its equity ratio. The ratio of equity to total assets is projected to be approximately 26.2 percent by the end of 2013, and then gradually increase to 41.2 percent by the end of 2022 as shown in Figure 5. This exceeds KIUC's targeted equity-to-assets ratio of approximately 35 percent.

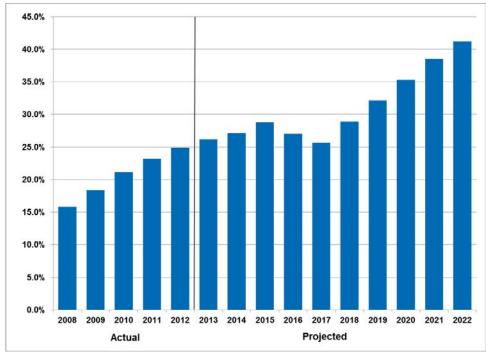


Figure 5: Equity to Total Assets Ratio

As shown in Figure 6, KIUC's revenues on a nominal per kWh basis are projected in 2022 to be approximately 3.3 percent lower than 2012 level. On average, average per kWh revenues are projected to decrease by 0.3 percent per year, with the largest decreases during 2014 and 2015 primarily due to projected drops in fuel prices and the startup of KRS1, KRS2, and the Green Energy biomass plant. If revenues were to be adjusted for inflation, the decrease would be even more significant.

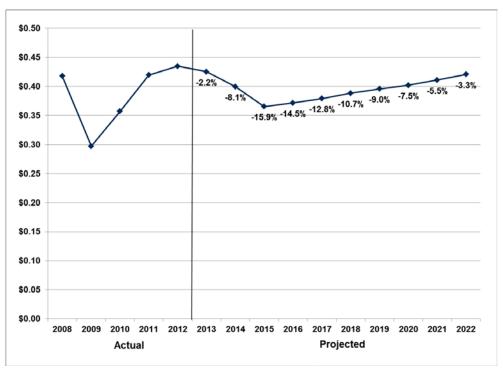


Figure 6: Average Unit Revenues (¢/kWh) (Percent Change from 2012)

The results of the 2013 EMP Base Case Scenario show that the projected monthly residential bill on a nominal bill basis (based on an average consumption level of 500 kWh per month) will remain lower than the actual 2012 level of \$224 throughout the projection period as shown in Figure 7. The highest projected bill is \$217 in 2022. If the projected monthly bills were to be adjusted for inflation, the decrease would be even more significant.

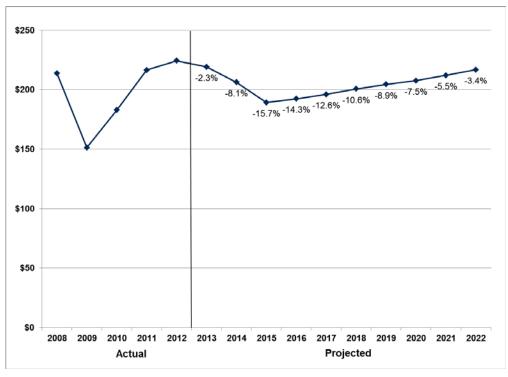


Figure 7: Monthly Residential Bill (500 kWh per month usage, Percentage Change from 2012)

Alternative Scenario Results

As discussed previously, the results of four alternative EMP scenarios are also presented in this report. The results for the alternative scenarios are presented to show the sensitivity of projected results to variations in selected key discrete variables. The alternative scenarios are as follows:

- Alternative Scenario 1 Decoupling
- Alternative Scenario 2 Lower Sales
- Alternative Scenario 3 No Renewables Additions
- Alternative Scenario 4 Flat Fuel Prices

Summary results for these alternative scenarios are also presented in Tables 3 through 6 and discussed below. Detailed results are presented in Appendices B through E.

Table 3
Kaua'i Island Utility Cooperative
Summary of Results: Alternative Scenario 1 – Decoupling

		Actual Projected										
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Unit Revenues (¢/kWh)											
2	Non-Fuel & Purchased Power Charges Base Rates Without Fuel & Purchased Power	40.05	16.73	16.84	16.81	47.40	47.00	40.75	19.58	19.39	40.04	40.00
4		16.65 0.82	0.49			17.42	17.69	19.75	19.58	19.39	19.31	19.30
5	Efficiency Premimum in ERAC Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	16.84	16.81	17.42	17.69	19.75	19.58	19.39	19.31	19.30
6	Subtotal NotFruel & Fulctiased Fower Charges	17.47	17.23	10.04	10.01	17.42	17.09	19.75	19.50	19.39	19.51	19.50
7	Fuel and Purchased Power Charges											
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.39	1.01	1.74	(1.19)	(0.57)	(0.06)	0.66	1.45
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.51	20.14	20.85	17.92	18.53	19.04	19.75	20.54
11	r del and r dichased r ower charges	20.00	23.30	22.21	13.51	20.14	20.03	17.52	10.55	13.04	13.73	20.54
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.10	36.33	37.55	38.54	37.66	38.11	38.43	39.07	39.83
13	% Change from 2012	na	-2.2%	-10.1%	-16.4%	-13.6%	-11.3%	-13.4%	-12.3%	-11.6%	-10.1%	-8.4%
14	70 Chango 110111 2012		2.270	10.170	.0,0	10.070		.0,0	.2.070	11.070	.0,0	0.170
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.1%	1.0%	2.8%	3.5%	9.3%	8.8%	8.3%	8.0%	0.0%
16												
17	Long-Term Interest Expense	8,335	7,770	8,005	8,897	10,522	11,252	12,972	12,398	11,877	11,487	11,215
18	Margins	11,091	8,409	6,404	7,118	8,417	9,002	10,377	9,919	9,501	9,190	8,972
19	-											
20	Equity to Total Assets	24.9%	26.2%	26.3%	28.1%	26.8%	26.0%	28.4%	31.0%	33.2%	35.4%	37.2%
21												
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,640	\$2,909	\$4,000	\$4,000	\$4,000	\$4,000	\$5,476	\$7,646	\$9,766
23	Days of Operating Cash on Hand	8	17	9	7	10	10	10	10	13	17	21
24	RUS TIER	2.33	2.08	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
25		2.61	2.37	2.08	2.05	2.02	2.00	1.97	1.98	1.99	2.00	2.00
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.50	1.44	1.44	1.43	1.45	1.42	1.39	1.35	1.32
27	CFC Debt Service Coverage - 1.35 Minimum	na	1.65	1.48	1.41	1.42	1.41	1.43	1.40	1.36	1.33	1.30
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	0%	0%	0%	0%	0%	0%	0%	0%
29												
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
31		na	10,000	16,569	929	54,457	52,142	1,778	323	5,349	6,451	12,403
32		na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
33		na	0	0	5,500	0	0	0	0	0	0	0
34	Cash Used to Pay for Plant (\$000)	na	4,806	11,166	11,202	9,231	10,653	14,007	13,166	11,733	10,363	9,425
35	B 11B 119999											
36		na	\$20,000	\$23,322	\$14,176	\$54,457	\$52,142	\$86,986	\$323	\$5,349	\$6,451	\$12,403
37	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	6,753	13,247	0	0	85,208	0	0	0	0
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0
39	Debt Used for Cap Ex (\$000)	na	10,000	16,569	929	54,457	52,142	1,778	323	5,349	6,451	12,403
40	Marthia Basidantial Bill (500 b)M/b and another common	CO04	C040	6000	6400	£404	6400	C405	£400	6400	COO 0	COOC
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219 -2.3%	\$202 -10.0%	\$188 -16.2%	\$194 -13.4%	\$199 -11.1%	\$195 -12.9%	\$198 -11.9%	\$199 -11.2%	\$202 -9.8%	\$206 -8.1%
42 43	% Change from 2012	na	-2.3%	-10.0%	-16.2%	-13.4%	-11.1%	-12.9%	-11.9%	-11.2%	-9.8%	-8.1%
	Approx Approal Dat Can Datired for 500 kWh Dag Customer		£20.10	\$9.06	60 00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	£0.00	\$0.00
44 45	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$38.18	\$9.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
45 46	Renewable Power (% of total power requirements)											
46	KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%
48	Purchased	8%	12%	17%	25%	25%	24%	24%	24%	26%	23%	23%
49	Total	10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%
73	i Otal	10 /0	10/0	25/0	31 /0	31 /0	30 /0	JZ /0	JZ /0	J 1 /0	J1/0	JU /0

Figure 8 compares the projected total effective TIER levels for the Base Case Scenario and the alternative scenarios. As shown in this figure, TIER levels for the Base Case Scenario reach their lowest levels in 2016 and 2017 when the new hydroelectric plants are assumed to be constructed, and the highest levels are achieved beginning in 2018 and beyond when the amount of the ERAC efficiency premium increases as a result of including the new hydroelectric plants in the calculation of the fuel efficiency premium amount. In Alternative Scenario 1, the assumption is made that the decoupling mechanism allows KIUC to achieve annual average TIER levels of 1.80, which is significantly lower than the projected TIER levels for the other scenarios beginning in 2018 when the new hydroelectric plants begin operation.. The depressed sales assumed in Alternative Scenario 2 cause the TIER levels to continue to erode until 2016 when a base rate increase of one percent was assumed. Similarly in Alternative Scenario 3, the TIER levels continue to erode until 2017 when a base rate increase of 4 percent was assumed.

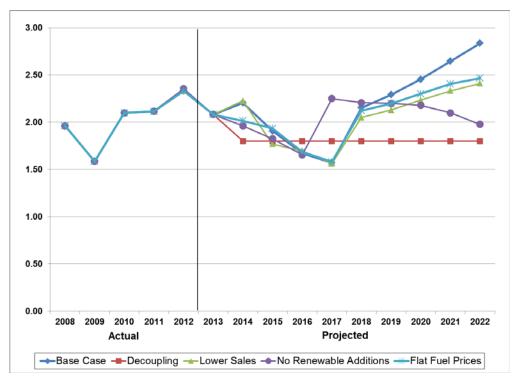


Figure 8: Comparison of Total TIER Levels

Table 4 Kaua'i Island Utility Cooperative Summary of Results: Alternative Scenario 2 – Lower Sales

		Actual										
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Heit Devenier (4/I/A/Ir)											
1 2	Unit Revenues (¢/kWh) Non-Fuel & Purchased Power Charges											
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.79	16.45	16.99	16.99	16.99	17.00	17.01	17.01	17.02
4	Efficiency Premimum in ERAC	0.82	0.49	0.89	0.63	0.63	0.67	4.63	4.83	4.99	5.19	5.41
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.68	17.07	17.62	17.66	21.62	21.83	22.00	22.20	22.43
6	oubtotal North act at allohabea flower offarges	17.47	17.20	17.00	17.07	17.02	17.00	21.02	21.00	22.00	22.20	22.40
7	Fuel and Purchased Power Charges											
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.13	19.13	19.13	19.13	19.12	19.12	19.12
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.26	0.88	1.54	(1.26)	(0.66)	(0.22)	0.39	1.06
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.39	20.02	20.67	17.87	18.46	18.90	19.51	20.17
11	· ·											
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.95	36.47	37.64	38.33	39.49	40.29	40.90	41.71	42.60
13	% Change from 2012	na	-2.2%	-8.1%	-16.1%	-13.4%	-11.8%	-9.2%	-7.3%	-5.9%	-4.1%	-2.0%
14												
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16												
17	Long-Term Interest Expense	8,335	7,770	8,005	8,865	10,484	11,309	13,049	12,422	11,759	11,095	10,624
18	Margins	11,091	8,409	9,824	6,815	7,323	6,351	13,704	14,028	14,502	14,783	14,994
19												
20	Equity to Total Assets	24.9%	26.2%	27.2%	28.5%	26.8%	25.4%	28.5%	31.6%	34.7%	37.8%	40.1%
21												
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,813	\$2,908	\$4,000	\$4,000	\$5,527	\$8,650	\$8,206	\$7,605	\$9,708
23 24	Days of Operating Cash on Hand RUS TIER	8 2.33	17 2.08	9 2.23	8 1.77	10 1.70	10 1.56	14 2.05	22 2.13	20 2.23	18 2.33	22 2.41
25	Regulatory TIER	2.33	2.06	2.23	2.02	1.70	1.76	2.05	2.13	2.23	2.53	2.62
25 26	RUS Debt Service Coverage - 1.25 Minimum	2.61 na	1.66	1.67	1.43	1.91	1.76	1.56	1.56	1.56	2.54 1.56	2.62 1.54
27	CFC Debt Service Coverage - 1.25 Minimum	na	1.65	1.65	1.43	1.37	1.30	1.54	1.54	1.54	1.53	1.52
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	19%	0%	0%	0%	5%	11%	1.53	25%
29	r ercent or r revious rear s r aironage capitar retired	i i a	2370	070	1370	0 70	0 70	0 70	370	1170	1370	2570
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$64,488	\$63.675	\$16,752	\$14,552	\$18,249	\$18.098	\$23,239
31	Cap Ex Paid With Debt (\$000)	na	10,000	13,322	2,868	55,540	54,809	-	ψ,σο <u>-</u>	-	715	9,867
32	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9.191	662	728	800	880	967	1.063	1.168	1.284	1,411
33	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	0	0	5,500	0	0	0	0	0	0	0
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	9,263	8,148	7,986	15,785	13,489	17,081	16,099	11,961
35	, , , ,											
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$12,868	\$55,540	\$54,809	\$85,208	\$0	\$0	\$715	\$9,867
37	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	10,000	10,000	0	0	85,208	0	0	0	0
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	2,868	55,540	54,809	0	0	0	715	9,867
40												
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219	\$206	\$189	\$195	\$198	\$204	\$208	\$211	\$215	\$219
42	% Change from 2012	na	-2.3%	-8.1%	-15.9%	-13.2%	-11.7%	-9.1%	-7.3%	-6.0%	-4.2%	-2.2%
43												
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$38.18	\$9.06	\$25.99	\$0.00	\$0.00	\$0.00	\$9.32	\$22.77	\$38.82	\$52.03
45												
46	Renewable Power (% of total power requirements)											
47	KIUC-Owned	2%	2%	6%	13%	13%	13%	30%	30%	30%	30%	29%
48	Purchased	8% 10%	12%	17% 23%	25%	26%	25%	25%	25% 55%	25%	25%	25% 55%
49	Total	10%	13%	23%	38%	38%	38%	55%	55%	55%	55%	55%

Figure 9 compares the projected ratio of equity to total assets for the Base Case Scenario and the alternative scenarios. As shown in this figure, the 35 percent equity goal is reached in all the scenarios by the end of the projection period. accumulation of equity is greatest under Alternative Scenario 3 primarily because the capital expenditures are the least under this scenario. As shown in Figure 9, the TIER earned under the Alternative Scenario 2 with decoupling is lower than in the other scenarios, so the accumulation of equity is the lowest under this scenario. In the other scenarios, the equity to assets ratio reached by 2022 is approximately equivalent at around 40 percent.

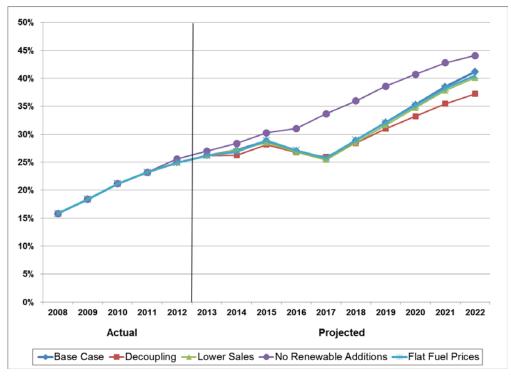


Figure 9: Comparison of Equity to Total Asset Ratios

KIUC's projected borrowing needs are higher for each of the alternative scenarios as compared with the Base Case Scenario, with the exception of Alternative Scenario 3 that assumes no renewables additions. Projected borrowing needs to pay for capital expenditures during the study period under the Base Case Scenario and the alternative scenarios, including the borrowing required for KRS1 and KRS2, are as follows:

Base Case Scenario:	\$192 million
Alternative Scenario 1 – Decoupling	\$210 million
Alternative Scenario 2 – Lower Sales	\$197 million
Alternative Scenario 3 – No Renewables Additions	\$93 million
Alternative Scenario 4 – Flat Fuel Prices	\$195 million

Projected borrowing needs are highest under the Alternative Scenario 1 with decoupling because a lower amount of accumulated margins is available to fund capital expenditures in this scenario. Projected borrowing needs are lowest under Alternative Scenario 3 with no renewables additions because funds are not needed to construct the new solar and hydroelectric projects assumed in the other scenarios. In the Alternative Scenario 2 with lower sales, the borrowing needs are similar to those for Alternative Scenario 4 with flat fuel prices.

Table 5
Kaua'i Island Utility Cooperative
Summary of Results: Alternative Scenario 3 – No Renewables Additions

		Actual					Proje	cted				
Line	ı	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	11.31 B											
1	Unit Revenues (¢/kWh) Non-Fuel & Purchased Power Charges											
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.47	16.69	16.68	18.10	18.10	18.10	18.11	18.11	18.11
4	Efficiency Premimum in ERAC	0.82	0.49	0.87	0.49	0.47	0.42	0.39	0.34	0.26	0.16	0.06
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.34	17.17	17.15	18.52	18.50	18.44	18.36	18.27	18.16
6	oubtotal from Fuel a Full-lased Fower onlarges	17.47	17.20	17.04	.,,	17.10	10.02	10.00	10.44	10.00	10.27	10.10
7	Fuel and Purchased Power Charges											
8	Fuel & Purchased Power in Base Rates	18.95	18.81	19.09	18.88	18.88	18.87	18.87	18.87	18.86	18.86	18.86
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.50	2.56	3.38	4.37	5.31	6.36	7.26	8.50	9.87
10	Fuel and Purchased Power Charges	26.00	25.30	22.60	21.44	22.26	23.25	24.18	25.23	26.13	27.36	28.73
11	-											
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.94	38.62	39.40	41.77	42.67	43.67	44.49	45.63	46.90
13	% Change from 2012	na	-2.2%	-8.1%	-11.2%	-9.4%	-3.9%	-1.8%	0.4%	2.3%	4.9%	7.9%
14												
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16												
17	Long-Term Interest Expense	8,335	7,770	7,721	7,744	7,972	8,051	7,853	7,562	7,297	7,143	7,100
18	Margins	11,289	8,409	7,429	6,397	5,217	10,076	9,480	9,078	8,606	7,859	6,939
19 20	Facility to Total Assets	25.6%	27.0%	28.4%	30.3%	31.0%	33.7%	36.0%	38.6%	40.7%	42.7%	44.0%
21	Equity to Total Assets	25.6%	27.0%	28.4%	30.3%	31.0%	33.7%	36.0%	38.6%	40.7%	42.7%	44.0%
22	Cash Balance(\$000)	\$3,762	\$7,563	\$2,342	\$950	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
23	Days of Operating Cash on Hand	\$3,702	\$7,503 17	φ <u>2,342</u>	2	94,000	94,000	φ 4 ,000 8	ş 4 ,000	φ 4 ,000 8	\$ 4 ,000 7	φ 4 ,000 7
24	RUS TIER	2.35	2.08	1.96	1.83	1.65	2.25	2.21	2.20	2.18	2.10	1.98
25	Regulatory TIER	2.63	2.37	2.26	2.12	1.94	2.53	2.50	2.50	2.49	2.42	2.30
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.58	1.50	1.41	1.61	1.57	1.52	1.47	1.41	1.34
27	CFC Debt Service Coverage - 1.35 Minimum	na	1.65	1.57	1.49	1.40	1.60	1.56	1.51	1.47	1.40	1.33
28	Percent of Previous Year's Patronage Capital Retired	na	26%	8%	0%	0%	0%	20%	17%	17%	15%	9%
29	3,											
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$22,260	\$20,694	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
31	Cap Ex Paid With Debt (\$000)	na	10,000	13,322	1,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442
32	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
33	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	0	0	5,500	0	0	0	0	0	0	0
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	10,485	4,690	12,378	9,666	9,326	8,386	7,399	6,386
35												
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$11,646	\$16,770	\$7,437	\$6,119	\$4,163	\$8,695	\$9,415	\$15,442
37	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	10,000	10,000	0	0	0	0	0	0	0
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0
39 40	Debt Used for Cap Ex (\$000)	na	10,000	13,322	1,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442
	Monthly Decidential Dill (500 kWh nor month years)	\$224	\$219	\$206	\$200	\$204	\$216	\$220	\$225	\$229	\$235	\$241
41 42	Monthly Residential Bill (500 kWh per month usage) % Change from 2012	\$224 na	-2.3%	\$≥06 -8.1%	\$200 -11.1%	\$204 -9.3%	-3.9%	\$220 -1.9%	0.3%	\$229 2.2%	\$235 4.7%	7.5%
43	// Change nom 2012	IIa	-2.370	-0.170	-11.170	-9.370	-3.976	-1.970	0.5 /6	2.2/0	4.7 /0	7.576
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$40.93	\$9.06	\$0.00	\$0.00	\$0.00	\$27.68	\$21.97	\$20.22	\$17.24	\$9.30
45	Approx Arriual Fat Cap Retired for 500 kWill Res Customer	IIa	φ40.93	\$9.00	φ0.00	φ0.00	φυ.υυ	φ21.00	φ21.97	\$20.22	Φ17.24	φ9.50
46	Renewable Power (% of total power requirements)											
47	KIUC-Owned	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
48	Purchased	8%	12%	13%	13%	13%	13%	13%	13%	13%	13%	13%
49	Total	10%	13%	15%	15%	15%	15%	15%	15%	15%	14%	14%

Figure 10 shows projected percentages of renewable power available to KIUC for each scenario. Projected percentages are lowest under Alternative Scenario 3 with no renewables additions. Under this scenario, the amount of renewable power does not exceed 15 percent throughout the projection period. Under all the other scenarios, the percentage of renewable power exceeds the 50 percent goal beginning in 2018.

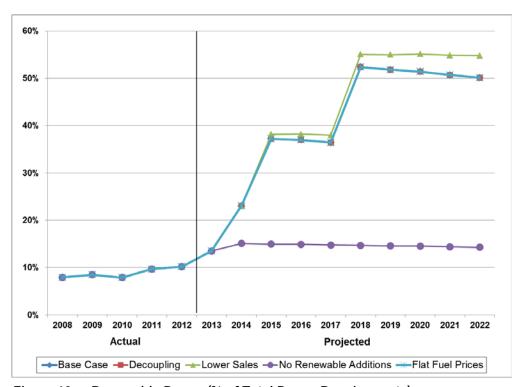


Figure 10: Renewable Power (% of Total Power Requirements)

Figure 11 shows a comparison of projected fuel and purchased power costs for the Base Case Scenario and the alternative scenarios. Projected fuel and purchased power costs are significantly higher for Alternative Scenario 3 with no renewables additions than for the other scenarios. Because fuel prices in the Base Case Scenario are assumed to drop below 2013 levels until 2019 when they start to exceed 2013 levels, projected fuel and purchased power costs are higher until 2018 under the Alternative Scenario 4 with flat fuel prices as compared to the Base Case Scenario, but then lower beginning in 2019. Except for Alternative Scenario 3 with the no renewable projects, projected fuel and purchased power costs for the other scenarios are generally similar throughout the projection period and show that the renewable resource investments result in significant fuel cost hedging over the study period.

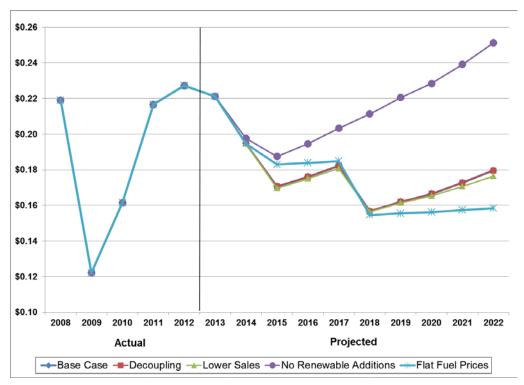


Figure 11: Comparison of Fuel and Purchased Power Costs (\$ per kWh)

Figure 12 shows a comparison of projected average unit sales revenues or rate levels for the Base Case Scenario and the alternative scenarios. Projected average unit sales revenues are highest for Alternative Scenario 3 with no renewables additions, primarily because of the projected high costs for fuel and purchased power. This shows that the additional investment in renewables assumed in all the other scenarios is more than offset by savings in fuel and purchased costs. The projected average level of rates is generally lowest in Alternative Scenario 1 because of the lower margins resulting from decoupling. The difference of projected net revenues from customers (i.e., equal to gross revenues from customers less patronage capital returns) between the Base Case Scenario and Alternative Scenario 1 with decoupling shows that the savings from the proposed decoupling mechanism over the projection period would be approximately \$20 million.

The difference in the projected rate levels between the Base Case Scenario and Alternative Scenario 2 with lower sales is less than 2 percent throughout the projection period. The rate levels in Alternative Scenario 4 with flat fuel prices drop lower than those for the other scenarios, except for Alternative Scenario 1 with decoupling, beginning around 2018 when fuel prices begin to exceed 2013 levels for those other scenarios.

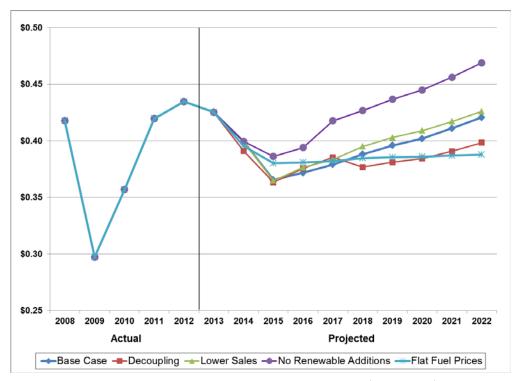


Figure 12: Comparison of Average Unit Sales Revenues (\$ per kWh)

Figure 13 shows a comparison of projected average residential monthly bill levels (based on usage of 500 kWh per month) for the Base Case and the alternative Projected monthly bill levels reach \$219 in 2022 for Alternative scenarios. Scenarios 2 and 3 (with lower sales and no renewables addition scenarios). The lowest bills beginning in 2018 are projected for Alternative Scenario 4 with flat fuel prices. By the year 2022, the projected monthly bill with assumed flat fuel prices would be \$200 while the bill under the Base Case Scenario assumption is \$217. This shows the projected significant impact on rates and customer bills that will result from KIUC's investment in renewable energy resources.

In 2012, the average bill for a residential customer based on 500 kWh per month of usage was \$224 dollars. In the Base Case Scenario and all four of the alternative scenarios, the projected average residential bill is more than 10 percent below the 2012 levels beginning in 2015, and remains lower than the 2012 amount throughout the projection period. Therefore, this analysis indicates that KIUC's strategic goal of decreasing average residential energy bills by 10 percent after adjusting for fuel prices is projected to be met in 2015.

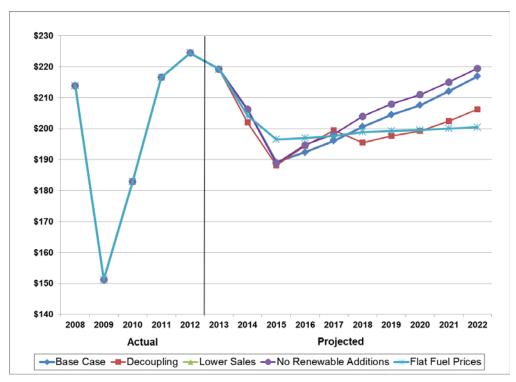


Figure 13: Comparison of Monthly Residential Bills (based on 500 kWh per month usage)

Table 6 Kaua'i Island Utility Cooperative Summary of Results: Alternative Scenario 4 – Flat Fuel Prices

		Actual					Proje	ted				
Line	•	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
												_
1	Unit Revenues (¢/kWh)											
2	Non-Fuel & Purchased Power Charges											
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.31	16.44	16.44	16.44	16.44	16.45	16.45	16.45	16.46
4	Efficiency Premimum in ERAC	0.82	0.49	0.98	0.65	0.63	0.63	4.35	4.31	4.27	4.24	4.20
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.29	17.09	17.07	17.07	20.79	20.76	20.72	20.69	20.66
6												
7	Fuel and Purchased Power Charges											
8	Fuel & Purchased Power in Base Rates	18.95	18.81	19.26	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.01	1.80	1.91	2.03	(1.43)	(1.32)	(1.23)	(1.09)	(0.97)
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	20.93	21.03	21.15	17.68	17.78	17.87	18.00	18.11
11												
12		43.48	42.53	39.56	38.01	38.10	38.21	38.47	38.54	38.59	38.69	38.77
13	% Change from 2012	na	-2.2%	-9.0%	-12.6%	-12.4%	-12.1%	-11.5%	-11.4%	-11.2%	-11.0%	-10.8%
14												
15		na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16												
17		8,335	7,770	8,005	8,834	10,422	11,240	12,976	12,351	11,689	11,013	10,536
18	Margins	11,091	8,409	8,136	8,260	7,165	6,526	14,585	14,793	15,218	15,475	15,454
19												
20	Equity to Total Assets	24.9%	26.2%	26.8%	28.9%	27.1%	25.7%	29.0%	32.0%	35.1%	38.2%	40.5%
21												
22		\$3,762	\$7,765	\$2,125	\$3,141	\$4,000	\$4,000	\$6,432	\$9,393	\$8,856	\$7,642	\$9,761
23		8	17	5	8	10	9	16	23	21	18	23
24		2.33	2.08	2.02	1.94	1.69	1.58	2.12	2.20	2.30	2.41	2.47
25		2.61	2.37	2.30	2.19	1.90	1.78	2.30	2.38	2.50	2.61	2.68
	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.59	1.50	1.39	1.33	1.60	1.59	1.59	1.59	1.56
27		na	1.65	1.56	1.47	1.37	1.31	1.58	1.57	1.56	1.56	1.54
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	2%	0%	0%	0%	11%	17%	23%	29%
29												
30		na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
31		na	10,000	13,322	1,646	55,447	54,611	-	-	-	162	10,161
	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	0	0	5,500	0	0	0	0	0	0	0
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	10,485	8,241	8,184	15,785	13,489	17,081	16,652	11,667
35	D.11 D		200 000	***	044 040	055 447	054044	005.000			0400	040 404
36		na	\$20,000	\$23,322 10.000	\$11,646	\$55,447 0	\$54,611	\$85,208 85,208	\$0	\$0	\$162 0	\$10,161 0
37		na	10,000	- ,	10,000	-	0		0	0	-	-
38		na	0	0	0	0	0	0	0	0	0	0
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	1,646	55,447	54,611	U	U	U	162	10,161
40	M	0004	0040	0004	0407	0407	0400	0400	0400	****	****	****
41		\$224	\$219	\$204 -9.0%	\$197 -12.4%	\$197	\$198	\$199	\$199	\$200	\$200	\$200
42 43	% Change from 2012		-2.3%	-9.0%	-12.4%	-12.2%	-12.0%	-11.4%	-11.2%	-11.1%	-10.9%	-10.7%
	A A D-t C D-tid f FOO IVAIL D Ct		COO O4	640.00	60.00	C4 75	64.70	C4 74	COO 40	CO 4 OO	640.40	¢ 50.00
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$39.91	\$10.83	\$3.66	\$1.75	\$1.73	\$1.71	\$23.42	\$34.23	\$48.13	\$59.63
45 46	Panawahla Pawar (% of total power requirements)											
46	Renewable Power (% of total power requirements) KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%
47	Purchased	2% 8%	2% 12%	17%	25%	25%	24%	28% 24%	28%	28% 24%	27%	27%
49	Total	10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%
0	. 0.0	10 /0	10/0	20/0	0,70	0, 70	0070	O2 /0	J_ /0	01/0	01/0	00 /0

Conclusion

As discussed previously, the components of the Base Case Scenario of the 2013 EMP were selected as representing KIUC's status quo financial course of action for balancing the needs of its members, lenders, and regulators, and achieving KIUC's financial goals. The Base Case Scenario shows that KIUC is able to fund the planned significant levels of capital expenditures necessary to meet KIUC's renewable energy goals and to provide efficient and reliable service to KIUC's members. Additionally the Base Case Scenario results indicate that:

- Average unit rate revenues will decline over the next three years and not exceed the 2012 rate levels until after the end of the study period.
- Equity levels will exceed the targeted 35 percent of total assets beginning in year 2020.
- The goal of having average residential energy bills, after adjusting for oil prices, more than 10 percent lower than 2012 levels will be achieved beginning in 2015.

- The percentage of renewable power will exceed the 50 percent goal beginning in 2018.
- Sufficient cash reserve levels for cash transaction requirements and unforeseen events will be available throughout the study period.

The alternative scenarios reviewed in this 2013 EMP indicate that:

- Average unit rate revenues will be lower if KIUC is successful in implementing its planned rate decoupling procedure to be presented for consideration to the Hawai'i Public Utility Commission. Projected net savings to customers is approximately \$20 million during the study period.
- Average unit rate revenues will remain at acceptable levels if load growth is consistent with the low case 2012 Load Forecast results. The projected impact to rate revenues from lower sales is less than 2 percent in any year.
- Average unit rate revenues will be significantly lower with the planned renewable energy resources than they would have been had KIUC elected not to invest in its renewable energy resources. Projected savings will rise to approximately 12 percent by the end of the study period.
- Average unit rate revenues based on flat fuel prices are initially somewhat higher than those projected in the base case, but by the end of the study period they are approximately 8 percent lower. KIUC's strategic goal of decreasing average residential energy bills by 10 percent, after adjusting for fuel prices, is projected to be met beginning in 2015.
- Equity levels will exceed the targeted 35 percent of total assets by the end of the study period in all of the alternative scenarios reviewed in the 2013 EMP.
- The percentage of renewable power will exceed the 50 percent goal beginning in 2018 in all scenarios except the one with no renewables additions.
- Sufficient cash reserve levels for cash transaction requirements and unforeseen events will be available throughout the study period in all the scenarios.

The KIUC Board of Directors approved the 2013 KIUC EMP on Tuesday, September 24, 2013. A copy of the Board Resolution approving this EMP is provided in Appendix F of this report.

Appendix A DETAILED RESULTS – EMP BASE CASE ANALYSIS



Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 1 - Summary of Results

	Base Case Scenario												Average Annual
Line		Actual 2012	2013	2014	2015	2016	Proje 2017	2018	2019	2020	2021	2022	Change 2012-2022
LITIC		2012	2013	2017	2013	2010	2017	2010	2013	2020	2021	ZUZZ	2012-2022
1	Unit Revenues (¢/kWh)												
2	Non-Fuel & Purchased Power Charges												
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.79	16.44	16.44	16.44	16.44	16.45	16.45	16.45	16.46	
4	Efficiency Premimum in ERAC	0.82	0.49	0.89	0.59	0.60	0.62	4.45	4.61	4.72	4.88	5.07	_
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.68	17.03	17.03	17.06	20.90	21.05	21.16	21.34	21.52	2.1%
6													
7	Fuel and Purchased Power Charges												
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09	
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.39	1.01	1.74	(1.19)	(0.57)	(0.06)	0.66	1.45	-
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.51	20.14	20.85	17.92	18.53	19.04	19.75	20.54	-2.3%
11													
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.95	36.54	37.17	37.91	38.81	39.58	40.20	41.09	42.06	-0.3%
13	% Change from 2012	na	-2.2%	-8.1%	-15.9%	-14.5%	-12.8%	-10.7%	-9.0%	-7.5%	-5.5%	-3.3%	
14			0.00/	0.00/	0.00/	0.00/	0.00/	0.00/	0.00/	0.00/	0.00/	0.00/	
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
16	Land Town Interest Francis	0.005	7 770	0.005	0.004	40.400	44.000	40.004	40.070	44 740	44.000	40.400	
17	Long-Term Interest Expense	8,335	7,770	8,005 9,651	8,834	10,432 6,984	11,263	13,001	12,376	11,713	11,033	10,460	5.7%
18 19	Margins	11,091	8,409	9,051	8,028	0,964	6,438	15,003	15,995	17,032	18,155	19,218	5.7 76
20	Equity to Total Assets	24.9%	26.2%	27.1%	28.8%	27.0%	25.6%	28.9%	32.1%	35.3%	38.5%	41.2%	
21	Equity to Total Assets	24.9%	20.2%	27.170	20.0%	27.0%	25.0%	20.9%	32.170	33.3%	36.5%	41.270	
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,640	\$2,908	\$4,000	\$4,000	\$6,842	\$10,604	\$10,694	\$10,199	\$9,766	
23	Days of Operating Cash on Hand	ψ3,702	ψη,703 17	95,040	Ψ2,300 7	10	10	17	26	25	23	21	
24	RUS TIER	2.33	2.08	2.21	1.91	1.67	1.57	2.15	2.29	2.45	2.65	2.84	
25	Regulatory TIER	2.61	2.37	2.49	2.16	1.89	1.77	2.33	2.48	2.45	2.85	3.05	
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.66	1.49	1.39	1.33	1.61	1.63	1.65	1.68	1.69	
27	CFC Debt Service Coverage - 1.35 Minimum	na	1.65	1.64	1.46	1.36	1.31	1.59	1.61	1.63	1.65	1.67	
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	17%	0%	0%	0%	13%	23%	31%	39%	
29	1 crosm cri romado rodi e radionago capital rodioa		2070	070	,0	0,0	0,0	0,0	.070	2070	0.70	0070	
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16.752	\$14,552	\$18,249	\$18.098	\$23,239	
31	Cap Ex Paid With Debt (\$000)	na	10,000	13,322	1.646	55,863	54,707	-	-	-	-	6,485	
32	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411	
33	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	0	0	5,500	0	0	0	0	0	0	. 0	
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	10,485	7,825	8,088	15,785	13,489	17,081	16,814	15,343	
35	, , ,												
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$11,646	\$55,863	\$54,707	\$85,208	\$0	\$0	\$0	\$6,485	
37	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	10,000	10,000	0	0	85,208	0	0	0	0	
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0	
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	1,646	55,863	54,707	0	0	0	0	6,485	
40													
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219	\$206	\$189	\$192	\$196	\$201	\$204	\$208	\$212	\$217	-0.3%
42	% Change from 2012	na	-2.3%	-8.1%	-15.7%	-14.3%	-12.6%	-10.6%	-8.9%	-7.5%	-5.5%	-3.4%	
43													
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$39.04	\$9.13	\$23.11	\$0.00	\$0.00	\$0.00	\$26.69	\$47.67	\$69.14	\$91.32	
45													
46	Renewable Power (% of total power requirements)												
47	KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%	
48	Purchased	8%	12%	17%	25%	25%	24%	24%	24%	24%	23%	23%	
49	Total	10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%	

Line	KIUC Assumptions	Data Input	KIUC Assumptions	Data Input
1	Inflation		Other Assumptions	_
2	General Inflation	2.5%	Investment Return	0.125%
3	Distribution O&M	2.5%	Taxes - ERAC	9.8%
4				
5	ERAC Efficiency Premium ("Y"=Yes, "N"=No)	Υ	Efficiency Factor Heat Rate (Btu/kWh)	9,850
6				
7	Debt Assumptions		Revenue Tax Multiplier	1.09751
8	New Debt Thru 2014 - Interest Rates	3.5%	·	
9	New DebtAfter 2014 - Interest Rates	5.0%	Number of Days of Cash Working Capital in Rate Base	
10	New Debt - Construction Interest Rate	3.5%	O&M	61
11	New Debt - Repayment Period (Years)	25	Fuel	15
12				
13	Patronage Capital		Interest	30
14	Non-Operating Margins Allocated to Patronage Cap	100.0%		
15	Minimum RUS TIER for Capital Credit Retirements	2.00	Inventory as Percentage of Gross Plant	3.0%
16	Early Retirements (\$000/year not discounted)	\$125	,	
17	Beginning Year for Early Retirements	2012	Target RUS TIER for Decoupling Mechanism	NA
18	Discount Rate for Capital Credit Purchases	5.0%		
19	Blended Term for Capital Credit Purchases	20	Scenario	Base Case Scenario
20	,			
21	Percent of Customer Advances to CIAC	67%		

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
22	Base Year	2013	Debt Assumptions	
23	Inflation		Construction Interest Rate	3.0%
24	General Inflation	2.5%	KRS1 Long Term Interest Rate	3.1%
25	O&M Escalation	1.5%	KRS2 Long Term Interest Rate	5.7%
26			KRS1 and KRS2- Repayment Period/Useful Life (Years)	25
27				
28	Inventory as a Percent of Gross Plant	3.0%	KRS1 Target TIER	1.25
29				
30	KRS1 Cap Ex		Operation Date	
31	2011 Expenditures	\$4,953,692	KRS1	Oct-14
32	2012 Expenditures	2,852,145	KRS2	Jul-14
33	2013 Expenditures	1,694,163		
34	2014 Expenditures	47,672,192	Long-Term Financing Date	
35	Total Capital Cost	57,172,192	KRS1	Oct-14
36	Less Federal Grant	16,335,640	KRS2	Jul-14
37	Closed to Plant	40,836,552		
38	Less State Tax Refund	5,250,000	Market Value Energy (\$/MWh)	
39	Cash Requirement	\$35,586,552	KRS1 and KRS2	\$200
40	·			
41	KRS2 Cap Ex		Land Lease Expenses	
42	2012 Expenditures	\$0	KRS1 \$/Sq Ft (2012 \$)	\$0.04207
43	2013 Expenditures	6,000,000	KRS1 Square Feet	2,395,800
44	2014 Expenditures	35,313,994	KRS2 \$/Acre Used (2014 \$)	\$900
45	Closed to Plant	\$ 41,313,994	KRS2 \$/Acre Unused (2014 \$)	\$600
46	Less Equity Investment	27,217,659	KRS2 Acres Used	31.42
47	Debt Requirement	\$14,096,335	KRS2 Acres Unused	35.79
48	State Tax Refund	\$4,987,188		
49			Lease Escalation Rate	3.00%
50	KIUC % Ownership of KRS2		KRS2 GET on KRS2 Land Lease	4.17%
51	Pre-Flip	1%		
52	Post-Flip	95%	KIUC MSA (2012 \$)	
53	Post-Buyout	100%	KRS1	\$50,000
54	•		KRS2	\$50,000
55	KRS2 Buyout Amount			
56	Amount	\$15,810,964		
57	Year	7		
58	Term Remaining	19		
59	Proceeds	5.0%		

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
60	Investment Return	0.125%	Insurance	
61			KRS1	\$37,410
62	Federal Tax Rate	35%	KRS2	\$31,350
63	Alternative Minimum Tax Rate	20%		
64			Target Cash Balance	
65	COD Lease Payment		KRS1	\$10,000
66	KRS1	\$150,000		
67	KRS2	\$0	KRS2 PPA Rate (\$/MWh)	\$125
68				
69	O&M Expenses (2014 \$)			
70	KRS1	\$206,617		
71	KRS2	\$197,733		
72				
73	Real Property Taxes (2014 \$)			
74	KRS1	\$11,592		
75	KRS2	\$542		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual		1					Projec	ted				
Line		_	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Sales (MWh)																
2	Residential	D	160,479	161,946	159,426	159,071	157,278	161,520	162,200	164,482	165,690	168,856	170,942	173,604	175,952	177,924	179,923
3	Small Commercial	G	61,763	58,776	59,481	59,790	59,664	56,017	56,504	57,296	57,803	58,083	58,202	58,349	58,540	59,048	59,674
4	Large Commercial	J	57,561	54,388	53,236	51,859	51,607	48,389	49,241	49,931	50,373	50,616	50,721	50,848	51,015	51,457	52,004
5	Large Power-Primary	L	52,083	42,639	44,991	44,379	46,286	42,968	44,023	45,156	46,138	47,037	47,838	48,652	49,503	50,426	51,355
6	Large Power-Secondary	Р	118,083	114,413	114,522	116,824	115,389	112,104	105,831	108,555	110,916	113,078	115,003	116,961	119,007	121,225	123,458
7	Street Lights	SL	2,637	2,702	2,730	2,716	2,760	2,481	2,235	1,981	1,719	1,450	1,467	1,485	1,502	1,519	1,536
8	Irrigation	IRR	1,184	1,410	148	105	175	105	105	105	105	105	105	105	105	105	105
9	Total	_	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
10																	
11	Yearly Change Percentage		-2.8%	-3.9%	-0.4%	0.0%	-0.4%	-2.2%	-0.8%	1.8%	1.2%	1.5%	1.2%	1.3%	1.2%	1.3%	1.4%
12																	
13	Customer Accounts																
14	Residential	D	27,301	27,629	27,793	28,010	28,169	28,762	29,197	29,860	30,328	30,808	31,298	31,800	32,313	32,821	33,342
15	Small Commercial	G	4,305	4,208	4,221	4,198	4,195	4,242	4,303	4,397	4,462	4,529	4,596	4,665	4,735	4,802	4,871
16	Large Commercial	J	357	346	337	330	326	330	336	343	348	353	359	364	369	375	380
17	Large Power-Primary	L	16	16	15	15	15	15	15	15	16	16	16	16	17	17	17
18	Large Power-Secondary	Р	109	114	112	115	113	116	117	123	124	126	128	130	131	133	135
19	Street Lights (Number of Fixtures)	SL	3,461	3,519	3,553	3,575	3,587	3,630	3,667	3,720	3,757	3,795	3,833	3,871	3,910	3,949	3,989
20	Irrigation	IRR	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
21	Total	_	35,552	35,835	36,033	36,246	36,408	37,098	37,637	38,461	39,038	39,630	40,233	40,849	41,478	42,100	42,737
22																	
23	Yearly Change Percentage		1.5%	0.8%	0.6%	0.6%	0.4%	1.9%	1.5%	2.2%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
24																	
25	Billed Demand (kW)																
26	Residential	D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
27	Small Commercial	G	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
28	Large Commercial	J	191,155	182,082	175,673	172,507	173,385	159,701	157,957	160,170	161,588	162,369	162,703	163,113	163,647	165,066	166,819
29	Large Power-Primary	L	117,658	109,666	108,187	105,996	103,274	98,261	96,372	98,853	101,003	102,972	104,725	106,508	108,371	110,391	112,424
30	Large Power-Secondary	Р	289,572	294,915	289,910	290,516	289,383	283,492	262,867	269,634	275,498	280,867	285,649	290,512	295,593	301,103	306,650
31	Street Lights	SL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
32	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
33	G																
34	Existing Rates - Customer Charge (\$	B/custo	mer/month)														
35	Residential	D	\$9.72	\$9.72	\$10.22	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58
36	Small Commercial	G	21.89	21.89	23.01	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82
37	Large Commercial	J	36.48	36.48	38.35	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69
38	Large Power-Primary	Ĺ	334.35	334.35	346.18	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08
39	Large Power-Secondary	P	346.51	346.51	359.78	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38
40	Street Lights (Fixture Charge)	SL	5.78	5.78	6.06	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29
41	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
42	ingulon	11111	11/4	ı ıı a	11/4	11/4	11/4	11/4	11/4	11/4	11/4	11/4	ıı,a	11/4	ı ı a	11/4	ıı,a
72							I										

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual		Î					Projec	cted				
Line	•		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	Existing Rates - Energy Base Rates	(\$/kW	/h)														
44	Residential	D	\$0.17022	\$0.17374	\$0.27270	\$0.34919	\$0.34893	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743
45	Small Commercial	G	0.18804	0.19125	0.28867	0.35960	0.35968	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769
46	Large Commercial	J	0.15697	0.16041	0.25551	0.32647	0.32552	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390
47	Large Power-Primary	L	0.13341	0.13643	0.22311	0.29131	0.28770	0.28823	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901
48	Large Power-Secondary	Р	0.14329	0.14658	0.23579	0.30351	0.30289	0.30153	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198
49	Street Lights	SL	0.22913	0.23330	0.33710	0.41758	0.41940	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530
50	Irrigation	IRR	0.35085	0.18735	0.24215	0.32090	0.33100	0.31935	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100
51																	
52	Existing Rates - Demand Base Rate	es (\$/K	W)														
53	Residential	D	n/a														
54	Small Commercial	G	n/a														
55	Large Commercial	J	\$6.08	\$6.08	\$6.41	\$6.62	6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62
56	Large Power-Primary	L	13.13	13.13	\$13.61	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
57	Large Power-Secondary	Р	10.45	10.45	\$10.86	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14
58	Street Lights	SL	n/a														
59	Irrigation	IRR	n/a														
60																	
61	Revenues at Existing Rates (\$000)																
62	Residential	D	\$30,501	\$31,359	\$46,884	\$59,103	\$58,456	\$59,768	\$60,060	\$60,937	\$61,416	\$62,577	\$63,364	\$64,353	\$65,233	\$65,983	\$66,744
63	Small Commercial	G	12,745	12,346	18,336	22,701	22,659	21,249	21,441	21,751	21,951	22,070	22,132	22,204	22,292	22,493	22,737
64	Large Commercial	J	10,354	9,983	14,883	18,230	18,102	16,888	17,155	17,396	17,551	17,638	17,676	17,723	17,783	17,938	18,129
65	Large Power-Primary	L	8,557	7,321	11,574	14,470	14,820	13,818	14,129	14,494	14,809	15,097	15,354	15,615	15,888	16,184	16,482
66	Large Power-Secondary	Р	20,399	20,327	30,637	39,203	38,675	37,474	35,405	36,328	37,114	37,835	38,477	39,130	39,813	40,552	41,296
67	Street Lights	SL	844	874	1,179	1,404	1,428	1,304	1,205	1,103	997	888	898	909	919	929	939
68	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	35
69	Total		\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
70																	
71	Fuel and ERAC Revenues (\$000)																
72	Residential	D	\$37,021	\$17,401	\$11,715	\$9,929	\$12,330	\$11,283	\$7,110	\$1,609	\$2,668	\$3,978	\$5,578	\$7,003	\$8,191	\$9,871	\$11,723
73	Small Commercial	G	14,354	6,393	4,201	3,768	4,695	3,914	2,478	561	931	1,368	1,899	2,354	2,725	3,276	3,888
74	Large Commercial	J	13,404	5,879	3,826	3,255	4,067	3,381	2,159	489	811	1,192	1,655	2,051	2,375	2,855	3,388
75	Large Power-Primary	L	12,382	4,678	3,322	2,769	3,668	3,002	1,931	442	743	1,108	1,561	1,963	2,304	2,797	3,346
76	Large Power-Secondary	Р	27,861	12,389	8,300	7,377	9,123	7,833	4,641	1,062	1,786	2,664	3,752	4,718	5,540	6,725	8,044
77	Street Lights	SL	613	286	203	170	219	173	98	19	28	34	48	60	70	84	100
78	Irrigation	IRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11
79	Total		\$105,635	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$4,182	\$6,966	\$10,345	\$14,493	\$18,149	\$21,204	\$25,608	\$30,490
80																	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual							Projec	cted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81	Total Revenues at Existing Rates in	cluding	Fuel and E	RAC (\$000)												
82	Residential	D	\$67,522	\$48,760	\$58,600	\$69,032	\$70,785	\$71,051	\$67,170	\$62,546	\$64,084	\$66,555	\$68,942	\$71,356	\$73,424	\$75,854	\$78,467
83	Small Commercial	G	27,099	18,739	22,537	26,469	27,354	25,163	23,919	22,312	22,882	23,438	24,031	24,558	25,017	25,769	26,625
84	Large Commercial	J	23,758	15,862	18,709	21,485	22,169	20,269	19,314	17,885	18,362	18,830	19,331	19,774	20,158	20,793	21,517
85	Large Power-Primary	L	20,940	11,999	14,896	17,239	18,488	16,820	16,060	14,936	15,552	16,205	16,915	17,578	18,192	18,981	19,828
86	Large Power-Secondary	Ρ	48,260	32,716	38,937	46,579	47,798	45,307	40,046	37,390	38,900	40,499	42,229	43,848	45,353	47,277	49,340
87	Street Lights	SL	1,458	1,161	1,381	1,574	1,647	1,478	1,303	1,123	1,025	923	946	969	989	1,013	1,039
88	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	36
89	Total		\$189,451	\$129,500	\$155,095	\$182,411	\$188,299	\$180,122	\$167,846	\$156,226	\$160,839	\$166,485	\$172,429	\$178,118	\$183,167	\$189,721	\$196,852
90																	
91	Average Residential Bill Calculation																
92	Avg. Monthly kWh		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
93	Base without Increases		\$97.17	\$97.17	\$146.57	\$185.18	\$185.05	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30
94	Base with Increases		97.17	97.17	146.57	185.18	185.05	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30
95	ERAC		116.70	54.07	36.33	31.37	39.38	34.93	21.92	4.89	8.05	11.78	16.31	20.17	23.27	27.74	32.58
96	Total Bill		\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$206.22	\$189.19	\$192.35	\$196.07	\$200.61	\$204.47	\$207.57	\$212.03	\$216.87

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

				Actual							Proje	cted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Operating Revenue															
2	Base Rate Revenue at Existing Rates	\$83.816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
3	ERAC Revenues at Target Heat Rate	105,635	47,025	31,566	27,268	34,101	29,587	18,417	4,182	6,966	10,345	14,493	18,149	21,204	25,608	30,489
4	% of Base	100,000	47,025	31,300	21,200	34, 101	29,567	10,417	4,102	0,900	10,345	14,493	10, 149	21,204	25,006	30,469
5	Year Sales Revenue															
6	2013 0.0%						0									
7	2014 0.0%						U	0								
8	2015 0.0%							0	0							
9	2016 0.0%								O	0						
10	2017 0.0%									O	0					
11	2018 0.0%										Ü	0				
12	2019 0.0%											Ü	0			
13	2020 0.0%												ŭ	0		
14	2021 0.0%													ŭ	0	
15	2022 0.0%														_	0
16	Rate Revenue from Rate Increases Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Other Operating Revenues	174	161	159	168	153	153	162	162	162	162	162	162	162	162	162
18	Total Operating Revenues	\$189,625	\$129,661	\$155,254	\$182,579	\$188,452	\$180,275	\$168,009	\$156,388	\$161,001	\$166,647	\$172,591	\$178,280	\$183,329	\$189,883	\$197,013
19																
20	Operating Expenses															
21	Purchased Power															
22	KRS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
23	KRS-2	-	-	-	-		-	1,473	2,956	2,968	2,958	2,934	2,940	2,948	2,946	2,948
24	Other	5,961	3,724	4,212	7,650	8,644	10,017	15,396	18,060	18,455	18,761	18,997	19,352	19,768	20,072	20,439
25	Power Production - Fuel	98,148	51,952	68,900	90,533	94,033	87,605	67,385	51,511	54,530	58,311	47,227	50,347	53,028	56,831	60,978
26	Power Production - Non-Fuel - Existing	14,415	12,917	13,701	14,917	15,426	14,751	13,920	13,403	13,840	14,328	13,581	14,004	14,442	14,887	15,355
27	Power Production - Non-Fuel - New	0	0	0	0	0	0	0	0	0	0	1,735	1,774	1,813	1,853	1,895
28	Transmission O&M	947	1,030	1,071	1,046	900	1,066	1,066	1,123	1,194	1,224	1,277	1,342	1,376	1,410	1,445
29	Distribution O&M	3,642	3,645	3,857	4,055	3,672	3,964	4,063	4,165	4,269	4,376	4,485	4,597	4,712	4,830	4,951
30	Consumer Accounts and Sales	3,320	3,196	3,218	3,161	3,348	3,230	3,311	3,393	3,478	3,565	3,654	3,746	3,839	3,935	4,034
31	Regulatory Commission Expenses - HPUC Fees	947	648	775	912	942	901	840	782	805	833	863	891	917	949	985
32	Administrative and General															
33	KRS-1	0	0	0	0	5	5	13	50	50	50	50	50	50	50	50
34	KRS-2	0	0	0	0	0	0	25	50	50	50	50	50	50	50	50
35	Other	11,239	10,620	13,377	13,855	13,012	13,547	13,853	14,137	14,493	14,858	15,232	15,615	16,008	16,411	16,824
36	Depreciation and Amortization	16,450	16,736	14,595	13,372	13,435	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
37	Franchise & PSC Taxes	15,923	10,861	13,003	15,289	15,783	15,181	14,148	13,170	13,558	14,034	14,534	15,013	15,439	15,991	16,591
38	Other Taxes	104	77	45	(0)	0	0	0	0	0	0	0	0	0	0	0
39	Interest Expense on Long-Term Debt															
40	Existing Debt	9,941	9,502	9,061	8,669	8,335	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
41	KRS-1	0	0	0	0	0	0	284	1,091	1,061	1,030	998	965	931	896	860
42	Other New Debt	0	0	0	0	0	165	527	979	3,046	4,385	6,643	6,554	6,454	6,358	6,401
43	Other Interest Expense															
44	KRS-1	0	0	0	7	194	264	870	0	0	0	0	0	0	0	0
45	Other	65	82	164	124	354	349	390	101	102	104	106	107	109	110	112
46	Capitalized Interest	0	0	0	0	0	0	0	0	(1,478)	(2,230)	0	0	0	0	0
47	Contributions and Other Deductions	97	77	121	86	103	69	69	69	69	69	69	69	69	69	69
48	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	Total Operating Expenses	\$181,198	\$125,069	\$146,101	\$ 173,675	\$178,185	\$172,932	\$160,527	\$150,601	\$156,038	\$162,210	\$159,573	\$164,253	\$168,458	\$173,880	\$179,941
50																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

				Actual		1					Projec	cted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
51	Patronage Capital and Operating Margins	\$8,427	\$4,593	\$9,153	\$8,904	\$10,267	\$7,343	\$7,482	\$5,787	\$4,963	\$4,437	\$13,019	\$14,027	\$14,871	\$16,003	\$17,072
52	Income (Loss) from KRS 1	0	0	0	(32)	(198)	(5)	161	273	265	257	249	241	233	224	215
53	Income (Loss) from KRS 2	0	0	0	0	0	0	1	2	2	2	2	2	217	231	248
54	Capital Credits & Patronage Dividends	59	40	40	30	34	40	40	40	40	40	40	40	40	40	40
55	A&G Income - KRS1	0	0	0	0	5	5	13	50	50	50	50	50	50	50	50
56	A&G Income - KRS2	0	0	0	0	0	0	25	50	50	50	50	50	50	50	50
57	Interest Income - KRS1	0	0	0	7	194	264	1,154	1,091	1,061	1,030	998	965	931	896	860
58	Interest Income - Other	909	786	20	36	39	21	6	_ 4	4	3	5	9	7	3	0
59	Interest Income COC	0	0	618	517	546	574	603	565	383	402	423	444	467	491	516
60	Other Revenue and Expense	159	156	125	195	205	167	167	167	167	167	167	167	167	167	167
61 62	Total Margins	\$9,554	\$5,574	\$9,956	\$9,657	\$11,091	\$8,409	\$9,651	\$8,028	\$6,984	\$6,438	\$15,003	\$15,995	\$17,032	\$18,155	\$19,218
63	RUS															
64	Total TIER	1.96	1.59	2.10	2.11	2.33	2.08	2.21	1.91	1.67	1.57	2.15	2.29	2.45	2.65	2.84
65	Total TIER	1.00	1.00	2.10	2.11	2.00	2.00	2.2.	1.01	1.07	1.07	2.10	2.20	2.40	2.00	2.04
66	Regulatory															
67	Total TIER	2.19	1.83	2.35	2.38	2.61	2.37	2.49	2.16	1.89	1.77	2.33	2.48	2.65	2.85	3.05
68																
69	KRS1															
70																
71	Revenue from KIUC				\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
72	Expenses (Revenues)															
73	O&M				\$25	\$0	\$0	\$52	\$210	\$213	\$216	\$219	\$223	\$226	\$229	\$233
74	Insurance							9	37	37	37	37	37	37	37	37
75	Land Lease				0	0	0	25	101	101	101	101	101	101	101	101
76	Depreciation				0	0	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
77	HBA				0	0	0	12	47	47	47	47	47	47	47	47
78	Amortized HBA				0	0	0	1	6	6	6	6	6	6	6	6
79	Real Property Tax				0	0	0	3	12	12	12	12	12	12	12	12
80	Other Expenses (KIUC MSA)				0	5	5	13	50	50	50	50	50	50	50	50
81	Long-Term Interest Expense				0	0	0	284	1,091	1,061	1,030	998	965	931	896	860
82	Other Interest Expense				7	194	264	870	0	0	0	0	0	0	0	0
83	IDC				0	0	(264)	(870)	0	0	0	0	0	0	0	0
84	Interest Income			_	(000)	0	0	0	0	0	0	0	0	0	0	0
85	Net Margin				(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
86 87	KRS1 DSC and TIER Calculation															
88	Net Margin				(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
89	Interest				0	(ψ130)	0	284	1,091	1,061	1,030	998	965	931	896	860
90	Depreciation				0	0	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
91	Total			_	(\$32)	(\$198)	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2.840	\$2,797	\$2.754	\$2,709
92	Total				(402)	(\$.55)	(40)	Ψ00.	\$2,00 1	\$2,000	Ψ2,02.	Ψ2,00.	Ψ2,010	Ψ2,	42,10 .	\$2 ,. \$6
93	LT Interest Payments				\$0	\$0	\$0	\$284	\$1,091	\$1,061	\$1,030	\$998	\$965	\$931	\$896	\$860
94	LT Principal Payments				0	0	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
95	Total			_		\$0	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
96																
97	DSC				na	na	na	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
98	TIER				na	na	na	1.57	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
99 100	Gross KRS1 Energy Payments by KIUC (cents/kWh)				na	na	na	na	14.62	14.43	14.33	14.17	14.01	13.80	13.68	13.50
	KRS1 Cash Payments to KIUC (cents/kWh)				na	na	na	na	(3.97)	(3.80)	(3.65)	(3.48)	(3.31)	(2.96)	(2.79)	(2.60)
	Net KRS1 Energy Payments by KIUC (cents/kWh)				na	na	na	na	10.65	10.63	10.68	10.69	10.70	10.84	10.89	10.90
103	13. Tale 1 Energy 1 dymonio by 1400 (contontwill)				114	114	iiu	114	10.00	10.00	10.00	10.00	10.70	10.04	10.00	10.00

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

Base Case Scenario															
			Actual							Projec	cted				
Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
104 KRS2															
105 Revenue from KIUC					\$0	\$0	\$1,473	\$2,956	\$2,968	\$2,958	\$2,934	\$2,940	\$2,948	\$2,946	\$2,948
106 Expenses (Revenues)															
107 O&M					\$0	\$0	\$99	\$201	\$204	\$207	\$210	\$213	\$216	\$219	\$223
108 Insurance					0	0	16	31	31	31	31	31	31	31	31
109 Land Lease					0	0	25	51	53	54	56	58	59	61	63
110 4.167% GET On Land Lease					0	0	1	2	2	2	2	2	2	3	3
111 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
112 HBA					0	0	0	0	0	0	0	0	0	0	0
113 Amortized HBA					0	0	0	0	0	0	0	0	0	0	0
114 Real Property Tax					0	0	0	1	1	1	1	1	1	1	1
115 Other Expenses (KIUC MSA)					0	0	25	50	50	50	50	50	50	50	50
116 Long-Term Interest					0	0	402	803	788	772	755	737	718	698	676
117 Other Interest Expense					0	41	429	0	0	0	0	0	0	0	0
118 IDC					0	(41)	(429)	0	0	0	0	0	0	0	0
119 Interest Income					0	0	0	0	0	0	0	0	0	0	0
120 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
121															
122 KRS2 DSC and TIER Calculation															
123 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
124 Interest					0	0	402	803	788	772	755	737	718	698	676
125 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
126 Total					\$0	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,577
127															
128 Interest Payments					\$0	\$0	\$402	\$803	\$788	\$772	\$755	\$737	\$718	\$698	\$676
129 Principal Payments					0	0	0	268	283	299	316	335	354	374	395
130 Total					\$0	\$0	\$402	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
131															
132 DSC					na	na	3.25	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41
133 TIER					na	na	1.20	1.20	1.24	1.24	1.23	1.27	1.30	1.33	1.37
134															
135 Gross KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
136 KRS2 Cash Payments to KIUC (cents/kWh)					na	na	(0.02)	(0.04)	(0.07)	(0.07)	(0.06)	(0.06)	(6.43)	(6.41)	(6.39)
137 Net KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.48	12.46	12.43	12.43	12.44	12.44	6.07	6.09	6.11
					•										

	Base Case Scenario										_					
Line		2008	2009	Actual 2010	2011	2012	2013	2014	2015	2016	2017	rojected 2018	2019	2020	2021	2022
1	ASSETS AND OTHER DEBITS										****			****	****	
2	Total Utility Plant	\$438,705	\$453,415	\$462,666	\$478,307	\$494,066	\$504,284	\$527,275	\$539,943	\$598,476	\$656,033	\$665,414	\$672,426	\$682,987	\$693,225	\$708,379
3	Accumulated Provision for Depr and Amort	(198,672)	(211,674)	(221,234)	(230,027)	(238,616)	(248,303)	(258,247)	(268,555)	(279,108)	(290,022)	(301,898)	(313,909)	(326,080)	(338,473)	(351,144)
4 5	Net Utility Plant in Service	\$240,033	\$241,741	\$241,431	\$248,279	\$255,450	\$255,981	\$269,028	\$271,388	\$319,369	\$366,011	\$363,516	\$358,517	\$356,906	\$354,752	\$357,236
6	Other Property and Investments															
7	Non-Utility Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Investment in KRS1	0	0	0	5,593	8,052	9,847	41.114	40.414	39.677	38,901	38,085	37.228	36,329	35,387	34,399
9	Investment in KRS2	0	0	0	0,000	0,002	0,047	270	262	249	235	222	209	(930)	(2,208)	(3,466)
10	Other Investments	1,000	1,261	1,247	1,193	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
11	Total Other Property and Investments	\$1,000	\$1,261	\$1,247	\$6,787	\$9,554	\$11,349	\$42,885	\$42,178	\$41,427	\$40,637	\$39,808	\$38,938	\$36,901	\$34,680	\$32,434
12						* - 7										
13	Current Assets															
14	Cash															
15	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	(\$695)	\$244	\$1,147	\$2,010	\$2,834	\$3,617	\$4,320	\$4,979	\$5,594
16	KRS2	0	0	0	0	0	0	(269)	(260)	(244)	(229)	(214)	(199)	1,156	2,666	4,172
17	Other	26,001	2,919	6,096	3,437	3,762	7,765	4,604	2,924	3,098	2,219	4,221	7,186	5,218	2,554	0
18	Accounts Receivable	9,576	10,849	9,695	12,164	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868
19	Inventory	13,157	13,320	14,217	14,033	14,788	15,094	15,782	16,162	17,914	19,636	19,917	20,127	20,443	20,750	21,203
20	Prepaids	1,110	1,196	955	987	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
21	Other Current Assets	7,302	7,275	8,167	8,059	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394
22	Total Current Assets	57,145	35,559	39,131	38,679	43,033	47,342	43,905	43,552	46,396	48,119	51,241	55,213	55,620	55,432	55,452
23	Regulatory Assets	4,338	5,559	5,914	5,357	6,966	6,674	6,381	6,089	5,797	5,505	5,212	4,920	4,628	4,335	4,116
24	Deferred Debits	82	331	421	89	121	121	121	121	121	121	121	121	121	121	121
25 26	Total Assets and Other Debits	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,321	\$363,329	\$413,109	\$460,393	\$459,899	\$457,710	\$454,176	\$449,320	\$449,359
27	EQUITIES AND LIABILTIES															
28	Margins and Equities															
29	Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Patronage Capital	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨO	ΨΟ	ψo	ψo	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ
31	KRS1	0	0	0	(32)	(230)	(234)	5,177	5,450	5,715	5,972	6,222	6,463	6,696	6,920	7,135
32	KRS2	0	0	0	0	(0	1	2	4	6	8	10	227	458	706
33	Other	48,144	51,316	59,756	68,415	78,601	84,134	92,859	98,841	105,433	111,487	126,113	139,738	152,576	164,832	176,339
34	Other Margins and Equities	0	952	1,162	963	174	252	330	408	486	564	642	720	798	876	954
35	Unrealized Gain(Loss) on Investments	(306)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Total Margins and Equities	\$47,838	\$52,268	\$60,919	\$69,347	\$78,546	\$84,153	\$98,368	\$104,702	\$111,639	\$118,030	\$132,985	\$146,932	\$160,298	\$173,086	\$185,135
37	Non-Current Liabilities															
38	Long-Term Debt															
39	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682	\$25,442
40	Other	216,855	207,935	198,675	189,015	188,916	187,583	185,707	184,817	185,210	182,152	251,983	235,980	219,332	201,942	190,406
41	Cushion of Credit	(9,404)	(15,115)	(10,155)	(10,724)	(11,270)	(11,845)	(12,448)	(7,513)	(7,896)	(8,298)	(8,720)	(9,165)	(9,632)	(10,122)	(10,638)
42 43	Post-Retirement Benefit Obligation	3,858	2,384	1,981	1,881	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
43 44	Total Non-Current Liabilities	\$211,308	\$195,204	\$190,501	\$180,172	\$180,028	\$178,121	\$210,024	\$213,067	\$212,044	\$207,518	\$275,829	\$258,249	\$239,968	\$220,884	\$207,592
45	Current Liabilities Current Portion of Long-Term Liab															
46	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$972	\$1.002	\$1.033	\$1.065	\$1.098	\$1,132	\$1.167	\$1,203	\$1,240
47	Other	8,487	8,876	9,261	9,661	10,395	11,239	11,875	12,536	13,242	14,785	15,377	16,003	16,647	17,390	18,022
48	Accounts Payable	5.665	7.439	7,338	7,981	6,251	6,251	6,251	6,251	6.251	6,251	6.251	6.251	6.251	6.251	6,251
49	Notes Payable to KRS1	0,000	7,409	7,550	0	0,231	0,231	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
50	Notes Payable to KRS 1	0	0	0	5.000	7,500	9,500	(093)	0	1,147	2,010	2,034	0,017	4,320	4,979	0,594
51	Notes Payable - Other	0	2,000	0	3,700	6,678	6,678	10,000	0	42,228	85,208	0	0	0	0	0
52	Consumer Deposits	884	1,138	1,049	1,248	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273
53	Interest Accrued Debt KRS1	0	0	0	7	200	0	0	0	0	0	0	0	0	0	0
54	Other Liabilities	15,351	7,146	9,448	12,432	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471
55	Total Current Liabilities	\$30,388	\$26,598	\$27,096	\$40,028	\$44,768	\$47,412	\$42,147	\$33,778	\$77,644	\$123,064	\$39,304	\$40,747	\$42,129	\$43,567	\$44,851

	Dase Gase Guerrano			Actual		ı					Pi	rojected				
Line	•	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
56	Regulatory Liabilities	4,019	3,726	3,434	3,142	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849
57	Deferred Credits	9,045	6,654	6,194	6,502	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932
58 59	Total Liabilities	\$254,760	\$232,182	\$227,225	\$229,844	\$236,578	\$237,314	\$263,953	\$258,626	\$301,470	\$342,363	\$326,914	\$310,777	\$293,878	\$276,233	\$264,224
60	Total Equities and Liabilities	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,320	\$363,328	\$413,109	\$460,393	\$459,899	\$457,709	\$454,176	\$449,319	\$449,359
61																
62	ENLANGUA BATIOS															
63	FINANCIAL RATIOS															
64	Equity to Total Assets	15.81%	18.38%	21.14%	23.18%	24.93%	26.18%	27.15%	28.82%	27.02%	25.64%	28.92%	32.10%	35.29%	38.52%	41.20%
65	Working Capital (Days of Operating Expenses)	55	9	16	8	8	17	9	7	10	10	17	26	25	23	21
66 67																
68	KRS1					<u> </u>										
69	Utility Plant															
70	Electric Plant in Service				\$0	\$0	\$0	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837
71	Accumulated Depreciation and Amortization				0	0	0	(408)	(2,042)	(3,675)	(5,309)	(6,942)	(8,576)	(10,209)	(11,843)	(13,476)
72	Net Electric Plant in Service			-	\$0	\$0	\$0	\$40,428	\$38,795	\$37,161	\$35.528	\$33,894	\$32,261	\$30.627	\$28,994	\$27,360
73	Construction Work in Progress				4,954	7,806	9,500	0	0	0	0	0	0	0	0	0
74	Net Electric Utility Plant			-	\$4,954	\$7,806	\$9,500	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
75																
76	Current Asssets															
77	Cash				\$640	\$249	\$197	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
78	Accounts/Notes Receivable				0	0	0	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
79	Prepaid Lease						150	148	142	136	130	124	118	112	106	100
80	Inventories			_			0	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
81	Total Current Assets				\$640	\$249	\$347	\$685	\$1,619	\$2,515	\$3,373	\$4,191	\$4,968	\$5,665	\$6,318	\$6,927
82	B (17 B %				••			••	••		••	••				
83	Deferred Tax Benefit				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37	\$74	\$111
84	Total Assets				¢ E E02	¢0.055	¢0.047	644 444	C40 444	¢20.077	£20.004	¢20.005	¢27.000	620 220	605 007	C24 200
85 86	Total Assets				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
87																
88	Equity and Margins				(\$32)	(\$230)	(\$234)	\$5,177	\$5,450	\$5,715	\$5,972	\$6,222	\$6.463	\$6.696	\$6,920	\$7,135
89	Equity and Margins				(\$32)	(\$230)	(\$254)	φ5,177	φ5,450	φ3,7 13	φ3,91Z	\$0,222	\$0,403	φ0,090	\$0,920	φ1,133
90	Advances from KIUC															
91	Cash				\$618	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582
92	Loans				5,000	7,500	9,500	35,355	34,382	33,380	32,347	31,282	30,184	29,052	27,885	26,682
93	Total Advances			-	\$5,618	\$8,082	\$10,082	\$35,936	\$34,964	\$33,962	\$32,928	\$31,863	\$30,765	\$29,633	\$28,467	\$27,264
94																
95	Accounts Payable - KRS1				\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96																
97	Interest Accrued - KRS1				\$7	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98																
99 100	<u>Deferred Taxes</u>				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
101	Total Liabilities, Equities, and Margins				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
102																
103																

	Base Case Scenario			A -1 -1		1					Б.	ete ete et				
Line	-	2008	2009	Actual 2010	2011	2012	2013	2014	2015	2016	2017	ojected 2018	2019	2020	2021	2022
104	KRS2															
105	Utility Plant															
106	Electric Plant in Service					\$0	\$0	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314
107	Accumulated Depreciation and Amortization					0	0	(826)	(2,479)	(4,131)	(5,784)	(7,437)	(9,089)	(10,742)	(12,394)	(14,047)
108	Net Electric Plant in Service					\$0	\$0	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
109	Construction Work in Progress					0	6,000	0	0	0	0	0	0	0	0	0
110	Net Electric Utility Plant					\$0	\$6,000	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
111																
112	Current Asssets															
113	Cash					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
114	Accounts/Notes Receivable					0	0	0	0	0	0	0	0	0	0	0
115	Prepaid Lease					0	0	0	0	0	0	0	0	0	0	0
116	Inventories							618	1,237	1,237	1,237	1,237	1,237	1,237	1,237	1,237
117	Total Current Assets					\$0	\$0	\$618	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237
118	D () T D ()								••	••	••	••	••			••
119	Deferred Tax Benefit					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120	Total Assets					00	000	£44.40C	¢40.070	£20.440	¢20 707	COE 444	600 400	¢24.000	620.450	\$28,504
121 122	Total Assets					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
	Cavity and Massica															
123 124	Equity and Margins KIUC Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
124	Equity Investor Equity					0	φυ 0	26,740	25,981	24,625	23,286	21,963	20,658	\$19,506 0	\$10,209 0	\$17,031
125	Total Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
127	Total Equity					φυ	φυ	φ21,010	φ20,243	\$24,074	φ23,32 I	φ22,103	\$20,007	φ19,500	φ10,20 9	φ17,031
128	Long-Term Debt					\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472
129	Long-Term Debt					φυ	φ0,000	\$ 14,090	φ13,020	φ13,543	\$13,240	\$12,525	\$12,595	φ12,241	\$11,007	\$11,472
130	Other Current and Accrued Liabilities					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
131	Other Guitent and Acorded Liabilities					ΨΟ	ΨΟ	ΨΟ	ΨΟ	ψō	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨŪ
132	Deferred Taxes					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
133	<u>Belefred Tuxes</u>					ΨΟ	ΨΟ	ΨΟ	ΨΟ	ψō	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨŪ
134	Total Liabilities, Equities, and Margins					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
135	Total Elabilitico, Equilico, and Wargino					ΨΟ	ψ0,000	ψ+1,100	ψ+0,07 <i>L</i>	φου, 410	φου, τοτ	ψου, τ ι τ	ψ00,40 2	ψ01,000	φου, του	Ψ20,004
136	Equity Detail															
137	Equity Bottom															
138	Total Equity															
139	Beginning Equity					\$0	\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289
140	Retained Earnings					0	0	79	164	186	188	176	195	217	231	248
141	Equity Investment					0	0	27,218	0	0	0	0	0	0	0	0
142	Distributions					0	0	(287)	(930)	(1,555)	(1,541)	(1,512)	(1,514)	(1,516)	(1,510)	(1,506)
143	Ending Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
144	3 . ,					·										
145	KIUC Equity															
146	% Ownership					1%	1%	1%	1%	1%	1%	1%	1%	100%	100%	100%
147	Beginning Equity					0	0	0	270	262	249	235	222	209	19,568	18,289
148	Retained Earnings					0	0	1	2	2	2	2	2	217	231	248
149	Equity Investment					0	0	272	0	0	0	0	0	0	0	0
150	Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,516)	(1,510)	(1,506)
151	Change in Ownership													20,658		
152	Ending Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
153																
154	Equity Investor Equity															
155	% Ownership					99%	99%	99%	99%	99%	99%	99%	99%	0%	0%	0%
156	Beginning Equity					0	0	0	26,740	25,981	24,625	23,286	21,963	20,658	0	0
157	Retained Earnings					0	0	78	163	184	186	174	194	0	0	0
158	Equity Investment					0	0	26,945	0	0	0	0	0	0	0	0
159	Distributions					0	0	(284)	(921)	(1,540)	(1,525)	(1,497)	(1,498)	0	0	0
160	Change in Ownership					0	0	0	0	0	0	0	0	(20,658)	0	0
161	Ending Equity					\$0	\$0	\$26,740	\$25,981	\$24,625	\$23,286	\$21,963	\$20,658	\$0	\$0	\$0

		Actual									Pro	ojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
162																
163	KIUC Portion of KRS2															
164																
165	<u>Assets</u>															
166	Beginning Investment in KRS2					\$0	\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)
167	KRS2 Net Income					0	0	1	2	2	2	2	2	217	231	248
168	KRS2 Capital Investment					0	0	272	0	0	0	0	0	161	0	0
169	KRS2 Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,516)	(1,510)	(1,506)
170	Ending Investment in KRS2					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)	(\$3,466)
171																
172	Beginning Cash					\$0	\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,156	\$2,666
173	KRS2 Capital Investment					0	0	(272)	0	0	0	0	0	(161)	0	0
174	KRS2 Distributions					0	0	3	9	16	15	15	15	1,516	1,510	1,506
175	Ending Cash					\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,156	\$2,666	\$4,172
176																
177	Total Assets					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706
178																
179	Equity & Liabilities															
180	Beginning Patronage Capital - KRS2					\$0	\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458
181	KRS2 Net Income					0	0	1	2	2	2	2	2	217	231	248
182	Ending Patronage Capital - KRS2					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706
183																
184	Total Equity & Liabilities					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706

Base Case Scenario Projected											
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Total Accrual	Margins	\$8,409	\$9,651	\$8,028	\$6,984	\$6,438	\$15,003	\$15,995	\$17,032	\$18,155	\$19,218
	ciation and Amortization	14,677	15,195	15,800	16,260	16,731	18,886	19,127	19,365	19,680	20,024
	st Exp - Existing Long-Term Debt	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
	t Exp - KRS1 Long-Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
	t Exp - Other New Long-Term Debt	165	527	979	3,046	4,385	6,643	6,554	6,454	6,358	6,401
	al Credits, Pat Cap, and KRS1/KRS2 Income (Loss)	(35)	(202)	(314)	(307)	(299)	(291)	(283)	(490)	(495)	(503)
	Interest Income	(574)	(603)	(565)	(383)	(402)	(423)	(444)	(467)	(491)	(516)
8 Less: Capita	alized Interest	o o	O O	O O	(1,478)	(2,230)	O O) O	` o´	O O	O O
9 Cash from Op	perations	\$30,245	\$32,045	\$31,782	\$31,508	\$31,500	\$46,176	\$46,770	\$47,153	\$47,881	\$48,682
10											
11 Debt Service	- Long Term										
12 Existing - In		\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
13 Existing - Pr	rincipal	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
14 KRS1 Interes	est	0	284	1,091	1,061	1,030	998	965	931	896	860
15 KRS1 Princ	ipal	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
16 Other New -	- Interest	165	527	979	3,046	4,385	6,643	6,554	6,454	6,358	6,401
17 New - Princ	ipal	93	314	523	744	976	2,033	2,122	2,222	2,318	2,483
18 Other - Inter	rest	0	0	0	0	0	0	0	0	0	0
19 Total Debt 9	Service	\$18,259	\$19,476	\$21,682	\$23,971	\$25,538	\$28,852	\$28,850	\$28,848	\$28,847	\$29,053
20											
	After Debt Service	\$11,987	\$12,569	\$10,100	\$7,537	\$5,962	\$17,325	\$17,920	\$18,305	\$19,035	\$19,629
22											
23 Additional So											
	om Long-Term Debt	\$10,000	\$10,000	\$11,646	\$13,635	\$11,727	\$85,208	\$0	\$0	\$0	\$6,485
	om Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
	om RUS Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
27 Free Cash I	Flow From	_									
28 KRS1		0	(695)	940	902	864	824	783	703	660	615
29 KRS2		0	(269)	9	16	15	15	15	1,355	1,510	1,506
	come from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
	Funds/Advances	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
	Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
33	f Ol-										
34 Additional Us		(00,007)	(00.007)	(40.050)	(00.040)	(04.444)	(40.750)	(4.4.550)	(40.040)	(40,000)	(00,000)
	ons and Replacements	(23,997)	(28,397)	(18,359)	(63,010)	(61,444)	(16,752)	(14,552)	(18,249)	(18,098)	(23,239)
	customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
37 Inventory B38 Repayment	of Short-Term Debt	(306) (10,000)	(688) (10,000)	(379) (10,000)	(1,752) 0	(1,723) 0	(281) (85,208)	(210) 0	(316) 0	(306) 0	(454) 0
	oi Short-Term Debt pital Credit Retirements	(2,755)	(639)	(10,000)	0	0	(85,208)	(2,001)	(3,619)	(5,319)	(7,122)
	ment of Capital Credits	(2,755)	(639)	(1,646)	(47)	(47)	(47)	(2,001) (47)	(3,619)	(5,319)	
40 Early Relife	ment of Capital Cleuits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
	al Sources and Uses of Cash	(\$7,983)	(\$16,695)	(\$10,832)	(\$6,446)	(\$5,962)	(\$14,483)	(\$14,158)	(\$18,214)	(\$19,529)	(\$20,063)

	Base Case Scenario					Pr	ojected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43											
44	Net Change in Cash Including KRS1/KRS2-Related	\$4,003	(\$4,125)	(\$732)	\$1,092	\$0	\$2,842	\$3,762	\$90	(\$495)	(\$433)
45	Less KRS1/KRS2-Related Net Change In Cash	0	965	(949)	(918)		(839)	(798)	(2,058)	(2,169)	(2,120)
46	Total Net Change in Cash	\$4,003	(\$3,161)	(\$1,681)	\$174	(\$879)	\$2,003	\$2,964	(\$1,968)	(\$2,664)	(\$2,554)
47											
48	TIER Calculation										
49	Long-Term Interest Payment	\$7,770	\$8,005	\$8,834	\$10,432	\$11,263	\$13,001	\$12,376	\$11,713	\$11,033	\$10,460
50	Total TIER	2.08	2.21	1.91	1.67	1.57	2.15	2.29	2.45	2.65	2.84
51											
52	RUS Debt Service Coverage Ratio										
53	Net Margins	\$8,409	\$9,651	\$8,028	\$6,984	\$6,438	\$15,003	\$15,995	\$17,032	\$18,155	\$19,218
54	Interest on Long Term Debt	7,770	8,005	8,834	10,432	11,263	13,001	12,376	11,713	11,033	10,460
55	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
56	Adjusted Margins	\$ 30,392	\$ 32,387	\$ 32,198	\$ 33,212	\$ 33,968	\$ 46,427	\$ 47,034	\$ 47,646	\$ 48,403	\$ 49,238
57											
58	Debt Service	\$ 18,259		. ,							\$ 29,053
59	RUS DSC Ratio	1.66	1.66	1.49	1.39	1.33	1.61	1.63	1.65	1.68	1.69
60											
61	CFC Debt Service Coverage Ratio										
62	Operating Margins	\$7,343	\$7,482	\$5,787	\$4,963	\$4,437	\$13,019	\$14,027	\$14,871	\$16,003	\$17,072
63	Non-Operating Margins - Interest	860	1,763	1,659	1,447	1,435	1,426	1,418	1,405	1,390	1,376
64	Interest on Long Term Debt	7,770	8,005	8,834	10,432	11,263	13,001	12,376	11,713	11,033	10,460
65	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
66	apital Crettits Received	0	0	0	0	0	0	0	0	0	0
67	Adjusted Margins	\$ 30,185	\$ 31,981	\$ 31,617	\$ 32,638	\$ 33,402	\$ 45,869	\$ 46,484	\$ 46,890	\$ 47,642	\$ 48,468
68											
69	Debt Service	\$ 18,259				\$ 25,538					\$ 29,053
70	CFC DSC Ratio	1.65	1.64	1.46	1.36	1.31	1.59	1.61	1.63	1.65	1.67
71											
72	Patronage Refund Over 2.0 RUS TIER	(\$2,755)	(\$639)	(\$1,646)	\$0	\$0	\$0	(\$2,001)	(\$3,619)	(\$5,319)	(\$7,122)
73											
74	Capital Credits Balance - Excluding KRS1 and KRS2			***		****		*****	****	44-0	****
75	Balance (Beg Yr)	\$78,601	\$84,134	\$92,859	\$98,841	\$105,433	\$111,487	\$126,113	\$139,738	\$152,576	\$164,832
76	Retirements	(2,755)		(1,646)	0	0	0	(2,001)		(5,319)	(7,122)
77	Early Retirements	(125)	, ,	(125)	(125)					(125)	(125)
78	Additions	8,413	9,489	7,753	6,717	6,178	14,751	15,752	16,582	17,700	18,755
79	Balance (End Yr)	\$84,134	\$92,859	\$98,841	\$105,433	\$111,487	\$126,113	\$139,738	\$152,576	\$164,832	\$176,339
80											

Base Case Scenario	Projected												
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
81 KRS1													
82 Cash Flows from Operating Activities													
83 Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215			
84 Depreciation and Amortization	0	410	1,639	1,639	1,639	1,639	1,639	1,639	1,639	1,639			
85 Capitalized Interest	(264)	(870)	0	0	0	0	0	0	0	0			
86 Taxes Paid	0	0	0	0	0	0	0	(37)	(37)	(37)			
87 Changes in Prepayments	(150)	0	0	0	0	0	0	0	0	0			
88 Changes in Accounts Payable	(3)	0	0	0	0	0	0	0	0	0			
89 Changes in Accrued Interest	(200)	0	0	0	0	0	0	0	0	0			
90 Changes in Inventories	0	(1,222)	0	0	0	0	0	0	0	0			
91 Net Cash from Operating Activities	(\$622)	(\$1,521)	\$1,912	\$1,905	\$1,897	\$1,889	\$1,881	\$1,835	\$1,826	\$1,818			
92													
93 Cash Flows from Investing Activities													
94 Additions to Utility Plant	(\$1,430)	(\$46,802)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
95													
96 Cash Flows from Financing Activities													
97 Loan Amounts	\$2,000	\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
98 Principal Paid on Debt	0	(232)	(972)	(1,002)	(1,033)	(1,065)	(1,098)	(1,132)	(1,167)	(1,203)			
99 Grants/Tax Incentives Received	0	21,586	0	0	0	0	0	0	0	0			
100 Grants/Tax Incentives Paid On Debt	0	(21,586)	0	0	0	0	0	0	0	0			
101 Note Receivable to Parent	0	695	(940)	(902)	(864)	(824)	(783)	(703)	(660)	(615)			
102 Net Cash from Financing Activities	\$2,000	\$48,136	(\$1,912)	(\$1,905)	(\$1,897)	(\$1,889)	(\$1,881)	(\$1,835)	(\$1,826)	(\$1,818)			
103													
104 Net Change in Cash	(\$52)	(\$187)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
105													
106 RUS Debt Service Coverage Ratio													
107 Net Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215			
108 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860			
109 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633			
110 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,709			
111													
112 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063			
113 RUS DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31			
114													
115 CFC Debt Service Coverage Ratio													
116 Operating Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215			
117 on-Opera fi ng Margins - Interest	0	0	0	0	0	0	0	0	0	0			
118 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860			
119 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633			
120 apital Credits Received	0	0	0	0	0	0	0	0	0	1			
121 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,710			
122	(, ,		•	-	•		•		•				
123 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063			
124 CFC DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31			
125	,				···-								

		Projected												
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
126	KRS2													
127	Cash Flows from Operating Activities													
128	Margins	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248			
129	Depreciation and Amortization	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653			
130	Capitalized Interest	(41)	(429)	0	0	0	0	0	0	0	0			
131	Taxes Paid	0	0	0	0	0	0	0	0	0	0			
132	Changes in Accrued Interest	0	0	0	0	0	0	0	0	0	0			
133	Changes in Prepayments	0	0	0	0	0	0	0	0	0	0			
134	Changes in Inventories	0	(618)	(618)	0	0	0	0	0	0	0			
135	Net Cash from Operating Activities	(\$41)	(\$142)	\$1,198	\$1,839	\$1,840	\$1,829	\$1,848	\$1,870	\$1,883	\$1,901			
136														
137	Cash Flows from Investing Activities													
138	Additions to Utility Plant	(\$5,959)	(\$34,885)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
139														
140	Cash Flows from Financing Activities													
141	Loan Amounts	\$6,000	\$35,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
142	Principal Paid on Debt	0	0	(268)	(283)	(299)	(316)	(335)	(354)	(374)	(395)			
143	State Tax Refund	0	4,987	0	0	0	0	0	0	0	0			
144	Distributions	0	(5,274)	(930)	(1,555)	(1,541)	(1,512)	(1,514)	(1,516)	(1,510)	(1,506)			
145	Net Cash from Financing Activities	\$6,000	\$35,027	(\$1,198)	(\$1,839)	(\$1,840)	(\$1,829)	(\$1,848)	(\$1,870)	(\$1,883)	(\$1,901)			
146														
147	Net Change in Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
148														
149	RUS Debt Service Coverage Ratio													
150	Net Margins	na	\$ 79	\$ 164	\$ 186	\$ 188	\$ 176	\$ 195	\$ 217	\$ 231	\$ 248			
151	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676			
152	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653			
153	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,577			
154														
155	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071			
156	RUS DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41			
157														
158	CFC Debt Service Coverage Ratio													
159	Operating Margins	na	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248			
160	on-Operathg Margins - Interest	na	0	0	0	0	0	0	0	0	0			
161	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676			
162	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653			
163	apital Cre@tts Received	0	0	0	0	0	0	0	0	0	1			
164	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,578			
165														
166	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071			
167	CFC DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41			
		•												

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 7 - General Funds Summary (\$000)

		Projected												
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
1	KIUC NET GENERAL FUNDS - BEGINNING OF YEAR	\$3,762	\$7,765	\$3,640	\$2,908	\$4,000	\$4,000	\$6,842	\$10,604	\$10,694	\$10,199			
2														
3	SOURCES OF GENERAL FUNDS													
4	Cash Margins after Debt Service	\$11,987	\$12,569	\$10,100	\$7,537	\$5,962	\$17,325	\$17,920	\$18,305	\$19,035	\$19,629			
5	Long Term Debt Loan Proceeds	10,000	10,000	11,646	13,635	11,727	85,208	0	0	0	6,485			
6	Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40			
7	Principal Income from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203			
8	Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0			
9	Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0			
10	Change in KRS1-Related Cash	0	(695)	940	902	864	824	783	703	660	615			
11	Change in KRS2-Related Cash	0	(269)	9	16	15	15	15	1,355	1,510	1,506			
12	Total Sources of General Funds	\$32,027	\$35,198	\$29,208	\$65,360	\$62,621	\$104,477	\$19,856	\$21,535	\$22,411	\$29,478			
13														
14	USES OF GENERAL FUNDS													
15	Regular Capital Credit Retirements	(\$2,755)	(\$639)	(\$1,646)	\$0	\$0	\$0	(\$2,001)	(\$3,619)	(\$5,319)	(\$7,122)			
16	Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)			
17	Net Additions and Replacements	(14,806)	(27,735)	(17,631)	(62,210)	(60,565)	(15,785)	(13,489)	(17,081)	(16,814)	(21,828)			
18	Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)			
19	Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)			
20	Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	0	0	(85,208)	0	0	0	0			
21	Total Uses of General Funds	(\$28,023)	(\$39,324)	(\$29,939)	(\$64,269)	(\$62,621)	(\$101,635)	(\$16,094)	(\$21,444)	(\$22,905)	(\$29,911)			
22														
23	KIUC NET GENERAL FUNDS - END OF YEAR	\$7,765	\$3,640	\$2,908	\$4,000	\$4,000	\$6,842	\$10,604	\$10,694	\$10,199	\$9,766			

	Base Case Scenario					Proje	atad				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	,	2010	2014	2010	2010	2017	2010	2010	2020	2021	2022
1	UTILITY PLANT										
2	Plant-in-Service - BOY	\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
3	Acquisition Adjustment - BOY	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852
4	CWIP - BOY	18,902	5,715	7,169	550	49,238	0	0	0	2,200	0
5	Total Utility Plant - BOY	\$494,066	\$504,284	\$527,275	\$539,943	\$598,476	\$656,032	\$665,413	\$672,426	\$682,986	\$693,224
6											
7											
8	ADDITIONS AND REPLACEMENTS										
9	Generation										
10	Hydropower	\$0	\$0	\$0	\$40,750	\$40,750	\$0	\$0	\$0	\$0	\$0
11	Hydropower Capitalized Interest	0	0	0	1,478	2,230	0	0	0	0	0
12	SWD CO Catalysts Install	150	0	0	0	0	0	0	0	0	0
13	EMD CO Catalysts Install	300	0	0	0	0	0	0	0	0	0
14	HRSG MCC Replacement	100	0	0	0	0	0	0	0	0	0
15	Waiahi Upper Powerhouse Expansion	0	3,489	0	0	0	0	0	0	0	0
16	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
17	LFG	0	0	0	0	0	0	0	0	0	0
18	Titan or Alternative	0	0	0	0	0	0	0	0	0	0
19	Other Non-Recurring Projects	5,130	1,928	0	0	0	5,050	2,000	2,000	2,000	2,000
20	Other Recurring Projects	925	950	850	850	850	850	950	1,600	1,600	850
21	Transmission and Distribution										
22	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	9,000	0	0	0	0	0
23	Anahola Service Center	200	4,692	0	0	0	0	0	0	0	0
24	Princeville Substation Upgrade	152	0	0	0	0	0	0	0	0	0
25	Replacement GIS Mapping System	250	50	0	0	0	0	0	0	0	0
26	Kipu 12 kV Reroute	100	300	0	0	0	0	0	0	0	0
27	Wailua Corridor Undergrounding	1,666	834	0	0	0	0	0	0	0	0
28	RUS Standards Compliance	50	75	0	0	0	0	0	0	0	0
29	Hanalei Tap Reconfiguration	0	50	500	1,000	0	0	0	0	0	0
30	New T&D Warehouse and Field Offices	0	0	1,500	0	0	0	0	0	0	0
31	HCP - C2 Waiakea Canal Crossing	245	147	0	0	0	0	0	0	0	0
32	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
33	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
34	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
35	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	1,122	0
36	Other Non-Recurring Projects										
37	Transmission	2,401	1,945	4,398	1,581	1,040	0	0	0	0	6,000
38	Distribution	0	0	0	0	0	0	0	0	0	0

	Base Case Scenario	Projected													
1 :		2012	2011	2015	2010			2010	2020	2024	2022				
Line 39		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022				
	Other Recurring Projects	040	740	000	0.004	540	470	400	400	400	F4.4				
40	Transmission	840	710	620	3,231	542	479	468	482	498	514				
41	Distribution	5,934	6,492	7,375	6,076	7,184	7,759	8,389	9,080	9,837	10,667				
42	Other	40	44	48	53	59	64	71	78	86	94				
43	Other Projects														
44	Non-Recurring Projects	535	1,305	555	1,055	500	1,000	1,100	1,210	1,331	1,464				
45	Recurring Projects	1,730	1,467	1,401	1,405	1,520	1,549	1,574	1,599	1,625	1,651				
46	Carryover Projects														
47	AEPO Substation (Kumanu)	530	3,920	1,112	0	0	0	0	0	0	0				
48	SPCC Substation Compliance	220	0	0	0	0	0	0	0	0	0				
49	AMI/Advanced Metering Infrastructure	2,500	0	0	0	0	0	0	0	0	0				
50	Battery Energy Storage	0	0	0	0	0	0	0	0	0	0				
51	Other Carryover Projects	0	0	0	0	0	0	0	0	0	0				
52	Total Additions and Replacements	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239				
53	Less Customer Advances	(2,880)	(651)	(716)	(788)	(867)	(953)	(1,049)	(1,153)	(1,269)	(1,395)				
54	Less CIAC	(9)	(11)	(12)	(12)	(13)	(14)	(14)	(15)	(15)	(16)				
55	Less AMI Funding	(6,302)	0	0	0	0	0	0	0	0	0				
56	Total Cap Ex Cash Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828				
57															
58	CONSTRUCTION WORK IN PROGRESS														
59	Hydropower	\$0	\$0	\$0	\$40,750	\$0	\$0	\$0	\$0	\$0	\$0				
60	Hydropower Capitalized Interest	0	0	0	1,478	0	0	0	0	0	0				
61	SWD CO Catalysts Install	0	0	0	, 0	0	0	0	0	0	0				
62	EMD CO Catalysts Install	0	0	0	0	0	0	0	0	0	0				
63	HRSG MCC Replacement	0	0	0	0	0	0	0	0	0	0				
64	Waiahi Upper Powerhouse Expansion	0	0	0	0	0	0	0	0	0	0				
65	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	Ö	0	0				
66	LFG	0	0	0	Ö	0	0	0	Ö	0	0				
67	Titan or Altennative	0	0	0	0	0	0	0	Ö	0	0				
68	North Shore Transmission Line Capital Expenditures	ő	0	0	7,010	0	0	0	0	0	0				
69	Anahola Service Center	200	0	0	0	0	0	0	0	0	0				
70	Princeville Substation Upgrade	0	0	0	0	0	0	0	0	0	0				
71	Repace GIS Mapping System	250	0	0	0	0	0	0	0	0	0				
72	Kipu 12 kV Reroute	100	0	0	0	0	0	0	0	0	0				
		1,666	0	0	0	0	0	0	0	0	0				
73	Wailua Corridor Undergrounding	,		0	0	0	0	-		-	0				
74	RUS Standards Compliance	50	0	•	•	•	-	0	0	0	•				
75	Hanalei Tap Reconfiguration	0	50	550	0	0	0	0	0	0	0				
76	New T&D Warehouse and Field Offices	0	0	0	0	0	0	0	0	0	0				
77	HCP - C2 Waiakea Canal Crossing	250	0	0	0	0	0	0	0	0	0				
78	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0				
79	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0				
80	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0				
81	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	0	0				
82	AEPO Substation (Kumanu)	3,199	7,119	0	0	0	0	0	0	0	0				

	Base Case Scenario						Proje	cted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
83	SPCC Substation Compliance		0	0	0	0	0	0	0	0	0	0
84	AMI/Advanced Metering Infrastructure		0	0	0	0	0	0	0	0	0	0
85	Battery Energy Storage		0	0	0	0	0	0	0	0	0	0
86	Other Carryover Projects		0	0	0	0	0	0	0	0	0	0
87	Total CWIP		\$5,715	\$7,169	\$550	\$49,238	\$0	\$0	\$0	\$2,200	\$0	\$0
88												
89	TOTAL PLANT IN SERVICE - BOY		\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
90	Total Additions and Replacements		23,997	28,397	18,359	64,488	63,675	16,752	14,552	18,249	18,098	23,239
91	Carryover Closed to Plant		16,228	2,516	7,119	550	49,238	0	0	0	2,200	0
92	Less CIAC and Funding		(9,082)	(447)	(492)	(540)	(594)	(652)	(717)	(787)	(865)	(951)
93	Less Cap Ex to CWIP		(3,041)	(3,970)	(500)	(49,238)	0	0	0	(2,200)	0	0
94	Less Retirements		(4,697)	(4,958)	(5,199)	(5,415)	(5,525)	(6,718)	(6,823)	(6,901)	(6,995)	(7,134)
95	TOTAL PLANT IN SERVICE - EOY		\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372	\$653,527
96	Closed to Plant		\$28,102	\$26,496	\$24,486	\$15,260	\$112,319	\$16,099	\$13,835	\$15,262	\$19,433	\$22,288
97	FUNDING											
98	FUNDING		# 40.000	# 40.000	04.040	AFF 000	054707	00	00	00	••	
99	Debt		\$10,000	\$13,322	\$1,646	\$55,863	\$54,707	\$0	\$0	\$0 4.450	\$0	\$0 4.005
100	Customer Advances		2,880	651	716	788	867	953	1,049	1,153	1,269	1,395
101	Cash		4,806	14,413	10,485	7,825	8,088	15,785	13,489	17,081	16,814	0
102 103	CIAC/AMI Funding Total		6,311 \$23,997	11 \$28,397	12 \$18,359	12 \$64.488	13 \$63,675	14 \$16,752	14 \$14,552	15 \$18,249	15 \$18,098	16 \$23,239
103	Total		\$23,997	\$20,397	φ10,359	Ф 04,400	\$63,675	\$10,752	\$14,552	φ10,2 4 9	\$10,090	\$23,239
104	DEPRECIATION EXPENSE											
105	DEFRECIATION EXPENSE	Depr										
106		Rate										
107	Existing 2012 Plant	2.73%	\$11,398	\$11,266	\$11,128	\$10,983	\$10,834	\$10,667	\$10,482	\$10,295	\$10,106	\$9,913
108	Balance of 2102 CWIP	2.73%	53	105	105	105	105	105	105	105	105	105
109	Generation	2.7070	00	100	100	100	100	100	100	100	100	100
110	Hydropower	2.00%	0	0	0	0	0	1,630	1,630	1,630	1,630	1,630
111	Hydropower Capitalized Interest	2.00%	0	0	0	0	0	74	74	74	74	74
112	SWD CO Catalysts Install	2.10%	10	20	20	20	20	20	20	20	20	20
113	EMD CO Catalysts Install	2.10%	8	16	16	16	16	16	16	16	16	16
114	HRSG MCC Replacement	2.10%	1	3	3	3	3	3	3	3	3	3
115	Waiahi Upper Powerhouse Expansion	2.00%	0	35	70	70	70	70	70	70	70	70
116	Waiahi Lower Powerhouse Upgrade	2.00%	0	0	0	0	0	0	0	0	0	0
117	LFG	6.67%	0	0	0	0	0	0	0	0	0	0
118	Titan or Alternative	2.10%	0	0	0	0	0	0	0	0	0	0
119	Other Non-Recurring Projects	2.10%	54	128	148	148	148	202	276	318	360	402
120	Other Recurring Projects	2.10%	10	29	48	66	84	102	121	148	181	207
121	Transmission and Distribution											
122	North Shore Transmission Line Capital Expenditures	2.82%	0	0	0	0	226	452	452	452	452	452
123	Anahola Service Center	2.82%	0	69	138	138	138	138	138	138	138	138
124	Princeville Substation Upgrade	3.33%	13	25	25	25	25	25	25	25	25	25
125	Replacement GIS Mapping System	3.33%	0	5	10	10	10	10	10	10	10	10
			ı									

		Projected													
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
126	Kipu 12 kV Reroute	2.82%	0	6	11	11	11	11	11	11	11	11			
127	Wailua Corridor Undergrounding	2.82%	0	35	71	71	71	71	71	71	71	71			
128	RUS Standards Compliance	2.82%	0	2	4	4	4	4	4	4	4	4			
129	Hanalei Tap Reconfiguration	2.82%	0	0	0	22	44	44	44	44	44	44			
130	New T&D Warehouse and Field Offices	2.82%	0	0	21	42	42	42	42	42	42	42			
131	HCP - C2 Waiakea Canal Crossing	2.70%	0	5	11	11	11	11	11	11	11	11			
132	Kapaia to Hanahanapuni	2.82%	0	0	0	0	0	0	0	0	0	0			
133	Convert Hanahanapuni Tap to Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0			
134	Kilohana Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0			
135	Lihue Station - Upgraded Transformers (3 @ \$850)	2.82%	0	0	0	0	0	0	0	0	47	94			
136	Other Non-Recurring Projects														
137	Transmission	2.82%	34	95	185	269	306	321	321	321	321	406			
138	Distribution	3.33%	0	0	0	0	0	0	0	0	0	0			
139	Other Recurring Projects														
140	Transmission	2.82%	12	34	53	107	160	175	188	201	215	229			
141	Distribution	3.33%	99	305	536	760	980	1,229	1,498	1,788	2,103	2,444			
142	Other	2.73%	1	2	3	4	6	. 8	9	11	14	16			
143	Other Projects														
144	Non-Recurring Projects	2.73%	7	32	58	80	101	121	150	181	216	254			
145	Recurring Projects	2.73%	24	67	106	145	184	226	269	312	356	401			
146	Carryover Projects														
147	AEPO Substation (Kumanu)	3.33%	0	0	137	274	274	274	274	274	274	274			
148	SPCC Substation Compliance	3.33%	10	20	20	20	20	20	20	20	20	20			
149	AMI/Advanced Metering Infrastructure	8.00%	504	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008			
150	Battery Energy Storage	5.00%	0	0	0	0	0	0	0	0	0	0			
151	Total	Ī	\$12,236	\$13,314	\$13,934	\$14,412	\$14,902	\$17,078	\$17,341	\$17,604	\$17,946	\$18,394			
152	Less AMI Funding	8.00%	0	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)			
153	Less CIAC	3.33%	(46)	(99)	(115)	(132)	(151)	(171)	(194)	(219)	(247)	(277)			
154	Total Deprec and Amort Accrual	Ī	\$12,190	\$12,708 [°]	\$13,313	\$13,773	\$14,244	\$16,400	\$16,641	\$16,878	\$17,193	\$17,610			
155	Less Depreciation in Other Accounts		(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)			
156	Net Depr and Amort Expense	Ī	\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415 [°]	\$16,730	\$17,147			
157															
158	Net Depreciation and Amortization Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147			
159	Amortization of Regulatory Asset - Iniki		292	292	292	292	292	292	292	292	292	219			
	Amortization of Acquisition Adjustment		2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194			
	Total Depreciation & Amortization Expense	Ī	\$14,213	\$14,731	\$15,336	\$15,796	\$16,267	\$18,423	\$18,663	\$18,901	\$19,216	\$19,560			
	Plus Depreciation in Other Accounts		463	463	463	463	463	463	463	463	463	463			
163	Total Depr and Amort Accrual		\$14,677	\$15,195	\$15,800	\$16,260	\$16,731	\$18,886	\$19,127	\$19,365	\$19,680	\$20,024			
164	•														
165															

Projected 2012 2014 2015 2016 2017 2019 2010 2020 2021 20													
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022				
\$7,806	\$9,500												
1,694	47,672												
0	(16,336)												
9,500													
\$0	\$40,837												
\$0	\$6,000												
6,000	35,314												
0	0												
6,000	0												
\$0	\$41,314												
	\$7,806 1,694 0 9,500 \$0 \$0 6,000 0 6,000	\$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0	\$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0	\$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0	2013 2014 2015 2016 2017 \$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0	2013 2014 2015 2016 2017 2018 \$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0	2013 2014 2015 2016 2017 2018 2019 \$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 6,000 0	2013 2014 2015 2016 2017 2018 2019 2020 \$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 6,000 0	2013 2014 2015 2016 2017 2018 2019 2020 2021 \$7,806 \$9,500 1,694 47,672 0 (16,336) 9,500 \$0 \$40,837 \$0 \$6,000 6,000 35,314 0 0 6,000 0				

	Base Case Scenario		Projected									
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
1	EXISTING LONG TERM DEBT											
2	Balance (Beg Yr)	\$199.311	\$188.915	\$177.990	\$166.638	\$154,845	\$142,579	\$129,828	\$116.573	\$102,791	\$88.462	
3	Existing Loan Advances	0	0	0.77,000	0	0	0	0	0	0	0	
4	Principal Repayments	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907	
5	Balance (End Yr)	\$188,915	\$177.990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462	\$73,555	
6	bulaitos (Elia 11)	ψ100,010	Ψ177,000	φ100,000	ψ101,010	Ψ112,070	ψ120,020	ψ110,070	ψ102,701	ψου, τοΣ	ψ10,000	
7	EXISTING DEBT INTEREST AND PRINCIPAL PAYMENTS											
8	Interest											
9	RUS - A41-1B010	\$297	\$282	\$265	\$248	\$230	\$212	\$192	\$173	\$152	\$130	
10	RUS - A41-1B011	594	563	530	496	460	423	385	345	303	260	
11	RUS - A41-1B012	474	447	420	391	362	332	301	269	235	201	
12	RUS - A41-1B013	375	352	328	304	279	254	229	203	177	150	
13	RUS - A41-1B014	691	655	618	580	539	497	453	407	358	308	
14	RUS - A41-1B015	3,909	3,715	3,512	3,299	3,075	2,840	2,593	2,334	2,062	1,776	
15	CFC - HI001-9005	133	122	110	99	86	74	61	48	34	20	
16	FFB B8 - H0010	154	141	128	116	101	86	72	58	42	26	
17	FFB B8 - H0015	224	206	188	171	150	129	109	87	65	40	
18	FFB B8 - H0020	501	463	423	385	338	292	246	197	147	92	
19	FFB C8 - F0025	211	207	202	198	190	184	180	174	169	162	
20	FFB C8 - F0030	42	41	40	39	38	37	36	35	34	32	
21	Total Interest	\$7.605	\$7.194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198	
22	Principal	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	*.,	4-,	*-,	4-,	*-,	+ 1,000	+ .,-=-	¥=,	+-,	
23	RUS - A41-1B010	\$402	\$417	\$434	\$451	\$469	\$487	\$507	\$526	\$547	\$569	
24	RUS - A41-1B011	803	834	867	901	937	974	1,012	1,052	1,094	1,137	
25	RUS - A41-1B012	840	866	894	922	951	981	1.013	1.045	1.078	1,112	
26	RUS - A41-1B013	1,430	1,453	1,477	1,501	1,526	1,551	1,576	1,602	1,628	1,655	
27	RUS - A41-1B014	795	831	868	906	947	989	1,033	1,079	1,128	1,178	
28	RUS - A41-1B015	3,883	4,076	4,279	4,492	4,717	4,952	5,199	5,458	5,730	6,016	
29	CFC - HI001-9005	406	418	430	443	455	468	482	496	510	525	
30	FFB B8 - H0010	442	455	467	479	493	507	520	535	549	564	
31	FFB B8 - H0015	428	442	460	479	498	518	539	561	584	608	
32	FFB B8 - H0020	846	883	921	959	1,005	1,049	1,094	1,141	1,190	1,244	
33	FFB C8 - F0025	104	212	216	220	227	233	237	243	247	254	
34	FFB C8 - F0030	19	38	39	40	41	42	43	44	45	46	
35	Total Principal	\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	
36	Total Timopal	ψ.0,000	ψ.σ,σ2σ	4 , 0 0 0	Ψ,.σ=	Ų. <u>2,2</u> 00	ψ·2,· 02	ψ.o, z oo	Ψ.σ,.σ=	Ψ,σσσ	Ψ. 1,001	
37	FUNDING REQUIREMENTS											
38	Capital Funding Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828	
39	Refinancing Requirements	10,000	10,000	10,000	0	0	85,208	0	0	0	ψ <u>υ</u> .,σ <u>υ</u>	
40	Total Funding Requirements	\$24,806	\$37,735	\$27,631	\$63,688	\$62,795	\$100,993	\$13,489	\$17,081	\$16,814	\$21,828	
41	··· · · · · · · · · · · · · · · · · ·	+1,000	Ţ-:,: 50	+,	+,-00	Ţ-=,: 3 0	, ,	Ţ. Z, . 30	Ŧ · · · , = 3 ·	+ ,	,, ,	
42	Short-Term Long Funds Advanced	\$10,000	\$13,322	\$0	\$42,228	\$42,980	\$0	\$0	\$0	\$0	\$0	
43	Long-Term Loan Funds Advanced	10,000	10,000	11,646	13,635	11,727	85,208	0	0	0	6,485	
44	Total Debt Advances	\$20,000	\$23,322	\$11,646	\$55,863	\$54,707	\$85,208	\$0	\$0	\$0	\$6,485	
45		,										

											Proje	ected				
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
46	FFB C8 Add'l Draws	Amount	Per	Rate	Term	Per Yr										
47		\$31,64	16 na	na	na	na										
48	BOY Balance						\$0	\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394
49	Loan Funds Advanced						10,000	10,000	11,646	0	0	0	0	0	0	0
50	Principal Payment						93	314	523	644	683	713	734	763	785	825
51	Interest Payment						165	527	979	1,228	1,189	1,159	1,137	1,108	1,086	1,046
52	Total Debt Service						\$258	\$841	\$1,501	\$1,872	\$1,872	\$1,872	\$1,871	\$1,871	\$1,871	\$1,870
53	EOY Balance						\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394	\$25,569
54	00444		_	ъ.	_	5 1/										
55	2014 Loan	Amount	Per	Rate	Term	Per Yr										
56	DOV D. I	\$	3 3	3.59	% 30	4		••	••	••	•	•	•	••	••	•
57	BOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Loan Funds Advanced							0	0	0	0	0	0	0	0	0
59	Principal Payment							0	0	0	0	0	0	0	0	0
60	Interest Payment						_	0	0	0	0	0	0	0	0	0
61	Total Debt Service							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	EOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63	2045	A	D	Data	Т	Dan Va										
64 65	2015 Loan	Amount	Per 80 3	Rate 5.09	Term % 30	Per Yr 4										
66	BOY Balance	•	pU 3	5.07	/o 3U	4			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	Loan Funds Advanced								φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	0 50
68	Principal Payment								0	0	0	0	0	0	0	0
69	Interest Payment								0	0	0	0	0	0	0	0
70	Total Debt Service							=	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	EOY Balance								\$0	\$0	\$0	\$0 \$0	\$0	\$0	\$0 \$0	\$0
72	Eo i Balanoc		Const	LT					ΨΟ	ΨΟ	Ψο	ΨΟ	ΨΟ	Ψο	ΨΟ	ΨΟ
73	New Hydro Loans	Amount	Rate	Rate	Term	Per Yr										
74	110W Flydro Eddilo	\$85,20				4				ST Debt	ST Debt	LT Debt	LT Debt	LT Debt	LT Debt	LT Debt
75	BOY Balance	400,2 0	0.070	0.07		·				\$0	\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215
76	Loan Funds Advanced									42,228	42,980	0	0	0	0	0
77	Principal Payment									0	0	925	972	1,022	1,074	1,128
78	Interest Payment									1,478	2,230	4,243	4,196	4,147	4,095	4,040
79	Total Debt Service								•	\$1,478	\$2,230	\$5,168	\$5,168	\$5,168	\$5,168	\$5,168
80	EOY Balance									\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215	\$80,087
81																
82	2016 Loan	Amount	Per	Rate	Term	Per Yr										
83		\$13,63	35 3	5.09	% 30	4										
84	BOY Balance									\$0	\$13,535	\$13,328	\$13,111	\$12,882	\$12,642	\$12,389
85	Loan Funds Advanced									13,635	0	0	0	0	0	0
86	Principal Payment									100	207	218	229	240	253	265
87	Interest Payment									340	673	662	651	640	627	615
88	Total Debt Service								•	\$440	\$880	\$880	\$880	\$880	\$880	\$880
89	EOY Balance									\$13,535	\$13,328	\$13,111	\$12,882	\$12,642	\$12,389	\$12,124
90																

												Proje	ected				
Line								2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
91	2017 Loan	Amount	Pe			Term	Per Yr										
92		\$11,72	27	3	5.0%	30	4										
93	BOY Balance											\$0	\$11,641	\$11,463	\$11,276	\$11,079	\$10,872
94	Loan Funds Advanced											11,727	0	0	0	0	0
95	Principal Payment											86	178	187	197	207	217
96	Interest Payment											293	579	570	560	550	540
97	Total Debt Service											\$378	\$757	\$757	\$757	\$757	\$757
98	EOY Balance											\$11,641	\$11,463	\$11,276	\$11,079	\$10,872	\$10,655
99																	
100	2018 Loan	Amount	Pe			Term	Per Yr										
101		\$	60	3	5.0%	30	4										
102	BOY Balance												\$0	\$0	\$0	\$0	\$0
103	Loan Funds Advanced												0	0	0	0	0
104	Principal Payment												0	0	0	0	0
105	Interest Payment												0	0	0	0	0
106	Total Debt Service											-	\$0	\$0	\$0	\$0	\$0
107	EOY Balance												\$0	\$0	\$0	\$0	\$0
108																	
109	2019 Loan	Amount	Pe	er	Rate 7	Term	Per Yr										
110		9	60	3	5.0%	30	4										
111	BOY Balance													\$0	\$0	\$0	\$0
112	Loan Funds Advanced													0	0	0	0
113	Principal Payment													0	0	0	0
114	Interest Payment													0	0	0	0
115	Total Debt Service												-	\$0	\$0	\$0	\$0
116	EOY Balance													\$0	\$0	\$0	\$0
117														•	•	•	•
118	2020 Loan	Amount	Pe	er	Rate	Term	Per Yr										
119				3	5.0%		4										
120	BOY Balance	Ì													\$0	\$0	\$0
121	Loan Funds Advanced														0	0	0
122	Principal Payment														0	0	0
123	Interest Payment														0	0	0
124	Total Debt Service													-	\$0	\$0	\$0
125	EOY Balance														\$0	\$0	\$0
126	201 2010100														Ų.	ΨŪ	Ψū
127	2021 Loan	Amount	Pe	ar.	Rate	Term	Per Yr										
128	ZOZ I ZOGII		0	3	5.0%		4	+									
129	BOY Balance	`		•	0.070	50	-									\$0	\$0
130	Loan Funds Advanced															0	0
131	Principal Payment															0	0
132	Interest Payment															0	0
133	Total Debt Service														-	\$0	\$0
134	EOY Balance															\$0 \$0	\$0 \$0
135	LOT Balance															φυ	\$0
135								1									

	Base Case Scenario								Droi	aatad				
Line					2013	2014	2015	2016	2017	ected 2018	2019	2020	2021	2022
136	2022 Loan Amount	Per	Rate Term	Per Yr	20.0	20	20.0	20.0	20	20.0	20.0	2020		
137	\$6,485	3	5.0% 30	4										
138	BOY Balance													\$0
139	Loan Funds Advanced													6,485
140	Principal Payment													47
141	Interest Payment													162
142	Total Debt Service												-	\$209
143	EOY Balance													\$6,438
144	LOT Balance													ψ0,400
145	TOTAL LONG TERM DEBT SERVICE													
	Interest													
147					\$7.605	¢7 104	¢6 765	¢6 225	¢5 940	\$5.260	¢4 956	¢4 220	¢2 770	¢2 100
148	Existing Debt New Debt (Excl Hydro Loan Capitalized Interest)				\$7,605 165	\$7,194 527	\$6,765 979	\$6,325 3,046	\$5,849 4,385	\$5,360 6,643	\$4,856 6,554	\$4,328 6,454	\$3,778 6,358	\$3,198 6,401
	Total Interest				\$7,770	\$7,721	\$7,744	\$9,371						\$9,600
149					\$7,770	\$7,721	\$7,744	\$9,371	\$10,233	\$12,003	\$11,411	\$10,782	\$10,136	\$9,600
	Principal Faid to Palet				040.000	040.005	044.050	044 700	040.000	040.750	040.055	040.700	044.000	044007
151	Existing Debt				\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
152	New Debt				93	314	523	744	976	2,033	2,122	2,222	2,318	2,483
153	Total Principal				\$10,489	\$11,239	\$11,875	\$12,536	\$13,242	\$14,785	\$15,377	\$16,003	\$16,647	\$17,390
154	Total Debt Service				\$18,259	\$18,960	\$19,619	\$21,908	\$23,475	\$26,788	\$26,787	\$26,785	\$26,784	\$26,990
155														
	TOTAL LONG TERM DEBT													
157	Balance (Beg Yr)				\$199,311	\$198,822	\$197,583	\$197,353	\$198,452	\$196,937	\$267,360	\$251,983	\$235,980	\$219,332
158	Loan Funds Advanced				10,000	10,000	11,646	13,635	11,727	85,208	0	0	0	6,485
159	Less Principal Repayments				10,489	11,239	11,875	12,536	13,242	14,785	15,377	16,003	16,647	17,390
160	Balance (End Yr)				\$198,822	\$197,583	\$197,353	\$198,452	\$196,937	\$267,360	\$251,983	\$235,980	\$219,332	\$208,427
161														
162	Current Portion of Long Term Debt - EOY													
163	Existing Debt				\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	\$15,370
164	New Debt				314	523	744	976	2,033	2,122	2,222	2,318	2,483	2,652
165	Total Current Portion				\$11,239	\$11,875	\$12,536	\$13,242	\$14,785	\$15,377	\$16,003	\$16,647	\$17,390	\$18,022
166					, ,	, ,-	, ,	,	, ,	,.	,		, ,	,-
167	SHORT TERM DEBT													
168	CHORT TERM BEBT													
169	\$20 M LOC/Other LOC Amount	Per	Rate Term	Per Yr										
170	BOY Balance	1 01	3.0%	1 (1 11	\$6,678	\$6,678	\$10,000							
171	Loan Funds Advanced		3.0 /0		10,000	13,322	ψ10,000 0							
172	Less Principal Repayments					(10,000)								
173	Balance (End Yr)				(10,000) \$6,678	\$10,000	(10,000) \$0							
	Balance (End Yr)				\$0,078	\$10,000	\$0							
174					2050	****	•							
175	Interest Expense				\$252	\$292	\$0							
176	Est Average Balance				\$8,385	\$9,725	\$0							
177		_												
	\$5 M LOC Amount	Per	Rate Term	Per Yr										
179	BOY Balance		3.0%		\$0	\$0	\$0							
180	Loan Funds Advanced				0	0	0							
181	Less Principal Repayments				0	0	0							
182	Balance (End Yr)				\$0	\$0	\$0							
183														
	Interest Expense				\$0	\$0	\$0							
184	Interest Expense				ΨΟ	ΨΟ	ΨΟ							
184 185	Est Average Balance				\$0	\$0	\$0							

						Projected										
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
187	KRS1															
188		Long-Term	Const	LT												
189		Amount	Rate	Rate	Yr	Per Yr										
190		\$35,587	3.0%	3.1%	25	1										
191	BOY Balance						\$7,500	\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885
192	Short-Term Debt															
193	Funds Advanced						2,000	47,672	0	0	0	0	0	0	0	0
194	Short-Term Interest						264	870	0	0	0	0	0	0	0	0
195	Federal Grant/State Tax Credit							21,586	0	0	0	0	0	0	0	0
196	Long-Term Debt															
197	Principal Payment						0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
198	Interest Payment						0	284	1,091	1,061	1,030	998	965	931	896	860
199	Debt Service						\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
200	EOY Balance						\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682
201	_															
	KRS2															
203		Long-Term	Const	LT												
204		Amount	Rate	Rate	Yr	Per Yr										
205		\$14,096	3.0%	5.7%	25	1										
206	BOY Balance						\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867
207	Short-Term Debt															
208	Funds Advanced						6,000	35,314	0	0	0	0	0	0	0	0
209	Short-Term Interest						41	429	0	0	0	0	0	0	0	0
210	Equity Investment							27,218	0	0	0	0	0	0	0	0
211	Long-Term Debt															
212	Principal Payment						0	0	268	283	299	316	335	354	374	395
213	Interest Payment						0	402	803	788	772	755	737	718	698	676
214	Debt Service						\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
215	EOY Balance						\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 10 - Projected ERAC Revenues

				Actual		ĺ					Projec	cted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	KIUC Thermal Generated (MWh)	437,819	417,224	417,117	409,392	405,946	381,990	337,000	279,670	284,270	291,020	220,390	225,890	230,670	237,150	243,310
2	KIUC Hydro Generated (MWh)	8,386	7,788	8,227	7,270	7,918	7,437	7,770	7,770	7,800	7,770	83,950	83,950	84,230	83,950	83,950
3	KRS1 Generated (MWh)	0	0	0	0	0	0	5,870	23,660	23,740	23,660	23,660	23,660	23,740	23,660	23,660
4	KRS2 Generated (MWh)	0	0	0	0	0	0	11,780	23,650	23,740	23,660	23,470	23,520	23,580	23,570	23,580
5	Purchased Power MWh - NEM & Sched Q	9	0	0	1,741	3,321	5,700	6,140	6,600	7,120	7,590	7,390	7,840	8,300	8,740	9,170
6 7	Purchased Power (MWh) - Other	29,090	30,796	27,414	34,855	34,633	46,303	69,120	103,860	104,150	103,860	103,860	103,860	104,150	103,860	103,860
/	Total MWh	475,305	455,808	452,758	453,259	451,818	441,430	437,680	445,210	450,820	457,560	462,720	468,720	474,670	480,930	487,530
9	KIUC Sales (MWh)	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
10																
11	Losses (%)	4.5%	4.3%	4.0%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
12 13	KIUC Generated Sales (MWh)	426.044	406,694	408,185	399.686	396,771	372,828	335,661	276,010	280.359	286,817	292,210	297.468	302.265	308,263	314,187
14	NIOC Generated Sales (INIVII)	420,044	400,094	400,100	399,000	390,771	312,020	333,001	270,010	200,339	200,017	292,210	297,400	302,203	300,203	314,107
15	Fuel Consumed (MMBtu)	4,208,477	3,913,866	3,868,068	3,870,223	3,778,090	3,594,303	3,146,933	2,602,489	2,647,640	2,710,031	2,083,065	2,130,652	2,174,595	2,230,236	2,285,237
16		.,,	-,,	-,,	-,	-,,	-,,	-,,	_,,	_,,	_,,	_,,,,,,,,	_,,	_,,	_,,	_,,
17	Actual Sales Heat Rate (Btu/kWh)	9,878	9,624	9,476	9,683	9,522	9,641	9,375	9,429	9,444	9,449	7,129	7,163	7,194	7,235	7,273
18																
19	Effective Sales Heat Rate for ERAC (Btu/kWh)	11,230	11,230	10,442	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850
20																
21	Adj Fuel Consumed for Efficiency Factor (MMBtu)	4,784,479	4,567,169	4,262,385	3,936,904	3,908,195	3,672,352	3,306,265	2,718,697	2,761,538	2,825,149	2,878,272	2,930,061	2,977,308	3,036,395	3,094,744
22	Actual Fuel Cost (\$/MMBtu)	\$23.32	\$13.23	\$17.80	\$23.36	\$24.89	\$24.37	\$21.41	\$19.79	\$20.60	\$21.52	\$22.67	\$23.63	\$24.39	\$25.48	\$26.68
23	F : 1 1 P F 10 1 (0/11/P)	0.4.04	04.04	044.00	047.00	047.00	0.47.00	047.00	047.00	047.00	017.00	0.17.00	047.00	047.00	0.17.00	0.17.00
24	Equivalent Base Fuel Cost (\$/MMBtu)	\$4.31 \$0.046	\$4.31 \$0.046	\$11.33 \$0.110	\$17.36 \$0.174											
25 26	Equivalent Purchased Power Cost (\$/kWh)	\$0.046	\$0.046	\$0.110	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174
27	ERAC Revenue Components (\$000)															
28	KIUC Fuel Costs	\$98,148	\$51,952	\$68,900	\$90,533	\$94,033	\$87,605	\$67,385	\$51,511	\$54,530	\$58,311	\$47,227	\$50,347	\$53,028	\$56,831	\$60,978
29	KIUC Purch Power Costs - Excl NEM, Sched Q, KRS1, and KRS2	5.959	3,724	4,212	7.194	7,741	10.017	15.395	17.050	17.368	17.607	17.868	18.157	18.502	18.744	19.041
30	KIUC Purchased Power Costs - KRS1	0,000	0,724	7,212	7,104	0	10,017	969	3,460	3.425	3.390	3,353	3.315	3.277	3,236	3.195
31	KIUC Purchased Power Costs - KRS2	0	0	0	0	0	0	1.473	2.956	2,968	2.958	2,934	2.940	2,948	2.946	2.948
32	ERAC Excess	13.633	8.493	6.965	1.429	3.246	1.902	3,412	2.300	2.346	2.477	18.029	18.890	19.574	20.543	21,600
33	Fuel and Purchased Power in Base Rates	(21,929)	(21,071)	(51,336)	(74,396)	(73,859)	(72,566)	(71,852)	(73,467)	(74,290)	(75,316)	(76,205)	(77,113)	(78,008)	(78,968)	(79,982)
34	Tax on Fuel and Purchased Power	8,446	3,098	2,146	2,370	2,624	2,444	1,304	147	390	678	(470)	(230)	(25)	272	603
35	Tax on ERAC Excess	1,380	828	679	139	317	186	333	224	229	242	1,758	1,842	1,909	2,004	2,107
36	Total	\$105,636	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$4,182	\$6,966	\$10,345	\$14,493	\$18,149	\$21,204	\$25,608	\$30,489
37																
38	Revenue from Efficiency Factor (\$000)															
39	ERAC Efficiency Adjustment	\$13,633	\$8,493	\$6,965	\$1,429	\$3,246	\$1,902	\$3,412	\$2,300	\$2,346	\$2,477	\$18,029	\$18,890	\$19,574	\$20,543	\$21,600
40	Tax on Efficiency Adjustment	1,380	828	679	139	317	186	333	224	229	242	1,758	1,842	1,909	2,004	2,107
41	Total	\$15,013	\$9,321	\$7,645	\$1,568	\$3,562	\$2,088	\$3,745	\$2,524	\$2,575	\$2,719	\$19,787	\$20,732	\$21,483	\$22,546	\$23,707
42	FD40 D + 0															
43	ERAC Rate Components (\$/kWh)	00.047	00.110	00.450	***	00.047	00.007	00.400	00.404	00.400	00.400	00.400	00.110	00.110	00.400	00.400
44 45	KIUC Fuel Costs	\$0.217 \$0.013	\$0.119 \$0.009	\$0.159 \$0.010	\$0.208 \$0.017	\$0.217 \$0.018	\$0.207 \$0.024	\$0.160 \$0.037	\$0.121 \$0.040	\$0.126 \$0.040	\$0.133 \$0.040	\$0.106 \$0.040	\$0.112 \$0.040	\$0.116 \$0.041	\$0.123 \$0.041	\$0.130 \$0.041
45 46	KIUC Purchased Power Costs - Existing KIUC Purchased Power Costs - KRS1	\$0.013 NA	\$0.009 NA	\$0.010 NA	\$0.017 NA	\$0.018	\$0.024 \$0.000	\$0.037 \$0.002	\$0.040 \$0.008	\$0.040	\$0.040	\$0.040 \$0.008	\$0.040	\$0.041	\$0.041	\$0.041
46	KIUC Purchased Power Costs - KRS1 KIUC Purchased Power Costs - KRS2	NA NA	NA NA	NA NA	NA NA	\$0.000	\$0.000	\$0.002 \$0.004	\$0.008 \$0.007	\$0.008	\$0.008	\$0.008	\$0.007	\$0.007	\$0.007 \$0.006	\$0.007 \$0.006
47	ERAC Efficiency Adjustment	\$0.030	\$0.020	\$0.016	\$0.003	\$0.000	\$0.000	\$0.004	\$0.007	\$0.007	\$0.007	\$0.007 \$0.041	\$0.007	\$0.006	\$0.006	\$0.046
49	Fuel and purchased power in base rates	(\$0.048)	(\$0.048)	(\$0.118)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)
50	Tax on Fuel and Purchased Power	\$0.019	\$0.007	\$0.005	\$0.005	\$0.006	\$0.006	\$0.003	\$0.000	\$0.001	\$0.002	(\$0.001)	(\$0.001)	(\$0.000)	\$0.001	\$0.001
51	Tax on Efficiency Adjustment	\$0.003	\$0.002	\$0.002	\$0.000	\$0.001	\$0.000	\$0.001	\$0.001	\$0.001	\$0.001	\$0.004	\$0.004	\$0.004	\$0.004	\$0.005
52	Total (before other adjustments)	\$0.233	\$0.108	\$0.073	\$0.063	\$0.079	\$0.070	\$0.044	\$0.010	\$0.016	\$0.024	\$0.033	\$0.040	\$0.047	\$0.055	\$0.065
	· · · · · · · · · · · · · · · · · · ·	Ţ00	+150	Ţ	+1.130	Ţ V	+	+	+	+0	******	Ţ50	Ţ / U	+	+	+

Appendix B DETAILED RESULTS – EMP ALTERNATIVE SCENARIO 1



Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 1 - Summary of Results

Alternative Scenario 1 - Decoupling

	Alternative Scenario 1 - Decoupling												Average Annual
		Actual					Proje	cted					Change
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2022
1	Unit Revenues (¢/kWh)												
2	Non-Fuel & Purchased Power Charges												
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.84	16.81	17.42	17.69	19.75	19.58	19.39	19.31	19.30	
4	Efficiency Premimum in ERAC	0.82	0.49									-	
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	16.84	16.81	17.42	17.69	19.75	19.58	19.39	19.31	19.30	1.0%
6													
7	Fuel and Purchased Power Charges												
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09	
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.39	1.01	1.74	(1.19)	(0.57)	(0.06)	0.66	1.45	_
10	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.51	20.14	20.85	17.92	18.53	19.04	19.75	20.54	-2.3%
11													
12	7 ()	43.48	42.53	39.10	36.33	37.55	38.54	37.66	38.11	38.43	39.07	39.83	-0.9%
13	% Change from 2012	na	-2.2%	-10.1%	-16.4%	-13.6%	-11.3%	-13.4%	-12.3%	-11.6%	-10.1%	-8.4%	
14													
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.1%	1.0%	2.8%	3.5%	9.3%	8.8%	8.3%	8.0%	0.0%	
16													
17	Long-Term Interest Expense	8,335	7,770	8,005	8,897	10,522	11,252	12,972	12,398	11,877	11,487	11,215	
18	Margins	11,091	8,409	6,404	7,118	8,417	9,002	10,377	9,919	9,501	9,190	8,972	-2.1%
19													
20	Equity to Total Assets	24.9%	26.2%	26.3%	28.1%	26.8%	26.0%	28.4%	31.0%	33.2%	35.4%	37.2%	
21													
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,640	\$2,909	\$4,000	\$4,000	\$4,000	\$4,000	\$5,476	\$7,646	\$9,766	
23	Days of Operating Cash on Hand	8	17	9	7	10	10	10	10	13	17	21	
24	RUS TIER	2.33	2.08	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	
25	Regulatory TIER	2.61	2.37	2.08	2.05	2.02	2.00	1.97	1.98	1.99	2.00	2.00	
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.50	1.44	1.44	1.43	1.45	1.42	1.39	1.35	1.32	
27		na	1.65	1.48	1.41	1.42	1.41	1.43	1.40	1.36	1.33	1.30	
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	0%	0%	0%	0%	0%	0%	0%	0%	
29													
30		na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18.098	\$23,239	
31		na	10,000	16,569	929	54,457	52,142	1,778	323	5,349	6,451	12,403	
32		na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411	
33		na	0	0	5.500	0	0	0	0	0	0	0	
34		na	4,806	11,166	11,202	9,231	10,653	14,007	13,166	11,733	10,363	9,425	
35			.,	,	,	-,	,	,	,	,	,	-,	
36		na	\$20,000	\$23,322	\$14,176	\$54,457	\$52,142	\$86,986	\$323	\$5,349	\$6,451	\$12,403	
37		na	10.000	6.753	13.247	0	0	85,208	0	0	0	0	
38		na	0	0,700	0	0	0	00,200	0	0	0	0	
39		na	10,000	16,569	929	54,457	52,142	1,778	323	5,349	6,451	12,403	
40		iiu	10,000	10,000	020	04,407	02,142	1,770	020	0,040	0,401	12,400	
41		\$224	\$219	\$202	\$188	\$194	\$199	\$195	\$198	\$199	\$202	\$206	-0.8%
42	,	na	-2.3%	-10.0%	-16.2%	-13.4%	-11.1%	-12.9%	-11.9%	-11.2%	-9.8%	-8.1%	
43		IIa	-2.5 /6	-10.076	-10.2 /6	-13.470	-11.170	-12.570	-11.970	-11.2/0	-9.076	-0.170	
44		na	\$38.18	\$9.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
45	Approx Annual Fat Cap Netheu for 500 kmil Nes Customer	ııd	φυυ. 10	φσ.υ0	φυ.υυ								
46	Renewable Power (% of total power requirements)												
47	KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%	
48		2% 8%	12%	17%	25%	25%	24%	24%	24%	24%	23%	23%	
49		10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%	
73	i otal	10 /0	10/0	20/0	J1 /0	J1 /0	JU /0	JZ /0	JZ /0	J 1 /0	J 1 /0	JU /0	

Line	KIUC Assumptions	Data Input	KIUC Assumptions	Data Input
1	Inflation		Other Assumptions	
2	General Inflation	2.5%	Investment Return	0.125%
3	Distribution O&M	2.5%	Taxes - ERAC	9.8%
4				
5	ERAC Efficiency Premium ("Y"=Yes, "N"=No)	N	Efficiency Factor Heat Rate (Btu/kWh)	9,850
6			,	
7	Debt Assumptions		Revenue Tax Multiplier	1.09751
8	New Debt Thru 2014 - Interest Rates	3.5%	·	
9	New DebtAfter 2014 - Interest Rates	5.0%	Number of Days of Cash Working Capital in Rate I	Base
10	New Debt - Construction Interest Rate	3.5%	O&M	61
11	New Debt - Repayment Period (Years)	25	Fuel	15
12	, ,			
13	Patronage Capital		Interest	30
14	Non-Operating Margins Allocated to Patronage Cap	100.0%		
15	Minimum RUS TIER for Capital Credit Retirements	2.00	Inventory as Percentage of Gross Plant	3.0%
16	Early Retirements (\$000/year not discounted)	\$125		
17	Beginning Year for Early Retirements	2012	Target RUS TIER for Decoupling Mechanism	1.80
18	Discount Rate for Capital Credit Purchases	5.0%		
19	Blended Term for Capital Credit Purchases	20	Scenario	Alternative Scenario 1 - Decoupling
20				g
21	Percent of Customer Advances to CIAC	67%		

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
22	Base Year	2013	Debt Assumptions	
23	Inflation		Construction Interest Rate	3.0%
24	General Inflation	2.5%	KRS1 Long Term Interest Rate	3.1%
25	O&M Escalation	1.5%	KRS2 Long Term Interest Rate	5.7%
26			KRS1 and KRS2- Repayment Period/Useful Life (Years)	25
27				
28	Inventory as a Percent of Gross Plant	3.0%	KRS1 Target TIER	1.25
29				
30	KRS1 Cap Ex		Operation Date	
31	2011 Expenditures	\$4,953,692	KRS1	Oct-14
32	2012 Expenditures	2,852,145	KRS2	Jul-14
33	2013 Expenditures	1,694,163		
34	2014 Expenditures	47,672,192	Long-Term Financing Date	
35	Total Capital Cost	57,172,192	KRS1	Oct-14
36	Less Federal Grant	16,335,640	KRS2	Jul-14
37	Closed to Plant	40,836,552		
38	Less State Tax Refund	5,250,000	Market Value Energy (\$/MWh)	
39	Cash Requirement	\$35,586,552	KRS1 and KRS2	\$200
40				
41	KRS2 Cap Ex		Land Lease Expenses	
42	2012 Expenditures	\$0	KRS1 \$/Sq Ft (2012 \$)	\$0.04207
43	2013 Expenditures	6,000,000	KRS1 Square Feet	2,395,800
44	2014 Expenditures	35,313,994	KRS2 \$/Acre Used (2014 \$)	\$900
45	Closed to Plant	\$ 41,313,994	KRS2 \$/Acre Unused (2014 \$)	\$600
46	Less Equity Investment	27,217,659	KRS2 Acres Used	31.42
47	Debt Requirement	\$14,096,335	KRS2 Acres Unused	35.79
48	State Tax Refund	\$4,987,188		
49			Lease Escalation Rate	3.00%
50	KIUC % Ownership of KRS2		KRS2 GET on KRS2 Land Lease	4.17%
51	Pre-Flip	1%		
52	Post-Flip	95%	KIUC MSA (2012 \$)	
53	Post-Buyout	100%	KRS1	\$50,000
54			KRS2	\$50,000
55	KRS2 Buyout Amount			
56	Amount	\$15,810,964		
57	Year	7		
58	Term Remaining	19		
59	Proceeds	5.0%		

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
60	Investment Return	0.125%	Insurance	
61			KRS1	\$37,410
62	Federal Tax Rate	35%	KRS2	\$31,350
63	Alternative Minimum Tax Rate	20%		
64			Target Cash Balance	
65	COD Lease Payment		KRS1	\$10,000
66	KRS1	\$150,000		
67	KRS2	\$0	KRS2 PPA Rate (\$/MWh)	\$125
68				
69	O&M Expenses (2014 \$)			
70	KRS1	\$206,617		
71	KRS2	\$197,733		
72				
73	Real Property Taxes (2014 \$)			
74	KRS1	\$11,592		
75	KRS2	\$542		

					Actual		1					Projec	ted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Sales (MWh)																
2	Residential	D	160,479	161,946	159,426	159,071	157,278	161,520	162,200	164,482	165,690	168,856	170,942	173,604	175,952	177,924	179,923
3	Small Commercial	G	61,763	58,776	59,481	59,790	59,664	56,017	56,504	57,296	57,803	58,083	58,202	58,349	58,540	59,048	59,674
4	Large Commercial	J	57,561	54,388	53,236	51,859	51,607	48,389	49,241	49,931	50,373	50,616	50,721	50,848	51,015	51,457	52,004
5	Large Power-Primary	L	52,083	42,639	44,991	44,379	46,286	42,968	44,023	45,156	46,138	47,037	47,838	48,652	49,503	50,426	51,355
6	Large Power-Secondary	Р	118,083	114,413	114,522	116,824	115,389	112,104	105,831	108,555	110,916	113,078	115,003	116,961	119,007	121,225	123,458
7	Street Lights	SL	2,637	2,702	2,730	2,716	2,760	2,481	2,235	1,981	1,719	1,450	1,467	1,485	1,502	1,519	1,536
8	Irrigation	IRR	1,184	1,410	148	105	175	105	105	105	105	105	105	105	105	105	105
9	Total		453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
10																	
11	Yearly Change Percentage		-2.8%	-3.9%	-0.4%	0.0%	-0.4%	-2.2%	-0.8%	1.8%	1.2%	1.5%	1.2%	1.3%	1.2%	1.3%	1.4%
12																	
13	Customer Accounts																
14	Residential	D	27,301	27,629	27,793	28,010	28,169	28,762	29,197	29,860	30,328	30,808	31,298	31,800	32,313	32,821	33,342
15	Small Commercial	G	4,305	4,208	4,221	4,198	4,195	4,242	4,303	4,397	4,462	4,529	4,596	4,665	4,735	4,802	4,871
16	Large Commercial	J	357	346	337	330	326	330	336	343	348	353	359	364	369	375	380
17	Large Power-Primary	L	16	16	15	15	15	15	15	15	16	16	16	16	17	17	17
18	Large Power-Secondary	Р	109	114	112	115	113	116	117	123	124	126	128	130	131	133	135
19	Street Lights (Number of Fixtures)	SL	3,461	3,519	3,553	3,575	3,587	3,630	3,667	3,720	3,757	3,795	3,833	3,871	3,910	3,949	3,989
20	Irrigation	IRR	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
21	Total	_	35,552	35,835	36,033	36,246	36,408	37,098	37,637	38,461	39,038	39,630	40,233	40,849	41,478	42,100	42,737
22																	
23	Yearly Change Percentage		1.5%	0.8%	0.6%	0.6%	0.4%	1.9%	1.5%	2.2%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
24	, ,																
25	Billed Demand (kW)																
26	Residential	D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
27	Small Commercial	G	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
28	Large Commercial	J	191,155	182,082	175,673	172,507	173,385	159,701	157,957	160,170	161,588	162,369	162,703	163,113	163,647	165,066	166,819
29	Large Power-Primary	L	117,658	109,666	108,187	105,996	103,274	98,261	96,372	98,853	101,003	102,972	104,725	106,508	108,371	110,391	112,424
30	Large Power-Secondary	Р	289,572	294,915	289,910	290,516	289,383	283,492	262,867	269,634	275,498	280,867	285,649	290,512	295,593	301,103	306,650
31	Street Lights	SL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
32	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
33	3																
34	Existing Rates - Customer Charge (\$/custo	mer/month)														
35	Residential	D	\$9.72	\$9.72	\$10.22	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58
36	Small Commercial	G	21.89	21.89	23.01	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82
37	Large Commercial	Ĵ	36.48	36.48	38.35	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69
38	Large Power-Primary	Ĺ	334.35	334.35	346.18	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08
39	Large Power-Secondary	P	346.51	346.51	359.78	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38
40	Street Lights (Fixture Charge)	SL	5.78	5.78	6.06	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29
41	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
42	migation	axix	11/4	ı ıı a	11/4	11/4	11/4	11/4	11/4	11/4	11/4	ıı,a	11/4	ıı,a	ı ı a	11/4	ıı,a
72																	

		Actual										Projec	cted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	Existing Rates - Energy Base Rates	(\$/kW	/h)														
44	Residential	D	\$0.17022	\$0.17374	\$0.27270	\$0.34919	\$0.34893	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743
45	Small Commercial	G	0.18804	0.19125	0.28867	0.35960	0.35968	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769
46	Large Commercial	J	0.15697	0.16041	0.25551	0.32647	0.32552	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390
47	Large Power-Primary	L	0.13341	0.13643	0.22311	0.29131	0.28770	0.28823	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901
48	Large Power-Secondary	Р	0.14329	0.14658	0.23579	0.30351	0.30289	0.30153	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198
49	Street Lights	SL	0.22913	0.23330	0.33710	0.41758	0.41940	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530
50	Irrigation	IRR	0.35085	0.18735	0.24215	0.32090	0.33100	0.31935	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100
51																	
52	Existing Rates - Demand Base Rate	es (\$/K	W)														
53	Residential	D	n/a														
54	Small Commercial	G	n/a														
55	Large Commercial	J	\$6.08	\$6.08	\$6.41	\$6.62	6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62
56	Large Power-Primary	L	13.13	13.13	\$13.61	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
57	Large Power-Secondary	Р	10.45	10.45	\$10.86	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14
58	Street Lights	SL	n/a														
59	Irrigation	IRR	n/a														
60	_																
61	Revenues at Existing Rates (\$000)																
62	Residential	D	\$30,501	\$31,359	\$46,884	\$59,103	\$58,456	\$59,768	\$60,060	\$60,937	\$61,416	\$62,577	\$63,364	\$64,353	\$65,233	\$65,983	\$66,744
63	Small Commercial	G	12,745	12,346	18,336	22,701	22,659	21,249	21,441	21,751	21,951	22,070	22,132	22,204	22,292	22,493	22,737
64	Large Commercial	J	10,354	9,983	14,883	18,230	18,102	16,888	17,155	17,396	17,551	17,638	17,676	17,723	17,783	17,938	18,129
65	Large Power-Primary	L	8,557	7,321	11,574	14,470	14,820	13,818	14,129	14,494	14,809	15,097	15,354	15,615	15,888	16,184	16,482
66	Large Power-Secondary	Р	20,399	20,327	30,637	39,203	38,675	37,474	35,405	36,328	37,114	37,835	38,477	39,130	39,813	40,552	41,296
67	Street Lights	SL	844	874	1,179	1,404	1,428	1,304	1,205	1,103	997	888	898	909	919	929	939
68	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	35
69	Total		\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
70																	
71	Fuel and ERAC Revenues (\$000)																
72	Residential	D	\$37,021	\$17,401	\$11,715	\$9,929	\$12,330	\$11,283	\$7,110	\$638	\$1,682	\$2,933	(\$2,037)	(\$997)	(\$108)	\$1,180	\$2,608
73	Small Commercial	G	14,354	6,393	4,201	3,768	4,695	3,914	2,478	222	587	1,009	(694)	(335)	(36)	392	865
74	Large Commercial	J	13,404	5,879	3,826	3,255	4,067	3,381	2,159	194	511	879	(605)	(292)	(31)	341	754
75	Large Power-Primary	L	12,382	4,678	3,322	2,769	3,668	3,002	1,931	175	468	817	(570)	(279)	(30)	334	744
76	Large Power-Secondary	Р	27,861	12,389	8,300	7,377	9,123	7,833	4,641	421	1,126	1,964	(1,371)	(672)	(73)	804	1,789
77	Street Lights	SL	613	286	203	170	219	173	98	8	17	25	(17)	(9)	(1)	10	22
78	Irrigation	IRR	0	0	0	0	0	0	0	0	0	0	O O	Ô	O O	0	1
79	Total		\$105,635	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$1,658	\$4,391	\$7,626	(\$5,294)	(\$2,583)	(\$279)	\$3,062	\$6,783
80																	

	_			Actual							Projed	cted				
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
tal Revenues at Existing Rates in	cluding	Fuel and E	RAC (\$000)													<u>.</u>
esidential	D	\$67,522	\$48,760	\$58,600	\$69,032	\$70,785	\$71,051	\$67,170	\$61,575	\$63,098	\$65,510	\$61,327	\$63,356	\$65,125	\$67,163	\$69,352
mall Commercial	G	27,099	18,739	22,537	26,469	27,354	25,163	23,919	21,973	22,538	23,079	21,438	21,869	22,256	22,885	23,602
arge Commercial	J	23,758	15,862	18,709	21,485	22,169	20,269	19,314	17,590	18,062	18,517	17,071	17,431	17,752	18,279	18,883
arge Power-Primary	L	20,940	11,999	14,896	17,239	18,488	16,820	16,060	14,669	15,277	15,914	14,784	15,336	15,858	16,518	17,226
arge Power-Secondary	Р	48,260	32,716	38,937	46,579	47,798	45,307	40,046	36,749	38,240	39,799	37,106	38,458	39,740	41,356	43,085
treet Lights	SL	1,458	1,161	1,381	1,574	1,647	1,478	1,303	1,111	1,015	914	881	900	918	939	961
rigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	36
otal		\$189,451	\$129,500	\$155,095	\$182,411	\$188,299	\$180,122	\$167,846	\$153,702	\$158,264	\$163,767	\$152,642	\$157,385	\$161,683	\$167,175	\$173,144
erage Residential Bill Calculation																
vg. Monthly kWh		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
ase without Increases		\$97.17	\$97.17	\$146.57	\$185.18	\$185.05	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30
ase with Increases		97.17	97.17	146.57	185.18	185.05	184.30	184.52	186.23	189.38	190.81	201.43	200.53	199.54	199.12	199.01
RAC	_	116.70	54.07	36.33	31.37	39.38	34.93	17.47	1.94	5.07	8.68	(5.96)	(2.87)	(0.31)	3.32	7.25
otal Bill	-	\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$201.98	\$188.17	\$194.46	\$199.50	\$195.47	\$197.66	\$199.24	\$202.44	\$206.26
e malaltriio er vaa R	sidential nall Commercial rge Commercial rge Power-Primary rge Power-Secondary eet Lights gation tal age Residential Bill Calculation g. Monthly kWh se without Increases se with Increases	sidential D nall Commercial G rge Commercial J rge Power-Primary L rge Power-Secondary P eet Lights SL gation IRR tal age Residential Bill Calculation g. Monthly kWh se without Increases se with Increases	Revenues at Existing Rates including Fuel and Esidential	Revenues at Existing Rates including Fuel and ERAC (\$000)	2008 2009 2010	2008 2009 2010 2011 2018 2009 2010 2011 2018 2009 2010 2011 2018 2009 2010 2011 2018 2009 2010 2011 2018 2019	2008 2009 2010 2011 2012	2008 2009 2010 2011 2012 2013	2008 2009 2010 2011 2012 2013 2014	2008 2009 2010 2011 2012 2013 2014 2015	2008 2009 2010 2011 2012 2013 2014 2015 2016	2008 2009 2010 2011 2012 2013 2014 2015 2016 2017	2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018	2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019	2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020	A column A column

Line 1 (Actual												
1 (Proje					
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Operating Revenue															
_	Base Rate Revenue at Existing Rates	\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149.430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
3	ERAC Revenues at Target Heat Rate	105,635	47,025	31,566	27,268	34,101	29,587	14,673	1,658	4,391	7,626	(5,294)	(2,583)	(279)	3,062	6,78
4	% of Base	.00,000	,020	01,000	21,200	0.,.0.	20,00.	,	.,000	1,001	7,020	(0,201)	(2,000)	(2.0)	0,002	0,.0
5	Year Sales Revenue															
6 -	2013 0.0%						0									
7	2014 0.1%						ŭ	179								
8	2015 1.0%							170	1,595							
9	2016 2.8%								1,000	4,247						
10	2017 3.5%									7,271	5,522					
11	2018 9.3%										3,322	14,680				
12	2019 8.8%											14,000	14,095			
13	2020 8.3%												14,033	13,402		
14	2021 8.0%													13,402	13,206	
15	2022 8.0%														13,200	13,28
16	Rate Revenue from Rate Increases Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$179	\$1,595	\$4,247	\$5,522	\$14,680	\$14.095	\$13,402	\$13,206	\$13,28
17	Other Operating Revenues	το 174	ან 161	پەن 159	پەر 168	153	φυ 153	162	φ1,595 162	φ4,247 162	φ5,522 162	په ۱ ۲ ,060 162	φ14,095 162	162	162	φ13,20 16
18	Total Operating Revenues	\$189,625	\$129,661	\$155,254	\$182,579	\$188,452	\$180,275	\$164.444	\$155,459	\$162,673	\$169,451	\$167,484	\$171,642	\$175,247	\$180.543	\$186,59
19	Total Operating Revenues	\$109,025	\$129,001	\$100,204	\$102,379	φ100,40Z	φ100,273	φ104, 444	φ155,459	\$102,073	\$109,431	\$107,404	\$171,042	\$175,247	\$100,043	φ100,58
	Operating Evanges															
	Operating Expenses															
21	Purchased Power						60	****	60.400	00.405	#0.000	#0.0F0	00.045	60.077	60.000	00.40
22	KRS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,19
23	KRS-2		3.724	-	7.650	- 0.044	40.047	1,473	2,956	2,968	2,958	2,934	2,940	2,948	2,946	2,94
24	Other	5,961		4,212		8,644	10,017	15,396	18,060	18,455	18,761	18,997	19,352	19,768	20,072	20,43
25	Power Production - Fuel	98,148	51,952	68,900	90,533	94,033	87,605	67,385	51,511	54,530	58,311	47,227	50,347	53,028	56,831	60,97
26	Power Production - Non-Fuel - Existing	14,415	12,917	13,701	14,917	15,426	14,751	13,920	13,403	13,840	14,328	13,581	14,004	14,442	14,887	15,35
27	Power Production - Non-Fuel - New	0	0	0	0	0	0	0	0	0	0	1,735	1,774	1,813	1,853	1,89
28	Transmission O&M	947	1,030	1,071	1,046	900	1,066	1,066	1,123	1,194	1,224	1,277	1,342	1,376	1,410	1,44
29	Distribution O&M	3,642	3,645	3,857	4,055	3,672	3,964	4,063	4,165	4,269	4,376	4,485	4,597	4,712	4,830	4,95
30	Consumer Accounts and Sales	3,320	3,196	3,218	3,161	3,348	3,230	3,311	3,393	3,478	3,565	3,654	3,746	3,839	3,935	4,03
31	Regulatory Commission Expenses - HPUC Fees	947	648	775	912	942	901	822	777	813	847	837	858	876	903	93
32	Administrative and General															
33	KRS-1	0	0	0	0	5	5	13	50	50	50	50	50	50	50	5
34	KRS-2	0	0	0	0	0	0	25	50	50	50	50	50	50	50	5
35	Other	11,239	10,620	13,377	13,855	13,012	13,547	13,853	14,137	14,493	14,858	15,232	15,615	16,008	16,411	16,82
36	Depreciation and Amortization	16,450	16,736	14,595	13,372	13,435	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,56
37	Franchise & PSC Taxes	15,923	10,861	13,003	15,289	15,783	15,181	13,848	13,092	13,699	14,270	14,104	14,454	14,758	15,204	15,71
38	Other Taxes	104	77	45	(0)	0	0	0	0	0	0	0	0	0	0	
39	Interest Expense on Long-Term Debt															
40	Existing Debt	9,941	9,502	9,061	8,669	8,335	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,19
41	KRS-1	0	0	0	0	0	0	284	1,091	1,061	1,030	998	965	931	896	86
42	Other New Debt	0	0	0	0	0	165	527	1,042	3,136	4,374	6,614	6,577	6,618	6,813	7,15
43	Other Interest Expense															
44	KRS-1	0	0	0	7	194	264	870	0	0	0	0	0	0	0	
45	Other	65	82	164	124	354	349	390	101	102	104	106	107	109	110	11
46	Capitalized Interest	0	0	0	0	0	0	0	0	(1,478)	(2,230)	0	0	0	0	
47	Contributions and Other Deductions	97	77	121	86	103	69	69	69	69	69	69	69	69	69	6
48	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
49	Total Operating Expenses	\$181,198	\$125,069	\$146,101	\$ 173,675	\$178,185	\$172,932	\$160,209	\$150,581	\$156,277	\$162,450	\$159,087	\$163,684	\$167,901	\$173,502	\$179,76

Personal Confession Mergen Section Secti	Antomative oscillation in Decoupling			Actual							Projec	cted				
50 100	Line	2008	2009		2011	2012	2013	2014	2015	2016			2019	2020	2021	2022
5		\$8,427	\$4,593	\$9,153	\$8,904		\$7,343									
Mathematic Mat		•	•	-		, ,										
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100 100											-				-	-
1		•														
Second																
1		φ9,554	\$5,574	φ9,930	φ9,037	φ11,091	φ0,409	\$0,404	φ7,110	φο,417	\$9,002	\$10,577	φ9,919	φ9,301	φ9, 190	\$0,972
Color Colo																
Column C		1.96	1 59	2 10	2 11	2 33	2.08	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Part		1.00	1.00	20		2.00	2.00	1.00				1.00	1.00	1.00		1.00
Property																
MSSI		2.19	1.83	2.35	2.38	2.61	2.37	2.08	2.05	2.02	2.00	1.97	1.98	1.99	2.00	2.00
Note Part Revenue from KIUC So So So So So So So S																
Note Part Revenue from KIUC So So So So So So So S	69 KRS1															
Part																
7.4 Instrumence 1.5 1.	71 Revenue from KIUC				\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
1	72 Expenses (Revenues)															
F Land Lease 0	73 O&M				\$25	\$0	\$0	\$52	\$210	\$213	\$216	\$219	\$223	\$226	\$229	\$233
6 Depreciation 0 O O O O O O O O O O O O O O O O O O O									37				37	37	37	
Fig.					-	-	-									
R8 Amontized HBA 0 0 0 0 1 6	The second secon				-	-	-									
Part					0		0	12								
Bo Other Expenses (KIUC MSA) 0 5 5 13 50 50 50 50 50 50 50 5					0	-	0		-	-	-	-	-	-	•	-
R1					0	-	0									
22 Other Interest Expense 7 194 264 870 0 0 0 0 0 0 0 0 0					-		5									
Bas Income Control					0		•									
Net Margin September Sep					7						-	-	•	•	ŭ	
Net Margin Net					0	-	, ,	` ,					-			-
86 KRS1 DSC and TIER Calculation (\$32) (\$198) (\$5) \$161 \$273 \$265 \$257 \$249 \$241 \$233 \$224 \$215 89 Interest 0 0 0 0 284 1,091 1,061 1,030 998 965 931 896 860 90 Depreciation 0 0 0 408 1,633 <t< td=""><td></td><td></td><td></td><td>_</td><td></td><td>Ū</td><td></td><td></td><td></td><td>•</td><td></td><td></td><td></td><td></td><td></td><td></td></t<>				_		Ū				•						
Net Margin September Sep					(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
88 Net Margin (\$32) (\$198) (\$5) \$161 \$273 \$265 \$257 \$249 \$241 \$233 \$224 \$215 89 Interest 0 0 0 284 1,091 1,061 1,030 998 965 931 896 860 90 Depreciation 0 0 0 408 1,633 1,63 82,603 82,707 82,763 82,707 82,763 82,003 82,003 82,003 82,003 82,003 82,003 82,003 82,003																
No.					(#20)	(0400)	(¢ E)	£164	¢070	# 265	COE 3	#040	CO44	# 222	6004	£245
Depreciation Depr	· · · · · · · · · · · · · · · · · · ·					, ,										
Total						-										
92 93 1 Interest Payments \$0 \$0 \$0 \$284 \$1,091 \$1,061 \$1,030 \$998 \$965 \$931 \$896 \$860 \$94 \$1 Principal Payments \$0 \$0 \$0 \$232 \$972 \$1,002 \$1,033 \$1,065 \$1,098 \$1,132 \$1,167 \$1,203 \$1,061 \$1,0				_												
Standard					(\$32)	(\$196)	(\$5)	\$604	\$2,997	\$2,959	\$2,921	\$∠,861	\$2,840	\$2,797	\$2,754	\$2,709
94 LT Principal Payments 0 0 0 232 972 1,002 1,033 1,065 1,098 1,132 1,167 1,203 95 Total \$0 \$0 \$0 \$516 \$2,063 <td></td> <td></td> <td></td> <td></td> <td>90</td> <td>¢n.</td> <td>90</td> <td>\$294</td> <td>\$1.001</td> <td>\$1.061</td> <td>¢1 030</td> <td>9002</td> <td>\$06F</td> <td>¢034</td> <td>\$906</td> <td>989</td>					90	¢n.	90	\$294	\$1.001	\$1.061	¢1 030	9002	\$06F	¢034	\$906	989
95 Total \$0 \$0 \$0 \$516 \$2,063																
96 97 DSC 98 108 108 108 108 108 108 108 108 108 10				_	0											
97 DSC						φυ	φυ	φυισ	φ2,003	φ2,003	φ2,003	φ2,003	φ2,003	φ2,003	φ2,003	φ2,003
98 TIER 99 100 Gross KRS1 Energy Payments by KIUC (cents/kWh) 101 KRS1 Cash Payments to KIUC (cents/kWh) 102 Net KRS1 Energy Payments by KIUC (cents/kWh) 103 Na					na	na	na	1.66	1 45	1 43	1 42	1 40	1 38	1 36	1 33	1 31
99 100 Gross KRS1 Energy Payments by KIUC (cents/kWh) 101 KRS1 Cash Payments to KIUC (cents/kWh) 102 Net KRS1 Energy Payments by KIUC (cents/kWh) 103 na 104.62 14.43 14.33 14.17 14.01 13.80 13.68 13.50 14.60 15.60 16.81 16.81 16.81 16.81 16.81 16.81 16.81 16.81 16.81 16.81 16.81 16.81																
100 Gross KRS1 Energy Payments by KIUC (cents/kWh) na na na na na 14.62 14.43 14.33 14.17 14.01 13.80 13.68 13.50 101 KRS1 Cash Payments to KIUC (cents/kWh) na na na (3.97) (3.80) (3.65) (3.48) (3.31) (2.96) (2.79) (2.60) 102 Net KRS1 Energy Payments by KIUC (cents/kWh) na na na 10.65 10.63 10.68 10.69 10.70 10.84 10.89 10.90					IIa	IIa	i ia	1.57	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23
101 KRS1 Cash Payments to KIUC (cents/kWh) na na na na na (3.80) (3.65) (3.48) (3.31) (2.96) (2.79) (2.60) 102 Net KRS1 Energy Payments by KIUC (cents/kWh) na na na 10.65 10.63 10.68 10.69 10.70 10.84 10.89 10.90					na	na	na	na	14.62	14.43	14.33	14.17	14.01	13.80	13.68	13.50
102 Net KRS1 Energy Payments by KIUC (cents/kWh) na na na 10.65 10.63 10.68 10.69 10.70 10.84 10.89 10.90																

Alternative Scenario 1 - Decoupling															
			Actual							Projec	ted				
Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
104 KRS2															
105 Revenue from KIUC					\$0	\$0	\$1,473	\$2,956	\$2,968	\$2,958	\$2,934	\$2,940	\$2,948	\$2,946	\$2,948
106 Expenses (Revenues)															
107 O&M					\$0	\$0	\$99	\$201	\$204	\$207	\$210	\$213	\$216	\$219	\$223
108 Insurance						0	16	31	31	31	31	31	31	31	31
109 Land Lease					0	0	25	51	53	54	56	58	59	61	63
110 4.167% GET On Land Lease					0	0	1	2	2	2	2	2	2	3	3
111 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
112 HBA					0	0	0	0	0	0	0	0	0	0	0
113 Amortized HBA					0	0	0	0	0	0	0	0	0	0	0
114 Real Property Tax					0	0	0	1	1	1	1	1	1	1	1
115 Other Expenses (KIUC MSA)					0	0	25	50	50	50	50	50	50	50	50
116 Long-Term Interest					0	0	402	803	788	772	755	737	718	698	676
117 Other Interest Expense					0	41	429	0	0	0	0	0	0	0	0
118 IDC					0	(41)	(429)	0	0	0	0	0	0	0	0
119 Interest Income					0	0	0	0	0	0	0	0	0	0	0
120 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
121															
122 KRS2 DSC and TIER Calculation															
123 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
124 Interest					0	0	402	803	788	772	755	737	718	698	676
125 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
126 Total					\$0	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,577
127															
128 Interest Payments					\$0	\$0	\$402	\$803	\$788	\$772	\$755	\$737	\$718	\$698	\$676
129 Principal Payments					0	0	0	268	283	299	316	335	354	374	395
130 Total					\$0	\$0	\$402	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
131															
132 DSC					na	na	3.25	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41
133 TIER					na	na	1.20	1.20	1.24	1.24	1.23	1.27	1.30	1.33	1.37
134															
135 Gross KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
136 KRS2 Cash Payments to KIUC (cents/kWh)					na	na	(0.02)	(0.04)	(0.07)	(0.07)	(0.06)	(0.06)	(6.43)	(6.41)	(6.39)
137 Net KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.48	12.46	12.43	12.43	12.44	12.44	6.07	6.09	6.11

	Alternative Scenario 1 - Decoupling			Actual		i					D	rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	ASSETS AND OTHER DEBITS															
2	Total Utility Plant	\$438,705	\$453.415	\$462.666	\$478,307	\$494,066	\$504.284	\$527,275	\$539,943	\$598,476	\$656.033	\$665,414	\$672,426	\$682,987	\$693,225	\$708.379
3	Accumulated Provision for Depr and Amort	(198,672)	(211,674)	(221,234)	(230,027)	(238,616)	(248,303)	(258,247)	(268,555)	(279,108)	(290,022)	(301,898)	(313,909)	(326,080)	(338,473)	(351,144)
4	Net Utility Plant in Service	\$240,033	\$241,741	\$241,431	\$248,279	\$255,450	\$255,981	\$269,028	\$271,388	\$319,369	\$366,011	\$363,516	\$358,517	\$356,906	\$354,752	\$357,236
5																
6	Other Property and Investments															
7	Non-Utility Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Investment in KRS1	0	0	0	5,593	8,052	9,847	41,114	40,414	39,677	38,901	38,085	37,228	36,329	35,387	34,399
9	Investment in KRS2	0	0	0	0	0	0	270	262	249	235	222	209	(930)	(2,208)	(3,466)
10	Other Investments	1,000	1,261	1,247	1,193	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
11 12	Total Other Property and Investments	\$1,000	\$1,261	\$1,247	\$6,787	\$9,554	\$11,349	\$42,885	\$42,178	\$41,427	\$40,637	\$39,808	\$38,938	\$36,901	\$34,680	\$32,434
13	Current Assets															
14	Cash															
15	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	(\$695)	\$244	\$1,147	\$2,010	\$2,834	\$3,617	\$4,320	\$4,979	\$5,594
16	KRS2	0	0	0	0	0	0	(269)	(260)	(244)	(229)	(214)	(199)	1,156	2,666	4,172
17	Other	26,001	2,919	6,096	3,437	3,762	7,765	4,604	2,925	3,098	2,219	1,380	582	0	0	0
18	Accounts Receivable	9,576	10,849	9,695	12,164	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868
19	Inventory	13,157	13,320	14,217	14,033	14,788	15,094	15,782	16,162	17,914	19,636	19,917	20,127	20,443	20,750	21,203
20	Prepaids	1,110	1,196	955	987	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
21 22	Other Current Assets Total Current Assets	7,302 57,145	7,275 35,559	8,167 39,131	8,059 38,679	9,394 43,033	9,394 47,342	9,394 43,905	9,394 43,553	9,394 46,396	9,394 48,119	9,394 48,400	9,394 48,610	9,394 50,402	9,394 52,878	9,394 55,452
23	Regulatory Assets	4,338	5,559	5,914	5,357	6,966	6,674	6,381	6,089	5,797	5,505	5,212	4,920	4,628	4,335	4,116
24	Deferred Debits	4,336	331	421	3,337	121	121	121	121	121	121	121	121	121	121	121
25	Total Assets and Other Debits	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,321	\$363,329	\$413,110	\$460,393	\$457,058	\$451.107	\$448,959	\$446,766	\$449,360
26	Total / looks and outsi Bobile	4002 ,000	Ψ201,101	Ψ200,	\$200,101	ψο.ο,.Σ.	402 1,101	ψ00 <u>2</u> ,0 <u>2</u> .	4000,020	ψ,	ψ100,000	Ψ101,000	Ψ.σ.,.σ.	ψο,οσο	ψ,	ψ 1 10,000
27	EQUITIES AND LIABILTIIES															
28	Margins and Equities															
29	Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Patronage Capital															
31	KRS1	0	0	0	(32)	(230)	(234)	5,177	5,450	5,715	5,972	6,222	6,463	6,696	6,920	7,135
32	KRS2	0	0	0	0	0	0	1	2	4	6	8	10	227	458	706
33	Other	48,144	51,316	59,756	68,415	78,601	84,134	89,612	96,331	104,356	112,974	122,975	132,525	141,452	150,062	158,445
34 35	Other Margins and Equities	0	952 0	1,162 0	963 0	174 0	252 0	330	408 0	486 0	564 0	642 0	720 0	798 0	876 0	954 0
36	Unrealized Gain(Loss) on Investments Total Margins and Equities	(306) \$47,838	\$52,268	\$60,919	\$69,347	\$78,546	\$84,153	\$95,121	\$102,192	\$110,562	\$119,517	\$129,847	\$139,719	\$149,173	\$158,316	\$167,241
37	Non-Current Liabilities	ψ,oσσ	402,200	ψου,υυ	ψου,υ	ψ. σ,σ. σ	ψο 1,100	Ψ00, .2 .	ψ.02,.02	Ψ,002	Ψ,σ	Ψ.20,0	ψ.ισσ,σ	ψσ,σ	ψ.ου,σ.ο	ψ.σ., <u>z</u>
38	Long-Term Debt															
39	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682	\$25,442
40	Other	216,855	207,935	198,675	189,015	188,916	187,583	185,689	187,300	186,288	180,670	252,270	236,538	225,098	213,919	208,003
41	Cushion of Credit	(9,404)	(15,115)	(10,155)	(10,724)	(11,270)	(11,845)	(12,448)	(7,513)	(7,896)	(8,298)	(8,720)	(9,165)	(9,632)	(10,122)	(10,638)
42	Post-Retirement Benefit Obligation	3,858	2,384	1,981	1,881	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
43	Total Non-Current Liabilities	\$211,308	\$195,204	\$190,501	\$180,172	\$180,028	\$178,121	\$210,006	\$215,550	\$213,121	\$206,037	\$276,116	\$258,808	\$245,734	\$232,861	\$225,190
44	Current Liabilities															
45	Current Portion of Long-Term Liab	••		••	••		••					****				
46	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$972	\$1,002	\$1,033	\$1,065	\$1,098	\$1,132	\$1,167	\$1,203	\$1,240
47	Other	8,487 5,665	8,876	9,261	9,661	10,395	11,239	11,894	12,565	13,242	14,779	15,386	16,055	16,789	17,631	18,318
48 49	Accounts Payable Notes Payable to KRS1	5,665 0	7,439 0	7,338 0	7,981 0	6,251 0	6,251	6,251 (695)	6,251 244	6,251 1,147	6,251 2.010	6,251 2.834	6,251 3.617	6,251 4.320	6,251 4.979	6,251 5.594
50	Notes Payable - KRS 1	0	0	0	5,000	7,500	9,500	(695)	244	1,147	2,010	2,834	3,017	4,320	4,979	5,594 0
51	Notes Payable - Other	0	2.000	0	3,700	6.678	9,500 6.678	13.247	0	42.228	85.208	0	0	0	0	0
52	Consumer Deposits	884	1,138	1,049	1,248	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273
53	Interest Accrued Debt KRS1	0	0	0	7	200	0	0	0	0	0	0	0	0	0	0
54	Other Liabilities	15,351	7,146	9,448	12,432	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471
55	Total Current Liabilities	\$30,388	\$26,598	\$27,096	\$40,028	\$44,768	\$47,412	\$45,413	\$33,806	\$77,645	\$123,058	\$39,313	\$40,798	\$42,270	\$43,808	\$45,147

	Alternative ocenario 1 - Decoupling			Actual		1					Pi	rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
56	Regulatory Liabilities	4,019	3,726	3,434	3,142	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849
57	Deferred Credits	9,045	6,654	6,194	6,502	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932
58 59	Total Liabilities	\$254,760	\$232,182	\$227,225	\$229,844	\$236,578	\$237,314	\$267,200	\$261,138	\$302,547	\$340,876	\$327,210	\$311,387	\$299,785	\$288,450	\$282,118
60	Total Equities and Liabilities	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,320	\$363,329	\$413,109	\$460,392	\$457,057	\$451,106	\$448,959	\$446,766	\$449,359
61	•															
62 63	FINANCIAL RATIOS															
64	Equity to Total Assets	45.040/	18.38%	04.440/	00.400/	04.000/	26.18%	26.25%	28.13%	00.700/	05.00%	00.440/	20.070/	22 220/	35.44%	37.22%
65	Working Capital (Days of Operating Expenses)	15.81% 55	10.30%	21.14% 16	23.18% 8	24.93% 8	20.10%	20.25%	20.13%	26.76% 10	25.96% 10	28.41% 10	30.97% 10	33.23% 13	35.44%	21
66	Working Capital (Days of Operating Expenses)	55	9	10	0	٥	17	9	,	10	10	10	10	13	17	21
67																
68	KRS1															
69	Utility Plant															
70	Electric Plant in Service				\$0	\$0	\$0	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837
71	Accumulated Depreciation and Amortization			_	0	0	0	(408)	(2,042)	(3,675)	(5,309)	(6,942)	(8,576)	(10,209)	(11,843)	(13,476)
72	Net Electric Plant in Service				\$0	\$0	\$0	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
73	Construction Work in Progress			_	4,954	7,806	9,500	0	0	0	0	0	0	0	0	0
74	Net Electric Utility Plant				\$4,954	\$7,806	\$9,500	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
75																
76	Current Asssets															
77	Cash				\$640	\$249	\$197	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
78	Accounts/Notes Receivable				0	0	0	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
79	Prepaid Lease						150	148	142	136	130	124	118	112	106	100
80	Inventories			_	****	2010	0	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
81 82	Total Current Assets				\$640	\$249	\$347	\$685	\$1,619	\$2,515	\$3,373	\$4,191	\$4,968	\$5,665	\$6,318	\$6,927
83	Deferred Tax Benefit				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37	\$74	\$111
84	<u> </u>				Ų.	Ψū	Ų.	Ų.	Ų.	ų.	40	Ψ¢.	ψo.	ÇO.	Ψ	V
85	Total Assets				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
86																
87																
88	Equity and Margins				(\$32)	(\$230)	(\$234)	\$5,177	\$5,450	\$5,715	\$5,972	\$6,222	\$6,463	\$6,696	\$6,920	\$7,135
89																
90	Advances from KIUC															
91	Cash				\$618	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582
92	Loans			_	5,000	7,500 \$8.082	9,500	35,355 \$35.936	34,382 \$34,964	33,380 \$33,962	32,347 \$32,928	31,282 \$31,863	30,184 \$30.765	29,052 \$29.633	27,885 \$28,467	26,682
93	Total Advances				\$5,618	\$8,082	\$10,082	\$35,936	\$34,964	\$33,962	\$32,928	\$31,863	\$30,765	\$29,633	\$28,467	\$27,264
94	Assessed Describe ICDC1				\$0	60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	60
95 96	Accounts Payable - KRS1				\$0	\$3	\$0	\$0	\$0	\$0	Φ 0	\$0	\$0	\$0	\$ U	\$0
96 97	Interest Accrued - KRS1				\$7	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98	interest Accided - NIOT				Ψ	\$200	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ
99	Deferred Taxes				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100						, ,	•							• •		
101	Total Liabilities, Equities, and Margins				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
102																
103																

Part 1988 1988 1989		Alternative Scenario 1 - Decoupling			Actual		1					Pr	ojected				
18th Bell	Line	-	2008	2009		2011	2012	2013	2014	2015	2016			2019	2020	2021	2022
Medical personation and Amortization 10																	
Content Cont																	
100 100																	
Constantion Work in Progress 0 0,000 0																	
10 10 10 10 10 10 10 10																	
Martin Massert Martin Massert Martin																	
		Net Electric Utility Plant					\$0	\$6,000	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
Table Tabl		Comment Assests															
114 Accounts Acc							40	40	60	60	60	60	60	60	60	60	60
Proposed Lease Prop																	
10 Inventories 6 6 8 8 1237																	
17 17 17 17 17 17 17 17							U	U				•			-		-
188 189 189							90	60									
		Total Current Assets					φυ	φυ	φ0 10	\$1,237	φ1,237	\$1,237	\$1,237	\$1,231	φ1,237	\$1,237	\$1,231
		Deferred Tay Penefit					¢0	90	© 0	90	90	© 0	60	© 0	e 0	90	© 0
		Deletted Tax Berleitt					φυ	φυ	ΨU	φυ	φυ	φυ	ΦΟ	φυ	φυ	φυ	φυ
		Total Assets					0.2	96,000	\$41 106	\$40.072	\$38./10	\$36.767	\$35 11/	\$33.462	\$31.800	\$30.156	\$28 504
Equity and Margins		100010					ΨΟ	ψ0,000	ψ+1,100	ψ+0,07 <i>L</i>	ψου, 410	ψου, τοι	ψου, τ ι τ	ψ00,402	ψ01,000	φου, 100	Ψ20,004
MUC Equity		Equity and Margins															
Equity investmet Equity 0 0 0 0 26,740 25,810 24,025 23,286 21,983 20,628 9 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19.568	\$18 289	\$17 031
Total Equity S0 S0 \$27,010 \$26,243 \$24,874 \$23,521 \$22,185 \$20,867 \$19,568 \$18,289 \$17,031 \$17,031 \$17,031 \$18,000 \$14,006 \$13,828 \$13,545 \$13,246 \$12,929 \$12,595 \$12,241 \$11,867 \$11,472 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$13,000 \$10,000																	
127 128 129							\$0								\$19.568	\$18 289	
		rotal Equity					Ψū	ΨÜ	Ψ2.,σ.σ	ψ20, 2 10	Ψ2 1,07 1	\$20,02 .	422 , 100	ψ20,00.	ψ.ο,οοο	ψ.σ, 2 σσ	ψ11,001
129		Long-Term Debt					\$0	\$6,000	\$14.096	\$13.828	\$13.545	\$13.246	\$12,929	\$12.595	\$12.241	\$11.867	\$11.472
130 Other Current and Accrued Liabilities 50 50 50 50 50 50 50 5							**	7-,	,	,	* ,	* ,	*,	¥,	*,	***,***	* , =
131		Other Current and Accrued Liabilities					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
132 Deferred Taxes \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$, .										
133	132	Deferred Taxes					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Leabilities, Engities, and Margins So \$6,000 \$41,106 \$40,072 \$38,419 \$36,767 \$35,114 \$33,462 \$31,809 \$30,156 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504 \$13,505 \$28,504	133						·										
135 Sagilty Detail		Total Liabilities, Equities, and Margins					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
137	135						·										
137	136	Equity Detail															
139 Beginning Equity Square Squ	137																
Retained Earnings 0 0 0 79 164 186 188 176 195 217 231 248 1	138	Total Equity															
141 Equity Investment Column Co	139	Beginning Equity					\$0	\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289
142 Distributions Distri	140	Retained Earnings					0	0	79	164	186	188	176	195	217	231	248
143 Ending Equity S0 \$0 \$27,010 \$26,243 \$24,874 \$23,521 \$22,185 \$20,867 \$19,568 \$18,289 \$17,031 \$144 \$145	141	Equity Investment					0	0	27,218	0	0	0	0	0	0	0	0
144 145 146	142	Distributions															
145		Ending Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
146	144																
147 Beginning Equity																	
148 Retained Earnings 0 0 1 2 2 2 2 2 2 2 2 2																	
149 Equity Investment																	
150 Distributions 0 0 (3) (9) (16) (15) (15) (15) (15) (15) (1,516)								-									
151 Change in Ownership																	
152 Equity So So S270 S262 S249 S235 S222 S209 S19,568 S18,289 S17,031 153 S14 Equity Investor Equity So So So S270 S262 S249 S235 S222 S209 S19,568 S18,289 S17,031 154 Equity Investor Equity So So So S270 S262 S249 S235 S222 S209 S19,568 S18,289 S17,031 155 Equity Investor Equity So So So So S270 S262 S249 S235 S222 S209 S19,568 S18,289 S17,031 156 Equity Investor Equity So S0 S270 S262 S249 S235 S222 S209 S19,568 S18,289 S17,031 156 Equity Investor Equity S0 S0 S0 S0 S0 S0 S0 S							0	0	(3)	(9)	(16)	(15)	(15)	(15)		(1,510)	(1,506)
153 154 Equity Investor Equity 155 % Ownership 99% 99% 99% 99% 99% 99% 99% 99% 99% 99																	
154 Equity Investor Equity		Ending Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
155 % Ownership 99% <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>l</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>							l										
156 Beginning Equity 0 0 26,740 25,981 24,625 23,286 21,963 20,658 0 0 157 Retained Earnings 0 78 163 184 186 174 194 0 0 0 158 Equity Investment 0 0 26,945 0																	
157 Retained Earnings 0 0 78 163 184 186 174 194 0 0 0 158 Equity Investment 0 0 26,945 0																	
158 Equity Investment 0 0 26,945 0 0 0 0 0 0 159 Distributions 0 0 (284) (921) (1,540) (1,525) (1,497) (1,498) 0 0 0 0 160 Change in Ownership 0 0 0 0 0 0 0 0 0 0 0 0							-										
159 Distributions 0 0 (284) (921) (1,540) (1,525) (1,497) (1,498) 0 0 0 160 Change in Ownership 0 0 0 0 0 0 0 0 0 0 0															-	-	
160 Change in Ownership											-	•			-	-	
							-								•	-	
161 Ending Equity \$0 \ \$0 \ \$26,740 \ \$25,981 \ \$24,625 \ \$23,286 \ \$21,963 \ \$20,658 \ \$0 \ \$0 \ \$0																	
	161	Ending Equity					\$0	\$0	\$26,740	\$25,981	\$24,625	\$23,286	\$21,963	\$20,658	\$0	\$0	\$0

	. •			Actual							Pr	ojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
162																
163	KIUC Portion of KRS2															
164																
165	<u>Assets</u>															
166	Beginning Investment in KRS2					\$0	\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)
167	KRS2 Net Income					0	0	1	2	2	2	2	2	217	231	248
168	KRS2 Capital Investment					0	0	272	0	0	0	0	0	161		
169	KRS2 Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,516)	(1,510)	(1,506)
170	Ending Investment in KRS2					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)	(\$3,466)
171																
172	Beginning Cash					\$0	\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,156	\$2,666
173	KRS2 Capital Investment					0	0	(272)	0	0	0	0	0	(161)	0	0
174	KRS2 Distributions					0	0	3	9	16	15	15	15	1,516	1,510	1,506
175	Ending Cash					\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,156	\$2,666	\$4,172
176																
177	Total Assets					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706
178																
179	Equity & Liabilities															
180	Beginning Patronage Capital - KRS2					\$0	\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458
181	KRS2 Net Income					0	0	1	2	2	2	2	2	217	231	248
182	Ending Patronage Capital - KRS2					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706
183																
184	Total Equity & Liabilities					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$227	\$458	\$706

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan

Table 6 - Statement of Operations - Cash Basis (\$000)

	. •					Pro	jected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Total Accrual Margins	\$8,409	\$6,404	\$7,118	\$8,417	\$9,002	\$10,377	\$9,919	\$9,501	\$9,190	\$8,972
2	Add: Depreciation and Amortization	14,677	15,195	15,800	16,260	16,731	18,886	19,127	19,365	19,680	20,024
3	Add: Interest Exp - Existing Long-Term Debt	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
4	Add: Interest Exp - KRS1 Long-Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
5	Add: Interest Exp - Other New Long-Term Debt	165	527	1,042	3,136	4,374	6,614	6,577	6,618	6,813	7,156
6	Less: Capital Credits, Pat Cap, and KRS1/KRS2 Income (Loss)	(35)	(202)	(314)	(307)	(299)	(291)	(283)	(490)	(495)	(503)
7	Less: COC Interest Income	(574)	(603)	(565)	(383)	(402)	(423)	(444)	(467)	(491)	(516)
8	Less: Capitalized Interest	0	0	0	(1,478)	(2,230)	0	0	0	0	0
9	Cash from Operations	\$30,245	\$28,798	\$30,936	\$33,031	\$34,053	\$41,521	\$40,717	\$39,786	\$39,371	\$39,191
10											
11	Debt Service - Long Term										
12	Existing - Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
13	Existing - Principal	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
14	KRS1 Interest	0	284	1,091	1,061	1,030	998	965	931	896	860
15	KRS1 Principal	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
16	Other New - Interest	165	527	1,042	3,136	4,374	6,614	6,577	6,618	6,813	7,156
17	New - Principal	93	314	541	772	976	2,027	2,132	2,273	2,459	2,724
18	Other - Interest	0	0	0	0	0	0	0	0	0	0
19	Total Debt Service	\$18,259	\$19,476	\$21,764	\$24,089	\$25,527	\$28,816	\$28,883	\$29,064	\$29,443	\$30,048
20											
21	Cash Margins After Debt Service	\$11,987	\$9,322	\$9,172	\$8,942	\$8,526	\$12,705	\$11,834	\$10,722	\$9,928	\$9,143
22											
23	Additional Sources of Cash										
24	Proceeds from Long-Term Debt	\$10,000	\$10,000	\$14,176	\$12,229	\$9,162	\$86,986	\$323	\$5,349	\$6,451	\$12,403
25	Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
26	Proceeds from RUS Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
27	Free Cash Flow From										
28	KRS1	0	(695)	940	902	864	824	783	703	660	615
29	KRS2	0	(269)	9	16	15	15	15	1,355	1,510	1,506
30	Principal Income from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
31	CIAC/Grant Funds/Advances	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
32	Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
33											
34	Additional Uses of Cash										
35	Total Additions and Replacements	(23,997)	(28,397)	(18,359)	(63,010)	(61,444)	(16,752)	(14,552)	(18,249)	(18,098)	(23,239)
36	Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
37	Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)
38	Repayment of Short-Term Debt	(10,000)	(6,753)	(13,247)	0	0	(85,208)	0	0	0	0
39	Regular Capital Credit Retirements	(2,755)	(639)	O O	0	0) O	0	0	0	0
40	Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
41	·	` ,	. /	, ,	, /	. ,	` /	. ,	. ,	` '	<u> </u>
42	Total Additional Sources and Uses of Cash	(\$7,983)	(\$13,448)	(\$9,903)	(\$7,852)	(\$8,526)	(\$12,705)	(\$11,833)	(\$9,246)	(\$7,759)	(\$7,023)

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 6 - Statement of Operations - Cash Basis (\$000)

					Pro	ojected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43										
44 Net Change in Cash Including KRS1/KRS2-Related	\$4,003	(\$4,126)	(\$731)	\$1,091	(\$0)	\$0	\$1	\$1,476	\$2,169	\$2,120
45 Less KRS1/KRS2-Related Net Change In Cash	0	965	(949)	(918)	(879)	(839)	(798)	(2,058)	(2,169)	(2,120)
46 Total Net Change in Cash	\$4,003	(\$3,161)	(\$1,680)	\$173	(\$879)	(\$839)	(\$797)	(\$582)	(\$0)	(\$0)
47										
48 TIER Calculation										
49 Long-Term Interest Payment	\$7,770	\$8,005	\$8,897	\$10,522	\$11,252	\$12,972	\$12,398	\$11,877	\$11,487	\$11,215
50 Total TIER	2.08	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
51										
52 RUS Debt Service Coverage Ratio										
53 Net Margins	\$8,409	\$6,404	\$7,118	\$8,417	\$9,002	\$10,377	\$9,919	\$9,501	\$9,190	\$8,972
54 Interest on Long Term Debt	7,770	8,005	8,897	10,522	11,252	12,972	12,398	11,877	11,487	11,215
55 Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
56 Adjusted Margins	\$ 30,392	\$ 29,140	\$ 31,351	\$ 34,735	\$ 36,522	\$ 41,772	\$ 40,981	\$ 40,279	\$ 39,893	\$ 39,747
57										
58 Debt Service	\$ 18,259	\$ 19,476	\$ 21,764	\$ 24,089	\$ 25,527	\$ 28,816	\$ 28,883	\$ 29,064	\$ 29,443	\$ 30,048
59 RUS DSC Ratio	1.66	1.50	1.44	1.44	1.43	1.45	1.42	1.39	1.35	1.32
60										
61 CFC Debt Service Coverage Ratio										
62 Operating Margins	\$7,343	\$4,234	\$4,878	\$6,396	\$7,001	\$8,397	\$7,959	\$7,347	\$7,041	\$6,826
63 Non-Operating Margins - Interest	860	1,763	1,659	1,447	1,435	1,422	1,410	1,398	1,387	1,376
64 Interest on Long Term Debt	7,770	8,005	8,897	10,522	11,252	12,972	12,398	11,877	11,487	11,215
65 Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
66 apital Credits Received	0	0	0	0	0	0	0	0	0	0
67 Adjusted Margins	\$ 30,185	\$ 28,734	\$ 30,770	\$ 34,162	\$ 35,956	\$ 41,214	\$ 40,431	\$ 39,523	\$ 39,131	\$ 38,977
68										
69 Debt Service	\$ 18,259	\$ 19,476	\$ 21,764	\$ 24,089	\$ 25,527	\$ 28,816	\$ 28,883	\$ 29,064	\$ 29,443	\$ 30,048
70 CFC DSC Ratio	1.65	1.48	1.41	1.42	1.41	1.43	1.40	1.36	1.33	1.30
71										
72 Patronage Refund Over 2.0 RUS TIER	(\$2,755)	(\$639)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
73										
74 Capital Credits Balance - Excluding KRS1 and KRS2										
75 Balance (Beg Yr)	\$78,601	\$84,134	\$89,612	\$96,331	\$104,356	\$112,974	\$122,975	\$132,525	\$141,452	\$150,062
76 Retirements	(2,755)	(639)	0	0	0	0	0	0	0	0
77 Early Retirements	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
78 Additions	8,413	6,242	6,844	8,150	8,743	10,126	9,675	9,052	8,735	8,508
79 Balance (End Yr)	\$84,134	\$89,612	\$96,331	\$104,356	\$112,974	\$122,975	\$132,525	\$141,452	\$150,062	\$158,445
80										

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 6 - Statement of Operations - Cash Basis (\$000)

	. •					Proj	ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81	KRS1										
82	Cash Flows from Operating Activities										
83	Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
84	Depreciation and Amortization	0	410	1,639	1,639	1,639	1,639	1,639	1,639	1,639	1,639
85	Capitalized Interest	(264)	(870)	0	0	0	0	0	0	0	0
86	Taxes Paid	0	0	0	0	0	0	0	(37)	(37)	(37)
87	Changes in Prepayments	(150)	0	0	0	0	0	0	0	0	0
88	Changes in Accounts Payable	(3)	0	0	0	0	0	0	0	0	0
89	Changes in Accrued Interest	(200)	0	0	0	0	0	0	0	0	0
90	Changes in Inventories	0	(1,222)	0	0	0	0	0	0	0	0
91	Net Cash from Operating Activities	(\$622)	(\$1,521)	\$1,912	\$1,905	\$1,897	\$1,889	\$1,881	\$1,835	\$1,826	\$1,818
92											
93	Cash Flows from Investing Activities										
94	Additions to Utility Plant	(\$1,430)	(\$46,802)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95											
96	Cash Flows from Financing Activities										
97	Loan Amounts	\$2,000	\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98	Principal Paid on Debt	0	(232)	(972)	(1,002)	(1,033)	(1,065)	(1,098)	(1,132)	(1,167)	(1,203)
99	Grants/Tax Incentives Received	0	21,586	0	0	0	0	0	0	0	0
100	Grants/Tax Incentives Paid On Debt	0	(21,586)	0	0	0	0	0	0	0	0
101	Note Receivable to Parent	0	695	(940)	(902)	(864)	(824)	(783)	(703)	(660)	(615)
	Net Cash from Financing Activities	\$2,000	\$48,136	(\$1,912)	(\$1,905)	(\$1,897)	(\$1,889)	(\$1,881)	(\$1,835)	(\$1,826)	(\$1,818)
103		(0.50)	(0.10=)	(00)	•	••	••	•	•	••	••
	Net Change in Cash	(\$52)	(\$187)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105	BUOD I CO. B. C.										
	RUS Debt Service Coverage Ratio	(A.E.)	#404	#070	# 005	6057	CO40	0044	# 000	0004	0045
107	Net Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
108	Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
109	Depreciation and Amortization Expense	0 (\$5)	408 \$854	1,633	1,633	1,633 \$2,921	1,633	1,633 \$2,840	1,633 \$2,797	1,633 \$2,754	1,633
110 111	Adjusted Margins	(\$5)	Ф 004	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,709
112	Debt Service	\$0	\$516	\$2,063	¢2.062	¢2.062	¢2.062	¢2.062	\$2,063	¢2.062	\$2,063
113	RUS DSC Ratio	NA NA	پې 1.66	₹2,003 1.45	\$2,063 1.43	\$2,063 1.42	\$2,063 1.40	\$2,063 1.38	φ2,003 1.36	\$2,063 1.33	φ2,003 1.31
114	ROS DSC Ralio	INA	1.00	1.40	1.43	1.42	1.40	1.30	1.30	1.33	1.31
115	CFC Debt Service Coverage Ratio										
116	Operating Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
117	on-Operating Margins - Interest	(\$3)	0	φ273 0	φ203 0	φ257 0	φ 249 0	0	φ233 0	φ22 4 0	0
118	Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
119	Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
120	apital Credits Received	0	400	1,033	1,033	1,033	0	0	0	0	1,033
121	Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,710
121	Aujusteu Margiris	(45)	φ004	φ2,331	φ2,309	φ ∠ ,3∠ Ι	φ2,001	φ <u>2</u> ,0 4 0	φ2,131	φ2,104	φ2,110
123	Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
123	CFC DSC Ratio	NA SO	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
124	OI O DOO Natio	INA	1.00	1.40	1.43	1.42	1.40	1.50	1.50	1.55	1.51
123		1									

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 6 - Statement of Operations - Cash Basis (\$000)

Alternative Scenario 1 - Decoupling					Pro	ojected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126 KRS2										
127 Cash Flows from Operating Activities										
128 Margins	\$0	\$79	\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
129 Depreciation and Amortization	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
130 Capitalized Interest	(41)	(429)	0	0	0	0	0	0	0	0
131 Taxes Paid) o´	` o´	0	0	0	0	0	0	0	0
132 Changes in Accrued Interest	0	0	0	0	0	0	0	0	0	0
133 Changes in Prepayments	0	0	0	0	0	0	0	0	0	0
134 Changes in Inventories	0	(618)	(618)	0	0	0	0	0	0	0
135 Net Cash from Operating Activities	(\$41)	(\$142)	\$1,198	\$1,839	\$1,840	\$1,829	\$1,848	\$1,870	\$1,883	\$1,901
136	, ,									
137 Cash Flows from Investing Activities										
138 Additions to Utility Plant	(\$5,959)	(\$34,885)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
139										
140 Cash Flows from Financing Activities										
141 Loan Amounts	\$6,000	\$35,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142 Principal Paid on Debt	0	0	(268)	(283)	(299)	(316)	(335)	(354)	(374)	(395)
143 State Tax Refund	0	4,987	0	0	0	0	0	0	0	0
144 Distributions	0	(5,274)	(930)	(1,555)	(1,541)	(1,512)	(1,514)	(1,516)	(1,510)	(1,506)
145 Net Cash from Financing Activities	\$6,000	\$35,027	(\$1,198)	(\$1,839)	(\$1,840)	(\$1,829)	(\$1,848)	(\$1,870)	(\$1,883)	(\$1,901)
146										
147 Net Change in Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
148										
149 RUS Debt Service Coverage Ratio										
150 Net Margins	na		\$ 164							
151 Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
152 Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
153 Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,577
154										
155 Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
156 RUS DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41
157										
158 CFC Debt Service Coverage Ratio										
159 Operating Margins	na		\$164	\$186	\$188	\$176	\$195	\$217	\$231	\$248
160 on-Opera fi ng Margins - Interest	na		0	0	0	0	0	0	0	0
161 Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
162 Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
163 apital Credits Received	0	0	0	0	0	0	0	0	0	1
164 Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,584	\$2,585	\$2,588	\$2,581	\$2,578
165										
166 Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
167 CFC DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 7 - General Funds Summary (\$000)

Alternative Scenario 1 - Decoupling

Projected 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 Line KIUC NET GENERAL FUNDS - BEGINNING OF YEAR \$3,762 \$7.765 \$3.640 \$2.909 \$4,000 \$4.000 \$4.000 \$4.000 \$5,476 \$7.646 2 SOURCES OF GENERAL FUNDS 3 Cash Margins after Debt Service \$11.987 \$9.322 \$9.172 \$8.942 \$8.526 \$12,705 \$11.834 \$10.722 \$9.928 \$9.143 Long Term Debt Loan Proceeds 10,000 10,000 14,176 12,229 9,162 86,986 323 5,349 6,451 12,403 Patronage Capital Paid in Cash 40 40 40 40 40 40 40 40 40 40 Principal Income from KRS1 0 232 972 1,002 1,033 1,065 1,098 1,132 1,167 1,203 Proceeds from Short-Term Debt 10,000 13,322 0 42,228 42,980 0 0 0 0 0 Cushion of Credit 0 0 5.500 0 0 0 0 0 0 0 10 Change in KRS1-Related Cash 0 (695)940 902 864 824 783 703 660 615 11 Change in KRS2-Related Cash 0 (269)16 15 15 15 1.355 1.510 1,506 \$31,951 \$30,810 12 Total Sources of General Funds \$32,027 \$65,360 \$62,620 \$101,635 \$14,093 \$19,301 \$19,755 \$24,909 13 14 USES OF GENERAL FUNDS 15 Regular Capital Credit Retirements (\$2,755)(\$639)\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 16 Early Retirement of Capital Credits (47)(47)(47)(47)(47)(47)(47)(47)(47)(47)(13,489)17 Net Additions and Replacements (14,806)(27,735)(17,631)(62,210)(60,565)(15,785)(17,081)(16,814)(21,828)18 Refund of Customer Advances (286)(109)(215)(236)(260)(315)(346)(381)(419)(461)19 Inventory Buildup (306)(688)(379)(1,752)(1,723)(281)(210)(316)(306)(454)20 Repayment of Short-Term Debt (10.000)(6.753)(13,247)(85,208)0 Total Uses of General Funds (\$31,540)(\$64,269)(\$62,621) (\$14,092)(\$17,825)(\$17,586)(\$22,789)(\$28,023)(\$36,077)(\$101,635)22 23 KIUC NET GENERAL FUNDS - END OF YEAR \$7,765 \$3,640 \$2,909 \$4,000 \$4,000 \$4,000 \$4,000 \$5,476 \$7,646 \$9,766

	Alternative Scenario 1 - Decoupling					Proje					
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	UTILITY PLANT										
2	Plant-in-Service - BOY	\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
3	Acquisition Adjustment - BOY	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852
4	CWIP - BOY	18,902	5,715	7,169	550	49,238	0	0	0	2,200	0
5	Total Utility Plant - BOY	\$494,066	\$504,284	\$527,275	\$539,943	\$598,476	\$656,032	\$665,413	\$672,426	\$682,986	\$693,224
6	·										
7											
8	ADDITIONS AND REPLACEMENTS										
9	Generation										
10	Hydropower	\$0	\$0	\$0	\$40,750	\$40,750	\$0	\$0	\$0	\$0	\$0
11	Hydropower Capitalized Interest	0	0	0	1,478	2,230	0	0	0	0	0
12	SWD CO Catalysts Install	150	0	0	0	0	0	0	0	0	0
13	EMD CO Catalysts Install	300	0	0	0	0	0	0	0	0	0
14	HRSG MCC Replacement	100	0	0	0	0	0	0	0	0	0
15	Waiahi Upper Powerhouse Expansion	0	3,489	0	0	0	0	0	0	0	0
16	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
17	LFG	0	0	0	0	0	0	0	0	0	0
18	Titan or Alternative	0	0	0	0	0	0	0	0	0	0
19	Other Non-Recurring Projects	5,130	1,928	0	0	0	5,050	2,000	2,000	2,000	2,000
20	Other Recurring Projects	925	950	850	850	850	850	950	1,600	1,600	850
21	Transmission and Distribution										
22	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	9,000	0	0	0	0	0
23	Anahola Service Center	200	4,692	0	0	0	0	0	0	0	0
24	Princeville Substation Upgrade	152	0	0	0	0	0	0	0	0	0
25	Replacement GIS Mapping System	250	50	0	0	0	0	0	0	0	0
26	Kipu 12 kV Reroute	100	300	0	0	0	0	0	0	0	0
27	Wailua Corridor Undergrounding	1,666	834	0	0	0	0	0	0	0	0
28	RUS Standards Compliance	50	75	0	0	0	0	0	0	0	0
29	Hanalei Tap Reconfiguration	0	50	500	1,000	0	0	0	0	0	0
30	New T&D Warehouse and Field Offices	0	0	1,500	0	0	0	0	0	0	0
31	HCP - C2 Waiakea Canal Crossing	245	147	0	0	0	0	0	0	0	0
32	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
33	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
34	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
35	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	1,122	0
36	Other Non-Recurring Projects										
37	Transmission	2,401	1,945	4,398	1,581	1,040	0	0	0	0	6,000
38	Distribution	0	0	0	0	0	0	0	0	0	0

						Projec	cted				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
39	Other Recurring Projects										
40	Transmission	840	710	620	3,231	542	479	468	482	498	514
41	Distribution	5,934	6,492	7,375	6,076	7,184	7,759	8,389	9,080	9,837	10,667
42	Other	40	44	48	53	59	64	71	78	86	94
43	Other Projects										
44	Non-Recurring Projects	535	1,305	555	1,055	500	1,000	1,100	1,210	1,331	1,464
45	Recurring Projects	1,730	1,467	1,401	1,405	1,520	1,549	1,574	1,599	1,625	1,651
46	Carryover Projects										
47	AEPO Substation (Kumanu)	530	3,920	1,112	0	0	0	0	0	0	0
48	SPCC Substation Compliance	220	0	0	0	0	0	0	0	0	0
49	AMI/Advanced Metering Infrastructure	2,500	0	0	0	0	0	0	0	0	0
50	Battery Energy Storage	0	0	0	0	0	0	0	0	0	0
51	Other Carryover Projects	0	0	0	0	0	0	0	0	0	0
52	Total Additions and Replacements	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
53	Less Customer Advances	(2,880)	(651)	(716)	(788)	(867)	(953)	(1,049)	(1,153)	(1,269)	(1,395)
54	Less CIAC	(9)	(11)	(12)	(12)	(13)	(14)	(14)	(15)	(15)	(16)
55	Less AMI Funding	(6,302)	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´
56	Total Cap Ex Cash Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
57		, , , , , , , , , , , , , , , , , , , ,	, ,	, ,	, ,	, , , , ,	,	, ,,	, ,	,.	, ,-
58	CONSTRUCTION WORK IN PROGRESS										
59	Hydropower	\$0	\$0	\$0	\$40,750	\$0	\$0	\$0	\$0	\$0	\$0
60	Hydropower Capitalized Interest	0	0	0	1,478	0	0	0	0	0	0
61	SWD CO Catalysts Install	0	0	0	0	0	0	0	0	0	0
62	EMD CO Catalysts Install	0	0	0	0	0	0	0	0	0	0
63	HRSG MCC Replacement	0	0	0	0	0	0	0	0	0	0
64	Waiahi Upper Powerhouse Expansion	0	0	0	0	0	0	0	0	0	0
65	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
66	LFG	0	0	0	0	0	0	0	0	0	0
67	Titan or Altennative	0	0	0	0	0	0	0	0	0	0
68	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	0	0	0	0	0	0
69	Anahola Service Center	200	0	0	0	0	0	0	0	0	0
70	Princeville Substation Upgrade	0	0	0	0	0	0	0	0	0	0
71	Repace GIS Mapping System	250	0	0	0	0	0	0	0	0	0
72	Kipu 12 kV Reroute	100	0	0	0	0	0	0	0	0	0
73	Wailua Corridor Undergrounding	1,666	0	0	0	0	0	0	0	0	0
74	RUS Standards Compliance	50	0	0	0	0	0	0	0	0	0
75	Hanalei Tap Reconfiguration	0	50	550	0	0	0	0	0	0	0
76	New T&D Warehouse and Field Offices	0	0	0	0	0	0	0	0	0	0
77	HCP - C2 Waiakea Canal Crossing	250	0	0	0	0	0	0	0	0	0
78	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
79	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
80	Kilohana Switching Station		0	0	0	0	0	0	0	0	0
81	Lihue Station - Upgraded Transformers (3 @ \$850)		0	0	0	0	0	0	2,200	0	0
	AEPO Substation (Kumanu)	3,199	7,119	0	0	0	0	0	2,200	0	0
02	AEFO Substation (Numanu)	3, 199	7,119	U	U	U	U	U	U	Ü	U

	Alternative Scenario 1 - Decoupling						Proje	cted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
83	SPCC Substation Compliance		0	0	0	0	0	0	0	0	0	0
84	AMI/Advanced Metering Infrastructure		0	0	0	0	0	0	0	0	0	0
85	Battery Energy Storage		0	0	0	0	0	0	0	0	0	0
86	Other Carryover Projects		0	0	0	0	0	0	0	0	0	0
87	Total CWIP		\$5,715	\$7,169	\$550	\$49,238	\$0	\$0	\$0	\$2,200	\$0	\$0
88												
89	TOTAL PLANT IN SERVICE - BOY		\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
90	Total Additions and Replacements		23,997	28,397	18,359	64,488	63,675	16,752	14,552	18,249	18,098	23,239
91	Carryover Closed to Plant		16,228	2,516	7,119	550	49,238	0	0	0	2,200	0
92	Less CIAC and Funding		(9,082)	(447)	(492)	(540)	(594)	(652)	(717)	(787)	(865)	(951)
93	Less Cap Ex to CWIP		(3,041)	(3,970)	(500)	(49,238)	0	0	0	(2,200)	0	0
94	Less Retirements		(4,697)	(4,958)	(5,199)	(5,415)	(5,525)	(6,718)	(6,823)	(6,901)	(6,995)	(7,134)
95	TOTAL PLANT IN SERVICE - EOY		\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372	\$653,527
96	Closed to Plant		\$28,102	\$26,496	\$24,486	\$15,260	\$112,319	\$16,099	\$13,835	\$15,262	\$19,433	\$22,288
97												
98	FUNDING											
99	Debt		\$10,000	\$16,569	\$929	\$54,457	\$52,142	\$1,778	\$323	\$5,349	\$6,451	\$0
100	Customer Advances		2,880	651	716	788	867	953	1,049	1,153	1,269	1,395
101	Cash		4,806	11,166	11,202	9,231	10,653	14,007	13,166	11,733	10,363	0
102	CIAC/AMI Funding		6,311	11	12	12	13	14	14	15	15	16
103	Total		\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
104												
105	DEPRECIATION EXPENSE											
		Depr										
106		Rate										
107	Existing 2012 Plant	2.73%	\$11,398	\$11,266	\$11,128	\$10,983	\$10,834	\$10,667	\$10,482	\$10,295	\$10,106	\$9,913
108	Balance of 2102 CWIP	2.73%	53	105	105	105	105	105	105	105	105	105
109	Generation											
110	Hydropower	2.00%	0	0	0	0	0	1,630	1,630	1,630	1,630	1,630
111	Hydropower Capitalized Interest	2.00%	0	0	0	0	0	74	74	74	74	74
112	SWD CO Catalysts Install	2.10%	10	20	20	20	20	20	20	20	20	20
113	EMD CO Catalysts Install	2.10%	8	16	16	16	16	16	16	16	16	16
114	HRSG MCC Replacement	2.10%	1	3	3	3	3	3	3	3	3	3
115		2.00%	0	35	70	70	70	70	70	70	70	70
116	Waiahi Lower Powerhouse Upgrade	2.00%	0	0	0	0	0	0	0	0	0	0
117	LFG	6.67%	0	0	0	0	0	0	0	0	0	0
118	Titan or Alternative	2.10%	0	0	0	0	0	0	0	0	0	0
119	Other Non-Recurring Projects	2.10%	54	128	148	148	148	202	276	318	360	402
120		2.10%	10	29	48	66	84	102	121	148	181	207
121	0 ,											
122		2.82%	0	0	0	0	226	452	452	452	452	452
123		2.82%	0	69	138	138	138	138	138	138	138	138
124		3.33%	13	25	25	25	25	25	25	25	25	25
125	. •	3.33%	0	5	10	10	10	10	10	10	10	10
0		0.00,0	ı	Ü		.0	.0	.0	.0	.0	.0	

	Alternative Scenario 1 - Decoupling						Projec	ted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	Kipu 12 kV Reroute	2.82%	0	6	11	11	11	11	11	11	11	11
127	Wailua Corridor Undergrounding	2.82%	0	35	71	71	71	71	71	71	71	71
128	RUS Standards Compliance	2.82%	0	2	4	4	4	4	4	4	4	4
129	Hanalei Tap Reconfiguration	2.82%	0	0	0	22	44	44	44	44	44	44
130	New T&D Warehouse and Field Offices	2.82%	0	0	21	42	42	42	42	42	42	42
131	HCP - C2 Waiakea Canal Crossing	2.70%	0	5	11	11	11	11	11	11	11	11
132	Kapaia to Hanahanapuni	2.82%	0	0	0	0	0	0	0	0	0	0
133	Convert Hanahanapuni Tap to Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
134	Kilohana Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
135	Lihue Station - Upgraded Transformers (3 @ \$850)	2.82%	0	0	0	0	0	0	0	0	47	94
136	Other Non-Recurring Projects											
137	Transmission	2.82%	34	95	185	269	306	321	321	321	321	406
138	Distribution	3.33%	0	0	0	0	0	0	0	0	0	0
139	Other Recurring Projects											
140	Transmission	2.82%	12	34	53	107	160	175	188	201	215	229
141	Distribution	3.33%	99	305	536	760	980	1,229	1,498	1,788	2,103	2,444
142	Other	2.73%	1	2	3	4	6	. 8	9	11	14	16
143	Other Projects											
144	Non-Recurring Projects	2.73%	7	32	58	80	101	121	150	181	216	254
145	Recurring Projects	2.73%	24	67	106	145	184	226	269	312	356	401
146	Carryover Projects											
147	AEPO Substation (Kumanu)	3.33%	0	0	137	274	274	274	274	274	274	274
148	SPCC Substation Compliance	3.33%	10	20	20	20	20	20	20	20	20	20
149	AMI/Advanced Metering Infrastructure	8.00%	504	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
150	Battery Energy Storage	5.00%	0	0	0	0	0	0	0	0	0	0
151	Total		\$12,236	\$13,314	\$13,934	\$14,412	\$14,902	\$17,078	\$17,341	\$17,604	\$17,946	\$18,394
152	Less AMI Funding	8.00%	0	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)
153	Less CIAC	3.33%	(46)	(99)	(115)	(132)	(151)	(171)	(194)	(219)	(247)	(277)
154	Total Deprec and Amort Accrual		\$12,190	\$12,708	\$13,313	\$13,773	\$14,244	\$16,400	\$16,641	\$16,878	\$17,193	\$17,610
155	Less Depreciation in Other Accounts		(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)
156	Net Depr and Amort Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147
157												
	Net Depreciation and Amortization Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147
	Amortization of Regulatory Asset - Iniki		292	292	292	292	292	292	292	292	292	219
160	Amortization of Acquisition Adjustment		2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194
	Total Depreciation & Amortization Expense		\$14,213	\$14,731	\$15,336	\$15,796	\$16,267	\$18,423	\$18,663	\$18,901	\$19,216	\$19,560
	Plus Depreciation in Other Accounts		463	463	463	463	463	463	463	463	463	463
	Total Depr and Amort Accrual		\$14,677	\$15,195	\$15,800	\$16,260	\$16,731	\$18,886	\$19,127	\$19,365	\$19,680	\$20,024
164												
165												

Alternative Scenario 1 - Decoupling										
					Proje	ected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
166 KRS1										
167 BOY CWIP	\$7,806	\$9,500								
168 Capital Expenditures	1,694	47,672								
169 Federal Grant	0	(16,336)								
170 EOY CWIP	9,500									
171 Closed to Plant	\$0	\$40,837								
172										
173 KRS2										
174 BOY CWIP	\$0	\$6,000								
175 Capital Expenditures	6,000	35,314								
176 Buyout Amount	0	0								
177 EOY CWIP	6,000	0								
178 Closed to Plant	\$0	\$41,314								

	Alternative Scenario 1 - Decoupling					Proi	ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	EXISTING LONG TERM DEBT										
2	Balance (Beg Yr)	\$199,311	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462
3	Existing Loan Advances	0	0	0	0	0	0	Ψ123,020	0	0	0
4	Principal Repayments	10.396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
5	Balance (End Yr)	\$188.915	\$177.990	\$166,638	\$154.845	\$142,579	\$129,828	\$116,573	\$102,791	\$88.462	\$73,555
6		7	*****	* ,	 ,	* : :=,=:	* :==;===	* ,	¥ ,	****	4.0,000
7	EXISTING DEBT INTEREST AND PRINCIPAL PAYMENTS										
8	Interest										
9	RUS - A41-1B010	\$297	\$282	\$265	\$248	\$230	\$212	\$192	\$173	\$152	\$130
10	RUS - A41-1B011	594	563	530	496	460	423	385	345	303	260
11	RUS - A41-1B012	474	447	420	391	362	332	301	269	235	201
12	RUS - A41-1B013	375	352	328	304	279	254	229	203	177	150
13	RUS - A41-1B014	691	655	618	580	539	497	453	407	358	308
14	RUS - A41-1B015	3,909	3,715	3,512	3,299	3,075	2,840	2,593	2,334	2,062	1,776
15	CFC - HI001-9005	133	122	110	99	86	74	61	48	34	20
16	FFB B8 - H0010	154	141	128	116	101	86	72	58	42	26
17	FFB B8 - H0015	224	206	188	171	150	129	109	87	65	40
18	FFB B8 - H0020	501	463	423	385	338	292	246	197	147	92
19	FFB C8 - F0025	211	207	202	198	190	184	180	174	169	162
20	FFB C8 - F0030	42	41	40	39	38	37	36	35	34	32
21	Total Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
22	Principal										
23	RUS - A41-1B010	\$402	\$417	\$434	\$451	\$469	\$487	\$507	\$526	\$547	\$569
24	RUS - A41-1B011	803	834	867	901	937	974	1,012	1,052	1,094	1,137
25	RUS - A41-1B012	840	866	894	922	951	981	1,013	1,045	1,078	1,112
26	RUS - A41-1B013	1,430	1,453	1,477	1,501	1,526	1,551	1,576	1,602	1,628	1,655
27	RUS - A41-1B014	795	831	868	906	947	989	1,033	1,079	1,128	1,178
28	RUS - A41-1B015	3,883	4,076	4,279	4,492	4,717	4,952	5,199	5,458	5,730	6,016
29	CFC - HI001-9005	406	418	430	443	455	468	482	496	510	525
30	FFB B8 - H0010	442	455	467	479	493	507	520	535	549	564
31	FFB B8 - H0015	428	442	460	479	498	518	539	561	584	608
32	FFB B8 - H0020	846	883	921	959	1,005	1,049	1,094	1,141	1,190	1,244
33	FFB C8 - F0025	104	212	216	220	227	233	237	243	247	254
34	FFB C8 - F0030	19	38	39	40	41	42	43	44	45	46
35	Total Principal	\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
36											
37	FUNDING REQUIREMENTS										
38	Capital Funding Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
39	Refinancing Requirements	10,000	6,753	13,247	0	0	85,208	0	0	0	0
40	Total Funding Requirements	\$24,806	\$34,488	\$30,878	\$63,688	\$62,795	\$100,993	\$13,489	\$17,081	\$16,814	\$21,828
41											
42	Short-Term Long Funds Advanced	\$10,000	\$13,322	\$0	\$42,228	\$42,980	\$0	\$0	\$0	\$0	\$0
43	Long-Term Loan Funds Advanced	10,000	10,000	14,176	12,229	9,162	86,986	323	5,349	6,451	12,403
44	Total Debt Advances	\$20,000	\$23,322	\$14,176	\$54,457	\$52,142	\$86,986	\$323	\$5,349	\$6,451	\$12,403
45											

	•	· ·									Proj	ected				
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
46	FFB C8 Add'l Draws	Amount	Per	Rate	Term	Per Yr										
47		\$31,646	na	na	na	na										
48	BOY Balance						\$0	\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394
49	Loan Funds Advanced						10,000	10,000	11,646	0	0	0	0	0	0	0
50	Principal Payment						93	314	523	644	683	713	734	763	785	825
51	Interest Payment						165	527	979	1,228	1,189	1,159	1,137	1,108	1,086	1,046
52	Total Debt Service						\$258	\$841	\$1,501	\$1,872	\$1,872	\$1,872	\$1,871	\$1,871	\$1,871	\$1,870
53	EOY Balance						\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394	\$25,569
54																
55	2014 Loan	Amount	Per	Rate	Term	Per Yr										
56		\$0	3	3.5%	6 30	4										
57	BOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Loan Funds Advanced							0	0	0	0	0	0	0	0	0
59	Principal Payment							0	0	0	0	0	0	0	0	0
60	Interest Payment							0	0	0	0	0	0	0	0	0
61	Total Debt Service						-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	EOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63																
64	2015 Loan	Amount	Per	Rate	Term	Per Yr										
65		\$2,530	3	5.0%	6 30	4										
66	BOY Balance								\$0	\$2,511	\$2,473	\$2,433	\$2,390	\$2,346	\$2,299	\$2,250
67	Loan Funds Advanced								2,530	0	0	0	0	0	0	0
68	Principal Payment								19	38	40	42	45	47	49	52
69	Interest Payment								63	125	123	121	119	116	114	112
70	Total Debt Service							-	\$82	\$163	\$163	\$163	\$163	\$163	\$163	\$163
71	EOY Balance								\$2,511	\$2,473	\$2,433	\$2,390	\$2,346	\$2,299	\$2,250	\$2,198
72			Const	LT												
73	New Hydro Loans	Amount	Rate	Rate	Term	Per Yr										
74		\$85,208	3.5%	5.0%	6 35	4				ST Debt	ST Debt	LT Debt				
75	BOY Balance									\$0	\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215
76	Loan Funds Advanced									42,228	42,980	0	0	0	0	0
77	Principal Payment									0	0	925	972	1,022	1,074	1,128
78	Interest Payment									1,478	2,230	4,243	4,196	4,147	4,095	4,040
79	Total Debt Service								•	\$1,478	\$2,230	\$5,168	\$5,168	\$5,168	\$5,168	\$5,168
80	EOY Balance									\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215	\$80,087
81																
82	2016 Loan	Amount	Per	Rate	Term	Per Yr										
83		\$12,229	3	5.0%	6 30	4										
84	BOY Balance									\$0	\$12,140	\$11,954	\$11,759	\$11,554	\$11,338	\$11,112
85	Loan Funds Advanced									12,229	0	0	0	0	0	0
86	Principal Payment									89	186	195	205	215	226	238
87	Interest Payment									305	604	594	584	574	563	551
88	Total Debt Service								•	\$395	\$789	\$789	\$789	\$789	\$789	\$789
89	EOY Balance									\$12,140	\$11,954	\$11,759	\$11,554	\$11,338	\$11,112	\$10,874
90																
							•									

											Proje					
ne							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	2017 Loan	Amount	Per	Rate	Term	Per Yr										
2		\$9,162	3	5.0%	30	4										
13	BOY Balance										\$0	\$9,095	\$8,956	\$8,810	\$8,656	\$8,4
94	Loan Funds Advanced										9,162	0	0	0	0	
95	Principal Payment										67	139	146	154	161	1
96	Interest Payment										229	452	445	438	430	
97	Total Debt Service										\$296	\$591	\$591	\$591	\$591	\$
8	EOY Balance										\$9,095	\$8,956	\$8,810	\$8,656	\$8,495	\$8,
9	00404		-	ъ.	_	5 1/										
	2018 Loan	Amount	Per	Rate	Term	Per Yr										
01		\$1,778	3	5.0%	30	4										
02	BOY Balance											\$0	\$1,765	\$1,738	\$1,710	\$1,
03	Loan Funds Advanced											1,778	0	0	0	
)4	Principal Payment											13	27	28	30	
05	Interest Payment										_	44	88	86	85	
06	Total Debt Service											\$57	\$115	\$115	\$115	\$
07	EOY Balance											\$1,765	\$1,738	\$1,710	\$1,680	\$1,
80			_	_	_											
	2019 Loan	Amount	Per	Rate	Term	Per Yr										
0		\$323	3	5.0%	30	4										
11	BOY Balance												\$0	\$321	\$316	\$
12	Loan Funds Advanced												323	0	0	
13	Principal Payment												2	5	5	
14	Interest Payment											_	8	16	16	
15	Total Debt Service												\$10	\$21	\$21	
16	EOY Balance												\$321	\$316	\$311	\$
17																
	2020 Loan	Amount	Per	Rate	Term	Per Yr										
19		\$5,349	3	5.0%	30	4										
20	BOY Balance													\$0	\$5,309	\$5,
1	Loan Funds Advanced													5,349	0	
22	Principal Payment													39	81	
23	Interest Payment												_	133	264	
4	Total Debt Service													\$173	\$345	9
25	EOY Balance													\$5,309	\$5,228	\$5
26																
	2021 Loan	Amount	Per	Rate	Term	Per Yr										
8		\$6,451	3	5.0%	30	4										
29	BOY Balance														\$0	\$6
30	Loan Funds Advanced														6,451	
31	Principal Payment														47	
32	Interest Payment													_	161	
33	Total Debt Service													_	\$208	\$
34	EOY Balance														\$6,404	\$6,
5																

130 130												Proj	ected				
Strain S								2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
BOY Balance		2022 Loan Ar															
Loan Funds Advanced			\$12,403	3	5.0%	30	4										
Principal Payment																	\$0
Interest Payment																	12,403
Total Debt Service 144																	91
40	141															_	310
144																	\$400
145		EOY Balance															\$12,312
Hafe Interest Hafe Haffeet																	
Existing Debt Existing Deb	145	TOTAL LONG TERM DEBT SERVICE															
148 New De'bt (Excit Hydro Loan Capitalized Interest) 165 527 1.042 3.130 4.37 6.614 6.677 6.618 6.613 7.105	146																
Sy,770 Sy,721 Sy,807 Sy,461 St,0223 St,14,333 St,0,946 St,0,959 St,000 St																	\$3,198
Single S			nterest)														7,156
51 Existing Debt								\$7,770	\$7,721	\$7,807	\$9,461	\$10,223	\$11,974	\$11,433	\$10,946	\$10,591	\$10,354
152 New Debt	150	Principal															
\$10,489 \$11,239 \$11,894 \$12,685 \$13,242 \$14,779 \$15,386 \$16,055 \$16,789 \$17,701 \$18,055 \$17,701 \$18,055 \$18,	151																\$14,907
Standard																	2,724
155 TOTAL LONG TERM DEBT 199311 199822 199783 199885 199529 199529 199586 252,593 241,887 231 198825 199885	153	Total Principal						\$10,489	\$11,239	\$11,894	\$12,565	\$13,242	\$14,779	\$15,386	\$16,055	\$16,789	\$17,631
156 TOTAL LONG TERM DEBT 157 Balance (Beg Yr) Salance (Beg Y	154	Total Debt Service						\$18,259	\$18,960	\$19,701	\$22,026	\$23,464	\$26,753	\$26,820	\$27,000	\$27,380	\$27,985
Salance (Beg Yr)	155																
10,000 10,000 10,000 14,176 12,229 9,162 86,986 323 5,349 6,451 12 10,489 11,239 11,894 12,565 13,242 14,779 15,386 16,055 16,789 17,295 18,285 19,585 19,585 19,585 19,585 19,585 19,585 19,585 18,285 14,779 15,386 16,055 16,789 17,295 18,285 18,285 19,885 19	156	TOTAL LONG TERM DEBT															
10,489 11,239 11,894 12,565 13,242 14,779 15,386 16,055 16,789 17,189 18,189 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,882 19,583 19,892 19,583 19,892 19,583 19,583 19,583 19,583 19,583 19,583 19,583 19,583 19,529 19,545 19,583 19,585 13,282 13,255 13,282 14,330 14,907 15,386 16,055 16,789 14,307 15,386 16,055 16,789 14,907 15,386 1	157	Balance (Beg Yr)						\$199,311		\$197,583		\$199,529			\$252,593	\$241,887	\$231,549
Salance (End Yr)	158	Loan Funds Advanced						10,000	10,000	14,176		9,162					12,403
161	159	Less Principal Repayments						10,489	11,239	11,894	12,565	13,242	14,779	15,386	16,055	16,789	17,631
Current Portion of Long Term Debt - EOY	160	Balance (End Yr)						\$198,822	\$197,583	\$199,865	\$199,529	\$195,450	\$267,656	\$252,593	\$241,887	\$231,549	\$226,322
\$10,925 \$11,353 \$11,792 \$12,266 \$12,752 \$13,255 \$13,782 \$14,330 \$14,907 \$15,000 \$16,000 \$16,000 \$16,000 \$17,000 \$15,000 \$16,00	161																
164 New Debt 314 541 772 976 2,027 2,132 2,273 2,459 2,724 2 2 3 1,239 3 1,894 3 1,2565 3 3,242 3 1,4779 3 15,386 3 16,055 3 16,789 3 17,631 3 18 18 1 1 1 1 1 1 1	162	Current Portion of Long Term Debt - EOY															
Total Current Portion Standard Portion Standa	163	Existing Debt						\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	\$15,370
166 167 SHORT TERM DEBT 168 169 \$20 M LOC/Other LOC	164	New Debt						314	541	772	976	2,027	2,132	2,273	2,459	2,724	2,949
SHORT TERM DEBT Second Sec	165	Total Current Portion						\$11,239	\$11,894	\$12,565	\$13,242	\$14,779	\$15,386	\$16,055	\$16,789	\$17,631	\$18,318
168 \$20 M LOC/Other LOC Amount Per Rate Term Per Yr 170 BOY Balance 3.0% \$6,678 \$6,678 \$13,247 171 Loan Funds Advanced 10,000 13,322 0 172 Less Principal Repayments (10,000) (6,753) (13,247) 173 Balance (End Yr) \$6,678 \$13,247 \$0 174 \$6,678 \$13,247 \$0 175 Interest Expense \$252 \$292 \$0 176 Est Average Balance \$8,385 \$9,725 \$0 177 BOY Balance 3.0% Per Yr	166																
Second Found Fou	167	SHORT TERM DEBT															
BOY Balance 3.0% \$6,678 \$13,247	168																
171 Loan Funds Advanced 10,000 13,322 0 172 Less Principal Repayments 173 Balance (End Yr) 174 175 Interest Expense 176 Est Average Balance 177 178 \$5 M LOC	169	\$20 M LOC/Other LOC Ar	mount	Per	Rate	Term	Per Yr										
172 Less Principal Repayments (10,000) (6,753) (13,247)	170	BOY Balance			3.0%			\$6,678	\$6,678	\$13,247							
173 Balance (End Yr) \$6,678 \$13,247 \$0 174	171	Loan Funds Advanced						10,000	13,322	0							
174 175 Interest Expense \$252 \$292 \$0 176 Est Average Balance \$8,385 \$9,725 \$0 177 178 \$5 M LOC	172	Less Principal Repayments						(10,000)	(6,753)	(13,247)							
175 Interest Expense \$252 \$292 \$0 176 Est Average Balance \$8,385 \$9,725 \$0 177 The standard of t	173	Balance (End Yr)						\$6,678	\$13,247	\$0							
176 Est Average Balance \$8,385 \$9,725 \$0 177 178 \$5 M LOC Amount Per Rate Term Per Yr 179 BOY Balance 3.0% \$0 \$0	174																
177 178 \$5 M LOC Amount Per Rate Term Per Yr 179 BOY Balance 3.0% \$0 \$0	175	Interest Expense						\$252	\$292	\$0							
178 \$5 M LOC Amount Per Rate Term Per Yr 179 BOY Balance 3.0% \$0 \$0	176	Est Average Balance						\$8,385	\$9,725	\$0							
179 BOY Balance 3.0% \$0 \$0	177	· ·															
	178	\$5 M LOC Ar	mount	Per	Rate	Term	Per Yr										
	179	BOY Balance						\$0	\$0	\$0							
180 Loan Funds Advanced 0 0 0	180	Loan Funds Advanced						0	0	0							
181 Less Principal Repayments 0 0 0	181	Less Principal Repayments						0	0								
182 Balance (End Yr) \$0 \$0 \$0	182							\$0	\$0	\$0							
183		,															
184 Interest Expense \$0 \$0 \$0	184	Interest Expense						\$0	\$0	\$0							
185 Est Average Balance \$0 \$0 \$0		•															
186	186	•															

	Alternative Scenario 1 - Decouplin	19									Proje	ected				
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
187	KRS1															
188		Long-Term	Const	LT												
189		Amount	Rate	Rate	Yr	Per Yr										
190		\$35,587	3.0%	3.1%	25	1										
191	BOY Balance						\$7,500	\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885
192	Short-Term Debt															
193	Funds Advanced						2,000	47,672	0	0	0	0	0	0	0	0
194	Short-Term Interest						264	870	0	0	0	0	0	0	0	0
195	Federal Grant/State Tax Credit							21,586	0	0	0	0	0	0	0	0
196	Long-Term Debt															
197	Principal Payment						0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
198	Interest Payment						0	284	1,091	1,061	1,030	998	965	931	896	860
199	Debt Service						\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
200	EOY Balance						\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682
201	_															
202	KRS2															
203		Long-Term	Const	LT												
204		Amount	Rate	Rate	Yr	Per Yr										
205		\$14,096	3.0%	5.7%	25	1										
206	BOY Balance						\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867
207	Short-Term Debt															
208	Funds Advanced						6,000	35,314	0	0	0	0	0	0	0	0
209	Short-Term Interest						41	429	0	0	0	0	0	0	0	0
210	Equity Investment							27,218	0	0	0	0	0	0	0	0
211	Long-Term Debt															
212	Principal Payment						0	0	268	283	299	316	335	354	374	395
213	Interest Payment						0	402	803	788	772	755	737	718	698	676
214	Debt Service						\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
215	EOY Balance						\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 10 - Projected ERAC Revenues

				Actual		Ī	Projected										
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
1	KIUC Thermal Generated (MWh)	437,819	417,224	417,117	409,392	405,946	381,990	337,000	279,670	284,270	291,020	220,390	225,890	230,670	237,150	243,310	
2	KIUC Hydro Generated (MWh)	8,386	7,788	8,227	7,270	7,918	7,437	7,770	7,770	7,800	7,770	83,950	83,950	84,230	83,950	83,950	
3	KRS1 Generated (MWh)	-	-	-	-	0	0	5,870	23,660	23,740	23,660	23,660	23,660	23,740	23,660	23,660	
4	KRS2 Generated (MWh)	-	-	-	-	0	0	11,780	23,650	23,740	23,660	23,470	23,520	23,580	23,570	23,580	
5	Purchased Power MWh - NEM & Sched Q	9	0	0	1,741	3,321	5,700	6,140	6,600	7,120	7,590	7,390	7,840	8,300	8,740	9,170	
6	Purchased Power (MWh) - Other	29,090	30,796	27,414	34,855	34,633	46,303	69,120	103,860	104,150	103,860	103,860	103,860	104,150	103,860	103,860	
7	Total MWh	475,305	455,808	452,758	453,259	451,818	441,430	437,680	445,210	450,820	457,560	462,720	468,720	474,670	480,930	487,530	
8																	
9	KIUC Sales (MWh)	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055	
10																	
11	Losses (%)	4.5%	4.3%	4.0%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
12																	
13	KIUC Generated Sales (MWh)	426,044	406,694	408,185	399,686	396,771	372,828	335,661	276,010	280,359	286,817	292,210	297,468	302,265	308,263	314,187	
14																	
15	Fuel Consumed (MMBtu)	4,208,477	3,913,866	3,868,068	3,870,223	3,778,090	3,594,303	3,146,933	2,602,489	2,647,640	2,710,031	2,083,065	2,130,652	2,174,595	2,230,236	2,285,237	
16																	
17	Actual Sales Heat Rate (Btu/kWh)	9,878	9,624	9,476	9,683	9,522	9,641	9,375	9,429	9,444	9,449	7,129	7,163	7,194	7,235	7,273	
18																	
19	Effective Sales Heat Rate for ERAC (Btu/kWh)	11,230	11,230	10,442	9,850	9,850	9,850	9,375	9,429	9,444	9,449	7,129	7,163	7,194	7,235	7,273	
20																	
21	Adj Fuel Consumed for Efficiency Factor (MMBtu)	4,784,479	4,567,169	4,262,385	3,936,904	3,908,195	3,672,352	3,146,933	2,602,489	2,647,640	2,710,031	2,083,065	2,130,652	2,174,595	2,230,236	2,285,237	
22	Actual Fuel Cost (\$/MMBtu)	\$23.32	\$13.23	\$17.80	\$23.36	\$24.89	\$24.37	\$21.41	\$19.79	\$20.60	\$21.52	\$22.67	\$23.63	\$24.39	\$25.48	\$26.68	
23																	
24	Equivalent Base Fuel Cost (\$/MMBtu)	\$4.31	\$4.31	\$11.33	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	
25	Equivalent Purchased Power Cost (\$/kWh)	\$0.046	\$0.046	\$0.110	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	
26																	
27	ERAC Revenue Components (\$000)																
28	KIUC Fuel Costs	\$98,148	\$51,952	\$68,900	\$90,533	\$94,033	\$87,605	\$67,385	\$51,511	\$54,530	\$58,311	\$47,227	\$50,347	\$53,028	\$56,831	\$60,978	
29	KIUC Purch Power Costs - Excl NEM, Sched Q, KRS1, and KRS2	5,959	3,724	4,212	7,194	7,741	10,017	15,395	17,050	17,368	17,607	17,868	18,157	18,502	18,744	19,041	
30	KIUC Purchased Power Costs - KRS1	0	0	0	0	0	0	969	3,460	3,425	3,390	3,353	3,315	3,277	3,236	3,195	
31	KIUC Purchased Power Costs - KRS2	0	0	0	0	0	0	1,473	2,956	2,968	2,958	2,934	2,940	2,948	2,946	2,948	
32	ERAC Excess	13,633	8,493	6,965	1,429	3,246	1,902	0	0	0	0	0	0	0	0	0	
33	Fuel and Purchased Power in Base Rates	(21,929)	(21,071)	(51,336)	(74,396)	(73,859)	(72,566)	(71,852)	(73,467)	(74,290)	(75,316)	(76,205)	(77,113)	(78,008)	(78,968)	(79,982)	
34	Tax on Fuel and Purchased Power	8,446	3,098	2,146	2,370	2,624	2,444	1,304	147	390	678	(470)	(230)	(25)	272	603	
35	Tax on ERAC Excess	1,380	828	679	139	317	186	0	0	0	0	0	0	0	0	0	
36	Total	\$105,636	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$14,673	\$1,658	\$4,391	\$7,626	(\$5,294)	(\$2,583)	(\$279)	\$3,062	\$6,782	
37																	
38	Revenue from Efficiency Factor (\$000)																
39	ERAC Efficiency Adjustment	\$13,633	\$8,493	\$6,965	\$1,429	\$3,246	\$1,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
40	Tax on Efficiency Adjustment	1,380	828	679	139	317	186	0	0	0	0	0	0	0	0	0	
41	Total	\$15,013	\$9,321	\$7,645	\$1,568	\$3,562	\$2,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
42																	
43	ERAC Rate Components (\$/kWh)																
44	KIUC Fuel Costs	\$0.217	\$0.119	\$0.159	\$0.208	\$0.217	\$0.207	\$0.160	\$0.121	\$0.126	\$0.133	\$0.106	\$0.112	\$0.116	\$0.123	\$0.130	
45	KIUC Purchased Power Costs - Existing	\$0.013	\$0.009	\$0.010	\$0.017	\$0.018	\$0.024	\$0.037	\$0.040	\$0.040	\$0.040	\$0.040	\$0.040	\$0.041	\$0.041	\$0.041	
46	KIUC Purchased Power Costs - KRS1	NA	NA	NA	NA	\$0.000	\$0.000	\$0.002	\$0.008	\$0.008	\$0.008	\$0.008	\$0.007	\$0.007	\$0.007	\$0.007	
47	KIUC Purchased Power Costs - KRS2	NA	NA	NA	NA	\$0.000	\$0.000	\$0.004	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.006	\$0.006	\$0.006	
48	ERAC Efficiency Adjustment	\$0.030	\$0.020	\$0.016	\$0.003	\$0.007	\$0.004	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
49	Fuel and purchased power in base rates	(\$0.048)	(\$0.048)	(\$0.118)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)	
50	Tax on Fuel and Purchased Power	\$0.019	\$0.007	\$0.005	\$0.005	\$0.006	\$0.006	\$0.003	\$0.000	\$0.001	\$0.002	(\$0.001)	(\$0.001)	(\$0.000)	\$0.001	\$0.001	
51	Tax on Efficiency Adjustment	\$0.003	\$0.002	\$0.002	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
52	Total (before other adjustments)	\$0.233	\$0.108	\$0.073	\$0.063	\$0.079	\$0.070	\$0.035	\$0.004	\$0.010	\$0.017	(\$0.012)	(\$0.006)	(\$0.001)	\$0.007	\$0.014	

Appendix C DETAILED RESULTS – EMP ALTERNATIVE SCENARIO 2



Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 1 - Summary of Results

Alternative Scenario 2 - Lower Sales

	Alternative Scenario 2 - Lower Sales	Actual					Proje	cted					Average Annual Change
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2022
1	Unit Revenues (¢/kWh)												
	Non-Fuel & Purchased Power Charges												
2	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.79	16.45	16.99	16.99	16.99	17.00	17.01	17.01	17.02	
4	Efficiency Premimum in ERAC	0.82	0.49	0.89	0.63	0.63	0.67	4.63	4.83	4.99	5.19	5.41	
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.68	17.07	17.62	17.66	21.62	21.83	22.00	22.20	22.43	2.5%
6 7	Ford and Brown to and Brown Observed												
	Fuel and Purchased Power Charges	40.05		40.	40.40		40.40		40.40	40.40	40.40		
8	Fuel & Purchased Power in Base Rates	18.95	18.81	18.77	19.13	19.13	19.13	19.13	19.13	19.12	19.12	19.12	
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.49	0.26	0.88	1.54	(1.26)	(0.66)	(0.22)	0.39	1.06	
10 11	Fuel and Purchased Power Charges	26.00	25.30	22.27	19.39	20.02	20.67	17.87	18.46	18.90	19.51	20.17	-2.5%
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.95	36.47	37.64	38.33	39.49	40.29	40.90	41.71	42.60	-0.2%
13	% Change from 2012	43.46 na	-2.2%	-8.1%	-16.1%	-13.4%	-11.8%	-9.2%	-7.3%	-5.9%	-4.1%	-2.0%	
14	% Change Iron 2012	IIa	-2.270	-0.170	-10.176	-13.470	-11.070	-9.270	-1.370	-3.9%	-4.170	-2.0%	1
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
16	Trate moreage as a 70 or base trate revendes	iiu	0.070	0.070	0.070	1.070	0.070	0.070	0.070	0.070	0.070	0.070	
17	Long-Term Interest Expense	8.335	7,770	8,005	8,865	10,484	11,309	13,049	12,422	11,759	11,095	10,624	
18	Margins	11.091	8,409	9,824	6,815	7,323	6,351	13,704	14,028	14,502	14,783	14,994	3.1%
19	Wargino	11,001	0,400	0,024	0,010	7,020	0,001	10,704	14,020	14,002	14,700	14,004	0.170
20	Equity to Total Assets	24.9%	26.2%	27.2%	28.5%	26.8%	25.4%	28.5%	31.6%	34.7%	37.8%	40.1%	
21	Equity to Total 7 100010	2	20.270	21.270	20.070	20.070	20.170	20.070	01.070	0 70	01.070		
22	Cash Balance(\$000)	\$3,762	\$7,765	\$3,813	\$2,908	\$4,000	\$4,000	\$5,527	\$8,650	\$8,206	\$7,605	\$9,708	
23	Days of Operating Cash on Hand	8	17	9	8	10	10	14	22	20	18	22	
24	RUS TIER	2.33	2.08	2.23	1.77	1.70	1.56	2.05	2.13	2.23	2.33	2.41	
25	Regulatory TIER	2.61	2.37	2.51	2.02	1.91	1.76	2.22	2.31	2.43	2.54	2.62	
26	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.67	1.43	1.40	1.33	1.56	1.56	1.56	1.56	1.54	
27	CFC Debt Service Coverage - 1.35 Minimum	na	1.65	1.65	1.40	1.37	1.30	1.54	1.54	1.54	1.53	1.52	
28	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	19%	0%	0%	0%	5%	11%	19%	25%	
29	1 order of the trade to a contage capital trained		2070	0,0	1070	0,0	0,0	0,0	0,0	,0	1070	207	
30	Annual Capital Expenditures (\$000)	na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239	
31	Cap Ex Paid With Debt (\$000)	na	10,000	13,322	2,868	55,540	54,809	-	· · · ·	-	715	9,867	
32	Cap Ex Paid with Grant Funds/CIAC/Customer Adv (\$000)	na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411	
33	Cap Ex Paid With RUS Cushion of Credit (\$000)	na	. 0	0	5.500	0	0	0	0	0	. 0	. 0	
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	9,263	8,148	7,986	15,785	13,489	17,081	16,099	11,961	
35	•												
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$12,868	\$55,540	\$54,809	\$85,208	\$0	\$0	\$715	\$9,867	
37	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	10,000	10,000	0	0	85,208	0	0	0	0	
38	Debt Used for Working Capital (\$000)	na	0	0	0	0	0	0	0	0	0	0	
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	2,868	55,540	54,809	0	0	0	715	9,867	
40													
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219	\$206	\$189	\$195	\$198	\$204	\$208	\$211	\$215	\$219	-0.2%
42	% Change from 2012	na	-2.3%	-8.1%	-15.9%	-13.2%	-11.7%	-9.1%	-7.3%	-6.0%	-4.2%	-2.2%	,
43													
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$38.18	\$9.06	\$25.99	\$0.00	\$0.00	\$0.00	\$9.32	\$22.77	\$38.82	\$52.03	
45		l											
46	Renewable Power (% of total power requirements)	l											
47	KIUC-Owned	2%	2%	6%	13%	13%	13%	30%	30%	30%	30%	29%	
48	Purchased	8%	12%	17%	25%	26%	25%	25%	25%	25%	25%	25%	
49	Total	10%	13%	23%	38%	38%	38%	55%	55%	55%	55%	55%	•

Average

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Assumptions	Data Input	KIUC Assumptions	Data Input
Line	Inflation		Other Assumptions	_
1	General Inflation	2.5%	Investment Return	0.125%
2	Distribution O&M	2.5%	Taxes - ERAC	9.8%
3				
4	ERAC Efficiency Premium ("Y"=Yes, "N"=No)	Υ	Efficiency Factor Heat Rate (Btu/kWh)	9,850
5			,	.,
6	Debt Assumptions		Revenue Tax Multiplier	1.09751
7	New Debt Thru 2014 - Interest Rates	3.5%		
8	New DebtAfter 2014 - Interest Rates	5.0%	Number of Days of Cash Working Capital in R	ate Base
9	New Debt - Construction Interest Rate	3.5%	O&M	61
10	New Debt - Repayment Period (Years)	25	Fuel	15
11				
12	Patronage Capital		Interest	30
13	Non-Operating Margins Allocated to Patronage Cap	100.0%		
14	Minimum RUS TIER for Capital Credit Retirements	2.00	Inventory as Percentage of Gross Plant	3.0%
15	Early Retirements (\$000/year not discounted)	\$125	,	
16	Beginning Year for Early Retirements	2012	Target RUS TIER for Decoupling Mechanism	na
17	Discount Rate for Capital Credit Purchases	5.0%	3 · · · · · · · · · · · · · · · · · · ·	
18	Blended Term for Capital Credit Purchases	20	Scenario	Alternative Scenario 2 - Lower Sales
19				
20	Percent of Customer Advances to CIAC	67%		
21		01 70		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
Line	Base Year	2013	Debt Assumptions	
22	Inflation		Construction Interest Rate	3.0%
23	General Inflation	2.5%	KRS1 Long Term Interest Rate	3.1%
24	O&M Escalation	1.5%	KRS2 Long Term Interest Rate	5.7%
25			KRS1 and KRS2- Repayment Period/Useful Life (Years)	25
26				
27	Inventory as a Percent of Gross Plant	3.0%	KRS1 Target TIER	1.25
28				
29	KRS1 Cap Ex		Operation Date	
30	2011 Expenditures	\$4,953,692	KRS1	Oct-14
31	2012 Expenditures	2,852,145	KRS2	Jul-14
32	2013 Expenditures	1,694,163		
33	2014 Expenditures	47,672,192	Long-Term Financing Date	
34	Total Capital Cost	57,172,192	KRS1	Oct-14
35	Less Federal Grant	16,335,640	KRS2	Jul-14
36	Closed to Plant	40,836,552		
37	Less State Tax Refund	5,250,000	Market Value Energy (\$/MWh)	
38	Cash Requirement	\$35,586,552	KRS1 and KRS2	\$200
39				
40	KRS2 Cap Ex		Land Lease Expenses	
41	2012 Expenditures	\$0	KRS1 \$/Sq Ft (2012 \$)	\$0.04207
42	2013 Expenditures	6,000,000	KRS1 Square Feet	2,395,800
43	2014 Expenditures	35,313,994	KRS2 \$/Acre Used (2014 \$)	900
44	Closed to Plant	\$ 41,313,994	KRS2 \$/Acre Unused (2014 \$)	600
45	Less Equity Investment	27,217,659	KRS2 Acres Used	31.42
46	Debt Requirement	\$14,096,335	KRS2 Acres Unused	35.79
47	State Tax Refund	\$4,987,188		
48			Lease Escalation Rate	3.00%
49	KIUC % Ownership of KRS2		KRS2 GET on KRS2 Land Lease	4.17%
50	Pre-Flip	1%		
51	Post-Flip	95%	KIUC MSA (2012 \$)	
52	Post-Buyout	100%	KRS1	\$50,000
53			KRS2	\$50,000
54	KRS2 Buyout Amount			
55	Amount	\$15,810,964		
56	Year	7		
57	Term Remaining	19		
58	Proceeds	5.0%		
59	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	Investment Return	0.125%	Insurance	
60	•		KRS1	\$37,410
61	Federal Tax Rate	35%	KRS2	\$31,350
62	Alternative Minimum Tax Rate	20%		
63			Target Cash Balance	
64	COD Lease Payment		KRS1	10,000
65	KRS1	\$150,000		
66	KRS2	\$0	KRS2 PPA Rate (\$/MWh)	125
67				
68	O&M Expenses (2014 \$)			
69	KRS1	\$206,617		
70	KRS2	\$197,733		
71				
72	Real Property Taxes (2014 \$)			
73	KRS1	\$11,592		
74	KRS2	\$542		

		Projected															
Line		-	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Sales (MWh)																
2	Residential	D	160,479	161,946	159,426	159,071	157,278	161,520	162,200	158,125	157,409	158,458	158,434	158,893	158,989	158,656	158,279
3	Small Commercial	G	61,763	58,776	59,481	59,790	59,664	56,017	56,504	56,713	56,795	56,582	56,155	55,703	55,248	55,071	54,975
4	Large Commercial	J	57,561	54,388	53,236	51,859	51,607	48,389	49,241	49,423	49,494	49,309	48,936	48,543	48,146	47,992	47,908
5	Large Power-Primary	L	52,083	42,639	44,991	44,379	46,286	42,968	44,023	44,236	44,958	45,569	46,060	46,545	47,050	47,610	48,161
6	Large Power-Secondary	Р	118,083	114,413	114,522	116,824	115,389	112,104	105,831	106,344	108,079	109,548	110,729	111,895	113,108	114,454	115,779
7	Street Lights	SL	2,637	2,702	2,730	2,716	2,760	2,481	2,235	1,972	1,707	1,436	1,448	1,460	1,472	1,483	1,494
8	Irrigation	IRR	1,184	1,410	148	105	175	105	105	105	105	105	105	105	105	105	105
9	Total	-	453,791	436,273	434,533	434,745	433,159	423,584	420,139	416,919	418,547	421,007	421,867	423,144	424,118	425,370	426,700
10																	
11	Yearly Change Percentage		-2.8%	-3.9%	-0.4%	0.0%	-0.4%	-2.2%	-0.8%	-0.8%	0.4%	0.6%	0.2%	0.3%	0.2%	0.3%	0.3%
12																	
13	Customer Accounts																
14	Residential	D	27,301	27,629	27,793	28,010	28,169	28,762	29,197	29,394	29,717	30,047	30,383	30,727	31,078	31,413	31,762
15	Small Commercial	G	4,305	4,208	4,221	4,198	4,195	4,242	4,303	4,332	4,375	4,418	4,462	4,506	4,551	4,594	4,636
16	Large Commercial	J	357	346	337	330	326	330	336	338	341	345	348	352	355	358	362
17	Large Power-Primary	L	16	16	15	15	15	15	15	15	15	15	16	16	16	16	16
18	Large Power-Secondary	Р	109	114	112	115	113	116	117	120	122	123	124	125	126	127	128
19	Street Lights (Number of Fixtures)	SL	3,461	3,519	3,553	3,575	3,587	3,630	3,667	3,647	3,665	3,684	3,702	3,721	3,739	3,758	3,777
20	Irrigation	IRR	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
21	Total	_	35,552	35,835	36,033	36,246	36,408	37,098	37,637	37,849	38,238	38,634	39,038	39,449	39,868	40,269	40,684
22																	
23	Yearly Change Percentage		1.5%	0.8%	0.6%	0.6%	0.4%	1.9%	1.5%	0.6%	1.0%	1.0%	1.0%	1.1%	1.1%	1.0%	1.0%
24	, ,																
25	Billed Demand (kW)																
26	Residential	D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
27	Small Commercial	G	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
28	Large Commercial	J	191,155	182,082	175,673	172,507	173,385	159,701	157,957	158,541	158,769	158,175	156,979	155,717	154,444	153,949	153,680
29	Large Power-Primary	L	117,658	109,666	108,187	105,996	103,274	98,261	96,372	96,840	98,420	99,758	100,833	101,895	102,999	104,225	105,432
30	Large Power-Secondary	Р	289,572	294,915	289,910	290,516	289,383	283,492	262,867	264,141	268,451	272,100	275,033	277,929	280,942	284,286	287,577
31	Street Lights	SL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
32	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
33	G																
34	Existing Rates - Customer Charge (\$/custo	mer/month)														
35	Residential	D	\$9.72	\$9.72	\$10.22	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58
36	Small Commercial	G	21.89	21.89	23.01	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82
37	Large Commercial	J	36.48	36.48	38.35	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69
38	Large Power-Primary	Ľ	334.35	334.35	346.18	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08
39	Large Power-Secondary	P	346.51	346.51	359.78	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38
40	Street Lights (Fixture Charge)	SL	5.78	5.78	6.06	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29
41	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
42	944011		11/4	11/4	11/4	11/4	1.74	11/4	11,0	11,4	1.,, α	1α	1174	1., 4	1 a	11/4	11/4
74							Į										

				Actual		I	Projected										
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	Existing Rates - Energy Base Rates	(\$/kW	/h)														
44	Residential	D	\$0.17022	\$0.17374	\$0.27270	\$0.34919	\$0.34893	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743
45	Small Commercial	G	0.18804	0.19125	0.28867	0.35960	0.35968	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769
46	Large Commercial	J	0.15697	0.16041	0.25551	0.32647	0.32552	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390
47	Large Power-Primary	L	0.13341	0.13643	0.22311	0.29131	0.28770	0.28823	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901
48	Large Power-Secondary	Р	0.14329	0.14658	0.23579	0.30351	0.30289	0.30153	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198
49	Street Lights	SL	0.22913	0.23330	0.33710	0.41758	0.41940	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530
50	Irrigation	IRR	0.35085	0.18735	0.24215	0.32090	0.33100	0.31935	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100
51																	
52	Existing Rates - Demand Base Rate	es (\$/K	W)														
53	Residential	D	n/a														
54	Small Commercial	G	n/a														
55	Large Commercial	J	\$6.08	\$6.08	\$6.41	\$6.62	6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62
56	Large Power-Primary	L	13.13	13.13	\$13.61	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
57	Large Power-Secondary	Р	10.45	10.45	\$10.86	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14
58	Street Lights	SL	n/a														
59	Irrigation	IRR	n/a														
60	_																
61	Revenues at Existing Rates (\$000)																
62	Residential	D	\$30,501	\$31,359	\$46,884	\$59,103	\$58,456	\$59,768	\$60,060	\$58,669	\$58,461	\$58,868	\$58,902	\$59,105	\$59,183	\$59,110	\$59,023
63	Small Commercial	G	12,745	12,346	18,336	22,701	22,659	21,249	21,441	21,524	21,565	21,502	21,361	21,213	21,063	21,011	20,989
64	Large Commercial	J	10,354	9,983	14,883	18,230	18,102	16,888	17,155	17,219	17,245	17,183	17,055	16,921	16,786	16,734	16,707
65	Large Power-Primary	L	8,557	7,321	11,574	14,470	14,820	13,818	14,129	14,199	14,430	14,626	14,784	14,939	15,101	15,281	15,457
66	Large Power-Secondary	Р	20,399	20,327	30,637	39,203	38,675	37,474	35,405	35,590	36,167	36,656	37,050	37,440	37,845	38,294	38,735
67	Street Lights	SL	844	874	1,179	1,404	1,428	1,304	1,205	1,094	986	874	881	887	893	899	905
68	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	35
69	Total		\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$148,330	\$148,888	\$149,744	\$150,068	\$150,540	\$150,906	\$151,364	\$151,851
70																	
71	Fuel and ERAC Revenues (\$000)																
72	Residential	D	\$37,021	\$17,401	\$11,715	\$9,929	\$12,330	\$11,283	\$7,110	\$1,406	\$2,390	\$3,502	\$5,343	\$6,613	\$7,585	\$8,852	\$10,233
73	Small Commercial	G	14,354	6,393	4,201	3,768	4,695	3,914	2,478	504	862	1,251	1,894	2,318	2,636	3,073	3,554
74	Large Commercial	J	13,404	5,879	3,826	3,255	4,067	3,381	2,159	440	751	1,090	1,650	2,020	2,297	2,678	3,097
75	Large Power-Primary	L	12,382	4,678	3,322	2,769	3,668	3,002	1,931	393	683	1,007	1,553	1,937	2,245	2,656	3,114
76	Large Power-Secondary	Р	27,861	12,389	8,300	7,377	9,123	7,833	4,641	946	1,641	2,421	3,734	4,657	5,396	6,386	7,486
77	Street Lights	SL	613	286	203	170	219	173	98	18	26	32	49	61	70	83	97
78	Irrigation	IRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
79	Total		\$105,635	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$3,707	\$6,353	\$9,303	\$14,223	\$17,606	\$20,228	\$23,726	\$27,582
80																	

				Actual			Projected										
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Total Revenues at Existing Rates inc	luding	Fuel and E	RAC (\$000)													<u>.</u>	
Residential	D	\$67,522	\$48,760	\$58,600	\$69,032	\$70,785	\$71,051	\$67,170	\$60,075	\$60,851	\$62,370	\$64,245	\$65,718	\$66,768	\$67,962	\$69,256	
Small Commercial	G	27,099	18,739	22,537	26,469	27,354	25,163	23,919	22,028	22,427	22,753	23,255	23,531	23,699	24,084	24,543	
Large Commercial	J	23,758	15,862	18,709	21,485	22,169	20,269	19,314	17,659	17,996	18,273	18,705	18,941	19,083	19,412	19,804	
Large Power-Primary	L	20,940	11,999	14,896	17,239	18,488	16,820	16,060	14,592	15,113	15,633	16,337	16,876	17,346	17,937	18,571	
Large Power-Secondary	Р	48,260	32,716	38,937	46,579	47,798	45,307	40,046	36,536	37,808	39,077	40,784	42,097	43,241	44,680	46,221	
Street Lights	SL	1,458	1,161	1,381	1,574	1,647	1,478	1,303	1,112	1,011	906	930	948	964	982	1,002	
Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	36	
Total		\$189,451	\$129,500	\$155,095	\$182,411	\$188,299	\$180,122	\$167,846	\$152,037	\$155,241	\$159,047	\$164,291	\$168,146	\$171,134	\$175,091	\$179,433	
Average Residential Bill Calculation																	
Avg. Monthly kWh		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	
Base without Increases		\$97.17	\$97.17	\$146.57	\$185.18	\$185.05	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	
Base with Increases		97.17	97.17	146.57	185.18	185.05	184.30	184.30	184.30	187.13	187.13	187.13	187.13	187.13	187.13	187.13	
ERAC		116.70	54.07	36.33	31.37	39.38	34.93	21.92	4.45	7.59	11.05	16.86	20.81	23.85	27.90	32.33	
Total Bill	•	\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$206.22	\$188.74	\$194.72	\$198.18	\$203.99	\$207.94	\$210.99	\$215.03	\$219.46	
	Residential Small Commercial Large Commercial Large Power-Primary Large Power-Secondary Street Lights Irrigation Total Average Residential Bill Calculation Avg. Monthly kWh Base without Increases Base with Increases ERAC	Residential D Small Commercial G Large Commercial J Large Power-Primary L Large Power-Secondary P Street Lights SL Irrigation IRR Total Average Residential Bill Calculation Avg. Monthly kWh Base without Increases Base with Increases ERAC	Total Revenues at Existing Rates including Fuel and Exesidential	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 Residential D \$67,522 \$48,760 \$58,600 Residential D \$67,522 \$48,760 \$58,600 Small Commercial G 27,099 18,739 22,537 Large Commercial J 23,758 15,862 18,709 Large Power-Primary L 20,940 11,999 14,896 Large Power-Secondary P 48,260 32,716 38,937 Street Lights SL 1,458 1,161 1,381 Irrigation IRR 415 264 36 Total 189,451 \$129,500 \$155,095 Average Residential Bill Calculation Avg. Monthly kWh 500 500 Base without Increases \$97.17 \$97.17 \$146.57 Base with Increases 97.17 97.17 146.57 ERAC 116.70 54.07 36.33	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$80,0075 \$90,0075	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$60,851 \$80,000	Total Revenues at Existing Rates including Fuel and ERAC (\$000)	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$60,851 \$62,370 \$64,245 \$80,000 \$10,000	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Fuel and ERAC (\$000) S67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$60,851 \$62,370 \$64,245 \$65,718 \$65,7	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$60,851 \$62,370 \$64,245 \$65,718 \$66,768 \$60,851 \$62,370 \$64,245 \$65,718 \$66,768 \$60,851 \$60,075 \$60,851 \$62,370 \$66,245 \$65,718 \$66,768 \$60,851 \$60,075 \$60,851 \$62,370 \$64,245 \$65,718 \$66,768 \$60,851 \$60,075 \$60,851 \$60,075 \$60,851 \$60,075 \$60,851 \$60,075 \$60,851 \$60,075 \$60,851 \$60,075 \$60,075 \$60,851 \$60,075	Total Revenues at Existing Rates including Fuel and ERAC (\$000) Residential D \$67,522 \$48,760 \$58,600 \$69,032 \$70,785 \$71,051 \$67,170 \$60,075 \$60,851 \$62,370 \$64,245 \$65,718 \$66,768 \$67,962 \$80,000 \$18,739 \$22,537 \$26,469 \$27,354 \$25,163 \$23,919 \$22,028 \$22,427 \$22,753 \$23,255 \$23,531 \$23,699 \$24,084 \$1,000 \$	

Actual Projected																
Line	1	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Operation Devenue															
1	Operating Revenue	#02.046	600 47 5	£400 E00	¢455 440	£4.54.400	¢450 525	£440,420	£440.220	£440.000	£140 744	£450.000	¢450 540	£450,000	£454.004	C4E4 0E4
2	Base Rate Revenue at Existing Rates	\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$148,330	\$148,888	\$149,744	\$150,068	\$150,540	\$150,906	\$151,364	\$151,851
3	ERAC Revenues at Target Heat Rate	105,635	47,025	31,566	27,268	34,101	29,587	18,417	3,707	6,353	9,303	14,223	17,606	20,228	23,726	27,581
4	% of Base															
5	Year Sales Revenue						_									
6	2013 0.0%						0	_								
7	2014 0.0%							0								
8	2015 0.0%								0							
9	2016 1.5%									2,293	\$2,306	\$2,311	\$2,318	\$2,324	\$2,331	\$2,339
10	2017 0.0%										0					
11	2018 0.0%											0				
12	2019 0.0%												0			
13	2020 0.0%													0		
14	2021 0.0%														0	
15	2022 0.0%															0
16	Rate Revenue from Rate Increases Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,293	\$2,306	\$2,311	\$2,318	\$2,324	\$2,331	\$2,339
17	Other Operating Revenues	174	161	159	168	153	153	162	162	162	162	162	162	162	162	162
18	Total Operating Revenues	\$189,625	\$129,661	\$155,254	\$182,579	\$188,452	\$180,275	\$168,009	\$152,199	\$157,696	\$161,515	\$166,764	\$170,626	\$173,620	\$177,584	\$181,933
19																
20	Operating Expenses															
21	Purchased Power															
22	KRS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
23	KRS-2					_		1.473	2.956	2.965	2.958	2.909	2.916	2,931	2.923	2.930
24	Other	5,961	3,724	4,212	7,650	8,644	10,017	15,396	18,061	18,450	18,757	18,943	19,287	19,697	19,991	20,339
25	Power Production - Fuel	98.148	51.952	68.900	90.533	94.033	87.605	67.385	49.175	51.484	54.161	43,467	45.641	47.114	49.457	51.952
26	Power Production - Non-Fuel - Existing	14,415	12,917	13,701	14,917	15,426	14,751	13,747	13,106	13,494	13,851	13,365	13,749	14,069	14,450	14,812
27	Power Production - Non-Fuel - New	0	0	0	0	0	0	0	0	0	0	1,735	1,774	1,813	1,853	1,895
28	Transmission O&M	947	1.030	1.071	1.046	900	1.066	1.066	1,123	1.194	1,224	1,277	1.342	1.376	1.410	1,445
29	Distribution O&M	3.642	3.645	3.857	4.055	3.672	3.964	4.063	4.165	4.269	4.376	4.485	4.597	4.712	4.830	4,951
30	Consumer Accounts and Sales	3,320	3,196	3,218	3,161	3,348	3,230	3,311	3,393	3,478	3,565	3,654	3,746	3,839	3,935	4,034
31	Regulatory Commission Expenses - HPUC Fees	947	648	775	912	942	901	840	761	788	808	834	853	868	888	910
32	Administrative and General	341	040	773	312	342	301	040	701	700	000	054	033	000	000	310
33	KRS-1	0	0	0	0	5	5	13	50	50	50	50	50	50	50	50
34	KRS-2	0	0	0	0	0	0	25	50	50 50	50 50	50	50 50	50 50	50 50	50
35	Other	11,239	10.620	13,377	13,855	13.012	13.547	13,853	14,137	14.493	14.858	15,232	15,615	16,008	16.411	16.824
36	Depreciation and Amortization	16,450	16,736	14,595	13,372	13,435	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
37	Franchise & PSC Taxes	15,923	10,730	13,003	15,289	15,783	15,181	14,731	12,817	13,790	13,602	14,044	14,369		14,955	15,321
38	Other Taxes	10,923	77	13,003		15,763	15,161	14, 146	12,817	13,260	13,602	14,044	14,369	14,621 0	14,955	15,321
39	Interest Expense on Long-Term Debt	104	11	40	(0)	٥	U	U	U	U	U	U	U	U	U	U
40	Existing Debt	9,941	9,502	9,061	8,669	8,335	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3.778	3,198
	KRS-1							7,194 284				998	4,656 965	4,326 931	3,776 896	
41		0	0	0	0	0	0		1,091	1,061	1,030					860
42	Other New Debt	0	0	0	0	0	165	527	1,009	3,098	4,430	6,691	6,601	6,500	6,421	6,565
43	Other Interest Expense	•	0	0	-	404	004	070	•				•		•	•
44	KRS-1	0	0	0	7	194	264	870	0	0	0	0	0	0	0	0
45	Other	65	82	164	124	354	349	390	99	100	101	102	103	105	106	107
46	Capitalized Interest	0	0	0	0	0	0	0	0	(1,478)	(2,230)	0	0	0	0	0
47	Contributions and Other Deductions	97	77	121	86	103	69	69	69	69	69	69	69	69	69	69
48	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	Total Operating Expenses	\$181,198	\$125,069	\$146,101	\$ 173,675	\$178,185	\$172,932	\$160,354	\$147,624	\$152,394	\$157,165	\$155,042	\$158,564	\$161,259	\$164,926	\$169,067
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Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

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Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
51 Patronage Capital and Operating Margins	\$8,427	\$4,593	\$9,153	\$8,904	\$10,267	\$7,343	\$7,655	\$4,575	\$5,302	\$4,350	\$11,722	\$12,063	\$12,361	\$12,658	\$12,865
52 Income (Loss) from KRS 1	0	0	0	(32)	(198)	(5)	161	273	265	257	249	241	233	224	215
53 Income (Loss) from KRS 2	0	0	0	0	0	0	1	2	2	2	2	2	201	207	231
54 Capital Credits & Patronage Dividends	59	40	40	30	34	40	40	40	40	40	40	40	40	40	40
55 A&G Income - KRS1	0	0	0	0	5	5	13	50	50	50	50	50	50	50	50
56 A&G Income - KRS2	0	0	0	0	0	0	25	50	50	50	50	50	50	50	50
57 Interest Income - KRS1	0 909	0	0 20	7 36	194	264 21	1,154	1,091 4	1,061 4	1,030 3	998 4	965 7	931 3	896	860 0
58 Interest Income - Other 59 Interest Income COC	909	786 0	618	36 517	39 546	574	6 603	565	383	3 402	4 423	7 444	3 467	0 491	516
60 Other Revenue and Expense	159	156	125	195	205	167	167	167	167	167	167	167	167	167	167
61 Total Margins	\$9,554	\$5,574	\$9,956	\$9,657	\$11,091	\$8,409	\$9,824	\$6,815	\$7,323	\$6,351	\$13,704	\$14,028	\$14,502	\$14,783	\$14,994
62	φ9,334	\$5,574	φ9,930	φ9,037	φ11,091	φ0,409	ψ9,024	φ0,013	Ψ1,323	φ0,331	\$13,704	\$14,020	\$14,302	φ14,703	ψ14,994
63 <u>RUS</u>															
64 Total TIER	1.96	1.59	2.10	2.11	2.33	2.08	2.23	1.77	1.70	1.56	2.05	2.13	2.23	2.33	2.41
65															
66 Regulatory															
67 Total TIER	2.19	1.83	2.35	2.38	2.61	2.37	2.51	2.02	1.91	1.76	2.22	2.31	2.43	2.54	2.62
68															
69 KRS1															
70															
71 Revenue from KIUC				\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
72 Expenses (Revenues)															
73 O&M				\$25	\$0	\$0	\$52	\$210	\$213	\$216	\$219	\$223	\$226	\$229	\$233
74 Insurance							9	37	37	37	37	37	37	37	37
75 Land Lease				0	0	0	25	101	101	101	101	101	101	101	101
76 Depreciation				0	0	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
77 HBA				0	0	0	12	47	47	47	47	47	47	47	47
78 Amortized HBA				0	0	0	1	6	6	6	6	6	6	6	6
79 Real Property Tax				0	0	0	3	12	12	12	12	12	12	12	12
80 Other Expenses (KIUC MSA)				0	5	5	13	50	50	50	50	50	50	50	50
81 Long-Term Interest Expense				0	0	0	284	1,091	1,061	1,030	998	965	931	896	860
82 Other Interest Expense				/	194	264	870	0	0	0	0	0	0	0	0
83 IDC				0	0	(264)	(870)	0	0	0	0	0 0	0	0	0
84 Interest Income 85 Net Margin			_	(\$32)	(\$198)	0 (\$5)	0 \$161	\$273	\$265	\$257	\$249	\$241	0 \$233	\$224	0 \$215
86				(\$32)	(\$198)	(\$5)	\$101	\$273	\$200	\$257	\$249	\$ 24 1	\$ 2 33	\$224	\$∠15
87 KRS1 DSC and TIER Calculation															
88 Net Margin				(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
89 Interest				0	(\$100)	0	284	1,091	1,061	1,030	998	965	931	896	860
90 Depreciation				0	0	Ö	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
91 Total			_	(\$32)	(\$198)	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2.840	\$2,797	\$2,754	\$2,709
92				(402)	(\$.50)	(43)	400 /	Ψ=,007	42 ,000	ψ = ,υ = 1	Ψ=,001	ΨΞ,Ο.Ο	42 ,. • .	ψ <u>=</u> ,,	ΨΞ,. 00
93 LT Interest Payments				\$0	\$0	\$0	\$284	\$1,091	\$1,061	\$1.030	\$998	\$965	\$931	\$896	\$860
94 LT Principal Payments				0	0	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
95 Total			_		\$0	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
96					,			•	•	-		-			•
97 DSC				na	na	na	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
98 TIER				na	na	na	1.57	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
99															
100 Gross KRS1 Energy Payments by KIUC (cents/kWh)				na	na	na	na	14.62	14.43	14.33	14.17	14.01	13.80	13.68	13.50
101 KRS1 Cash Payments to KIUC (cents/kWh)				na	na	na	na	(3.97)	(3.80)	(3.65)	(3.48)	(3.31)	(2.96)	(2.79)	(2.60)
102 Net KRS1 Energy Payments by KIUC (cents/kWh)				na	na	na	na	10.65	10.63	10.68	10.69	10.70	10.84	10.89	10.90
103															

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

Alternative Scenario 2 - Lower Sales															
			Actual							Projec	ted				
Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
104 KRS2															
105 Revenue from KIUC					\$0	\$0	\$1,473	\$2,956	\$2,965	\$2,958	\$2,909	\$2,916	\$2,931	\$2,923	\$2,930
106 Expenses (Revenues)															
107 O&M					\$0	\$0	\$99	\$201	\$204	\$207	\$210	\$213	\$216	\$219	\$223
108 Insurance						0	16	31	31	31	31	31	31	31	31
109 Land Lease					0	0	25	51	53	54	56	58	59	61	63
110 4.167% GET On Land Lease					0	0	1	2	2	2	2	2	2	3	3
111 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
112 HBA					0	0	0	0	0	0	0	0	0	0	0
113 Amortized HBA					0	0	0	0	0	0	0	0	0	0	0
114 Real Property Tax					0	0	0	1	1	1	1	1	1	1	1
115 Other Expenses (KIUC MSA)					0	0	25	50	50	50	50	50	50	50	50
116 Long-Term Interest					0	0	402	803	788	772	755	737	718	698	676
117 Other Interest Expense					0	41	429	0	0	0	0	0	0	0	0
118 IDC					0	(41)	(429)	0	0	0	0	0	0	0	0
119 Interest Income					0	0	0	0	0	0	0	0	0	0	0
120 Net Margin					\$0	\$0	\$79	\$164	\$184	\$188	\$151	\$172	\$201	\$207	\$231
121															
122 KRS2 DSC and TIER Calculation															
123 Net Margin					\$0	\$0	\$79	\$164	\$184	\$188	\$151	\$172	\$201	\$207	\$231
124 Interest					0	0	402	803	788	772	755	737	718	698	676
125 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
126 Total					\$0	\$0	\$1,307	\$2,620	\$2,624	\$2,612	\$2,559	\$2,561	\$2,571	\$2,557	\$2,560
127															
128 Interest Payments					\$0	\$0	\$402	\$803	\$788	\$772	\$755	\$737	\$718	\$698	\$676
129 Principal Payments					0	0	0	268	283	299	316	335	354	374	395
130 Total					\$0	\$0	\$402	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
131															
132 DSC					na	na	3.25	2.45	2.45	2.44	2.39	2.39	2.40	2.39	2.39
133 TIER					na	na	1.20	1.20	1.23	1.24	1.20	1.23	1.28	1.30	1.34
134															
135 Gross KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
136 KRS2 Cash Payments to KIUC (cents/kWh)					na	na	(0.02)	(0.04)	(0.07)	(0.07)	(0.06)	(0.06)	(6.40)	(6.36)	(6.35)
137 Net KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.48	12.46	12.43	12.43	12.44	12.44	6.10	6.14	6.15

	Alternative Scenario 2 - Lower Sales			Actual		i					D	rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	ASSETS AND OTHER DEBITS															
2	Total Utility Plant	\$438,705	\$453.415	\$462.666	\$478,307	\$494,066	\$504.284	\$527,275	\$539,943	\$598,476	\$656.033	\$665,414	\$672,426	\$682,987	\$693,225	\$708.379
3	Accumulated Provision for Depr and Amort	(198,672)	(211,674)	(221,234)	(230,027)	(238,616)	(248,303)	(258,247)	(268,555)	(279,108)	(290,022)	(301,898)	(313,909)	(326,080)	(338,473)	(351,144)
4	Net Utility Plant in Service	\$240,033	\$241,741	\$241,431	\$248,279	\$255,450	\$255,981	\$269,028	\$271,388	\$319,369	\$366,011	\$363,516	\$358,517	\$356,906	\$354,752	\$357,236
5	•															
6	Other Property and Investments															
7	Non-Utility Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Investment in KRS1	0	0	0	5,593	8,052	9,847	41,114	40,414	39,677	38,901	38,085	37,228	36,329	35,387	34,399
9	Investment in KRS2	0	0	0	0	0	0	270	262	249	235	222	209	(930)	(2,208)	(3,466)
10	Other Investments	1,000	1,261	1,247	1,193	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
11 12	Total Other Property and Investments	\$1,000	\$1,261	\$1,247	\$6,787	\$9,554	\$11,349	\$42,885	\$42,178	\$41,427	\$40,637	\$39,808	\$38,938	\$36,901	\$34,680	\$32,434
13	Current Assets															
14	Cash															
15	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	(\$695)	\$244	\$1,147	\$2,010	\$2,834	\$3,617	\$4,320	\$4,979	\$5,594
16	KRS2	0	0	0	0	0	0	(269)	(260)	(244)	(229)	(214)	(199)	1,140	2,626	4,114
17	Other	26,001	2,919	6,096	3,437	3,762	7,765	4,778	2,924	3,098	2,219	2,907	5,233	2,746	0	0
18	Accounts Receivable	9,576	10,849	9,695	12,164	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868
19	Inventory	13,157	13,320	14,217	14,033	14,788	15,094	15,782	16,162	17,914	19,636	19,917	20,127	20,443	20,750	21,203
20	Prepaids	1,110	1,196	955	987	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
21	Other Current Assets	7,302	7,275	8,167	8,059	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394
22	Total Current Assets	57,145	35,559	39,131	38,679	43,033	47,342 6,674	44,078	43,553	46,396	48,119	49,926	53,260	53,132	52,837	55,394
23 24	Regulatory Assets Deferred Debits	4,338 82	5,559 331	5,914 421	5,357 89	6,966 121	121	6,381 121	6,089 121	5,797 121	5,505 121	5,212 121	4,920 121	4,628 121	4,335 121	4,116 121
25	Total Assets and Other Debits	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,494	\$363,329	\$413,110	\$460,393	\$458,585	\$455,756	\$451,688	\$446.725	\$449,302
26	Total Assets and Other Debits	φ302,390	φ204,451	φ200, 144	\$299, 191	φ313,12 4	φ321, 4 07	\$302,494	φ303,329	φ413,110	φ400,393	φ430,303	φ433,730	φ 4 51,000	\$ 44 0,723	φ449,30Z
27	EQUITIES AND LIABILTIIES															
28	Margins and Equities															
29	Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Patronage Capital															
31	KRS1	0	0	0	(32)	(230)	(234)	5,177	5,450	5,715	5,972	6,222	6,463	6,696	6,920	7,135
32	KRS2	0	0	0	0	0	0	1	2	4	6	8	9	210	417	648
33	Other	48,144	51,316	59,756	68,415	78,601	84,134	93,032	97,629	104,560	110,526	123,855	136,859	149,198	160,681	171,416
34	Other Margins and Equities	0	952	1,162	963	174	252	330	408	486	564	642	720	798	876	954
35	Unrealized Gain(Loss) on Investments	(306)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Total Margins and Equities	\$47,838	\$52,268	\$60,919	\$69,347	\$78,546	\$84,153	\$98,541	\$103,489	\$110,766	\$117,070	\$130,727	\$144,053	\$156,902	\$168,895	\$180,154
37 38	Non-Current Liabilities															
39	Long-Term Debt KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$34.382	\$33,380	\$32,347	\$31,282	\$30.184	\$29.052	\$27.885	\$26.682	\$25,442
40	Other	216.855	207,935	198,675	189,015	188,916	187,583	185,698	186,014	186.069	183,095	252,909	236,887	220,215	203,483	195,244
41	Cushion of Credit	(9,404)	(15,115)	(10,155)	(10,724)	(11,270)	(11,845)	(12,448)	(7,513)	(7,896)	(8,298)	(8,720)	(9,165)	(9,632)	(10,122)	(10,638)
42	Post-Retirement Benefit Obligation	3,858	2,384	1,981	1,881	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
43	Total Non-Current Liabilities	\$211,308	\$195,204	\$190,501	\$180,172	\$180,028	\$178.121	\$210,015	\$214,264	\$212,903	\$208,462	\$276,755	\$259,156	\$240,850	\$222,425	\$212,431
44	Current Liabilities		*	*	*,	4.00,000	******	*=,		4-1-,			+===,	4=,	4 ,	
45	Current Portion of Long-Term Liab															
46	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$972	\$1,002	\$1,033	\$1,065	\$1,098	\$1,132	\$1,167	\$1,203	\$1,240
47	Other	8,487	8,876	9,261	9,661	10,395	11,239	11,884	12,553	13,257	14,802	15,394	16,022	16,672	17,447	18,106
48	Accounts Payable	5,665	7,439	7,338	7,981	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251
49	Notes Payable to KRS1	0	0	0	0	0	0	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
50	Notes Payable - KRS 1	0	0	0	5,000	7,500	9,500	0	0	0	0	0	0	0	0	0
51	Notes Payable - Other	0	2,000	0	3,700	6,678	6,678	10,000	0	42,228	85,208	0	0	0	0	0
52	Consumer Deposits	884	1,138	1,049	1,248	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273
53	Interest Accrued Debt KRS1	0	0	0	7	200	0	0	0	0	0	0	0	0	0	0
54	Other Liabilities	15,351	7,146	9,448	12,432	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471
55	Total Current Liabilities	\$30,388	\$26,598	\$27,096	\$40,028	\$44,768	\$47,412	\$42,156	\$33,794	\$77,660	\$123,081	\$39,322	\$40,766	\$42,154	\$43,624	\$44,935

	Alternative Scenario 2 - Lower Sales															
				Actual								rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
56	Regulatory Liabilities	4,019	3,726	3,434	3,142	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849
57	Deferred Credits	9,045	6,654	6,194	6,502	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932
58	Total Liabilities	\$254,760	\$232,182	\$227,225	\$229,844	\$236,578	\$237,314	\$263,953	\$259,839	\$302,344	\$343,323	\$327,857	\$311,703	\$294,785	\$277,830	\$269,147
59	Table Was a distance	0000 500	0004.454	0000 444	0000 101	0045 404	0004 407	0000 404	0000 000	0440 400	# 400 000	0450 504	0.455.750	0.454.000	0440.705	0440.004
60	Total Equities and Liabilities	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$362,494	\$363,329	\$413,109	\$460,393	\$458,584	\$455,756	\$451,688	\$446,725	\$449,301
61 62																
63	FINANCIAL RATIOS															
64	Equity to Total Assets	15.81%	18.38%	21.14%	23.18%	24.93%	26.18%	27.18%	28.48%	26.81%	25.43%	28.51%	31.61%	34.74%	37.81%	40.10%
65	Working Capital (Days of Operating Expenses)	55	9	16	23.10%	24.93 /6	20.10%	27.10%	20.40 %	10	23.43 %	20.51%	22	20	18	22
66	Working Capital (Days of Operating Expenses)	33	3	10	O	U	17	3	Ü	10	10		22	20	10	22
67																
68	KRS1															
69	Utility Plant															
70	Electric Plant in Service				\$0	\$0	\$0	\$40,837	\$40,837	\$40,837	\$40,837	\$40.837	\$40.837	\$40.837	\$40.837	\$40.837
71	Accumulated Depreciation and Amortization				0	0	0	(408)	(2,042)	(3,675)	(5,309)	(6,942)	(8,576)	(10,209)	(11,843)	(13,476)
72	Net Electric Plant in Service			_	\$0	\$0	\$0	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
73	Construction Work in Progress				4,954	7,806	9.500	0	0	0	0	0	0	0	0	0
74	Net Electric Utility Plant			_	\$4,954	\$7,806	\$9,500	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
75	,					, ,										
76	Current Asssets															
77	Cash				\$640	\$249	\$197	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
78	Accounts/Notes Receivable				0	0	0	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
79	Prepaid Lease						150	148	142	136	130	124	118	112	106	100
80	Inventories						0	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
81	Total Current Assets			_	\$640	\$249	\$347	\$685	\$1,619	\$2,515	\$3,373	\$4,191	\$4,968	\$5,665	\$6,318	\$6,927
82																
83	Deferred Tax Benefit				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37	\$74	\$111
84																
85	Total Assets				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
86																
87																
88	Equity and Margins				(\$32)	(\$230)	(\$234)	\$5,177	\$5,450	\$5,715	\$5,972	\$6,222	\$6,463	\$6,696	\$6,920	\$7,135
89																
90	Advances from KIUC				0010	0500	0500	0500	0500	4500	0500	0500	0500	0500	0500	0500
91	Cash				\$618	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582
92	Loans			_	5,000	7,500	9,500	35,355 \$35,936	34,382 \$34,964	33,380 \$33,962	32,347 \$32,928	31,282	30,184 \$30,765	29,052	27,885	26,682
93 94	Total Advances				\$5,618	\$8,082	\$10,082	\$35,936	\$34,964	\$33,962	\$32,928	\$31,863	\$30,765	\$29,633	\$28,467	\$27,264
94 95	Assounts Davable, VDC1				\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96	Accounts Payable - KRS1				φU	φο	φU	φU	φU	φU	φU	φU	φU	ΦU	φU	φU
97	Interest Accrued - KRS1				\$7	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98	Interest Accided - NICOT				Ψí	Ψ200	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ
99	Deferred Taxes				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100	20101100 14000				ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨU	ΨU	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ
101	Total Liabilities, Equities, and Margins				\$5,593	\$8,055	\$9.847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
102					40,000	ψ0,000	40,011	≠ ,⊤	ψ.ο,	ψου,υ. 1	400,001	400,000	40.,220	400,020	ψου,σοι	ψο .,σσσ
103																
. 50																

	Alternative Scenario 2 - Lower Sales			A =4 . =1		ī					D-	-:				
Line		2008	2009	Actual 2010	2011	2012	2013	2014	2015	2016	2017	ojected 2018	2019	2020	2021	2022
104	KRS2				-											
105	Utility Plant															
106	Electric Plant in Service					\$0	\$0	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314
107	Accumulated Depreciation and Amortization					0	0	(826)	(2,479)	(4,131)	(5,784)	(7,437)	(9,089)	(10,742)	(12,394)	(14,047)
108	Net Electric Plant in Service					\$0	\$0	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
109	Construction Work in Progress					0	6,000	0	0	0	0	0	0	0	0	0
110	Net Electric Utility Plant					\$0	\$6,000	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
111																
112	Current Asssets															
113	Cash					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
114	Accounts/Notes Receivable					0	0	0	0	0	0	0	0	0	0	0
115	Prepaid Lease					0	0	0	0	0	0	0	0	0	0	0
116	Inventories							618	1,237	1,237	1,237	1,237	1,237	1,237	1,237	1,237
117	Total Current Assets					\$0	\$0	\$618	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237
118																
119	<u>Deferred Tax Benefit</u>					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120																
121	Total Assets					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
122																
123	Equity and Margins															
124	KIUC Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
125	Equity Investor Equity					0	0	26,740	25,981	24,625	23,286	21,963	20,658	0	0	0
126	Total Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
127	Loss Town Bull						00.000	044.000	# 40.000	040 545	040.040	040.000	040 505	040.044	011 007	044.470
128	Long-Term Debt					\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472
129	Other Courset and Assessed Linkillation					\$0	\$0	\$0	0.0	\$0	CO	00	CO	\$0	CO	0.0
130 131	Other Current and Accrued Liabilities					\$0	\$0	\$0	\$0	\$ 0	\$0	\$0	\$0	\$0	\$0	\$0
	Deferred Tayon					40	\$0	\$0	60	\$0	60	\$0	60	\$0	\$0	\$0
132 133	<u>Deferred Taxes</u>					\$0	\$0	\$0	\$0	\$ 0	\$0	\$0	\$0	\$0	\$0	\$ 0
134	Total Liabilities, Equities, and Margins					\$0	\$6,000	\$41,106	¢40.072	£20 410	\$36,767	COE 111	\$33,462	\$31,809	£20.1E6	\$28,504
135	Total Liabilities, Equities, and Margins					φυ	\$6,000	φ41,100	\$40,072	\$38,419	\$30,707	\$35,114	Φ33,402	\$31,009	\$30,156	\$20,304
136	Equity Detail															
137	Equity Detail															
138	Total Equity															
139	Beginning Equity					\$0	\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289
140	Retained Earnings					0	0	79	164	184	188	151	172	201	207	231
141	Equity Investment					0	0	27,218	0	0	0	0	0	0	0	0
142	Distributions					0	0	(287)	(930)	(1,553)	(1,541)	(1,487)	(1,490)	(1,500)	(1,486)	(1,488)
143	Ending Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
144	Enailing Equity					ΨΟ	ΨΟ	Ψ27,010	Ψ 2 0, 2 40	Ψ24,074	Ψ20,02 i	Ψ22,100	φ20,007	φ10,000	ψ10,200	ψ17,001
145	KIUC Equity															
146	% Ownership					1%	1%	1%	1%	1%	1%	1%	1%	100%	100%	100%
147	Beginning Equity					0	0	0	270	262	249	235	222	209	19,568	18,289
148	Retained Earnings					0	0	1	2	2	2	2	2	201	207	231
149	Equity Investment					0	0	272	0	0	0	0	0	0	0	0
150	Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,500)	(1,486)	(1,488)
151	Change in Ownership							(-)	(-)	(- /	(- /	(- /	(- /	20,658	(, ,	(,,
152	Ending Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
153	. ,					·										
154	Equity Investor Equity															
155	% Ownership					99%	99%	99%	99%	99%	99%	99%	99%	0%	0%	0%
156	Beginning Equity					0	0	0	26,740	25,981	24,625	23,286	21,963	20,658	0	0
157	Retained Earnings					0	0	78	163	182	186	150	170	0	0	0
158	Equity Investment					0	0	26,945	0	0	0	0	0	0	0	0
159	Distributions					0	0	(284)	(921)	(1,537)	(1,525)	(1,472)	(1,475)	0	0	0
160	Change in Ownership					0	0	0	0	0	0	0	0	(20,658)	0	0
161	Ending Equity					\$0	\$0	\$26,740	\$25,981	\$24,625	\$23,286	\$21,963	\$20,658	\$0	\$0	\$0

				Actual							Pr	ojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
162																<u>.</u>
163	KIUC Portion of KRS2															
164																
165	<u>Assets</u>															
166	Beginning Investment in KRS2					\$0	\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)
167	KRS2 Net Income					0	0	1	2	2	2	2	2	201	207	231
168	KRS2 Capital Investment					0	0	272	0	0	0	0	0	161		
169	KRS2 Distributions				_	0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,500)	(1,486)	(1,488)
170	Ending Investment in KRS2					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)	(\$3,466)
171																
172	Beginning Cash					\$0	\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,140	\$2,626
173	KRS2 Capital Investment					0	0	(272)	0	0	0	0	0	(161)	0	0
174	KRS2 Distributions				_	0	0	3	9	16	15	15	15	1,500	1,486	1,488
175	Ending Cash					\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,140	\$2,626	\$4,114
176																
177	Total Assets					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$9	\$210	\$417	\$648
178																
179	Equity & Liabilities															
180	Beginning Patronage Capital - KRS2					\$0	\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$9	\$210	\$417
181	KRS2 Net Income				_	0	0	1	2	2	2	2	2	201	207	231
182	Ending Patronage Capital - KRS2					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$9	\$210	\$417	\$648
183																
184	Total Equity & Liabilities					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$9	\$210	\$417	\$648

Alternative Scenario 2 - Lower Sales					Pro	jected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Total Accrual Margins	\$8,409	\$9,824	\$6,815	\$7,323	\$6,351	\$13,704	\$14,028	\$14,502	\$14,783	\$14,994
2 Add: Depreciation and Amortization	14,677	15,195	15,800	16,260	16,731	18,886	19,127	19,365	19,680	20,024
Add: Interest Exp - Existing Long-Term Debt	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
4 Add: Interest Exp - KRS1 Long-Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
5 Add: Interest Exp - Other New Long-Term Debt	165	527	1,009	3,098	4,430	6,691	6,601	6,500	6,421	6,565
6 Less: Capital Credits, Pat Cap, and KRS1/KRS2 Income (Loss)	(35)	(202)	(314)	(307)	(299)	(291)	(283)	(474)	(471)	(486)
7 Less: COC Interest Income	(574)	(603)	(565)	(383)	(402)	(423)	(444)	(467)	(491)	(516)
8 Less: Capitalized Interest	0	0	0	(1,478)	(2,230)	0	0	0	0	0
9 Cash from Operations	\$30,245	\$32,218	\$30,600	\$31,899	\$31,459	\$44,926	\$44,850	\$44,685	\$44,596	\$44,640
10										
11 Debt Service - Long Term										
12 Existing - Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
13 Existing - Principal	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
14 KRS1 Interest	0	284	1,091	1,061	1,030	998	965	931	896	860
15 KRS1 Principal	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
16 Other New - Interest	165	527	1,009	3,098	4,430	6,691	6,601	6,500	6,421	6,565
17 New - Principal	93	314	532	760	991	2,050	2,140	2,240	2,342	2,540
18 Other - Interest	0	0	0	0	0	0	0	0	0	0
19 Total Debt Service	\$18,259	\$19,476	\$21,721	\$24,039	\$25,599	\$28,916	\$28,915	\$28,913	\$28,934	\$29,273
20										
21 Cash Margins After Debt Service	\$11,987	\$12,743	\$8,879	\$7,860	\$5,860	\$16,010	\$15,935	\$15,773	\$15,662	\$15,367
22										
23 Additional Sources of Cash										
24 Proceeds from Long-Term Debt	\$10,000	\$10,000	\$12,868	\$13,312	\$11,829	\$85,208	\$0	\$0	\$715	\$9,867
25 Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
26 Proceeds from RUS Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
27 Free Cash Flow From		(005)	0.40	000	004	004	700	700	200	0.4.5
28 KRS1 29 KRS2	0	(695)	940	902	864	824	783	703	660	615
	0	(269)	9	16	15	15	15	1,339	1,486	1,488
•	-	232 662	972 728	1,002 800	1,033 880	1,065 967	1,098 1,063	1,132 1,168	1,167 1,284	1,203 1,411
31 CIAC/Grant Funds/Advances32 Patronage Capital Paid in Cash	9,191 40	40	728 40	40	40	967 40	1,063	1,100	1,284 40	1, 4 11 40
33	40	40	40	40	40	40	40	40	40	40
34 Additional Uses of Cash										
35 Total Additions and Replacements	(23,997)	(28,397)	(18,359)	(63,010)	(61,444)	(16,752)	(14,552)	(18,249)	(18,098)	(23,239)
36 Refund of Customer Advances	(109)	(20,397)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
37 Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)
38 Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	(1,732)	(1,723)	(85,208)	(210)	(310)	(300)	0
39 Regular Capital Credit Retirements	(2,755)	(639)	(1,819)	0	0	(00,200)	(655)	(1,606)	(2,744)	(3,687)
40 Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
41	(11)	()	(.,,	(.,,	(.,)	(.,)	(.,)	(.,,	(.,)	()
42 Total Additional Sources and Uses of Cash	(\$7,983)	(\$16,695)	(\$9,783)	(\$6,769)	(\$5,860)	(\$14,483)	(\$12,812)	(\$16,217)	(\$16,262)	(\$13,264)

Alternative Scenario 2 - Lower Sales					Pr	ojected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	***	(40.050)	(000.1)		•	A. =00	** ***		(0004)	
44 Net Change in Cash Including KRS1/KRS2-Related	\$4,003	(\$3,952)	(\$904)	\$1,091	\$0	\$1,526	\$3,123	(\$444)		\$2,103
45 Less KRS1/KRS2-Related Net Change In Cash	0	965	(949)	(918)	(879)	(839)	(798)	(2,042)	(2,145)	(2,103)
46 Total Net Change in Cash 47	\$4,003	(\$2,988)	(\$1,853)	\$174	(\$879)	\$688	\$2,326	(\$2,486)	(\$2,746)	\$0
48 TIER Calculation										
49 Long-Term Interest Payment	\$7,770	\$8,005	\$8,865	\$10,484	\$11,309	\$13,049	\$12,422	\$11,759	\$11,095	\$10,624
50 Total TIER	2.08	2.23	1.77	1.70	1.56	2.05	2.13	2.23	2.33	2.41
51	2.00	2.20		1.70	1.00	2.00	2.10	2.20	2.00	2
52 RUS Debt Service Coverage Ratio										
53 Net Margins	\$8,409	\$9,824	\$6,815	\$7,323	\$6,351	\$13,704	\$14,028	\$14,502	\$14,783	\$14,994
54 Interest on Long Term Debt	7,770	8,005	8,865	10,484	11,309	13,049	12,422	11,759	11,095	10,624
55 Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
56 Adjusted Margins	\$ 30,392	\$ 32,560	\$ 31,016	\$ 33,604	\$ 33,927	\$ 45,176	\$ 45,114	\$ 45,162	\$ 45,094	\$ 45,178
57										
58 Debt Service	\$ 18,259	\$ 19,476	\$ 21,721	\$ 24,039	\$ 25,599	\$ 28,916	\$ 28,915	\$ 28,913	\$ 28,934	\$ 29,273
59 RUS DSC Ratio	1.66	1.67	1.43	1.40	1.33	1.56	1.56	1.56	1.56	1.54
60										
61 CFC Debt Service Coverage Ratio										
62 Operating Margins	\$7,343	\$7,655	\$4,575	\$5,302	\$4,350	\$11,722	\$12,063	\$12,361	\$12,658	\$12,865
63 Non-Operating Margins - Interest	860	1,763	1,659	1,447	1,435	1,424	1,416	1,401	1,387	1,376
64 Interest on Long Term Debt	7,770	8,005	8,865	10,484	11,309	13,049	12,422	11,759	11,095	10,624
65 Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
66 apital Crettits Received	0	0	0	0	0	0	0	0	0	0
67 Adjusted Margins	\$ 30,185	\$ 32,154	\$ 30,435	\$ 33,030	\$ 33,361	\$ 44,618	\$ 44,564	\$ 44,422	\$ 44,356	\$ 44,425
68	¢ 40.050	¢ 40.470	¢ 04.704	£ 04.000	¢ 05.500	6 00 040	£ 00.045	¢ 00.040	¢ 00.004	¢ 00.070
69 Debt Service	\$ 18,259 1.65	\$ 19,476 1.65	\$ 21,721 1.40	\$ 24,039 1.37	\$ 25,599 1.30	\$ 28,916 1.54	\$ 28,915 1.54	\$ 28,913 1.54	\$ 28,934 1.53	\$ 29,273 1.52
70 CFC DSC Ratio 71	1.05	1.05	1.40	1.37	1.30	1.54	1.54	1.54	1.53	1.52
72 Patronage Refund Over 2.0 RUS TIER	(\$2,755)	(\$639)	(\$1,819)	\$0	\$0	\$0	(\$655)	(\$1,606)	(\$2,744)	(\$3,687)
73	(\$2,755)	(\$039)	(\$1,019)	φυ	φυ	φυ	(\$000)	(Φ1,000)	(ΦZ, 744)	(\$3,007)
74 Capital Credits Balance - Excluding KRS1 and KRS2										
75 Balance (Beg Yr)	\$78,601	\$84,134	\$93,032	\$97,629	\$104,560	\$110,526	\$123,855	\$136,859	\$149,198	\$160,681
76 Retirements	(2,755)	. ,	(1,819)	0	0	0	(655)	. ,	(2,744)	(3,687)
77 Early Retirements	(125)		(125)	(125)					(125)	(125)
78 Additions	8,413	9,662	6,541	7,056	6,092	13,453	13,785	14,069	14,352	14,548
79 Balance (End Yr)	\$84,134	\$93,032	\$97,629	\$104,560	\$110,526	\$123,855	\$136,859	\$149,198	\$160,681	\$171,416
80										

Alternative Scenario 2 - Lower Sales					Proj	ected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81 KRS1										
82 Cash Flows from Operating Activities										
83 Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
84 Depreciation and Amortization	0	410	1,639	1,639	1,639	1,639	1,639	1,639	1,639	1,639
85 Capitalized Interest	(264)	(870)	0	0	0	0	0	0	0	0
86 Taxes Paid	0	0	0	0	0	0	0	(37)	(37)	(37
87 Changes in Prepayments	(150)	0	0	0	0	0	0	0	0	0
88 Changes in Accounts Payable	(3)	0	0	0	0	0	0	0	0	0
89 Changes in Accrued Interest	(200)	0	0	0	0	0	0	0	0	C
90 Changes in Inventories	0	(1,222)	0	0	0	0	0	0	0	C
91 Net Cash from Operating Activities	(\$622)	(\$1,521)	\$1,912	\$1,905	\$1,897	\$1,889	\$1,881	\$1,835	\$1,826	\$1,818
92										
93 Cash Flows from Investing Activities										
94 Additions to Utility Plant	(\$1,430)	(\$46,802)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95										
96 Cash Flows from Financing Activities										
97 Loan Amounts	\$2,000	\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98 Principal Paid on Debt	0	(232)	(972)	(1,002)	(1,033)	(1,065)	(1,098)	(1,132)	(1,167)	(1,203
99 Grants/Tax Incentives Received	0	21,586	0	0	0	0	0	0	0	. (
100 Grants/Tax Incentives Paid On Debt	0	(21,586)	0	0	0	0	0	0	0	(
101 Note Receivable to Parent	0	695	(940)	(902)	(864)	(824)	(783)	(703)	(660)	(615
102 Net Cash from Financing Activities	\$2,000	\$48,136	(\$1,912)	(\$1,905)	(\$1,897)	(\$1,889)	(\$1,881)	(\$1,835)	(\$1,826)	(\$1,818
103										
104 Net Change in Cash	(\$52)	(\$187)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105										
106 RUS Debt Service Coverage Ratio										
107 Net Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
108 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
109 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
110 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,709
111										
112 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
113 RUS DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
114										
115 CFC Debt Service Coverage Ratio										
116 Operating Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
117 on-Operating Margins - Interest	0	0	0	0	0	0	0	0	0	C
118 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
119 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
120 apital Credits Received	0	0	0	0	0	0	0	0	0	1
121 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,710
122	, ,									
123 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
124 CFC DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
125										

						Pro	ojected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	KRS2										
127	Cash Flows from Operating Activities										
128	Margins	\$0	\$79	\$164	\$184	\$188	\$151	\$172	\$201	\$207	\$231
129	Depreciation and Amortization	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
130	Capitalized Interest	(41)	(429)	0	0	0	0	0	0	0	0
131	Taxes Paid	0	0	0	0	0	0	0	0	0	0
132	Changes in Accrued Interest	0	0	0	0	0	0	0	0	0	0
133	Changes in Prepayments	0	0	0	0	0	0	0	0	0	0
134	Changes in Inventories	0	(618)	(618)	0	0	0	0	0	0	0
135	Net Cash from Operating Activities	(\$41)	(\$142)	\$1,198	\$1,836	\$1,840	\$1,804	\$1,824	\$1,853	\$1,860	\$1,883
136											
137	Cash Flows from Investing Activities										
138	Additions to Utility Plant	(\$5,959)	(\$34,885)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
139											
140	Cash Flows from Financing Activities										
141	Loan Amounts	\$6,000	\$35,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142	Principal Paid on Debt	0	0	(268)	(283)	(299)	(316)	(335)	(354)	(374)	(395)
143	State Tax Refund	0	4,987	0	0	0	0	0	0	0	0
144	Distributions	0	(5,274)	(930)	(1,553)	(1,541)	(1,487)	(1,490)	(1,500)	(1,486)	(1,488)
145	Net Cash from Financing Activities	\$6,000	\$35,027	(\$1,198)	(\$1,836)	(\$1,840)	(\$1,804)	(\$1,824)	(\$1,853)	(\$1,860)	(\$1,883)
146											
147	Net Change in Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
148											
149	RUS Debt Service Coverage Ratio										
150	Net Margins	na	\$ 79	\$ 164	\$ 184	\$ 188	\$ 151	\$ 172	\$ 201	\$ 207	\$ 231
151	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
152	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
153	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,624	\$2,612	\$2,559	\$2,561	\$2,571	\$2,557	\$2,560
154											
155	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
156	RUS DSC Ratio	NA	2.44	2.45	2.45	2.44	2.39	2.39	2.40	2.39	2.39
157											
158	CFC Debt Service Coverage Ratio										
159	Operating Margins	na	\$79	\$164	\$184	\$188	\$151	\$172	\$201	\$207	\$231
160	on-Opera ti ng Margins - Interest	na	0	0	0	0	0	0	0	0	0
161	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
162	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
163	apital Cre t its Received	0	0	0	0	0	0	0	0	0	1
164	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,624	\$2,612	\$2,559	\$2,561	\$2,571	\$2,557	\$2,561
165											
166	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
167	CFC DSC Ratio	NA	2.44	2.45	2.45	2.44	2.39	2.39	2.40	2.39	2.39

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 7 - General Funds Summary (\$000)

					Pr	ojected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 KIUC NET GENERAL FUNDS - BEGINNING OF YEAR	\$3,762	\$7,765	\$3,813	\$2,908	\$4,000	\$4,000	\$5,527	\$8,650	\$8,206	\$7,605
2										
3 SOURCES OF GENERAL FUNDS										
4 Cash Margins after Debt Service	\$11,987	\$12,743	\$8,879	\$7,860	\$5,860	\$16,010	\$15,935	\$15,773	\$15,662	\$15,367
5 Long Term Debt Loan Proceeds	10,000	10,000	12,868	13,312	11,829	85,208	0	0	715	9,867
6 Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
7 Principal Income from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
8 Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
9 Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
10 Change in KRS1-Related Cash	0	(695)	940	902	864	824	783	703	660	615
11 Change in KRS2-Related Cash	0	(269)	9	16	15	15	15	1,339	1,486	1,488
12 Total Sources of General Funds	\$32,027	\$35,372	\$29,208	\$65,360	\$62,621	\$103,161	\$17,871	\$18,986	\$19,729	\$28,579
13										
14 USES OF GENERAL FUNDS										
15 Regular Capital Credit Retirements	(\$2,755)	(\$639)	(\$1,819)	\$0	\$0	\$0	(\$655)	(\$1,606)	(\$2,744)	(\$3,687)
16 Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
17 Net Additions and Replacements	(14,806)	(27,735)	(17,631)	(62,210)	(60,565)	(15,785)	(13,489)	(17,081)	(16,814)	(21,828)
18 Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
19 Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)
20 Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	0	0	(85,208)	0	0	0	0
21 Total Uses of General Funds	(\$28,023)	(\$39,324)	(\$30,113)	(\$64,269)	(\$62,621)	(\$101,635)	(\$14,748)	(\$19,431)	(\$20,330)	(\$26,476)
22										
23 KIUC NET GENERAL FUNDS - END OF YEAR	\$7,765	\$3,813	\$2,908	\$4,000	\$4,000	\$5,527	\$8,650	\$8,206	\$7,605	\$9,708

	Alternative Scenario 2 - Lower Sales					Proje	ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	UTILITY PLANT										
2	Plant-in-Service - BOY	\$420.312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
3	Acquisition Adjustment - BOY	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852
4	CWIP - BOY	18,902	5,715	7,169	550	49,238	0	0	0	2,200	0
5	Total Utility Plant - BOY	\$494,066	\$504,284	\$527,275	\$539,943	\$598,476	\$656,032	\$665,413	\$672,426	\$682,986	\$693,224
6	•										
7											
8	ADDITIONS AND REPLACEMENTS										
9	Generation										
10	Hydropower	\$0	\$0	\$0	\$40,750	\$40,750	\$0	\$0	\$0	\$0	\$0
11	Hydropower Capitalized Interest	0	0	0	1,478	2,230	0	0	0	0	0
12	SWD CO Catalysts Install	150	0	0	0	0	0	0	0	0	0
13	EMD CO Catalysts Install	300	0	0	0	0	0	0	0	0	0
14	HRSG MCC Replacement	100	0	0	0	0	0	0	0	0	0
15	Waiahi Upper Powerhouse Expansion	0	3,489	0	0	0	0	0	0	0	0
16	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
17	LFG	0	0	0	0	0	0	0	0	0	0
18	Titan or Alternative	0	0	0	0	0	0	0	0	0	0
19	Other Non-Recurring Projects	5,130	1,928	0	0	0	5,050	2,000	2,000	2,000	2,000
20	Other Recurring Projects	925	950	850	850	850	850	950	1,600	1,600	850
21	Transmission and Distribution										
22	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	9,000	0	0	0	0	0
23	Anahola Service Center	200	4,692	0	0	0	0	0	0	0	0
24	Princeville Substation Upgrade	152	0	0	0	0	0	0	0	0	0
25	Replacement GIS Mapping System	250	50	0	0	0	0	0	0	0	0
26	Kipu 12 kV Reroute	100	300	0	0	0	0	0	0	0	0
27	Wailua Corridor Undergrounding	1,666	834	0	0	0	0	0	0	0	0
28	RUS Standards Compliance	50	75	0	0	0	0	0	0	0	0
29	Hanalei Tap Reconfiguration	0	50	500	1,000	0	0	0	0	0	0
30	New T&D Warehouse and Field Offices	0	0	1,500	0	0	0	0	0	0	0
31	HCP - C2 Waiakea Canal Crossing	245	147	0	0	0	0	0	0	0	0
32	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
33	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
34	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
35	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	1,122	0
36	Other Non-Recurring Projects										
37	Transmission	2,401	1,945	4,398	1,581	1,040	0	0	0	0	6,000
38	Distribution	0	0	0	0	0	0	0	0	0	0

						Projec	cted				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
39	Other Recurring Projects										
40	Transmission	840	710	620	3,231	542	479	468	482	498	514
41	Distribution	5,934	6,492	7,375	6,076	7,184	7,759	8,389	9,080	9,837	10,667
42	Other	40	44	48	53	59	64	71	78	86	94
43	Other Projects										
44	Non-Recurring Projects	535	1,305	555	1,055	500	1,000	1,100	1,210	1,331	1,464
45	Recurring Projects	1,730	1,467	1,401	1,405	1,520	1,549	1,574	1,599	1,625	1,651
46	Carryover Projects										
47	AEPO Substation (Kumanu)	530	3,920	1,112	0	0	0	0	0	0	0
48	SPCC Substation Compliance	220	0	0	0	0	0	0	0	0	0
49	AMI/Advanced Metering Infrastructure	2,500	0	0	0	0	0	0	0	0	0
50	Battery Energy Storage	0	0	0	0	0	0	0	0	0	0
51	Other Carryover Projects	0	0	0	0	0	0	0	0	0	0
52	Total Additions and Replacements	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
53	Less Customer Advances	(2,880)	(651)	(716)	(788)	(867)	(953)	(1,049)	(1,153)	(1,269)	(1,395)
54	Less CIAC	(9)	(11)	(12)	(12)	(13)	(14)	(14)	(15)	(15)	(16)
55	Less AMI Funding	(6,302)	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´
56	Total Cap Ex Cash Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
57		, , , , , , , , , , , , , , , , , , , ,	, ,	, ,	, ,	, , , , ,	,	, ,,	, ,	,.	, ,-
58	CONSTRUCTION WORK IN PROGRESS										
59	Hydropower	\$0	\$0	\$0	\$40,750	\$0	\$0	\$0	\$0	\$0	\$0
60	Hydropower Capitalized Interest	0	0	0	1,478	0	0	0	0	0	0
61	SWD CO Catalysts Install	0	0	0	0	0	0	0	0	0	0
62	EMD CO Catalysts Install	0	0	0	0	0	0	0	0	0	0
63	HRSG MCC Replacement	0	0	0	0	0	0	0	0	0	0
64	Waiahi Upper Powerhouse Expansion	0	0	0	0	0	0	0	0	0	0
65	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
66	LFG	0	0	0	0	0	0	0	0	0	0
67	Titan or Altennative	0	0	0	0	0	0	0	0	0	0
68	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	0	0	0	0	0	0
69	Anahola Service Center	200	0	0	0	0	0	0	0	0	0
70	Princeville Substation Upgrade	0	0	0	0	0	0	0	0	0	0
71	Repace GIS Mapping System	250	0	0	0	0	0	0	0	0	0
72	Kipu 12 kV Reroute	100	0	0	0	0	0	0	0	0	0
73	Wailua Corridor Undergrounding	1,666	0	0	0	0	0	0	0	0	0
74	RUS Standards Compliance	50	0	0	0	0	0	0	0	0	0
75	Hanalei Tap Reconfiguration	0	50	550	0	0	0	0	Ö	0	0
76	New T&D Warehouse and Field Offices	0	0	0.00	0	0	0	0	0	0	0
77	HCP - C2 Waiakea Canal Crossing	250	0	0	0	0	0	0	0	0	0
78	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
79	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
80	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
81	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	0	0
	AEPO Substation (Kumanu)	3,199	7,119	0	0	0	0	0	2,200	0	0
62	ALFO Substation (Numanu)	3,199	7,119	U	U	Ü	U	U	U	U	U

	Alternative Scenario 2 - Lower Sales						Proje	cted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
83	SPCC Substation Compliance		0	0	0	0	0	0	0	0	0	0
84	AMI/Advanced Metering Infrastructure		0	0	0	0	0	0	0	0	0	0
85	Battery Energy Storage		0	0	0	0	0	0	0	0	0	0
86	Other Carryover Projects		0	0	0	0	0	0	0	0	0	0
87	Total CWIP		\$5,715	\$7,169	\$550	\$49,238	\$0	\$0	\$0	\$2,200	\$0	\$0
88												
89	TOTAL PLANT IN SERVICE - BOY		\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
90	Total Additions and Replacements		23,997	28,397	18,359	64,488	63,675	16,752	14,552	18,249	18,098	23,239
91	Carryover Closed to Plant		16,228	2,516	7,119	550	49,238	0	0	0	2,200	0
92	Less CIAC and Funding		(9,082)	(447)	(492)	(540)	(594)	(652)	(717)	(787)	(865)	(951)
93	Less Cap Ex to CWIP		(3,041)	(3,970)	(500)	(49,238)	0	0	0	(2,200)	0	0
94	Less Retirements		(4,697)	(4,958)	(5,199)	(5,415)	(5,525)	(6,718)	(6,823)	(6,901)	(6,995)	(7,134)
95	TOTAL PLANT IN SERVICE - EOY		\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372	\$653,527
96	Closed to Plant		\$28,102	\$26,496	\$24,486	\$15,260	\$112,319	\$16,099	\$13,835	\$15,262	\$19,433	\$22,288
97												
98	FUNDING											
99	Debt		\$10,000	\$13,322	\$2,868	\$55,540	\$54,809	\$0	\$0	\$0	\$715	\$0
100	Customer Advances		2,880	651	716	788	867	953	1,049	1,153	1,269	1,395
101	Cash		4,806	14,413	9,263	8,148	7,986	15,785	13,489	17,081	16,099	0
102	CIAC/AMI Funding		6,311	11	12	12	13	14	14	15	15	16
103	Total		\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
104												
105	DEPRECIATION EXPENSE											
		Depr										
106		Rate										
107	Existing 2012 Plant	2.73%	\$11,398	\$11,266	\$11,128	\$10,983	\$10,834	\$10,667	\$10,482	\$10,295	\$10,106	\$9,913
108	Balance of 2102 CWIP	2.73%	53	105	105	105	105	105	105	105	105	105
109	Generation											
110	Hydropower	2.00%	0	0	0	0	0	1,630	1,630	1,630	1,630	1,630
111	Hydropower Capitalized Interest	2.00%	0	0	0	0	0	74	74	74	74	74
112	SWD CO Catalysts Install	2.10%	10	20	20	20	20	20	20	20	20	20
113	EMD CO Catalysts Install	2.10%	8	16	16	16	16	16	16	16	16	16
114	HRSG MCC Replacement	2.10%	1	3	3	3	3	3	3	3	3	3
115	Waiahi Upper Powerhouse Expansion	2.00%	0	35	70	70	70	70	70	70	70	70
116	Waiahi Lower Powerhouse Upgrade	2.00%	0	0	0	0	0	0	0	0	0	0
117	LFG	6.67%	0	0	0	0	0	0	0	0	0	0
118	Titan or Alternative	2.10%	0	0	0	0	0	0	0	0	0	0
119	Other Non-Recurring Projects	2.10%	54	128	148	148	148	202	276	318	360	402
120	Other Recurring Projects	2.10%	10	29	48	66	84	102	121	148	181	207
121	Transmission and Distribution											
122	North Shore Transmission Line Capital Expenditures	2.82%	0	0	0	0	226	452	452	452	452	452
123	Anahola Service Center	2.82%	0	69	138	138	138	138	138	138	138	138
124	Princeville Substation Upgrade	3.33%	13	25	25	25	25	25	25	25	25	25
125	Replacement GIS Mapping System	3.33%	0	5	10	10	10	10	10	10	10	10
	· · · - ·		•									

							Projec	cted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	Kipu 12 kV Reroute	2.82%	0	6	11	11	11	11	11	11	11	11
127	Wailua Corridor Undergrounding	2.82%	0	35	71	71	71	71	71	71	71	71
128	RUS Standards Compliance	2.82%	0	2	4	4	4	4	4	4	4	4
129	Hanalei Tap Reconfiguration	2.82%	0	0	0	22	44	44	44	44	44	44
130	New T&D Warehouse and Field Offices	2.82%	0	0	21	42	42	42	42	42	42	42
131	HCP - C2 Waiakea Canal Crossing	2.70%	0	5	11	11	11	11	11	11	11	11
132	Kapaia to Hanahanapuni	2.82%	0	0	0	0	0	0	0	0	0	0
133	Convert Hanahanapuni Tap to Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
134	Kilohana Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
135	Lihue Station - Upgraded Transformers (3 @ \$850)	2.82%	0	0	0	0	0	0	0	0	47	94
136	Other Non-Recurring Projects											
137	Transmission	2.82%	34	95	185	269	306	321	321	321	321	406
138	Distribution	3.33%	0	0	0	0	0	0	0	0	0	0
139	Other Recurring Projects											
140	Transmission	2.82%	12	34	53	107	160	175	188	201	215	229
141	Distribution	3.33%	99	305	536	760	980	1,229	1,498	1,788	2,103	2,444
142	Other	2.73%	1	2	3	4	6	. 8	9	11	14	16
143	Other Projects											
144	Non-Recurring Projects	2.73%	7	32	58	80	101	121	150	181	216	254
145	Recurring Projects	2.73%	24	67	106	145	184	226	269	312	356	401
146	Carryover Projects											
147	AEPO Substation (Kumanu)	3.33%	0	0	137	274	274	274	274	274	274	274
148	SPCC Substation Compliance	3.33%	10	20	20	20	20	20	20	20	20	20
149	AMI/Advanced Metering Infrastructure	8.00%	504	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
150	Battery Energy Storage	5.00%	0	0	0	0	0	0	0	0	0	0
151	Total	Ī	\$12,236	\$13,314	\$13,934	\$14,412	\$14,902	\$17,078	\$17,341	\$17,604	\$17,946	\$18,394
152	Less AMI Funding	8.00%	0	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)
153	Less CIAC	3.33%	(46)	(99)	(115)	(132)	(151)	(171)	(194)	(219)	(247)	(277)
154	Total Deprec and Amort Accrual	Ī	\$12,190	\$12,708 [°]	\$13,313	\$13,773	\$14,244	\$16,400	\$16,641	\$16,878	\$17,193	\$17,610
155	Less Depreciation in Other Accounts		(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)
156	Net Depr and Amort Expense	Ī	\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415 [°]	\$16,730	\$17,147
157												
158	Net Depreciation and Amortization Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147
159	Amortization of Regulatory Asset - Iniki		292	292	292	292	292	292	292	292	292	219
	Amortization of Acquisition Adjustment		2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194
	Total Depreciation & Amortization Expense	Ī	\$14,213	\$14,731	\$15,336	\$15,796	\$16,267	\$18,423	\$18,663	\$18,901	\$19,216	\$19,560
	Plus Depreciation in Other Accounts		463	463	463	463	463	463	463	463	463	463
163	Total Depr and Amort Accrual		\$14,677	\$15,195	\$15,800	\$16,260	\$16,731	\$18,886	\$19,127	\$19,365	\$19,680	\$20,024
164	•											
165												

Aiternative Scenario 2 - Lower Sales										
					Proje	ected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
166 KRS1										
167 BOY CWIP	\$7,806	\$9,500								
168 Capital Expenditures	1,694	47,672								
169 Federal Grant	0	(16,336)								
170 EOY CWIP	9,500									
171 Closed to Plant	\$0	\$40,837								
172										
173 KRS2										
174 BOY CWIP	\$0	\$6,000								
175 Capital Expenditures	6,000	35,314								
176 Buyout Amount	0	0								
177 EOY CWIP	6,000	0								
178 Closed to Plant	\$0	\$41,314								

							ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	EXISTING LONG TERM DEBT										
2	Balance (Beg Yr)	\$199,311	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462
3	Existing Loan Advances	0	0	0	0	0	0	0	0	0	
4	Principal Repayments	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
5	Balance (End Yr)	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462	\$73,555
6											
7	EXISTING DEBT INTEREST AND PRINCIPAL PAYMENTS										
8	Interest										
9	RUS - A41-1B010	\$297	\$282	\$265	\$248	\$230	\$212	\$192	\$173	\$152	\$130
10	RUS - A41-1B011	594	563	530	496	460	423	385	345	303	260
11	RUS - A41-1B012	474	447	420	391	362	332	301	269	235	20
12	RUS - A41-1B013	375	352	328	304	279	254	229	203	177	150
13	RUS - A41-1B014	691	655	618	580	539	497	453	407	358	308
14	RUS - A41-1B015	3,909	3,715	3,512	3,299	3,075	2,840	2,593	2,334	2,062	1,770
15	CFC - HI001-9005	133	122	110	99	86	74	61	48	34	20
16	FFB B8 - H0010	154	141	128	116	101	86	72	58	42	2
17	FFB B8 - H0015	224	206	188	171	150	129	109	87	65	4
18	FFB B8 - H0020	501	463	423	385	338	292	246	197	147	9:
19	FFB C8 - F0025	211	207	202	198	190	184	180	174	169	16
20	FFB C8 - F0030	42	41	40	39	38	37	36	35	34	3:
21	Total Interest	\$7.605	\$7.194	\$6.765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
22	Principal	41,000	*.,	4 -,	***,****	4-,	**,***	¥ .,	* .,	+-,	+-,
23	RUS - A41-1B010	\$402	\$417	\$434	\$451	\$469	\$487	\$507	\$526	\$547	\$569
24	RUS - A41-1B011	803	834	867	901	937	974	1,012	1,052	1,094	1,13
25	RUS - A41-1B012	840	866	894	922	951	981	1,013	1,045	1,078	1,112
26	RUS - A41-1B013	1,430	1,453	1,477	1,501	1,526	1,551	1,576	1,602	1,628	1,65
27	RUS - A41-1B014	795	831	868	906	947	989	1,033	1,079	1,128	1,178
28	RUS - A41-1B015	3,883	4,076	4,279	4,492	4,717	4,952	5,199	5,458	5,730	6,016
29	CFC - HI001-9005	406	418	430	443	455	468	482	496	510	52
30	FFB B8 - H0010	442	455	467	479	493	507	520	535	549	564
31	FFB B8 - H0015	428	442	460	479	498	518	539	561	584	608
32	FFB B8 - H0020	846	883	921	959	1,005	1,049	1,094	1,141	1,190	1,24
33	FFB C8 - F0025	104	212	216	220	227	233	237	243	247	254
34	FFB C8 - F0030	19	38	39	40	41	42	43	44	45	46
35	Total Principal	\$10.396	\$10.925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
36	Total Tillicipal	Ψ10,590	ψ10,923	ψ11,000	Ψ11,732	ψ12,200	Ψ12,732	Ψ10,200	Ψ13,702	ψ14,550	Ψ14,307
37	FUNDING REQUIREMENTS										
38	Capital Funding Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
39	Refinancing Requirements	10,000	10,000	10,000	φυσ,υσο 0	φυ2,795 0	85,208	φ13, 4 69 0	φ17,001 0	φ10,01 4 0	φ21,020
40	Total Funding Requirements	\$24,806	\$37,735	\$27,631	\$63,688	\$62,795	\$100,993	\$13,489	\$17,081	\$16,814	\$21,828
41	rotain anang requirements	Ψ24,000	ψυ1,135	Ψ21,031	ψ00,000	ψυΖ,1 30	ψ100,333	ψ10,+09	ψ17,001	ψ10,014	ΨΖ 1,020
42	Short-Term Long Funds Advanced	\$10,000	\$13,322	\$0	\$42,228	\$42,980	\$0	\$0	\$0	\$0	\$0
43	Long-Term Loan Funds Advanced	10.000	10.000	12,868	13,312	11.829	85,208	0	0	پو 715	9,867
44	Total Debt Advances	\$20,000	\$23,322	\$12,868	\$55,540	\$54,809	\$85,208	\$0	\$0	\$715	\$9,867
	Total Debt Advances	Ψ20,000	Ψ20,022	ψ12,000	φυυ,υ+υ	Ψυ,υυθ	ψ00,200	φυ	Ψ	ψ113	ψ9,007

											Proje	ected				
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
46	FFB C8 Add'l Draws	Amount	Per	Rate	Term	Per Yr										
47		\$31,646	na	na	na	na										
48	BOY Balance						\$0	\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394
49	Loan Funds Advanced						10,000	10,000	11,646	0	0	0	0	0	0	0
50	Principal Payment						93	314	523	644	683	713	734	763	785	825
51	Interest Payment						165	527	979	1,228	1,189	1,159	1,137	1,108	1,086	1,046
52	Total Debt Service						\$258	\$841	\$1,501	\$1,872	\$1,872	\$1,872	\$1,871	\$1,871	\$1,871	\$1,870
53	EOY Balance						\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394	\$25,569
54	00444		_	ъ.	_	5 V										
55	2014 Loan	Amount	Per	Rate	Term	Per Yr										
56	BOV B 1	\$0	3	3.5%	6 30	4		••	••	•	•	•		••	••	••
57	BOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Loan Funds Advanced							0	0	0	0	0	0	0	0	0
59	Principal Payment							0	•	•	•	•	0	0	ū	ŭ
60	Interest Payment Total Debt Service						-	<u> </u>	<u>0</u> \$0	0 \$0	0 \$0	0 \$0	<u> </u>	<u> </u>	0 \$0	<u> </u>
61 62	EOY Balance							\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
63	EOT Balance							φU	ΦU	φυ	φυ	φυ	φU	φυ	φυ	φU
64	2015 Loan	Amount	Per	Rate	Term	Per Yr										
65	2015 LOali	\$1,222	3	5.0%		4										
66	BOY Balance	Φ1,222	3	5.0 /	0 30	4			\$0	\$1,213	\$1,195	\$1,175	\$1,155	\$1,133	\$1,110	\$1,087
67	Loan Funds Advanced								1,222	Ψ1,213	Ψ1,193	Ψ1,173	Ψ1,133	φ1,133	Ψ1,110	Ψ1,007
68	Principal Payment								9	19	19	20	22	23	24	25
69	Interest Payment								30	60	59	58	57	56	55	54
70	Total Debt Service							-	\$39	\$79	\$79	\$79	\$79	\$79	\$79	\$79
71	EOY Balance								\$1,213	\$1,195	\$1,175	\$1.155	\$1,133	\$1,110	\$1,087	\$1,062
72	201 20.0		Const	LT					Ψ.,Ξ.σ	ψ.,.σσ	Ψ.,σ	ψ.,.σσ	ψ.,.σσ	V .,	ψ.,σσ.	ψ·,σσ <u>=</u>
73	New Hydro Loans	Amount	Rate	Rate	Term	Per Yr										
74		\$85,208	3.5%	5.0%		4				ST Debt	ST Debt	LT Debt	LT Debt	LT Debt	LT Debt	LT Debt
75	BOY Balance	***,=**								\$0	\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215
76	Loan Funds Advanced									42,228	42,980	0	0	0	0	0
77	Principal Payment									0	0	925	972	1,022	1,074	1,128
78	Interest Payment									1,478	2,230	4,243	4,196	4,147	4,095	4,040
79	Total Debt Service								•	\$1,478	\$2,230	\$5,168	\$5,168	\$5,168	\$5,168	\$5,168
80	EOY Balance									\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215	\$80,087
81																
82	2016 Loan	Amount	Per	Rate	Term	Per Yr										
83		\$13,312	3	5.0%	6 30	4										
84	BOY Balance									\$0	\$13,215	\$13,013	\$12,800	\$12,577	\$12,342	\$12,096
85	Loan Funds Advanced									13,312	0	0	0	0	0	0
86	Principal Payment									97	202	212	223	235	247	259
87	Interest Payment						1			332	657	647	636	624	613	600
88	Total Debt Service						1		•	\$430	\$859	\$859	\$859	\$859	\$859	\$859
89	EOY Balance						1			\$13,215	\$13,013	\$12,800	\$12,577	\$12,342	\$12,096	\$11,837
90							1									

												ected				
ine							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	2017 Loan	Amount	Per	Rate	Term	Per Yr										
92		\$11,829	3	5.0%	6 30	4										
93	BOY Balance										\$0	\$11,742	\$11,562	\$11,374	\$11,175	\$10,9
94	Loan Funds Advanced										11,829	0	0	0	0	
95	Principal Payment										86	180	189	198	208	2
96	Interest Payment										295	584	575	565	555	5
97	Total Debt Service										\$382	\$763	\$763	\$763	\$763	\$7
98	EOY Balance										\$11,742	\$11,562	\$11,374	\$11,175	\$10,967	\$10,7
99			_		_											
	2018 Loan	Amount	Per	Rate	Term	Per Yr										
01		\$0	3	5.0%	6 30	4										
02	BOY Balance											\$0	\$0	\$0	\$0	
03	Loan Funds Advanced											0	0	0	0	
04	Principal Payment											0	0	0	0	
)5	Interest Payment										-	0	0	0	0	
06	Total Debt Service											\$0	\$0	\$0	\$0	
07	EOY Balance											\$0	\$0	\$0	\$0	
80																
9	2019 Loan	Amount	Per	Rate	Term	Per Yr										
0		\$0	3	5.0%	6 30	4										
11	BOY Balance												\$0	\$0	\$0	
12	Loan Funds Advanced												0	0	0	
13	Principal Payment												0	0	0	
14	Interest Payment											_	0	0	0	
15	Total Debt Service												\$0	\$0	\$0	
16	EOY Balance												\$0	\$0	\$0	
17																
18	2020 Loan	Amount	Per	Rate	Term	Per Yr										
19		\$0	3	5.0%	6 30	4										
0	BOY Balance													\$0	\$0	
21	Loan Funds Advanced													0	0	
2	Principal Payment													0	0	
23	Interest Payment												_	0	0	
24	Total Debt Service													\$0	\$0	
25	EOY Balance													\$0	\$0	
6																
	2021 Loan	Amount	Per	Rate	Term	Per Yr										
28		\$715	3	5.0%	6 30	4										
29	BOY Balance														\$0	\$
30	Loan Funds Advanced														715	
31	Principal Payment														5	
32	Interest Payment													_	18	
33	Total Debt Service													_	\$23	
34	EOY Balance														\$710	\$6
35																

										Proi	ected				
Line						2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
136	2022 Loan Amount	Per	Rate	Term	Per Yr										
137	\$9,867	3	5.0%	30	4										
138	BOY Balance														\$0
139	Loan Funds Advanced														9,867
140	Principal Payment														72
141	Interest Payment													_	246
142	Total Debt Service														\$318
143	EOY Balance														\$9,795
144															
145	TOTAL LONG TERM DEBT SERVICE														
146	Interest														
147	Existing Debt					\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
148	New Debt (Excl Hydro Loan Capitalized Interest)					165	527	1,009	3,098	4,430	6,691	6,601	6,500	6,421	6,565
149	Total Interest					\$7,770	\$7,721	\$7,774	\$9,424	\$10,279	\$12,051	\$11,457	\$10,828	\$10,199	\$9,763
150	Principal														
151	Existing Debt					\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
152	New Debt					93	314	532	760	991	2,050	2,140	2,240	2,342	2,540
153	Total Principal					\$10,489	\$11,239	\$11,884	\$12,553	\$13,257	\$14,802	\$15,394	\$16,022	\$16,672	\$17,447
154	Total Debt Service					\$18,259	\$18,960	\$19,658	\$21,976	\$23,536	\$26,853	\$26,852	\$26,850	\$26,871	\$27,210
155															
156	TOTAL LONG TERM DEBT														
157	Balance (Beg Yr)					\$199,311	\$198,822	\$197,583	\$198,566	\$199,326	\$197,897	\$268,304	\$252,909	\$236,887	\$220,930
158	Loan Funds Advanced					10,000	10,000	12,868	13,312	11,829	85,208	0	0	715	9,867
159	Less Principal Repayments					10,489	11,239	11,884	12,553	13,257	14,802	15,394	16,022	16,672	17,447
160	Balance (End Yr)					\$198,822	\$197,583	\$198,566	\$199,326	\$197,897	\$268,304	\$252,909	\$236,887	\$220,930	\$213,350
161															
162	Current Portion of Long Term Debt - EOY														
163	Existing Debt					\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	\$15,370
164	New Debt					314	532	760	991	2,050	2,140	2,240	2,342	2,540	2,736
165	Total Current Portion					\$11,239	\$11,884	\$12,553	\$13,257	\$14,802	\$15,394	\$16,022	\$16,672	\$17,447	\$18,106
166															
167	SHORT TERM DEBT														
168															
169	\$20 M LOC/Other LOC Amount	Per	Rate	Term	Per Yr										
170	BOY Balance		3.0%			\$6,678	\$6,678	\$10,000							
171	Loan Funds Advanced					10,000	13,322	0							
172	Less Principal Repayments					(10,000)	(10,000)	(10,000)							
173	Balance (End Yr)					\$6,678	\$10,000	\$0							
174															
175	Interest Expense					\$252	\$292	\$0							
176	Est Average Balance					\$8,385	\$9,725	\$0							
177															
178	\$5 M LOC Amount	Per	Rate	Term	Per Yr										
179	BOY Balance		3.0%			\$0	\$0	\$0							
180	Loan Funds Advanced					0	0	0							
181	Less Principal Repayments					0	0	0							
182	Balance (End Yr)					\$0	\$0	\$0							
183															
184	Interest Expense					\$0	\$0	\$0							
185	Est Average Balance					\$0	\$0	\$0							
186															

	Alternative Scenario 2 - Lower Sai	es									Proje	ected				
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
187	KRS1															
188		Long-Term	Const	LT												
189		Amount	Rate	Rate	Yr	Per Yr										
190		\$35,587	3.0%	3.1%	25	1										
191	BOY Balance						\$7,500	\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885
192	Short-Term Debt															
193	Funds Advanced						2,000	47,672	0	0	0	0	0	0	0	0
194	Short-Term Interest						264	870	0	0	0	0	0	0	0	0
195	Federal Grant/State Tax Credit							21,586	0	0	0	0	0	0	0	0
196	Long-Term Debt															
197	Principal Payment						0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
198	Interest Payment						0	284	1,091	1,061	1,030	998	965	931	896	860
199	Debt Service						\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
200	EOY Balance						\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682
201																
202	KRS2															
203		Long-Term	Const	LT												
204		Amount	Rate	Rate	Yr	Per Yr										
205		\$14,096	3.0%	5.7%	25	1										
206	BOY Balance						\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867
207	Short-Term Debt															
208	Funds Advanced						6,000	35,314	0	0	0	0	0	0	0	0
209	Short-Term Interest						41	429	0	0	0	0	0	0	0	0
210	Equity Investment							27,218	0	0	0	0	0	0	0	0
211	Long-Term Debt															
212	Principal Payment						0	0	268	283	299	316	335	354	374	395
213	Interest Payment						0	402	803	788	772	755	737	718	698	676
214	Debt Service						\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
215	EOY Balance						\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 10 - Projected ERAC Revenues

				Actual							Projec	cted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	KIUC Thermal Generated (MWh)	437,819	417,224	417,117	409,392	405,946	381,990	337,000	268,560	269,560	272,080	197,560	198,510	198,350	200,080	201,000
2	KIUC Hydro Generated (MWh)	8,386	7,788	8,227	7,270	7,918	7,437	7,770	7,770	7,800	7,770	83,950	83,950	84,230	83,950	83,950
3	KRS1 Generated (MWh)	-	-	-	-	0	0	5,870	23,660	23,740	23,660	23,660	23,660	23,740	23,660	23,660
4	KRS2 Generated (MWh)	-	-	-	-	0	0	11,780	23,650	23,720	23,660	23,270	23,330	23,450	23,380	23,440
5	Purchased Power MWh - NEM & Sched Q	9	0	0	1,741	3,321	5,700	6,140	6,600	7,090	7,550	7,020	7,380	7,850	8,180	8,530
6	Purchased Power (MWh) - Other	29.090	30.796	27.414	34,855	34.633	46,303	69,120	103,860	104,150	103.860	103,860	103,860	104,150	103.860	103.860
7	Total MWh	475,305	455,808	452,758	453,259	451,818	441,430	437,680	434,100	436,060	438,580	439,320	440,690	441,770	443,110	444,440
8																
9	KIUC Sales (MWh)	453,791	436,273	434,533	434,745	433,159	423,584	420,139	416,919	418,547	421,007	421,867	423,144	424,118	425,370	426,700
10																
11	Losses (%)	4.5%	4.3%	4.0%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
12																
13	KIUC Generated Sales (MWh)	426,044	406,694	408,185	399,686	396,771	372,828	335,661	265,393	266,220	268,637	270,327	271,214	271,289	272,659	273,576
14																
15	Fuel Consumed (MMBtu)	4,208,477	3,913,866	3,868,068	3,870,223	3,778,090	3,594,303	3,146,933	2,493,049	2,504,772	2,526,231	1,889,374	1,897,900	1,895,765	1,909,452	1,918,324
16																
17	Actual Sales Heat Rate (Btu/kWh)	9,878	9,624	9,476	9,683	9,522	9,641	9,375	9,394	9,409	9,404	6,989	6,998	6,988	7,003	7,012
18																
19	Effective Sales Heat Rate for ERAC (Btu/kWh)	11,230	11,230	10,442	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850
20																
21	Adj Fuel Consumed for Efficiency Factor (MMBtu)	4,784,479	4,567,169	4,262,385	3,936,904	3,908,195	3,672,352	3,306,265	2,614,121	2,622,272	2,646,077	2,662,717	2,671,460	2,672,194	2,685,688	2,694,726
22	Actual Fuel Cost (\$/MMBtu)	\$23.32	\$13.23	\$17.80	\$23.36	\$24.89	\$24.37	\$21.41	\$19.72	\$20.55	\$21.44	\$23.01	\$24.05	\$24.85	\$25.90	\$27.08
23																
24	Equivalent Base Fuel Cost (\$/MMBtu)	\$4.31	\$4.31	\$11.33	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36
25	Equivalent Purchased Power Cost (\$/kWh)	\$0.046	\$0.046	\$0.110	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174
26																
27	ERAC Revenue Components (\$000)															
28	KIUC Fuel Costs	\$98,148	\$51,952	\$68,900	\$90,533	\$94,033	\$87,605	\$67,385	\$49,175	\$51,484	\$54,161	\$43,467	\$45,641	\$47,114	\$49,457	\$51,952
29	KIUC Purch Power Costs - Excl NEM, Sched Q, KRS1, and KRS2	5,959	3,724	4,212	7,194	7,741	10,017	15,395	17,050	17,368	17,607	17,868	18,157	18,502	18,744	19,041
30	KIUC Purchased Power Costs - KRS1	0	0	0	0	0	0	969	3,460	3,425	3,390	3,353	3,315	3,277	3,236	3,195
31	KIUC Purchased Power Costs - KRS2	0	0	0	0	0	0	1,473	2,956	2,965	2,958	2,909	2,916	2,931	2,923	2,930
32	ERAC Excess	13,633	8,493	6,965	1,429	3,246	1,902	3,412	2,388	2,415	2,569	17,792	18,603	19,296	20,105	21,026
33	Fuel and Purchased Power in Base Rates	(21,929)	(21,071)	(51,336)	(74,396)	(73,859)	(72,566)	(71,852)	(71,652)	(71,870)	(72,208)	(72,429)	(72,591)	(72,689)	(72,847)	(73,014)
34	Tax on Fuel and Purchased Power	8,446	3,098	2,146	2,370	2,624	2,444	1,304	97	329	576	(471)	(250)	(84)	148	400
35	Tax on ERAC Excess	1,380	828	679	139	317	186	333	233	236	251	1,735	1,814	1,882	1,961	2,051
36	Total	\$105,636	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$3,707	\$6,353	\$9,303	\$14,223	\$17,606	\$20,228	\$23,726	\$27,581
37																
38	Revenue from Efficiency Factor (\$000)															
39	ERAC Efficiency Adjustment	\$13,633	\$8,493	\$6,965	\$1,429	\$3,246	\$1,902	\$3,412	\$2,388	\$2,415	\$2,569	\$17,792	\$18,603	\$19,296	\$20,105	\$21,026
40	Tax on Efficiency Adjustment	1,380	828	679	139	317	186	333	233	236	251	1,735	1,814	1,882	1,961	2,051
41	Total	\$15,013	\$9,321	\$7,645	\$1,568	\$3,562	\$2,088	\$3,745	\$2,621	\$2,651	\$2,820	\$19,527	\$20,417	\$21,178	\$22,066	\$23,077
42																
43	ERAC Rate Components (\$/kWh)															
44	KIUC Fuel Costs	\$0.217	\$0.119	\$0.159	\$0.208	\$0.217	\$0.207	\$0.160	\$0.118	\$0.123	\$0.129	\$0.103	\$0.108	\$0.111	\$0.116	\$0.122
45	KIUC Purchased Power Costs - Existing	\$0.013	\$0.009	\$0.010	\$0.017	\$0.018	\$0.024	\$0.037	\$0.041	\$0.042	\$0.042	\$0.042	\$0.043	\$0.044	\$0.044	\$0.045
46	KIUC Purchased Power Costs - KRS1	NA	NA	NA	NA	\$0.000	\$0.000	\$0.002	\$0.008	\$0.008	\$0.008	\$0.008	\$0.008	\$0.008	\$0.008	\$0.007
47	KIUC Purchased Power Costs - KRS2	NA	NA	NA	NA	\$0.000	\$0.000	\$0.004	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007
48	ERAC Efficiency Adjustment	\$0.030	\$0.020	\$0.016	\$0.003	\$0.007	\$0.004	\$0.008	\$0.006	\$0.006	\$0.006	\$0.042	\$0.044	\$0.046	\$0.047	\$0.049
49	Fuel and purchased power in base rates	(\$0.048)	(\$0.048)	(\$0.118)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.171)	(\$0.171)	(\$0.171)
50	Tax on Fuel and Purchased Power	\$0.019	\$0.007	\$0.005	\$0.005	\$0.006	\$0.006	\$0.003	\$0.000	\$0.001	\$0.001	(\$0.001)	(\$0.001)	(\$0.000)	\$0.000	\$0.001
51	Tax on Efficiency Adjustment	\$0.003	\$0.002	\$0.002	\$0.000	\$0.001	\$0.000	\$0.001	\$0.001	\$0.001	\$0.001	\$0.004	\$0.004	\$0.004	\$0.005	\$0.005
52	Total (before other adjustments)	\$0.233	\$0.108	\$0.073	\$0.063	\$0.079	\$0.070	\$0.044	\$0.009	\$0.015	\$0.022	\$0.034	\$0.042	\$0.048	\$0.056	\$0.065

Appendix D DETAILED RESULTS – EMP ALTERNATIVE SCENARIO 3



Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 1 - Summary of Results

	Alternative Scenario 3 - No Renewable Additions												Average Annual
		Actual					Proje						Change
Line)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2022
1	Unit Revenues (¢/kWh)												
2	Non-Fuel & Purchased Power Charges	40.05	40.00		40.00	40.00		40.40	40.40				
3	Base Rates Without Fuel & Purchased Power	16.65	16.73	16.47	16.69	16.68	18.10	18.10	18.10	18.11	18.11	18.11	
4	Efficiency Premimum in ERAC	0.82	0.49	0.87	0.49	0.47	0.42	0.39	0.34	0.26	0.16	0.06	
5 6	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.34	17.17	17.15	18.52	18.50	18.44	18.36	18.27	18.16	0.4%
7	Fuel and Purchased Power Charges												
8	Fuel & Purchased Power in Base Rates	18.95	18.81	19.09	18.88	18.88	18.87	18.87	18.87	18.86	18.86	18.86	
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.50	2.56	3.38	4.37	5.31	6.36	7.26	8.50	9.87	_
10 11	Fuel and Purchased Power Charges	26.00	25.30	22.60	21.44	22.26	23.25	24.18	25.23	26.13	27.36	28.73	1.0%
12	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.94	38.62	39.40	41.77	42.67	43.67	44.49	45.63	46.90	0.8%
13 14	% Change from 2012	na	-2.2%	-8.1%	-11.2%	-9.4%	-3.9%	-1.8%	0.4%	2.3%	4.9%	7.9%	
15 16	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
17	Long Torm Interest Evange	8,335	7,770	7,721	7,744	7,972	8,051	7,853	7,562	7,297	7.143	7.100	
18	3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	11,289	8,409	7,721	6,397	7,972 5,217	10,076	9,480	9,078	8,606	7,143 7,859	6,939	
	Margins	11,209	0,409	7,429	0,397	5,217	10,076	9,400	9,076	0,000	7,009	0,939	
19 20 21	Equity to Total Assets	25.6%	27.0%	28.4%	30.3%	31.0%	33.7%	36.0%	38.6%	40.7%	42.7%	44.0%	
	Cash Balance(\$000)	\$3,762	\$7,563	\$2,342	\$950	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	
23	Days of Operating Cash on Hand	ψ3,702	17	φ <u>2,</u> 5 4 2	2	φ+,000	φ+,000	Ψ+,000	Ψ+,000	Ψ - ,000 8	ψ 4 ,000 7	Ψ+,000	
24		2.35	2.08	1.96	1.83	1.65	2.25	2.21	2.20	2.18	2.10	1.98	
	Regulatory TIER	2.63	2.37	2.26	2.12	1.94	2.53	2.50	2.50	2.49	2.10	2.30	
	RUS Debt Service Coverage - 1.25 Minimum	2.03 na	1.66	1.58	1.50	1.41	1.61	1.57	1.52	1.47	1.41	1.34	
27		na	1.65	1.57	1.49	1.40	1.60	1.56	1.51	1.47	1.40	1.34	
	Percent of Previous Year's Patronage Capital Retired	na	26%	8%	0%	0%	0%	20%	1.31	17%	15%	9%	
29	·												
30		na	\$23,997	\$28,397	\$18,359	\$22,260	\$20,694	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239	
31		na	10,000	13,322	1,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442	
32		na	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411	
33		na	0	0	5,500	0	0	0	0	0	0	0	
34	Cash Used to Pay for Plant (\$000)	na	4,806	14,413	10,485	4,690	12,378	9,666	9,326	8,386	7,399	6,386	
35													
	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$11,646	\$16,770	\$7,437	\$6,119	\$4,163	\$8,695	\$9,415	\$15,442	
	Debt Used to Repay Short-Term Debt (\$000)	na	10,000	10,000	10,000	0	0	0	0	0	0	0	
38		na	0	0	0	0	0	0	0	0	0	0	
39	Debt Used for Cap Ex (\$000)	na	10,000	13,322	1,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442	
40													
41	() () () () () () () () () ()	\$224	\$219	\$206	\$200	\$204	\$216	\$220	\$225	\$229	\$235	\$241	0.7%
42	% Change from 2012	na	-2.3%	-8.1%	-11.1%	-9.3%	-3.9%	-1.9%	0.3%	2.2%	4.7%	7.5%	
43													
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$40.93	\$9.06	\$0.00	\$0.00	\$0.00	\$27.68	\$21.97	\$20.22	\$17.24	\$9.30	
45													
46													
47	KIUC-Owned	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
48	Purchased	8%	12%	13%	13%	13%	13%	13%	13%	13%	13%	13%	
49	Total	10%	13%	15%	15%	15%	15%	15%	15%	15%	14%	14%	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Assumptions	Data Input	KIUC Assumptions	Data Input
1	Inflation		Other Assumptions	_
2	General Inflation	2.5%	Investment Return	0.125%
3	Distribution O&M	2.5%	Taxes - ERAC	9.8%
4				
5	ERAC Efficiency Premium ("Y"=Yes, "N"=No)	Υ	Efficiency Factor Heat Rate (Btu/	/kWh) 9,850
6			,	•
7	Debt Assumptions		Revenue Tax Multiplier	1.09751
8	New Debt Thru 2014 - Interest Rates	3.5%	·	
9	New DebtAfter 2014 - Interest Rates	5.0%	Number of Days of Cash Working C	Capital in Rate Base
10	New Debt - Construction Interest Rate	3.5%	O&M	61
11	New Debt - Repayment Period (Years)	25	Fuel	15
12	, ,			
13	Patronage Capital		Interest	30
14	Non-Operating Margins Allocated to Patronage Cap	100.0%		
15	Minimum RUS TIER for Capital Credit Retirements	2.00	Inventory as Percentage of Gross P	Plant 3.0%
16	Early Retirements (\$000/year not discounted)	\$125	,	
17	Beginning Year for Early Retirements	2012	Target RUS TIER for Decoupling M	echanism NA
18	Discount Rate for Capital Credit Purchases	5.0%		
19	Blended Term for Capital Credit Purchases	20	Scenario	Alternative Scenario 3 - No Renewable Additions
20				
21	Percent of Customer Advances to CIAC	67%		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
22	Base Year	2013	Debt Assumptions	
23	Inflation		Construction Interest Rate	3.0%
24	General Inflation	2.5%	KRS1 Long Term Interest Rate	3.1%
25	O&M Escalation	1.5%	KRS2 Long Term Interest Rate	5.7%
26			KRS1 and KRS2- Repayment Period/Useful Life (Years)	25
27				
28	Inventory as a Percent of Gross Plant	3.0%	KRS1 Target TIER	1.25
29				
30	KRS1 Cap Ex		Operation Date	
31	2011 Expenditures	\$0	KRS1	Oct-14
32	2012 Expenditures	0	KRS2	Jul-14
33	2013 Expenditures	0		
34	2014 Expenditures	0	Long-Term Financing Date	
35	Total Capital Cost	0	KRS1	Oct-14
36	Less Federal Grant	0	KRS2	Jul-14
37	Closed to Plant	0		
38	Less State Tax Refund	0	Market Value Energy (\$/MWh)	
39	Cash Requirement	\$0	KRS1 and KRS2	\$200
40				
41	KRS2 Cap Ex		Land Lease Expenses	
42	2012 Expenditures	\$0	KRS1 \$/Sq Ft (2012 \$)	\$0.04207
43	2013 Expenditures	0	KRS1 Square Feet	\$2,395,800
44	2014 Expenditures	0	KRS2 \$/Acre Used (2014 \$)	\$900
45	Closed to Plant	\$ -	KRS2 \$/Acre Unused (2014 \$)	\$600
46	Less Equity Investment	0	KRS2 Acres Used	31.42
47	Debt Requirement	\$0	KRS2 Acres Unused	35.79
48	State Tax Refund	\$0		
49			Lease Escalation Rate	3.00%
50	KIUC % Ownership of KRS2		KRS2 GET on KRS2 Land Lease	4.17%
51	Pre-Flip	1%		
52	Post-Flip	95%	KIUC MSA (2012 \$)	
53	Post-Buyout	100%	KRS1	\$50,000
54			KRS2	\$50,000
55	KRS2 Buyout Amount			
56	Amount	\$15,810,964		
57	Year	7		
58	Term Remaining	19		
59	Proceeds	5.0%		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
60	Investment Return	0.125%	Insurance	
61			KRS1	\$37,410
62	Federal Tax Rate	35%	KRS2	\$31,350
63	Alternative Minimum Tax Rate	20%		
64			Target Cash Balance	
65	COD Lease Payment		KRS1	\$10,000
66	KRS1	\$150,000		
67	KRS2	\$0	KRS2 PPA Rate (\$/MWh)	\$125
68				
69	O&M Expenses (2014 \$)			
70	KRS1	\$206,617		
71	KRS2	\$197,733		
72				
73	Real Property Taxes (2014 \$)			
74	KRS1	\$11,592		
75	KRS2	\$542		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

Seles (MWT)						Actual							Projec	ted				
Semigrophis D 169,479 161,948 159,476 159,707 157,278 161,520 162,020 164,482 155,690 168,856 170,942 173,964 175,952 177,924 179,925 179,925 179,92	Line		-	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Samily Commercial Game Fig. F	1																	
Large Commercial J 57.561 6.4,388 53.208 51.807 61.807 61.808 42.268 42.2	2	Residential	D	160,479	161,946	159,426	159,071	157,278	161,520	162,200	164,482	165,690	168,856	170,942	173,604	- ,	177,924	179,923
5 Large Power-Fiemdry L 52,083 42,693 44,991 44,379 46,286 42,986 44,023 45,156 46,138 47,037 47,838 48,652 49,503 50,426 51355 65,1355	3	Small Commercial	G		58,776		59,790	59,664	56,017							58,540	59,048	59,674
Figure F	4	Large Commercial	J	57,561	54,388	53,236	51,859	51,607	48,389	49,241	49,931	50,373	50,616	50,721	50,848	51,015	51,457	52,004
Street Lights Street Light	5	Large Power-Primary	L	52,083	42,639	44,991	44,379	46,286	42,968	44,023	45,156	46,138	47,037	47,838	48,652	49,503	50,426	51,355
Impalation Imp	6	Large Power-Secondary	Р	118,083	114,413	114,522	116,824	115,389	112,104	105,831	108,555	110,916	113,078	115,003	116,961	119,007	121,225	123,458
9 Total 10	7	Street Lights	SL	2,637	2,702	2,730	2,716	2,760	2,481	2,235	1,981	1,719	1,450	1,467	1,485	1,502	1,519	1,536
11 Vearly Change Percentage	8	Irrigation	IRR	1,184	1,410	148	105	175	105	105	105	105	105	105	105	105	105	105
11 Vearly Change Percentage 2.8% 3.9% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.4% 0.0% 0.0% 0.4% 0.0	9	Total	_	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
12 Customer Accounts 14 Residential D 27,301 27,629 27,793 28,010 28,169 42,721 4,198 4,195 42,721 4,198 4,195 4,242 4,303 4,307 4,462 4,529 4,596 4,665 4,735 4,602 4,871 16 Large Commercial J 3,377 3,46 1,275 1,000	10																	
13 Customer Accounts 14 Residential D 27,301 27,629 27,793 28,010 28,169 28,762 29,197 29,860 30,328 30,808 31,208 31,800 32,313 32,821 33,342 15 Small Commercial G 4,305 4,208 4,221 4,198 4,195 4,242 4,303 4,307 4,462 4,529 4,596 4,665 4,735 4,802 4,871 4,195 4,242 4,303 3,30 336 343 348 353 359 364 369 375 360 360 37,75 360 37,75 360 360 37,75 360 37,75 360 37,75 360 37,75 360 37,75 360 37,75 37,75 38,33 37 3,75 38,00 37,75 38,00 37,75 38,00 37,75 38,00 37,75 38,00 37,75 38,00 37,75 38,00 39	11	Yearly Change Percentage		-2.8%	-3.9%	-0.4%	0.0%	-0.4%	-2.2%	-0.8%	1.8%	1.2%	1.5%	1.2%	1.3%	1.2%	1.3%	1.4%
14 Residential Commercial G Commercial Commercial G Commercial G Commercial Commercial G Commercial	12																	
Small Commercial G 4,305 4,208 4,221 4,198 4,195 4,224 4,303 3,497 4,462 4,529 4,596 4,566 4,735 4,802 4,871	13	Customer Accounts																
Large Commercical J 357 348 337 330 326 330 336 343 348 353 359 364 369 375 380 Large Power-Perimary L 16 16 15 15 15 15 15 15	14	Residential	D	27,301	27,629	27,793	28,010	28,169	28,762	29,197	29,860	30,328	30,808	31,298	31,800	32,313	32,821	33,342
17 Large Power-Primary L 16 16 15 15 15 15 15 15	15	Small Commercial	G	4,305	4,208	4,221	4,198	4,195	4,242	4,303	4,397	4,462	4,529	4,596	4,665	4,735	4,802	4,871
Large Power-Secondary	16	Large Commercial	J	357	346	337	330	326	330	336	343	348	353	359	364	369	375	380
Street Lights (Number of Fixtures) Street Li	17	Large Power-Primary	L	16	16	15	15	15	15	15	15	16	16	16	16	17	17	17
Program Figure	18	Large Power-Secondary	Р	109	114	112	115	113	116	117	123	124	126	128	130	131	133	135
Total	19	Street Lights (Number of Fixtures)	SL	3,461	3,519	3,553	3,575	3,587	3,630	3,667	3,720	3,757	3,795	3,833	3,871	3,910	3,949	3,989
Yearly Change Percentage 1.5% 0.8% 0.6% 0.6% 0.6% 0.4% 1.9% 1.5% 2.2% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5	20	Irrigation	IRR	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
23 Yearly Change Percentage 1.5% 0.8% 0.6% 0.6% 0.6% 0.4% 1.9% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5	21	Total	-	35,552	35,835	36,033	36,246	36,408	37,098	37,637	38,461	39,038	39,630	40,233	40,849	41,478	42,100	42,737
Billed Demand (kW) Residential D n/a	22																	
Billed Demand (kW) 26 Residential D n/a n/	23	Yearly Change Percentage		1.5%	0.8%	0.6%	0.6%	0.4%	1.9%	1.5%	2.2%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Residential D n/a	24																	
Small Commercial G n/a	25	Billed Demand (kW)																
28 Large Commercial J 191,155 182,082 175,673 172,507 173,385 159,701 157,957 160,170 161,588 162,369 162,703 163,113 163,647 165,066 166,819 29 Large Power-Primary L 117,658 109,666 108,187 105,996 103,274 98,261 96,372 98,853 101,003 102,972 104,725 106,508 108,371 110,391 112,424 30 Large Power-Secondary P 289,572 294,915 289,910 299,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,511 295,593 301,103 306,650 31 Street Lights IRR n/a n/a <td< td=""><td>26</td><td>Residential</td><td>D</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td><td>n/a</td></td<>	26	Residential	D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
29 Large Power-Primary L 117,658 109,666 108,187 105,996 103,274 98,261 96,372 98,853 101,003 102,972 104,725 106,508 108,371 110,391 112,424 30 Large Power-Secondary P 289,572 294,915 289,910 290,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,512 295,593 301,103 306,650 31 Street Lights SL n/a n/a </td <td>27</td> <td>Small Commercial</td> <td>G</td> <td>n/a</td>	27	Small Commercial	G	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
30 Large Power-Secondary P 289,572 294,915 289,910 290,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,512 295,593 301,103 300,650 31 Street Lights SL n/a	28	Large Commercial	J	191,155	182,082	175,673	172,507	173,385	159,701	157,957	160,170	161,588	162,369	162,703	163,113	163,647	165,066	166,819
31 Street Lights SL n/a	29	Large Power-Primary	L	117,658	109,666	108,187	105,996	103,274	98,261	96,372	98,853	101,003	102,972	104,725	106,508	108,371	110,391	112,424
1 Existing Rates - Customer Charge (\$/customer/month) 3 Existing Rates - Customer Charge (\$/customer/month) 4 Existing Rates - Customer Charge (\$/customer/month) 5 Residential (\$/customer/month) 6 Section (\$/customer/month) 6 Section (\$/customer/month) 6 Section (\$/customer/month) 7 Section (\$/customer/month	30	Large Power-Secondary	Р	289,572	294,915	289,910	290,516	289,383	283,492	262,867	269,634	275,498	280,867	285,649	290,512	295,593	301,103	306,650
33 Existing Rates - Customer Charge (\$/customer/month) 35 Residential D \$9.72 \$9.72 \$10.22 \$10.58 \$1	31	Street Lights	SL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Existing Rates - Customer Charge (\$/customer/month) Residential D \$9.72 \$9.72 \$10.22 \$10.58 \$10	32	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
35 Residential D \$9.72 \$9.72 \$10.22 \$10.58	33																	
35 Residential D \$9.72 \$9.72 \$10.22 \$10.58	34	Existing Rates - Customer Charge (\$/custo	mer/month)														
37 Large Commercial J 36.48 36.48 38.35 39.69 39	35				\$9.72	\$10.22	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58
38 Large Power-Primary L 334.35 346.18 355.0	36	Small Commercial	G	21.89	21.89	23.01	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82
38 Large Power-Primary L 334.35 346.18 355.0	37	Large Commercial	J	36.48	36.48	38.35	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69	39.69
39 Large Power-Secondary P 346.51 346.51 359.78 369.38 369	38		Ĺ	334.35												355.08		
40 Street Lights (Fixture Charge) SL 5.78 5.78 6.06 6.29 6.29 6.29 6.29 6.29 6.29 6.29 6.2	39		Р															
41 Irrigation																		
42	42	3																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual		I					Proje	cted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	Existing Rates - Energy Base Rates	(\$/kW	/h)														
44	Residential	D	\$0.17022	\$0.17374	\$0.27270	\$0.34919	\$0.34893	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743
45	Small Commercial	G	0.18804	0.19125	0.28867	0.35960	0.35968	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769
46	Large Commercial	J	0.15697	0.16041	0.25551	0.32647	0.32552	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390
47	Large Power-Primary	L	0.13341	0.13643	0.22311	0.29131	0.28770	0.28823	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901
48	Large Power-Secondary	Ρ	0.14329	0.14658	0.23579	0.30351	0.30289	0.30153	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198
49	Street Lights	SL	0.22913	0.23330	0.33710	0.41758	0.41940	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530
50	Irrigation	IRR	0.35085	0.18735	0.24215	0.32090	0.33100	0.31935	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100
51																	
52	Existing Rates - Demand Base Rate	es (\$/K	W)														
53	Residential	D	n/a														
54	Small Commercial	G	n/a														
55	Large Commercial	J	\$6.08	\$6.08	\$6.41	\$6.62	6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62
56	Large Power-Primary	L	13.13	13.13	\$13.61	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
57	Large Power-Secondary	Ρ	10.45	10.45	\$10.86	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14
58	Street Lights	SL	n/a														
59	Irrigation	IRR	n/a														
60																	
61	Revenues at Existing Rates (\$000)																
62	Residential	D	\$30,501	\$31,359	\$46,884	\$59,103	\$58,456	\$59,768	\$60,060	\$60,937	\$61,416	\$62,577	\$63,364	\$64,353	\$65,233	\$65,983	\$66,744
63	Small Commercial	G	12,745	12,346	18,336	22,701	22,659	21,249	21,441	21,751	21,951	22,070	22,132	22,204	22,292	22,493	22,737
64	Large Commercial	J	10,354	9,983	14,883	18,230	18,102	16,888	17,155	17,396	17,551	17,638	17,676	17,723	17,783	17,938	18,129
65	Large Power-Primary	L	8,557	7,321	11,574	14,470	14,820	13,818	14,129	14,494	14,809	15,097	15,354	15,615	15,888	16,184	16,482
66	Large Power-Secondary	Р	20,399	20,327	30,637	39,203	38,675	37,474	35,405	36,328	37,114	37,835	38,477	39,130	39,813	40,552	41,296
67	Street Lights	SL	844	874	1,179	1,404	1,428	1,304	1,205	1,103	997	888	898	909	919	929	939
68	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	35
69	Total		\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
70																	
71	Fuel and ERAC Revenues (\$000)																
72	Residential	D	\$37,021	\$17,401	\$11,715	\$9,929	\$12,330	\$11,283	\$7,110	\$5,015	\$6,369	\$8,098	\$9,748	\$11,623	\$13,230	\$15,406	\$17,868
73	Small Commercial	G	14,354	6,393	4,201	3,768	4,695	3,914	2,478	1,747	2,222	2,786	3,319	3,907	4,402	5,113	5,926
74	Large Commercial	J	13,404	5,879	3,826	3,255	4,067	3,381	2,159	1,522	1,936	2,427	2,893	3,404	3,836	4,456	5,164
75	Large Power-Primary	L	12,382	4,678	3,322	2,769	3,668	3,002	1,931	1,377	1,774	2,256	2,728	3,257	3,722	4,366	5,100
76	Large Power-Secondary	Р	27,861	12,389	8,300	7,377	9,123	7,833	4,641	3,310	4,264	5,423	6,558	7,831	8,949	10,497	12,261
77	Street Lights	SL	613	286	203	170	219	173	98	60	66	70	84	99	113	132	153
78	Irrigation	IRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
79	Total		\$105,635	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$13,032	\$16,631	\$21,059	\$25,330	\$30,122	\$34,252	\$39,969	\$46,473
80																	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

							Projec	cted									
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81	Total Revenues at Existing Rates inc	luding	Fuel and E	RAC (\$000))												
82	Residential	D	\$67,522	\$48,760	\$58,600	\$69,032	\$70,785	\$71,051	\$67,170	\$65,952	\$67,785	\$70,675	\$73,112	\$75,976	\$78,463	\$81,389	\$84,612
83	Small Commercial	G	27,099	18,739	22,537	26,469	27,354	25,163	23,919	23,498	24,173	24,856	25,451	26,111	26,694	27,606	28,663
84	Large Commercial	J	23,758	15,862	18,709	21,485	22,169	20,269	19,314	18,918	19,487	20,065	20,569	21,127	21,619	22,394	23,293
85	Large Power-Primary	L	20,940	11,999	14,896	17,239	18,488	16,820	16,060	15,871	16,583	17,353	18,082	18,872	19,610	20,550	21,582
86	Large Power-Secondary	Р	48,260	32,716	38,937	46,579	47,798	45,307	40,046	39,638	41,378	43,258	45,035	46,961	48,762	51,049	53,557
87	Street Lights	SL	1,458	1,161	1,381	1,574	1,647	1,478	1,303	1,164	1,063	958	982	1,008	1,032	1,060	1,091
88	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	36
89	Total		\$189,451	\$129,500	\$155,095	\$182,411	\$188,299	\$180,122	\$167,846	\$165,076	\$170,504	\$177,199	\$183,266	\$190,091	\$196,214	\$204,082	\$212,835
90																	
91	Average Residential Bill Calculation																
92	Avg. Monthly kWh		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
93	Base without Increases		\$97.17	\$97.17	\$146.57	\$185.18	\$185.05	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30
94	Base with Increases		97.17	97.17	146.57	185.18	185.05	184.30	184.30	184.30	184.30	191.67	191.67	191.67	191.67	191.67	191.67
95	ERAC		116.70	54.07	36.33	31.37	39.38	34.93	21.87	15.25	19.22	23.98	28.51	33.48	37.60	43.29	49.66
96	Total Bill		\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$206.16	\$199.54	\$203.51	\$215.65	\$220.18	\$225.14	\$229.26	\$234.96	\$241.32
96	i otai Bili		\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$206.16	\$199.54	\$203.51	\$215.65	\$220.18	\$225.14	\$229.26	\$234.96	\$241.32

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

	Alternative Scenario 3 - No Renewable Additions															
				Actual							Proje					
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
4	Operation Devenue															
1 2	Operating Revenue Base Rate Revenue at Existing Rates	\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
3	ERAC Revenues at Target Heat Rate	105,635	47,025	31,566	27,268	34,101	29,587	18,372	13,032	16,631	21,059	25,330	30,122	34,252	39,969	46,472
3 4	% of Base	105,635	47,025	31,500	27,200	34, 101	29,567	10,372	13,032	10,031	21,059	25,330	30,122	34,232	39,969	40,472
5	Year Sales Revenue															
6	2013 0.0%						0									
7	2014 0.0%						O O	0								
8	2015 0.0%							O	0							
9	2016 0.0%								Ü	0						
10	2017 4.0%									Ü	6,246	6,317	6,399	6,478	6,565	6,654
11	2018 0.0%										0,240	0,017	0,000	0,470	0,000	0,004
12	2019 0.0%											ŭ	0			
13	2020 0.0%													0		
14	2021 0.0%														0	\$0
15	2022 0.0%															0
16	Rate Revenue from Rate Increases Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,246	\$6,317	\$6,399	\$6,478	\$6,565	\$6,654
17	Other Operating Revenues	174	161	159	168	153	153	162	162	162	162	162	162	162	162	162
18	Total Operating Revenues	\$189,625	\$129,661	\$155,254	\$182,579	\$188,452	\$180,275	\$167,963	\$165,238	\$170,666	\$183,607	\$189,746	\$196,652	\$202,855	\$210,809	\$219,650
19																
20	Operating Expenses															
21	Purchased Power															
22	KRS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	KRS-2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other	5,961	3,724	4,212	7,650	8,644	10,017	11,052	11,042	11,245	11,392	11,526	11,689	11,887	12,006	12,157
25	Power Production - Fuel	98,148	51,952	68,900	90,533	94,033	87,605	75,432	72,452	76,485	81,620	86,329	91,720	96,549	103,064	110,355
26	Power Production - Non-Fuel - Existing	14,415	12,917	13,701	14,917	15,426	14,751	14,637	15,211	15,613	16,139	16,609	17,140	17,623	18,164	18,725
27	Power Production - Non-Fuel - New	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	Transmission O&M	947	1,030	1,071	1,046	900	1,066	1,066	1,123	1,194	1,224	1,277	1,342	1,376	1,410	1,445
29	Distribution O&M	3,642	3,645	3,857	4,055	3,672	3,964	4,063	4,165	4,269	4,376	4,485	4,597	4,712	4,830	4,951
30	Consumer Accounts and Sales	3,320	3,196	3,218	3,161	3,348	3,230	3,311	3,393	3,478	3,565	3,654	3,746	3,839	3,935	4,034
31 32	Regulatory Commission Expenses - HPUC Fees Administrative and General	947	648	775	912	942	901	840	826	853	918	949	983	1,014	1,054	1,098
33	KRS-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	KRS-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	Other	11,239	10,620	13,377	13,855	13,012	13,551	13,890	14,237	14,593	14,958	15,332	15,715	16,108	16,511	16,924
36	Depreciation and Amortization	16,450	16,736	14,595	13,372	13,435	14,213	14,731	15,336	15,796	16,267	16,732	16,998	17,261	17,601	17,971
37	Franchise & PSC Taxes	15,923	10,730	13,003	15,289	15,783	15,181	14,145	13,915	14,372	15,462	15,979	16,561	17,083	17,753	18,497
38	Other Taxes	104	77	45	(0)	15,765	0	0	13,313	0	0	0	0	0	0	0
39	Interest Expense on Long-Term Debt	104		40	(0)	Ŭ	Ü	Ü	Ü	Ü	Ü	Ü	Ü	Ü	Ü	Ü
40	Existing Debt	9.941	9.502	9.061	8.669	8,335	7.605	7.194	6.765	6.325	5.849	5.360	4.856	4.328	3.778	3,198
41	KRS-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Other New Debt	0	0	0	0	0	165	527	979	1,646	2.202	2,493	2,705	2,970	3.365	3,902
43	Other Interest Expense									•	•	•				•
44	KRS-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Other	65	82	164	131	548	349	390	101	102	104	106	107	109	110	112
46	Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	Contributions and Other Deductions	97	77	121	86	103	69	69	69	69	69	69	69	69	69	69
48	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0_
49	Total Operating Expenses	\$181,198	\$125,069	\$146,101	\$ 173,675	\$178,180	\$172,668	\$161,347	\$159,615	\$166,043	\$174,145	\$180,901	\$188,230	\$194,928	\$203,652	\$213,438
50																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

Alternative Scenario 3 - No Renewable Additions															
			Actual							Proje	cted				
Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
51 Patronage Capital and Operating Margins	\$8,427	\$4,593	\$9,153	\$8,904	\$10,271	\$7,607	\$6,616	\$5,624	\$4,623	\$9,462	\$8,845	\$8,422	\$7,927	\$7,157	\$6,212
52 Income (Loss) from KRS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53 Income (Loss) from KRS 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54 Capital Credits & Patronage Dividends	59	40	40	30	34	40	40	40	40	40	40	40	40	40	40
55 A&G Income - KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56 A&G Income - KRS2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57 Interest Income - KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
58 Interest Income - Other	909	786	20	43	233	21	3	1	5	5	5	5	5	5	5
59 Interest Income COC	0	0	618	517	546	574	603	565	383	402	423	444	467	491	516
60 Other Revenue and Expense	159	156	125	195	205	167	167	167	167	167	167	167	167	167	167
61 Total Margins	\$9,554	\$5,574	\$9,956	\$9,688	\$11,289	\$8,409	\$7,429	\$6,397	\$5,217	\$10,076	\$9,480	\$9,078	\$8,606	\$7,859	\$6,939
62															
63 <u>RUS</u>															
64 Total TIER	1.96	1.59	2.10	2.12	2.35	2.08	1.96	1.83	1.65	2.25	2.21	2.20	2.18	2.10	1.98
65															
66 Regulatory															
67 Total TIER	2.19	1.83	2.35	2.38	2.63	2.37	2.26	2.12	1.94	2.53	2.50	2.50	2.49	2.42	2.30
68															

	Alternative Scenario 3 - No Renewable Addition	.5		Actual		ĺ					P	rojected				
Line	_	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	ASSETS AND OTHER DEBITS															
2	Total Utility Plant	\$438.705	\$453,415	\$462,666	\$478.307	\$494.066	\$504.284	\$527.275	\$539.943	\$556,248	\$570.824	\$581,158	\$589.112	\$600.603	\$611.762	\$627.827
3	Accumulated Provision for Depr and Amort	(198,672)	(211,674)	(221,234)	(230,027)	(238,616)	(248,303)	(258,247)	(268,555)	(279,108)	(290,022)	(301,159)	(312,446)	(323,909)	(335,607)	(347,599)
4	Net Utility Plant in Service	\$240,033	\$241,741	\$241,431	\$248,279	\$255,450	\$255,981	\$269,028	\$271,388	\$277,141	\$280,803	\$279,999	\$276,665	\$276,695	\$276,155	\$280,228
5	,,	4= :-,	* =,	*=,	4 =,=	,,	+===,==	*===;===		*=,						
6	Other Property and Investments															
7	Non-Utility Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Investment in KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Investment in KRS2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Other Investments	1,000	1,261	1,247	6,787	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
11	Total Other Property and Investments	\$1,000	\$1,261	\$1,247	\$6,787	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501
12 13	Current Assets															
14	Current Assets Cash															
15	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	KRS2	э́0	φ0 0	φυ 0	φ0 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0
17	Other	26,001	2,919	6,096	3,437	3,762	7,563	2,342	950	4,000	4,000	4,000	4,000	4,000	4,000	4,000
18	Accounts Receivable	9,576	10,849	9,695	12,164	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868
19	Inventory	13,157	13,320	14,217	14,033	14,788	15,004	15,782	16,162	16,650	17,086	17,395	17,633	17,977	18,311	18,792
20	Prepaids	1,110	1,196	955	987	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
21	Other Current Assets	7,302	7,275	8.167	8,059	9.394	9.394	9.394	9,394	9,394	9.394	9.394	9.394	9.394	9.394	9,394
22	Total Current Assets	57,145	35,559	39,131	38,679	43,033	47,139	42,607	41,594	45,133	45,569	45,878	46,116	46,460	46,794	47,274
23	Regulatory Assets	4,338	5,559	5,914	5,357	6,966	6,674	6,381	6,089	5,797	5,505	5,212	4,920	4,628	4,335	4,116
24	Deferred Debits	82	331	421	89	121	121	121	121	121	121	121	121	121	121	121
25	Total Assets and Other Debits	\$302,598	\$284.451	\$288,144	\$299.191	\$307,072	\$311.417	\$319,639	\$320,694	\$329.692	\$333,499	\$332.712	\$329.323	\$329.405	\$328.907	\$333.242
26						*** ,*										
27	EQUITIES AND LIABILTIIES															
28	Margins and Equities															
29	Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Patronage Capital															
31	KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	KRS2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Other	48,144	51,316	59,756	68,384	78,371	83,702	90,366	96,638	101,730	111,682	119,011	126,337	133,302	139,727	145,826
34	Other Margins and Equities	0	952	1,162	963	174	252	330	408	486	564	642	720	798	876	954
35	Unrealized Gain(Loss) on Investments	(306)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Total Margins and Equities	\$47,838	\$52,268	\$60,919	\$69,347	\$78,546	\$83,955	\$90,697	\$97,047	\$102,217	\$112,246	\$119,653	\$127,058	\$134,100	\$140,604	\$146,780
37 38	Non-Current Liabilities Long-Term Debt															
39	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	Other	216,855	207,935	198,675	189,015	188,916	187,583	185,707	184,794	188,306	181,854	173,461	162,434	155,203	147,850	145,857
41	Cushion of Credit	(9,404)	(15,115)	(10,155)	(10,724)	(11,270)	(11,845)	(12,448)	(7,513)	(7,896)	(8,298)	(8,720)	(9,165)	(9,632)	(10,122)	(10,638)
42	Post-Retirement Benefit Obligation	3,858	2,384	1,981	1,881	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
43	Total Non-Current Liabilities	\$211,308	\$195,204	\$190,501	\$180,172	\$180,028	\$178,121	\$175,642	\$179,664	\$182,793	\$175,938	\$167,123	\$155,652	\$147,954	\$140,110	\$137,602
44	Current Liabilities	Ψ2.1,000	ψ.00,20.	ψ.ου,ου.	ψ.00, <u>z</u>	ψ.00,0 <u>2</u> 0	ψο,	ψo,σ.i2	ψσ,σσ.	ψ.02,700	ψσ,σσσ	Ψ.σ.,.2σ	ψ.00,002	Ψ,σσ.	ψ,	ψ.σ.,σσ2
45	Current Portion of Long-Term Liab															
46	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	Other	8,487	8,876	9,261	9,661	10,395	11,239	11,875	12,559	13,258	13,890	14,512	15,189	15,926	16,768	17,435
48	Accounts Payable	5.665	7.439	7,338	7,981	6,251	6,251	6,251	6,251	6,251	6.251	6.251	6.251	6.251	6.251	6,251
49	Notes Payable to KRS1	0	0	0	0	0,201	0,201	0,201	0,20	0,201	0,201	0,201	0	0	0	0,201
50	Notes Payable - KRS 1	0	Ö	0	5.000	7,500	0	0	0	0	0	Ö	Ö	Ö	0	0
51	Notes Payable - Other	Ö	2,000	0	3,700	6,678	6,678	10,000	0	Ö	ő	0	Ö	Ö	0	Ö
52	Consumer Deposits	884	1,138	1,049	1,248	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273
53	Interest Accrued Debt KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	Other Liabilities	15,351	7,146	9,448	12,438	12,672	12,672	12,672	12,672	12,672	12,672	12,672	12,672	12,672	12,672	12,672
55	Total Current Liabilities	\$30,388	\$26,598	\$27,096	\$40,028	\$44,768	\$38,112	\$42,071	\$32,755	\$33,453	\$34,085	\$34,707	\$35,385	\$36,121	\$36,963	\$37,630

	_			Actual							Pr	ojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
56	Regulatory Liabilities	4,019	3,726	3,434	3,142	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849
57	Deferred Credits	9,045	6,654	6,194	6,502	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932
58	Total Liabilities	\$254,760	\$232,182	\$227,225	\$229,844	\$236,578	\$228,014	\$229,494	\$224,200	\$228,027	\$221,804	\$213,611	\$202,818	\$195,856	\$188,855	\$187,013
59																
60	Total Equities and Liabilities	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$311,969	\$320,191	\$321,246	\$330,244	\$334,051	\$333,264	\$329,875	\$329,957	\$329,459	\$333,793
61																
62																
63	FINANCIAL RATIOS															
64	Equity to Total Assets	15.81%	18.38%	21.14%	23.18%	25.58%	26.96%	28.37%	30.26%	31.00%	33.66%	35.96%	38.58%	40.71%	42.75%	44.05%
65	Working Capital (Days of Operating Expenses)	55	9	16	8	8	17	6	2	9	9	8	8	8	7	7
66																
67																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan

Table 6 - Statement of Operations - Cash Basis (\$000)

						Pro	jected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Total Accrual Margins	\$8,409	\$7.429	\$6,397	\$5,217	\$10.076	\$9,480	\$9.078	\$8.606	\$7.859	\$6.939
2	Add: Depreciation and Amortization	14,677	15,195	15,800	16,260	16,731	17,195	17,462	17,725	18,065	18,434
3	Add: Interest Exp - Existing Long-Term Debt	7.605	7.194	6.765	6,325	5.849	5.360	4.856	4,328	3.778	3,198
4	Add: Interest Exp - KRS1 Long-Term Debt	0	0	0,700	0,020	0,010	0,000	0,000	0	0,770	0,100
5	Add: Interest Exp - Other New Long-Term Debt	165	527	979	1,646	2,202	2,493	2,705	2,970	3,365	3,902
6	Less: Capital Credits, Pat Cap, and KRS1/KRS2 Income (Loss)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)
7	Less: COC Interest Income	(574)	(603)	(565)	(383)	(402)	(423)	(444)	(467)	(491)	(516)
8	Less: Capitalized Interest	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´	` o´
9	Cash from Operations	\$30,241	\$29,701	\$29,335	\$29,026	\$34,416	\$34,066	\$33,617	\$33,121	\$32,537	\$31,918
10	·										
11	Debt Service - Long Term										
12	Existing - Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
13	Existing - Principal	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
14	KRS1 Interest	0	0	0	0	0	0	0	0	0	0
15	KRS1 Principal	0	0	0	0	0	0	0	0	0	0
16	Other New - Interest	165	527	979	1,646	2,202	2,493	2,705	2,970	3,365	3,902
17	New - Principal	93	314	523	767	992	1,138	1,257	1,408	1,596	1,861
18	Other - Interest	0	0	0	0	0	0	0	0	0	0
19	Total Debt Service	\$18,259	\$18,960	\$19,619	\$20,531	\$21,308	\$21,743	\$22,074	\$22,487	\$23,069	\$23,868
20											
21	Cash Margins After Debt Service	\$11,982	\$10,741	\$9,716	\$8,495	\$13,107	\$12,322	\$11,543	\$10,634	\$9,468	\$8,049
22											
23	Additional Sources of Cash										
24	Proceeds from Long-Term Debt	\$10,000	\$10,000	\$11,646	\$16,770	\$7,437	\$6,119	\$4,163	\$8,695	\$9,415	\$15,442
25	Proceeds from Short-Term Debt	10,000	13,322	0	0	0	0	0	0	0	0
26	Proceeds from RUS Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
27	Free Cash Flow From		_		_						
28	KRS1	0	0	0	0	0	0	0	0	0	0
29	KRS2	0	0	0	0	0	0	0	0	0	0
30	Principal Income from KRS1	0	0	0	0	0	0	0	•	0	0
31 32	CIAC/Grant Funds/Advances	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
32	Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
34	Additional Uses of Cash										
3 4 35	Total Additions and Replacements	(23,997)	(28,397)	(18,359)	(22,260)	(20,694)	(16,752)	(14,552)	(18,249)	(18,098)	(23,239)
36	Refund of Customer Advances	(23,997)	(20,397)	(16,339)	(260)	(20,094)	(315)	(346)	(16,249)	(419)	(461)
37	Inventory Buildup	(306)	(688)	(379)	(488)	(436)	(309)	(238)	(344)	(334)	(481)
38	Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	(400)	(430)	(309)	(230)	(344)	(334)	(401)
39	Regular Capital Credit Retirements	(2,953)	(10,000)	(10,000)	0	0	(2,026)	(1,627)	(1,516)	(1,309)	(716)
40	Early Retirement of Capital Credits	(2,933)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
41	Larry Notification of Capital Credits	(47)	(77)	(47)	(77)	(77)	(77)	(77)	(47)	(77)	(71)
42	Total Additional Sources and Uses of Cash	(\$8,181)	(\$15,962)	(\$11,107)	(\$5,445)	(\$13,107)	(\$12,323)	(\$11,544)	(\$10,634)	(\$9,467)	(\$8,050)
	. Star / Walteria. Sources and Good of Gaoif	(ψο, ιοι)	(\$10,002)	(\$11,107)	(ψο, 1.10)	(\$10,101)	(4.2,020)	(\$11,017)	(Ψ10,001)	(ψο, 101)	(ψο,σσσ)

						Pr	ojected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43											
44	Net Change in Cash Including KRS1/KRS2-Related	\$3,801	(\$5,221)	(\$1,391)	\$3,050	\$0	(\$0)	(\$1)	\$0	\$0	(\$1)
45	Less KRS1/KRS2-Related Net Change In Cash	0	0	0	0	0	0	0	0	0	0
46	Total Net Change in Cash	\$3,801	(\$5,221)	(\$1,391)	\$3,050	\$0	(\$0)	(\$1)	\$0	\$0	(\$1)
47											
48	TIER Calculation										
49	Long-Term Interest Payment	\$7,770	\$7,721	\$7,744	\$7,972	\$8,051	\$7,853	\$7,562	\$7,297	\$7,143	\$7,100
50	Total TIER	2.08	1.96	1.83	1.65	2.25	2.21	2.20	2.18	2.10	1.98
51											
52	RUS Debt Service Coverage Ratio										
53	Net Margins	\$8,409	\$7,429	\$6,397	\$5,217	\$10,076	\$9,480	\$9,078	\$8,606	\$7,859	\$6,939
54	Interest on Long Term Debt	7,770	7,721	7,744	7,972	8,051	7,853	7,562	7,297	7,143	7,100
55	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	16,732	16,998	17,261	17,601	17,971
56	Adjusted Margins	\$ 30,392	\$ 29,881	\$ 29,476	\$ 28,985	\$ 34,395	\$ 34,065	\$ 33,638	\$ 33,164	\$ 32,604	\$ 32,010
57											
58	Debt Service	\$ 18,259	\$ 18,960	\$ 19,619	\$ 20,531	\$ 21,308	\$ 21,743	\$ 22,074	\$ 22,487	\$ 23,069	\$ 23,868
59	RUS DSC Ratio	1.66	1.58	1.50	1.41	1.61	1.57	1.52	1.47	1.41	1.34
60											
61	CFC Debt Service Coverage Ratio										
62	Operating Margins	\$7,607	\$6,616	\$5,624	\$4,623	\$9,462	\$8,845	\$8,422	\$7,927	\$7,157	\$6,212
63	Non-Operating Margins - Interest	596	606	566	388	407	428	449	472	496	521
64	Interest on Long Term Debt	7.770	7.721	7,744	7,972	8,051	7,853	7,562	7,297	7,143	7,100
65	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	16,732	16,998	17,261	17,601	17,971
66	apital Credits Received	0	, 0	0	0	0	0	0	0	0	0
67	Adjusted Margins	\$ 30,185	\$ 29,674	\$ 29,269	\$ 28,778	\$ 34,188	\$ 33,858	\$ 33,431	\$ 32,957	\$ 32,397	\$ 31,803
68	.,	, , , , , ,	,.	, .,	, ,	, , , , , ,	,,	, .	, ,,,,,	, , , , , ,	, ,,,,,,,
69	Debt Service	\$ 18,259	\$ 18,960	\$ 19,619	\$ 20,531	\$ 21.308	\$ 21,743	\$ 22,074	\$ 22,487	\$ 23,069	\$ 23,868
70	CFC DSC Ratio	1.65	1.57	1.49	1.40	1.60	1.56	1.51	1.47	1.40	1.33
71											
72	Patronage Refund Over 2.0 RUS TIER	(\$2,953)	(\$639)	\$0	\$0	\$0	(\$2,026)	(\$1,627)	(\$1,516)	(\$1,309)	(\$716)
73	g	(, ,,,,,,	(,,,,,	•		•	(, ,,	(, ,- ,	(, ,,	(, ,,	(, -,
74	Capital Credits Balance - Excluding KRS1 and KRS2										
75	Balance (Beg Yr)	\$78,371	\$83,702	\$90,366	\$96,638	\$101,730	\$111,682	\$119,011	\$126,337	\$133,302	\$139,727
76	Retirements	(2,953)		0	0	0	(2,026)	(1,627)	(1,516)	. ,	
77	Early Retirements	(125)		(125)	(125)	(125)		(125)	(125)		
78	Additions	8,409	7,429	6,397	5,217	10,076	9,480	9,078	8,606	7,859	6,939
79	Balance (End Yr)	\$83,702	\$90,366	\$96,638	\$101,730	-,	\$119,011	\$126,337	\$133,302	\$139,727	\$145,826
80	,	,	,	,	,	, ,	,	,	,	, =-	,

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 7 - General Funds Summary (\$000)

						Pro	ojected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	KIUC NET GENERAL FUNDS - BEGINNING OF YEAR	\$3,762	\$7,563	\$2,342	\$950	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
2											
3	SOURCES OF GENERAL FUNDS										
4	Cash Margins after Debt Service	\$11,982	\$10,741	\$9,716	\$8,495	\$13,107	\$12,322	\$11,543	\$10,634	\$9,468	\$8,049
5	Long Term Debt Loan Proceeds	10,000	10,000	11,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442
6	Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
7	Principal Income from KRS1	0	0	0	0	0	0	0	0	0	0
8	Proceeds from Short-Term Debt	10,000	13,322	0	0	0	0	0	0	0	0
9	Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
10	Change in KRS1-Related Cash	0	0	0	0	0	0	0	0	0	0
11	Change in KRS2-Related Cash	0	0	0	0	0	0	0	0	0	0
12	Total Sources of General Funds	\$32,022	\$34,103	\$26,902	\$25,305	\$20,584	\$18,481	\$15,746	\$19,369	\$18,923	\$23,531
13											
14	USES OF GENERAL FUNDS										
15	Regular Capital Credit Retirements	(\$2,953)	(\$639)	\$0	\$0	\$0	(\$2,026)	(\$1,627)	(\$1,516)	(\$1,309)	(\$716)
16	Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
17	Net Additions and Replacements	(14,806)	(27,735)	(17,631)	(21,460)	(19,815)	(15,785)	(13,489)	(17,081)	(16,814)	(21,828)
18	Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
19	Inventory Buildup	(306)	(688)	(379)	(488)	(436)	(309)	(238)	(344)	(334)	(481)
20	Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	0	0	0	0	0	0	0
21	Total Uses of General Funds	(\$28,221)	(\$39,324)	(\$28,293)	(\$22,255)	(\$20,584)	(\$18,482)	(\$15,747)	(\$19,369)	(\$18,922)	(\$23,532)
22			•			•	-	•	-		•
23	KIUC NET GENERAL FUNDS - END OF YEAR	\$7,563	\$2,342	\$950	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000

						Proje					
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	UTILITY PLANT										
2	Plant-in-Service - BOY	\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$515,972	\$526,305	\$534,259	\$543,551	\$556,909
3	Acquisition Adjustment - BOY	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852
4	CWIP - BOY	18,902	5,715	7,169	550	7,010	0	0	0	2,200	0
5	Total Utility Plant - BOY	\$494,066	\$504,284	\$527,275	\$539,943	\$556,248	\$570,824	\$581,157	\$589,111	\$600,603	\$611,761
6											
7											
8	ADDITIONS AND REPLACEMENTS										
9	Generation										
10	Hydropower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Hydropower Capitalized Interest	0	0	0	0	0	0	0	0	0	0
12	SWD CO Catalysts Install	150	0	0	0	0	0	0	0	0	0
13	EMD CO Catalysts Install	300	0	0	0	0	0	0	0	0	0
14	HRSG MCC Replacement	100	0	0	0	0	0	0	0	0	0
15	Waiahi Upper Powerhouse Expansion	0	3,489	0	0	0	0	0	0	0	0
16	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
17	LFG	0	0	0	0	0	0	0	0	0	0
18	Titan or Alternative	0	0	0	0	0	0	0	0	0	0
19	Other Non-Recurring Projects	5,130	1,928	0	0	0	5,050	2,000	2,000	2,000	2,000
20	Other Recurring Projects	925	950	850	850	850	850	950	1,600	1,600	850
21	Transmission and Distribution										
22	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	9,000	0	0	0	0	0
23	Anahola Service Center	200	4,692	0	0	0	0	0	0	0	0
24	Princeville Substation Upgrade	152	0	0	0	0	0	0	0	0	0
25	Replacement GIS Mapping System	250	50	0	0	0	0	0	0	0	0
26	Kipu 12 kV Reroute	100	300	0	0	0	0	0	0	0	0
27	Wailua Corridor Undergrounding	1,666	834	0	0	0	0	0	0	0	0
28	RUS Standards Compliance	50	75	0	0	0	0	0	0	0	0
29	Hanalei Tap Reconfiguration	0	50	500	1,000	0	0	0	0	0	0
30	New T&D Warehouse and Field Offices	0	0	1,500	0	0	0	0	0	0	0
31	HCP - C2 Waiakea Canal Crossing	245	147	0	0	0	0	0	0	0	0
32	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
33	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
34	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
35	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	1,122	0
36	Other Non-Recurring Projects										
37	Transmission	2,401	1,945	4,398	1,581	1,040	0	0	0	0	6,000
38	Distribution	0	0	0	0	0	0	0	0	0	0

					Projec					
ne	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Recurring Projects										
) Transmission	840	710	620	3,231	542	479	468	482	498	5
1 Distribution	5,934	6,492	7,375	6,076	7,184	7,759	8,389	9,080	9,837	10,6
2 Other	40	44	48	53	59	64	71	78	86	
3 Other Projects										
Non-Recurring Projects	535	1,305	555	1,055	500	1,000	1,100	1,210	1,331	1,4
5 Recurring Projects	1,730	1,467	1,401	1,405	1,520	1,549	1,574	1,599	1,625	1,6
6 Carryover Projects										
7 AEPO Substation (Kumanu)	530	3,920	1,112	0	0	0	0	0	0	
SPCC Substation Compliance	220	0	0	0	0	0	0	0	0	
AMI/Advanced Metering Infrastructure	2,500	0	0	0	0	0	0	0	0	
D Battery Energy Storage	0	0	0	0	0	0	0	0	0	
Other Carryover Projects	0	0	0	0	0	0	0	0	0	
2 Total Additions and Replacements	\$23,997	\$28,397	\$18,359	\$22,260	\$20,694	\$16,752	\$14,552	\$18,249	\$18,098	\$23,
B Less Customer Advances	(2,880)	(651)	(716)	(788)	(867)	(953)	(1,049)	(1,153)	(1,269)	(1,
Less CIAC	(9)	(11)	(12)	(12)	(13)	(14)	(14)	(15)	(15)	
5 Less AMI Funding	(6,302)	` o´								
Total Cap Ex Cash Requirements	\$14,806	\$27,735	\$17,631	\$21,460	\$19,815	\$15,785	\$13,489	\$17,081	\$16,814	\$21.
	, ,	,	. ,	,	,		. ,	, ,	. ,	
CONSTRUCTION WORK IN PROGRESS										
Hydropower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Hydropower Capitalized Interest	0	0	0	0	0	0	0	0	0	
Hydropower Capitalized Interest SWD CO Catalysts Install	0	0	0	0	0	0	0	0	0	
EMD CO Catalysts Install	0	0	0	0	0	0	0	0	0	
HRSG MCC Replacement	0	0	0	0	0	0	Ö	Ö	0	
Waiahi Upper Powerhouse Expansion	0	0	0	0	0	0	0	Ö	0	
···	0	0	0	0	0	0	0	0	0	
Waiahi Lower Powerhouse Upgrade LFG	0	0	0	0	0	0	0	0	0	
Titan or Altennative	0	0	0	0	0	0	0	0	0	
	0	0	0	7,010	0	0	0	0	0	
North Shore Transmission Line Capital Expenditures Anahola Service Center	200	0	0	7,010	0	0	0	0	0	
Princeville Substation Upgrade	0	0	0	0	0	0	0	0	0	
Repace GIS Mapping System	250	0	0	0	0	0	0	0	0	
Kipu 12 kV Reroute	100	-	0	•	0	0	0	0	0	
		0	-	0	0	0	0		0	
Wailua Corridor Undergrounding	1,666	0	0	•	-	-	-	0	-	
RUS Standards Compliance	50	0	0	0	0	0	0	0	0	
Hanalei Tap Reconfiguration	0	50	550	0	0	0	0	0	0	
New T&D Warehouse and Field Offices	0	0	0	0	0	0	0	0	0	
HCP - C2 Waiakea Canal Crossing	250	0	0	0	0	0	0	0	0	
Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	
Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	
Kilohana Switching Station	0	0	0	0	0	0	0	0	0	
Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	0	
2 AEPO Substation (Kumanu)	3,199	7,119	0	0	0	0	0	0	0	

	Alternative Scenario 3 - No Renewable Additions						Proje					
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
83	SPCC Substation Compliance		0	0	0	0	0	0	0	0	0	0
84	AMI/Advanced Metering Infrastructure		0	0	0	0	0	0	0	0	0	0
85	Battery Energy Storage		0	0	0	0	0	0	0	0	0	0
86	Other Carryover Projects		0	0	0	0	0	0	0	0	0	0
87	Total CWIP		\$5,715	\$7,169	\$550	\$7,010	\$0	\$0	\$0	\$2,200	\$0	\$0
88												
89	TOTAL PLANT IN SERVICE - BOY		\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$515,972	\$526,305	\$534,259	\$543,551	\$556,909
90	Total Additions and Replacements		23,997	28,397	18,359	22,260	20,694	16,752	14,552	18,249	18,098	23,239
91	Carryover Closed to Plant		16,228	2,516	7,119	550	7,010	0	0	0	2,200	0
92	Less CIAC and Funding		(9,082)	(447)	(492)	(540)	(594)	(652)	(717)	(787)	(865)	(951)
93	Less Cap Ex to CWIP		(3,041)	(3,970)	(500)	(7,010)	0	0	0	(2,200)	0	0
94	Less Retirements		(4,697)	(4,958)	(5,199)	(5,415)	(5,525)	(5,766)	(5,881)	(5,970)	(6,074)	(6,223)
95	TOTAL PLANT IN SERVICE - EOY		\$443,717	\$465,254	\$484,541	\$494,386	\$515,972	\$526,305	\$534,259	\$543,551	\$556,909	\$572,974
96	Closed to Plant		\$28,102	\$26,496	\$24,486	\$15,260	\$27,111	\$16,099	\$13,835	\$15,262	\$19,433	\$22,288
97												
98	FUNDING											
99	Debt		\$10,000	\$13,322	\$1,646	\$16,770	\$7,437	\$6,119	\$4,163	\$8,695	\$9,415	\$0
100	Customer Advances		2.880	651	716	788	867	953	1,049	1,153	1,269	1,395
101	Cash		4,806	14,413	10,485	4,690	12,378	9,666	9,326	8,386	7,399	0
102	CIAC/AMI Funding		6,311	11	12	12	13	14	14	15	15	16
103	Total		\$23,997	\$28,397	\$18,359	\$22,260	\$20,694	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
104			Ψ20,00.	Ψ20,007	ψ.σ,σσσ	4 ,0	42 0,00.	ψ.σ,.σ <u>=</u>	V,002	ψ.σ, <u>=</u> .σ	ψ.ο,σσσ	42 0,200
105	DEPRECIATION EXPENSE											
.00	DEL RESIDENCE EN ENGE	Depr										
106		Rate										
107	Existing 2012 Plant	2.73%	\$11,398	\$11,266	\$11,128	\$10,983	\$10,834	\$10,680	\$10,521	\$10,359	\$10,195	\$10,027
108	Balance of 2102 CWIP	2.73%	53	105	105	105	105	105	105	105	105	105
109	Generation	2070	00									
110	Hydropower	2.00%	0	0	0	0	0	0	0	0	0	0
111	Hydropower Capitalized Interest	2.00%	0	0	0	0	0	0	0	0	0	0
112	SWD CO Catalysts Install	2.10%	10	20	20	20	20	20	20	20	20	20
113	EMD CO Catalysts Install	2.10%	8	16	16	16	16	16	16	16	16	16
114	HRSG MCC Replacement	2.10%	1	3	3	3	3	3	3	3	3	3
115	Waiahi Upper Powerhouse Expansion	2.00%	0	35	70	70	70	70	70	70	70	70
116	Waiahi Lower Powerhouse Upgrade	2.00%	0	0	0	0	0	0	0	0	0	0
117	LFG	6.67%	0	0	0	0	0	0	0	0	0	0
118	Titan or Alternative	2.10%	0	0	0	0	0	0	0	0	0	0
119	Other Non-Recurring Projects	2.10%	54	128	148	148	148	202	276	318	360	402
120	Other Recurring Projects Other Recurring Projects	2.10%	10	29	48	66	84	102	121	148	181	207
	• .	2.1070	10	29	40	00	04	102	121	140	101	207
121 122	Transmission and Distribution	2 020/	_	^	0	0	226	452	450	452	452	452
122	North Shore Transmission Line Capital Expenditures	2.82% 2.82%	0	0 69	138	138	138	452 138	452 138	452 138	452 138	138
	Anahola Service Center		-									
124	Princeville Substation Upgrade	3.33%	13	25	25	25	25	25	25	25	25	25
125	Replacement GIS Mapping System	3.33%	0	5	10	10	10	10	10	10	10	10

	Alternative Scenario 3 - No Renewable Additions						Projec	ted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	Kipu 12 kV Reroute	2.82%	0	6	11	11	11	11	11	11	11	11
127	Wailua Corridor Undergrounding	2.82%	0	35	71	71	71	71	71	71	71	71
128	RUS Standards Compliance	2.82%	0	2	4	4	4	4	4	4	4	4
129	Hanalei Tap Reconfiguration	2.82%	0	0	0	22	44	44	44	44	44	44
130	New T&D Warehouse and Field Offices	2.82%	0	0	21	42	42	42	42	42	42	42
131	HCP - C2 Waiakea Canal Crossing	2.70%	0	5	11	11	11	11	11	11	11	11
132	Kapaia to Hanahanapuni	2.82%	0	0	0	0	0	0	0	0	0	0
133	Convert Hanahanapuni Tap to Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
134	Kilohana Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
135	Lihue Station - Upgraded Transformers (3 @ \$850)	2.82%	0	0	0	0	0	0	0	0	47	94
136	Other Non-Recurring Projects											
137	Transmission	2.82%	34	95	185	269	306	321	321	321	321	406
138	Distribution	3.33%	0	0	0	0	0	0	0	0	0	0
139	Other Recurring Projects											
140	Transmission	2.82%	12	34	53	107	160	175	188	201	215	229
141	Distribution	3.33%	99	305	536	760	980	1,229	1,498	1,788	2,103	2,444
142	Other	2.73%	1	2	3	4	6	8	9	11	14	16
143	Other Projects											
144	Non-Recurring Projects	2.73%	7	32	58	80	101	121	150	181	216	254
145	Recurring Projects	2.73%	24	67	106	145	184	226	269	312	356	401
146	Carryover Projects											
147	AEPO Substation (Kumanu)	3.33%	0	0	137	274	274	274	274	274	274	274
148	SPCC Substation Compliance	3.33%	10	20	20	20	20	20	20	20	20	20
149	AMI/Advanced Metering Infrastructure	8.00%	504	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
150	Battery Energy Storage	5.00%	0	0	0	0	0	0	0	0	0	0
151	Total		\$12,236	\$13,314	\$13,934	\$14,412	\$14,902	\$15,387	\$15,676	\$15,964	\$16,332	\$16,804
152	Less AMI Funding	8.00%	0	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)
153	Less CIAC	3.33%	(46)	(99)	(115)	(132)	(151)	(171)	(194)	(219)	(247)	(277)
154	Total Deprec and Amort Accrual		\$12,190	\$12,708	\$13,313	\$13,773	\$14,244	\$14,709	\$14,975	\$15,238	\$15,579	\$16,021
155	Less Depreciation in Other Accounts	_	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)
156	Net Depr and Amort Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$14,245	\$14,512	\$14,775	\$15,115	\$15,557
157												
158	Net Depreciation and Amortization Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$14,245	\$14,512	\$14,775	\$15,115	\$15,557
159	Amortization of Regulatory Asset - Iniki		292	292	292	292	292	292	292	292	292	219
160	Amortization of Acquisition Adjustment	_	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194
161	Total Depreciation & Amortization Expense		\$14,213	\$14,731	\$15,336	\$15,796	\$16,267	\$16,732	\$16,998	\$17,261	\$17,601	\$17,971
162	Plus Depreciation in Other Accounts	_	463	463	463	463	463	463	463	463	463	463
163	Total Depr and Amort Accrual		\$14,677	\$15,195	\$15,800	\$16,260	\$16,731	\$17,195	\$17,462	\$17,725	\$18,065	\$18,434
164												
165												

	Alternative Scenario 3 - No Renewable Additions										
							ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	EVICTINO LONG TERM DERT										
1	EXISTING LONG TERM DEBT	0400 044	0400.045	0477.000	0400 000	0454045	0440.570	0400 000	0440 570	0400 704	000 400
2	Balance (Beg Yr)	\$199,311	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462
3	Existing Loan Advances	0	0	0	0	0	0	0	0	0	0
4	Principal Repayments	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
5	Balance (End Yr)	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462	\$73,555
6											
7	EXISTING DEBT INTEREST AND PRINCIPAL PAYMENTS										
8	Interest	2007	****	****	2010	***	2010	0.400	0.170	0.450	0.400
9	RUS - A41-1B010	\$297	\$282	\$265	\$248	\$230	\$212	\$192	\$173	\$152	\$130
10	RUS - A41-1B011	594	563	530	496	460	423	385	345	303	260
11	RUS - A41-1B012	474	447	420	391	362	332	301	269	235	201
12 13	RUS - A41-1B013	375 691	352	328	304	279	254	229	203	177	150
	RUS - A41-1B014		655	618	580	539	497	453	407	358	308
14	RUS - A41-1B015	3,909	3,715	3,512	3,299	3,075	2,840	2,593	2,334	2,062	1,776
15	CFC - HI001-9005	133	122	110	99	86	74	61	48	34	20
16	FFB B8 - H0010	154	141	128	116	101	86	72	58	42	26
17	FFB B8 - H0015	224	206	188	171	150	129	109	87	65	40
18	FFB B8 - H0020	501	463	423	385	338	292	246	197	147	92
19	FFB C8 - F0025	211	207	202	198	190	184	180	174	169	162
20	FFB C8 - F0030	42	41	40	39	38	37	36	35	34	32
21	Total Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
22	Principal										
23	RUS - A41-1B010	\$402	\$417	\$434	\$451	\$469	\$487	\$507	\$526	\$547	\$569
24	RUS - A41-1B011	803	834	867	901	937	974	1,012	1,052	1,094	1,137
25	RUS - A41-1B012	840	866	894	922	951	981	1,013	1,045	1,078	1,112
26	RUS - A41-1B013	1,430	1,453	1,477	1,501	1,526	1,551	1,576	1,602	1,628	1,655
27	RUS - A41-1B014	795	831	868	906	947	989	1,033	1,079	1,128	1,178
28	RUS - A41-1B015	3,883	4,076	4,279	4,492	4,717	4,952	5,199	5,458	5,730	6,016
29	CFC - HI001-9005	406	418	430	443	455	468	482	496	510	525
30	FFB B8 - H0010	442	455	467	479	493	507	520	535	549	564
31	FFB B8 - H0015	428	442	460	479	498	518	539	561	584	608
32	FFB B8 - H0020	846	883	921	959	1,005	1,049	1,094	1,141	1,190	1,244
33	FFB C8 - F0025	104	212	216	220	227	233	237	243	247	254
34	FFB C8 - F0030	19	38	39	40	41	42	43	44	45	46
35	Total Principal	\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
36											
37	FUNDING REQUIREMENTS										
38	Capital Funding Requirements	\$14,806	\$27,735	\$17,631	\$21,460	\$19,815	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
39	Refinancing Requirements	10,000	10,000	10,000	0	0	0	0	0	0	0
40	Total Funding Requirements	\$24,806	\$37,735	\$27,631	\$21,460	\$19,815	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
41						_					
42	Short-Term Long Funds Advanced	\$10,000	\$13,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	Long-Term Loan Funds Advanced	10,000	10,000	11,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442
44	Total Debt Advances	\$20,000	\$23,322	\$11,646	\$16,770	\$7,437	\$6,119	\$4,163	\$8,695	\$9,415	\$15,442
45		1									

													ected				
ine								2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
46	FFB C8 Add'l Draws	Amount		Per	Rate	Term	Per Yr										
47		\$31,6	46	na	na	na	na										
48	BOY Balance							\$0	\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,
49	Loan Funds Advanced							10,000	10,000	11,646	0	0	0	0	0	0	
50	Principal Payment							93	314	523	644	683	713	734	763	785	
51	Interest Payment							165	527	979	1,228	1,189	1,159	1,137	1,108	1,086	1,0
52	Total Debt Service							\$258	\$841	\$1,501	\$1,872	\$1,872	\$1,872	\$1,871	\$1,871	\$1,871	\$1,
53	EOY Balance							\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394	\$25,
54																	
55	2014 Loan	Amount		Per	Rate	Term	Per Yr										
56			\$0	3	3.5%	6 30	4										
57	BOY Balance								\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
58	Loan Funds Advanced								0	0	0	0	0	0	0	0	
59	Principal Payment								0	0	0	0	0	0	0	0	
60	Interest Payment								0	0	0	0	0	0	0	0	
61	Total Debt Service							-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
62	EOY Balance								\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
63																	
64	2015 Loan	Amount		Per	Rate	Term	Per Yr										
65			\$0	3	5.0%		4	1									
66	BOY Balance		**	-			·			\$0	\$0	\$0	\$0	\$0	\$0	\$0	
67	Loan Funds Advanced									0	0	0	0	0	0	0	
68	Principal Payment									0	0	0	0	0	0	0	
69	Interest Payment									0	0	0	0	0	0	0	
70	Total Debt Service								-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
71	EOY Balance									\$0	\$0 \$0	\$0	\$0	\$0	\$0	\$0	
72	EOT Balance		(Const	LT					ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	
73	New Hydro Loans	Amount		Rate	Rate	Term	Per Yr										
73 74	New Hydro Loans		\$0	3.5%	5.0%		4	+			ST Debt	ST Debt	LT Debt	LT Debt	LT Debt	LT Debt	LT De
74 75	BOY Balance	,	ΦΟ	3.5%	5.0%	0 33	4				\$1 Debt	\$1 Debt	\$0	\$0	\$0	\$0	LIDE
75 76	Loan Funds Advanced										φυ -	φυ 0	φυ 0	φυ 0	φυ 0	φυ 0	
											0	0	0	0	0	0	
77	Principal Payment										ŭ			·	-	-	
78 79	Interest Payment Total Debt Service										0 \$0	<u>0</u> \$0	0 \$0	0 \$0	0 \$0	<u>0</u> \$0	
																* * *	
80	EOY Balance										\$0	\$0	\$0	\$0	\$0	\$0	
81				_		_											
82	2016 Loan	Amount		Per	Rate	Term	Per Yr										
83		\$16,7	70	3	5.0%	6 30	4										
84	BOY Balance							1			\$0	\$16,647	\$16,393	\$16,125	\$15,844	\$15,549	\$15,
85	Loan Funds Advanced							1			16,770	0	0	0	0	0	
86	Principal Payment							1			123	255	268	281	296	311	
87	Interest Payment							1			418	828	815	801	787	772	
88	Total Debt Service							1			\$541	\$1,082	\$1,082	\$1,082	\$1,082	\$1,082	\$1,0
89	EOY Balance							1			\$16,647	\$16,393	\$16,125	\$15,844	\$15,549	\$15,238	\$14,9
90																	

											Proje					
ine							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
91 <u>2017 Loan</u>	า	Amount	Per	Rate	Term	Per Yr										
92	lana.	\$7,437	3	5.0%	30	4						#7.000	#7.070	07.454	#7 000	00.00
93 BOY Bal											\$0 7.407	\$7,383	\$7,270	\$7,151	\$7,026	\$6,89
	inds Advanced										7,437	0	0	0	0	4.
	l Payment										54	113	119	125	131	1:
	Payment										186	367	361	355	349	34
	ebt Service										\$240	\$480	\$480	\$480	\$480	\$4
98 EOY Bal 99	liance										\$7,383	\$7,270	\$7,151	\$7,026	\$6,895	\$6,7
	_	A	D	Data	т	Dan Va										
00 <u>2018 Loan</u>	1	Amount	Per	Rate 5.0%	Term 30	Per Yr 4										
01	lanas	\$6,119	3	5.0%	30	4						C O	CC 074	CE 004	CF 004	¢r 7
02 BOY Bal03 Loan Full	inds Advanced											\$0 6,119	\$6,074 0	\$5,981 0	\$5,884 0	\$5,7
	il Payment											,	93	98	103	1
												45 153	302			1
	Payment ebt Service										-	\$197	\$395	297 \$395	292 \$395	\$3
06 Total De 07 EOY Bal												\$6,074	\$395 \$5,981	\$395 \$5,884	\$395 \$5,781	
07 EOT Bai 08	liance											\$6,074	Ф 5,961	φ5,004	φ5,761	\$5,6
บช 09 2019 Loan	_	Amount	Per	Rate	Term	Per Yr										
10 <u>2019 Loan</u>	1	\$4,163	3	5.0%		4	_									
	lanca	Φ4 , 103	3	5.0%	30	4							\$0	\$4,133	\$4,069	\$4,0
	inds Advanced												4,163	\$4,133 0	\$4,069 0	\$4,C
	il Payment												30	63	66	
	Payment												104	205	202	1
	ebt Service											-	\$134	\$269	\$269	\$2
16 EOY Bal													\$4,133	\$4,069	\$4,003	\$3,9
17 EOT BAI	liance												φ4, 133	φ4,009	φ4,003	φ3,8
17 18 2020 Loan	2	Amount	Per	Rate	Term	Per Yr										
19 <u>2020 Loan</u>	1	\$8,695	3	5.0%		4										
20 BOY Bal	lance	φο,090	3	5.0 /0	30	4								\$0	\$8,631	\$8,4
	inds Advanced													8,695	0	Ψ0,-
	Il Payment													64	132	1
	Payment													217	429	4
	ebt Service												_	\$281	\$561	\$5
25 EOY Bal														\$8,631	\$8,499	\$8,3
26 LOT Bai	liance													ψ0,001	Ψ0,499	Ψ0,0
20 27 2021 Loan	2	Amount	Per	Rate	Term	Per Yr										
28 <u>2021 Loan</u>	1	\$9,415	3	5.0%		4	+									
29 BOY Bal	lance	Ψ5,+15	3	5.070		7									\$0	\$9,3
	inds Advanced														9,415	ψ9,0
	il Payment														69	1
	Payment														235	4
	ebt Service													-	\$304	\$6
34 EOY Bal															\$9,346	\$9,2
35 EOT Bai	iiai ice														φ υ ,υ 4 0	φ9,2

										Proj	ected				
Line						2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
136	2022 Loan Amount	Per	Rate	Term	Per Yr										
137	\$15,442	3	5.0%	30	4										
138	BOY Balance														\$0
139	Loan Funds Advanced														15,442
140	Principal Payment														113
141	Interest Payment													_	385
142	Total Debt Service														\$498
143	EOY Balance														\$15,329
144															
145	TOTAL LONG TERM DEBT SERVICE														
146	Interest														
147	Existing Debt					\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
148	New Debt (Excl Hydro Loan Capitalized Interest)					165	527	979	1,646	2,202	2,493	2,705	2,970	3,365	3,902
149	Total Interest					\$7,770	\$7,721	\$7,744	\$7,972	\$8,051	\$7,853	\$7,562	\$7,297	\$7,143	\$7,100
150	Principal														
151	Existing Debt					\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
152	New Debt					93	314	523	767	992	1,138	1,257	1,408	1,596	1,861
153	Total Principal					\$10,489	\$11,239	\$11,875	\$12,559	\$13,258	\$13,890	\$14,512	\$15,189	\$15,926	\$16,768
154	Total Debt Service					\$18,259	\$18,960	\$19,619	\$20,531	\$21,308	\$21,743	\$22,074	\$22,487	\$23,069	\$23,868
155															
156	TOTAL LONG TERM DEBT														
157	Balance (Beg Yr)					\$199,311	\$198,822	\$197,583	\$197,353	\$201,564	\$195,743	\$187,973	\$177,624	\$171,129	\$164,618
158	Loan Funds Advanced					10,000	10,000	11,646	16,770	7,437	6,119	4,163	8,695	9,415	15,442
159	Less Principal Repayments					10,489	11,239	11,875	12,559	13,258	13,890	14,512	15,189	15,926	16,768
160	Balance (End Yr)					\$198,822	\$197,583	\$197,353	\$201,564	\$195,743	\$187,973	\$177,624	\$171,129	\$164,618	\$163,292
161															
162	Current Portion of Long Term Debt - EOY														
163	Existing Debt					\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	\$15,370
164	New Debt					314	523	767	992	1,138	1,257	1,408	1,596	1,861	2,065
165	Total Current Portion					\$11,239	\$11,875	\$12,559	\$13,258	\$13,890	\$14,512	\$15,189	\$15,926	\$16,768	\$17,435
166															
167	SHORT TERM DEBT														
168		_		_											
169	\$20 M LOC/Other LOC Amount	Per	Rate	Term	Per Yr										
170	BOY Balance		3.0%			\$6,678	\$6,678	\$10,000							
171	Loan Funds Advanced					10,000	13,322	0							
172	Less Principal Repayments					(10,000)	(10,000)	(10,000)							
173	Balance (End Yr)					\$6,678	\$10,000	\$0							
174															
175	Interest Expense					\$252	\$292	\$0							
176	Est Average Balance					\$8,385	\$9,725	\$0							
177		_		_											
178	\$5 M LOC Amount	Per	Rate	Term	Per Yr										
179	BOY Balance		3.0%			\$0	\$0	\$0							
180	Loan Funds Advanced					0	0	0							
181	Less Principal Repayments					0	0	0							
182	Balance (End Yr)					\$0	\$0	\$0							
183															
184	Interest Expense					\$0	\$0	\$0							
185	Est Average Balance					\$0	\$0	\$0							
186						<u> </u>									

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 10 - Projected ERAC Revenues

				Actual							Projec	ted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	KIUC Thermal Generated (MWh)	437,819	417,224	417,117	409,392	405,946	381,990	371,740	378,940	383,690	390,100	395,080	400,510	405,720	411,900	418,090
2	KIUC Hydro Generated (MWh)	8,386	7,788	8,227	7,270	7,918	7,437	7,770	7,770	7,800	7,770	7,770	7,770	7,800	7,770	7,770
3	KRS1 Generated (MWh)	-	-	-	-	0	0	0	0	0	0	0	0	0	0	0
4	KRS2 Generated (MWh)	-	-	-	-	0	0	0	0	0	0	0	0	0	0	0
5	Purchased Power MWh - NEM & Sched Q	9	0	0	1,741	3,321	5,700	6,140	6,640	7,190	7,620	8,020	8,440	8,930	9,270	9,630
6	Purchased Power (MWh) - Other	29,090	30,796	27,414	34,855	34,633	46,303	52,060	52,060	52,200	52,060	52,060	52,060	52,200	52,060	52,060
7	Total MWh	475,305	455,808	452,758	453,259	451,818	441,430	437,710	445,410	450,880	457,550	462,930	468,780	474,650	481,000	487,550
8																
9	KIUC Sales (MWh)	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
10																
11	Losses (%)	4.5%	4.3%	4.0%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
12	1/11/2 0 1 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1	100 011	400.004	100 105	000 000	000 774	070 000	000 450	074 400	075 740	004.005	000 040	004.007	000 044	400.004	400.000
13	KIUC Generated Sales (MWh)	426,044	406,694	408,185	399,686	396,771	372,828	369,458	371,166	375,743	381,935	386,619	391,927	396,944	402,834	408,832
14 15	Fuel Consumed (MMBtu)	4.208.477	3,913,866	3.868.068	3.870.223	3.778.090	3.594.303	3.485.255	3.562.258	3,614,333	3.685.758	3,739,034	3.803.244	3.867.051	3.941.951	4.018.123
16	ruei Consumeu (MIMBIU)	4,200,477	3,913,000	3,000,000	3,070,223	3,776,090	3,594,303	3,403,233	3,302,236	3,614,333	3,003,730	3,739,034	3,003,244	3,007,031	3,941,951	4,010,123
17	Actual Sales Heat Rate (Btu/kWh)	9,878	9,624	9,476	9,683	9,522	9,641	9,433	9,597	9,619	9,650	9,671	9,704	9,742	9.786	9,828
18	Notati Gales Float Nate (Dia/Will)	3,076	3,024	3,710	3,003	3,322	3,041	3,433	3,331	3,019	3,030	3,011	3,104	3,142	3,700	3,020
19	Effective Sales Heat Rate for ERAC (Btu/kWh)	11,230	11,230	10,442	9,850	9,850	9,850	9.850	9,850	9.850	9.850	9,850	9,850	9,850	9,850	9,850
20		,	,	,	-,	-,	-,	-,	-,	-,	-,	-,	-,	-,	-,	-,
21	Adj Fuel Consumed for Efficiency Factor (MMBtu)	4,784,479	4,567,169	4,262,385	3,936,904	3,908,195	3,672,352	3,639,160	3,655,981	3,701,067	3,762,062	3,808,194	3,860,483	3,909,902	3,967,918	4,026,992
22	Actual Fuel Cost (\$/MMBtu)	\$23.32	\$13.23	\$17.80	\$23.36	\$24.89	\$24.37	\$21.64	\$20.34	\$21.16	\$22.14	\$23.09	\$24.12	\$24.97	\$26.15	\$27.46
23	,					-										
24	Equivalent Base Fuel Cost (\$/MMBtu)	\$4.31	\$4.31	\$11.33	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36
25	Equivalent Purchased Power Cost (\$/kWh)	\$0.046	\$0.046	\$0.110	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174
26																
27	ERAC Revenue Components (\$000)															
28	KIUC Fuel Costs	\$98,148	\$51,952	\$68,900	\$90,533	\$94,033	\$87,605	\$75,432	\$72,452	\$76,485	\$81,620	\$86,329	\$91,720	\$96,549	\$103,064	\$110,355
29	KIUC Purch Power Costs - Excl NEM, Sched Q, KRS1, and KRS2	5,959	3,724	4,212	7,194	7,741	10,017	9,828	10,026	10,149	10,230	10,306	10,405	10,532	10,599	10,694
30	KIUC Purchased Power Costs - KRS1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	KIUC Purchased Power Costs - KRS2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	ERAC Excess	13,633	8,493	6,965	1,429	3,246	1,902	3,331	1,906	1,835	1,690	1,597	1,380	1,070	679	244
33	Fuel and Purchased Power in Base Rates	(21,929)	(21,071)	(51,336)	(74,396)	(73,859)	(72,566)	(71,852)	(72,510)	(73,317)	(74,352)	(75,152)	(76,060)	(76,942)	(77,925)	(78,950)
34	Tax on Fuel and Purchased Power	8,446	3,098	2,146	2,370	2,624	2,444	1,308	972	1,299	1,707	2,095	2,542	2,939	3,486	4,106
35	Tax on ERAC Excess	1,380	828	679	139	317	186	325	186	179	165	156	135	104	66	24
36	Total	\$105,636	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,372	\$13,032	\$16,631	\$21,059	\$25,330	\$30,122	\$34,252	\$39,969	\$46,472
37																
38	Revenue from Efficiency Factor (\$000)															
39	ERAC Efficiency Adjustment	\$13,633	\$8,493	\$6,965	\$1,429	\$3,246	\$1,902	\$3,331	\$1,906	\$1,835	\$1,690	\$1,597	\$1,380	\$1,070	\$679	\$244
40	Tax on Efficiency Adjustment	1,380	828	679	139	317	186	325	186	179	165	156	135	104	66	24
41	Total	\$15,013	\$9,321	\$7,645	\$1,568	\$3,562	\$2,088	\$3,656	\$2,092	\$2,014	\$1,855	\$1,753	\$1,515	\$1,174	\$745	\$267
42																
43	ERAC Rate Components (\$/kWh)															
44	KIUC Fuel Costs	\$0.217	\$0.119	\$0.159	\$0.208	\$0.217	\$0.207	\$0.180	\$0.170	\$0.177	\$0.186	\$0.194	\$0.204	\$0.212	\$0.223	\$0.236
45	KIUC Purchased Power Costs - Existing	\$0.013	\$0.009	\$0.010	\$0.017	\$0.018	\$0.024	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023
46	KIUC Purchased Power Costs - KRS1	NA	NA	NA	NA	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
47	KIUC Purchased Power Costs - KRS2	NA	NA	NA	NA	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
48	ERAC Efficiency Adjustment	\$0.030	\$0.020	\$0.016	\$0.003	\$0.007	\$0.004	\$0.008	\$0.004	\$0.004	\$0.004	\$0.004	\$0.003	\$0.002	\$0.001	\$0.001
49	Fuel and purchased power in base rates	(\$0.048)	(\$0.048)	(\$0.118)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.170)	(\$0.169)	(\$0.169)	(\$0.169)	(\$0.169)	(\$0.169)	(\$0.169)	(\$0.169)
50	Tax on Fuel and Purchased Power	\$0.019	\$0.007	\$0.005	\$0.005	\$0.006	\$0.006	\$0.003	\$0.002	\$0.003	\$0.004	\$0.005	\$0.006	\$0.006	\$0.008	\$0.009
51	Tax on Efficiency Adjustment	\$0.003	\$0.002	\$0.002	\$0.000	\$0.001	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
52	Total (before other adjustments)	\$0.233	\$0.108	\$0.073	\$0.063	\$0.079	\$0.070	\$0.044	\$0.030	\$0.038	\$0.048	\$0.057	\$0.067	\$0.075	\$0.087	\$0.099

Appendix E DETAILED RESULTS – EMP ALTERNATIVE SCENARIO 4



Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 1 - Summary of Results

	Alternative Scenario 4 - Flat Fuel Prices												Average Annual
		Actual					Proje						Change
Line		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2022
	Helt Daniel (dillande)												
1	Unit Revenues (¢/kWh)												
2	Non-Fuel & Purchased Power Charges Base Rates Without Fuel & Purchased Power	16.65	16.73	16.31	16.44	16.44	16.44	16.44	16.45	16.45	16.45	16.46	
4	Efficiency Premimum in ERAC	0.82	0.49	0.98	0.65	0.63	0.63	4.35	4.31	4.27	4.24	4.20	
5	Subtotal Non-Fuel & Purchased Power Charges	17.47	17.23	17.29	17.09	17.07	17.07	20.79	20.76	20.72	20.69	20.66	1.7%
6	Subtotal Non-Fuel & Furchased Fower Charges	17.47	17.23	17.29	17.09	17.07	17.07	20.79	20.76	20.72	20.09	20.00	1.770
7	Fuel and Purchased Power Charges												
8	Fuel & Purchased Power in Base Rates	18.95	18.81	19.26	19.13	19.12	19.11	19.11	19.10	19.10	19.09	19.09	
9	Fuel & Purchased Power in ERAC	7.05	6.49	3.01	1.80	1.91	2.03	(1.43)	(1.32)	(1.23)	(1.09)	(0.97)	
10		26.00	25.30	22.27	20.93	21.03	21.15	17.68	17.78	17.87	18.00	18.11	-3.6%
11	r der and r drondoed r ower ondriges	20.00	20.00	22.21	20.00	21.00	21.10	17.00	17.70	17.07	10.00	10.11	0.070
	Average Unit Revenues (¢/kWh) (Lines 5 + 10)	43.48	42.53	39.56	38.01	38.10	38.21	38.47	38.54	38.59	38.69	38.77	-1.1%
13	% Change from 2012	na	-2.2%	-9.0%	-12.6%	-12.4%	-12.1%	-11.5%	-11.4%	-11.2%	-11.0%	-10.8%	
14	70 Officinge from 2012	iiu	2.270	0.070	12.070	12.470	12.170	11.070	11.470	11.270	11.070	10.070	
15	Rate Increase as a % of Base Rate Revenues	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
16	Tate mercuse as a 70 of Base Nate Nevenues	iiu	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	
17	Long-Term Interest Expense	8,335	7,770	8.005	8,834	10,422	11,240	12,976	12,351	11,689	11,013	10.536	
18	. 3	11,091	8,409	8,136	8,260	7,165	6,526	14,585	14,793	15,218	15,475	15,454	3.4%
19	ma.g.iio	,	0, .00	0,.00	0,200	.,	0,020	,000	,,	.0,2.0	.0, 0	10, 10 1	0.170
20	Equity to Total Assets	24.9%	26.2%	26.8%	28.9%	27.1%	25.7%	29.0%	32.0%	35.1%	38.2%	40.5%	
21	Equity to rotal risosto	21.070	20.270	20.070	20.070	2,0	20 70	20.070	02.070	00.170	00.270	10.070	
	Cash Balance(\$000)	\$3,762	\$7,765	\$2,125	\$3,141	\$4,000	\$4,000	\$6,432	\$9,393	\$8,856	\$7,642	\$9,761	
23		8	17	5	8	10	9	16	23	21	18	23	
24	.,,	2.33	2.08	2.02	1.94	1.69	1.58	2.12	2.20	2.30	2.41	2.47	
	Regulatory TIER	2.61	2.37	2.30	2.19	1.90	1.78	2.30	2.38	2.50	2.61	2.68	
	RUS Debt Service Coverage - 1.25 Minimum	na	1.66	1.59	1.50	1.39	1.33	1.60	1.59	1.59	1.59	1.56	
27		na	1.65	1.56	1.47	1.37	1.31	1.58	1.57	1.56	1.56	1.54	
	Percent of Previous Year's Patronage Capital Retired	na	25%	8%	2%	0%	0%	0%	11%	17%	23%	29%	
29				-,-									
30		na	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239	
31		na	10,000	13,322	1.646	55,447	54.611	-	-	-	162	10.161	
32		na	9.191	662	728	800	880	967	1,063	1,168	1.284	1.411	
33		na	0	0	5,500	0	0	0	0	0	0	0	
34		na	4,806	14,413	10,485	8,241	8,184	15,785	13,489	17,081	16,652	11,667	
35		-								,	.,	,	
36	Debt Borrowed (\$000)	na	\$20,000	\$23,322	\$11,646	\$55,447	\$54,611	\$85,208	\$0	\$0	\$162	\$10,161	
37		na	10,000	10,000	10,000	0	0	85,208	0	0	0	0	
38		na	0	0	0	0	0	0	0	0	0	0	
39		na	10,000	13,322	1,646	55,447	54,611	0	0	0	162	10,161	
40					,							-,	
41	Monthly Residential Bill (500 kWh per month usage)	\$224	\$219	\$204	\$197	\$197	\$198	\$199	\$199	\$200	\$200	\$200	-1.1%
42		,	-2.3%	-9.0%	-12.4%	-12.2%	-12.0%	-11.4%	-11.2%	-11.1%	-10.9%	-10.7%	
43													
44	Approx Annual Pat Cap Retired for 500 kWh Res Customer	na	\$39.91	\$10.83	\$3.66	\$1.75	\$1.73	\$1.71	\$23.42	\$34.23	\$48.13	\$59.63	
45		-											
46													
47	KIUC-Owned	2%	2%	6%	12%	12%	12%	28%	28%	28%	27%	27%	
48		8%	12%	17%	25%	25%	24%	24%	24%	24%	23%	23%	
49	Total	10%	13%	23%	37%	37%	36%	52%	52%	51%	51%	50%	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Assumptions	Data Input	KIUC Assumptions	Data Input
1	Inflation	,	Other Assumptions	
2	General Inflation	2.5%	Investment Return	0.125%
3	Distribution O&M	2.5%	Taxes - ERAC	9.8%
4				
5	ERAC Efficiency Premium ("Y"=Yes, "N"=No)	Υ	Efficiency Factor Heat Rate (Btu/kWh)	9,850
6			, , ,	
7	Debt Assumptions		Revenue Tax Multiplier	1.09751
8	New Debt Thru 2014 - Interest Rates	3.5%	·	
9	New DebtAfter 2014 - Interest Rates	5.0%	Number of Days of Cash Working Capital in I	Rate Base
10	New Debt - Construction Interest Rate	3.5%	O&M	61
11	New Debt - Repayment Period (Years)	25	Fuel	15
12	, , ,			
13	Patronage Capital		Interest	30
14	Non-Operating Margins Allocated to Patronage Cap	100.0%		
15	Minimum RUS TIER for Capital Credit Retirements	2.00	Inventory as Percentage of Gross Plant	3.0%
16	Early Retirements (\$000/year not discounted)	\$125	, ,	
17	Beginning Year for Early Retirements	2012	Target RUS TIER for Decoupling Mechanism	NA
18	Discount Rate for Capital Credit Purchases	5.0%		
19	Blended Term for Capital Credit Purchases	20	Scenario	Alternative Scenario 4 - Flat Fuel Prices
20				
21	Percent of Customer Advances to CIAC	67%		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
22	Base Year	2013	Debt Assumptions	
23	Inflation		Construction Interest Rate	3.0%
24	General Inflation	2.5%	KRS1 Long Term Interest Rate	3.1%
25	O&M Escalation	1.5%	KRS2 Long Term Interest Rate	5.7%
26			KRS1 and KRS2- Repayment Period/Useful Life (Years)	25
27				
28	Inventory as a Percent of Gross Plant	3.0%	KRS1 Target TIER	1.25
29				
30	KRS1 Cap Ex		Operation Date	
31	2011 Expenditures	\$4,953,692	KRS1	Oct-14
32	2012 Expenditures	2,852,145	KRS2	Jul-14
33	2013 Expenditures	1,694,163		
34	2014 Expenditures	47,672,192	Long-Term Financing Date	
35	Total Capital Cost	57,172,192	KRS1	Oct-14
36	Less Federal Grant	16,335,640	KRS2	Jul-14
37	Closed to Plant	40,836,552		
38	Less State Tax Refund	5,250,000	Market Value Energy (\$/MWh)	
39	Cash Requirement	\$35,586,552	KRS1 and KRS2	\$200
40				
41	KRS2 Cap Ex		Land Lease Expenses	
42	2012 Expenditures	\$0	KRS1 \$/Sq Ft (2012 \$)	\$0.04207
43	2013 Expenditures	6,000,000	KRS1 Square Feet	\$2,395,800
44	2014 Expenditures	35,313,994	KRS2 \$/Acre Used (2014 \$)	\$900
45	Closed to Plant	\$ 41,313,994	KRS2 \$/Acre Unused (2014 \$)	\$600
46	Less Equity Investment	27,217,659	KRS2 Acres Used	31.42
47	Debt Requirement	\$14,096,335	KRS2 Acres Unused	35.79
48	State Tax Refund	\$4,987,188		
49			Lease Escalation Rate	3.00%
50	KIUC % Ownership of KRS2		KRS2 GET on KRS2 Land Lease	4.17%
51	Pre-Flip	1%		
52	Post-Flip	95%	KIUC MSA (2012 \$)	
53	Post-Buyout	100%	KRS1	\$50,000
54			KRS2	\$50,000
55	KRS2 Buyout Amount			
56	Amount	\$15,810,964		
57	Year	7		
58	Term Remaining	19		
59	Proceeds	5.0%		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 2 - Assumptions

Line	KIUC Renewable Solutions Assumptions	Data Input	KIUC Renewable Solutions Assumptions	Data Input
60	Investment Return	0.125%	Insurance	
61			KRS1	\$37,410
62	Federal Tax Rate	35%	KRS2	\$31,350
63	Alternative Minimum Tax Rate	20%		
64			Target Cash Balance	
65	COD Lease Payment		KRS1	\$10,000
66	KRS1	\$150,000		
67	KRS2	\$0	KRS2 PPA Rate (\$/MWh)	\$125
68				
69	O&M Expenses (2014 \$)			
70	KRS1	\$206,617		
71	KRS2	\$197,733		
72				
73	Real Property Taxes (2014 \$)			
74	KRS1	\$11,592		
75	KRS2	\$542		

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

Sales (MWh)						Actual							Projec	ted				
Residential D 100.479 161.946 159.426 159.071 157.276 161.520 162.200 164.482 165.891 169.896 179.942 175.982 177.992 179.924 179.92	Line		-	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Samal Commercial G 61,763 58,776 59,481 59,790 59,694 59,790 59,694 59,790 59,894 59,89	1	Sales (MWh)																
Large Commercial J 57,561 54,388 53,280 51,850 51,807 48,889 49,241 49,031 50,373 50,616 50,721 50,848 51,015 51,457 52,004 51,457 52,004 51,457 52,045 51,45	2	Residential	D	160,479	161,946	159,426	159,071	157,278	161,520	162,200	164,482	165,690	168,856	170,942	173,604	175,952	177,924	179,923
Large Power-Fernary L 52,083 44,939 44,379 44,379 45,286 44,023 45,156 46,138 47,037 47,838 48,682 49,503 50,426 51,385 51	3	Small Commercial	G	61,763	58,776	59,481	59,790	59,664	56,017	56,504	57,296	57,803	58,083	58,202	58,349	58,540	59,048	59,674
Engre Power-Seconday	4	Large Commercial	J	57,561	54,388	53,236	51,859	51,607	48,389	49,241	49,931	50,373	50,616	50,721	50,848	51,015	51,457	52,004
Street Lights	5	Large Power-Primary	L	52,083	42,639	44,991	44,379	46,286	42,968	44,023	45,156	46,138	47,037	47,838	48,652	49,503	50,426	51,355
Infrigation IRR 1.184	6	Large Power-Secondary	Р	118,083	114,413	114,522	116,824	115,389	112,104	105,831	108,555	110,916	113,078	115,003	116,961	119,007	121,225	123,458
9 Total 10	7	Street Lights		2,637	2,702	2,730	2,716	2,760	2,481	2,235	1,981	1,719	1,450	1,467	1,485	1,502	1,519	1,536
11 Yearly Change Percentage -2,8% -3,9% -0,4% -0,0% -0,4% -2,2% -0,8% 1,8% 1,2% 1,5% 1,2% 1,3% 1,2% 1,2% 1,3% 1,2	8	Irrigation	IRR	1,184	1,410	148	105	175	105	105		105	105	105	105	105	105	105
11 Yearly Change Percentage 2.8 3.9 0.4 0.0 0.4 0.0 0.4 0.2 0.8 1.8 1.2 1.5 1.5 1.2 1.3 1.2 1.3 1.2 1.3 1.2 1.3 1.4 1.5 1.	9	Total	-	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
13 Customer Accounts 14 Residential	10																	
13 Customer Accounts	11	Yearly Change Percentage		-2.8%	-3.9%	-0.4%	0.0%	-0.4%	-2.2%	-0.8%	1.8%	1.2%	1.5%	1.2%	1.3%	1.2%	1.3%	1.4%
14 Residential D 27,301 27,629 27,793 28,010 28,169 28,762 29,197 29,860 30,328 30,808 31,280 31,800 32,313 32,821 33,421 33,421 15 5 5 5 5 5 5 5 5	12																	
Small Commercial G 4,305 4,208 4,221 4,198 4,195 4,242 4,303 3,497 4,462 4,529 4,506 4,665 4,735 4,802 4,871	13	Customer Accounts																
Large Commercial J 357 366 337 330 326 330 336 348 348 353 359 364 369 375 380 Targe Power-Firmary L 16 16 15 15 15 15 15 15	14	Residential	D	27,301	27,629	27,793	28,010	28,169	28,762	29,197	29,860	30,328	30,808	31,298	31,800	32,313	32,821	33,342
1	15	Small Commercial	G	4,305	4,208	4,221	4,198	4,195	4,242	4,303	4,397	4,462	4,529	4,596	4,665	4,735	4,802	4,871
Barge Power-Secondary	16	Large Commercial	J	357	346	337	330	326	330	336	343	348	353	359	364	369	375	380
Street Lights (Number of Fixtures) St. 3,461 3,519 3,553 3,563 3,575 3,587 3,630 3,637 3,720 3,757 3,755 3,833 3,871 3,910 3,949 3,989	17	Large Power-Primary	L	16	16	15	15	15	15	15	15	16	16	16	16	17	17	17
Irrigation IRR	18	Large Power-Secondary	Р	109	114	112	115	113	116	117	123	124	126	128	130	131	133	135
Total Total Total 35,552 35,835 36,033 36,246 36,408 37,098 37,637 38,461 39,038 39,630 40,233 40,849 41,478 42,100 42,737	19	Street Lights (Number of Fixtures)		3,461	3,519	3,553	3,575	3,587	3,630	3,667	3,720	3,757	3,795	3,833	3,871	3,910	3,949	3,989
Vearly Change Percentage 1.5% 0.8% 0.6% 0.6% 0.6% 0.4% 1.9% 1.5% 2.2% 1.5% 1	20	Irrigation	IRR				3	-									3	
Yearly Change Percentage 1.5% 0.8% 0.6% 0.6% 0.6% 0.4% 1.9% 1.5% 2.2% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5% 1.5	21	Total		35,552	35,835	36,033	36,246	36,408	37,098	37,637	38,461	39,038	39,630	40,233	40,849	41,478	42,100	42,737
24 25 Billed Demand (kW) 26 Residential D n/a	22																	
Billed Demand (kW) Companied Compani	23	Yearly Change Percentage		1.5%	0.8%	0.6%	0.6%	0.4%	1.9%	1.5%	2.2%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
26 Residential D n/a n/	24																	
27 Small Commercial G n/a	25																	
28 Large Commercial J 191,155 182,082 175,673 172,507 173,385 159,701 157,957 160,170 161,588 162,369 162,703 163,113 163,647 165,066 166,819 29 Large Power-Primary L 117,658 109,666 108,187 105,996 103,274 98,261 96,372 98,853 101,003 102,972 104,725 106,508 108,371 110,391 112,424 30 Large Power-Secondary P 289,572 294,915 289,910 290,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,512 295,593 301,103 306,650 31 Street Lights SL n/a 102,58 105,58 10.58 \$10.58 \$10.58 <td>26</td> <td>Residential</td> <td>D</td> <td>n/a</td>	26	Residential	D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Large Power-Primary L 117,658 109,666 100,187 105,996 103,274 99,261 96,372 98,853 101,003 102,972 104,725 106,508 108,371 110,391 112,424 30 Large Power-Secondary P 289,572 294,915 289,910 290,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,512 295,593 301,103 306,650 31 Street Lights SL n/a	27	Small Commercial	G	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
30 Large Power-Secondary P 289,572 294,915 289,910 290,516 289,383 283,492 262,867 269,634 275,498 280,867 285,649 290,512 295,593 301,103 306,650 31 Street Lights SL n/a	28		J															
31 Street Lights SL n/a	29	Large Power-Primary	L	,	109,666		105,996		98,261	96,372			102,972	104,725	106,508	108,371	110,391	112,424
Irrigation IRR n/a	30	Large Power-Secondary			294,915	289,910	290,516	289,383	283,492	262,867	269,634	275,498	280,867	285,649	290,512	295,593	301,103	306,650
33 Existing Rates - Customer Charge (\$/customer/month) 35 Residential D \$9.72 \$9.72 \$10.22 \$10.58 \$1	31	Street Lights		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
34 Existing Rates - Customer Charge (\$/customer/month) 35 Residential D \$9.72 \$9.72 \$10.22 \$10.58 \$1	32	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
35 Residential D \$9.72 \$9.72 \$10.22 \$10.58	33																	
36 Small Commercial G 21.89 21.89 23.01 23.82 23	34	Existing Rates - Customer Charge (\$/custo	mer/month)														
37 Large Commercial J 36.48 36.48 38.35 39.69 39.80 39.69 39.80 39.80 39.80 39.80 39.80 39.80 39.80 39	35	Residential	D	\$9.72	\$9.72	\$10.22	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58	\$10.58
38 Large Power-Primary L 334.35 334.35 346.18 355.0	36	Small Commercial	G	21.89	21.89	23.01	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82	23.82
39 Large Power-Secondary P 346.51 346.51 359.78 369.38 369	37		J	36.48	36.48	38.35				39.69				39.69	39.69	39.69		39.69
40 Street Lights (Fixture Charge) SL 5.78 5.78 6.06 6.29 6.29 6.29 6.29 6.29 6.29 6.29 6.2	38	Large Power-Primary	L	334.35	334.35	346.18	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08	355.08
41 Irrigation i IRR n/a	39	Large Power-Secondary	Р	346.51	346.51	359.78	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38	369.38
	40	Street Lights (Fixture Charge)	SL	5.78	5.78	6.06	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29
42	41	Irrigation	IRR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	42																	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual		I					Proje	cted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
43	Existing Rates - Energy Base Rates	(\$/kW	/h)														
44	Residential	D	\$0.17022	\$0.17374	\$0.27270	\$0.34919	\$0.34893	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743	\$0.34743
45	Small Commercial	G	0.18804	0.19125	0.28867	0.35960	0.35968	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769	0.35769
46	Large Commercial	J	0.15697	0.16041	0.25551	0.32647	0.32552	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390	0.32390
47	Large Power-Primary	L	0.13341	0.13643	0.22311	0.29131	0.28770	0.28823	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901	0.28901
48	Large Power-Secondary	Ρ	0.14329	0.14658	0.23579	0.30351	0.30289	0.30153	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198	0.30198
49	Street Lights	SL	0.22913	0.23330	0.33710	0.41758	0.41940	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530	0.41530
50	Irrigation	IRR	0.35085	0.18735	0.24215	0.32090	0.33100	0.31935	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100	0.33100
51																	
52	Existing Rates - Demand Base Rate	es (\$/K	W)														
53	Residential	D	n/a														
54	Small Commercial	G	n/a														
55	Large Commercial	J	\$6.08	\$6.08	\$6.41	\$6.62	6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62	\$6.62
56	Large Power-Primary	L	13.13	13.13	\$13.61	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94	13.94
57	Large Power-Secondary	Ρ	10.45	10.45	\$10.86	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14
58	Street Lights	SL	n/a														
59	Irrigation	IRR	n/a														
60																	
61	Revenues at Existing Rates (\$000)																
62	Residential	D	\$30,501	\$31,359	\$46,884	\$59,103	\$58,456	\$59,768	\$60,060	\$60,937	\$61,416	\$62,577	\$63,364	\$64,353	\$65,233	\$65,983	\$66,744
63	Small Commercial	G	12,745	12,346	18,336	22,701	22,659	21,249	21,441	21,751	21,951	22,070	22,132	22,204	22,292	22,493	22,737
64	Large Commercial	J	10,354	9,983	14,883	18,230	18,102	16,888	17,155	17,396	17,551	17,638	17,676	17,723	17,783	17,938	18,129
65	Large Power-Primary	L	8,557	7,321	11,574	14,470	14,820	13,818	14,129	14,494	14,809	15,097	15,354	15,615	15,888	16,184	16,482
66	Large Power-Secondary	Р	20,399	20,327	30,637	39,203	38,675	37,474	35,405	36,328	37,114	37,835	38,477	39,130	39,813	40,552	41,296
67	Street Lights	SL	844	874	1,179	1,404	1,428	1,304	1,205	1,103	997	888	898	909	919	929	939
68	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	35
69	Total		\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
70																	
71	Fuel and ERAC Revenues (\$000)																
72	Residential	D	\$37,021	\$17,401	\$11,715	\$9,929	\$12,330	\$11,283	\$7,110	\$4,026	\$4,205	\$4,494	\$4,993	\$5,194	\$5,352	\$5,600	\$5,810
73	Small Commercial	G	14,354	6,393	4,201	3,768	4,695	3,914	2,478	1,402	1,467	1,546	1,700	1,746	1,781	1,859	1,927
74	Large Commercial	J	13,404	5,879	3,826	3,255	4,067	3,381	2,159	1,222	1,278	1,347	1,481	1,521	1,552	1,620	1,679
75	Large Power-Primary	L	12,382	4,678	3,322	2,769	3,668	3,002	1,931	1,105	1,171	1,252	1,397	1,456	1,506	1,587	1,658
76	Large Power-Secondary	Р	27,861	12,389	8,300	7,377	9,123	7,833	4,641	2,657	2,815	3,010	3,359	3,499	3,620	3,816	3,986
77	Street Lights	SL	613	286	203	170	219	173	98	48	44	39	43	44	46	48	50
78	Irrigation	IRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
79	Total		\$105,635	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$18,417	\$10,460	\$10,980	\$11,688	\$12,972	\$13,461	\$13,856	\$14,530	\$15,111
80																	

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 3 - Projected Revenues at Existing Rates

					Actual							Proje	cted				
Line			2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81	Total Revenues at Existing Rates in	cludin	g Fuel and E	RAC (\$000)												
82	Residential	D	\$67,522	\$48,760	\$58,600	\$69,032	\$70,785	\$71,051	\$67,170	\$64,963	\$65,621	\$67,071	\$68,357	\$69,547	\$70,585	\$71,583	\$72,554
83	Small Commercial	G	27,099	18,739	22,537	26,469	27,354	25,163	23,919	23,153	23,418	23,616	23,832	23,950	24,073	24,352	24,664
84	Large Commercial	J	23,758	15,862	18,709	21,485	22,169	20,269	19,314	18,618	18,829	18,985	19,157	19,244	19,335	19,558	19,808
85	Large Power-Primary	L	20,940	11,999	14,896	17,239	18,488	16,820	16,060	15,599	15,980	16,349	16,751	17,071	17,394	17,771	18,140
86	Large Power-Secondary	Ρ	48,260	32,716	38,937	46,579	47,798	45,307	40,046	38,985	39,929	40,845	41,836	42,629	43,433	44,368	45,282
87	Street Lights	SL	1,458	1,161	1,381	1,574	1,647	1,478	1,303	1,152	1,041	927	941	953	964	977	988
88	Irrigation	IRR	415	264	36	34	58	34	35	35	35	35	35	35	35	35	36
89	Total		\$189,451	\$129,500	\$155,095	\$182,411	\$188,299	\$180,122	\$167,846	\$162,504	\$164,853	\$167,828	\$170,909	\$173,430	\$175,818	\$178,643	\$181,472
90																	
91	Average Residential Bill Calculation																
92	Avg. Monthly kWh		500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
93	Base without Increases		\$97.17	\$97.17	\$146.57	\$185.18	\$185.05	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30	\$184.30
94	Base with Increases		97.17	97.17	146.57	185.18	185.05	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30	184.30
95	ERAC		116.70	54.07	36.33	31.37	39.38	34.93	19.95	12.24	12.69	13.31	14.60	14.96	15.21	15.74	16.14
96	Total Bill		\$213.86	\$151.23	\$182.91	\$216.55	224.42	\$219.23	\$204.24	\$196.53	\$196.98	\$197.60	\$198.90	\$199.26	\$199.50	\$200.03	\$200.44

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

	Alternative Scenario 4 - Flat Fuel Frices	Actual Projected														
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Operating Revenue															
1 2	Base Rate Revenue at Existing Rates	\$83,816	\$82,475	\$123,529	\$155,143	\$154,198	\$150,535	\$149,430	\$152,044	\$153,873	\$156,140	\$157,936	\$159,968	\$161,962	\$164,113	\$166,362
3	ERAC Revenues at Target Heat Rate	105,635	47,025	31,566	27,268	34,101	29,587	16,757	10,460	10,980	11,688	12,972	13,461	13,856	14,530	15,110
4	% of Base	100,000	47,023	31,500	27,200	34,101	23,307	10,737	10,400	10,300	11,000	12,572	15,401	13,030	14,550	15,110
5	Year Sales Revenue															
6	2013 0.0%						0									
7	2014 0.0%							0								
8	2015 0.0%								0							
9	2016 0.0%									0						
10	2017 0.0%										0					
11	2018 0.0%											0				
12	2019 0.0%												0			
13	2020 0.0%													0	_	
14	2021 0.0%														0	_
15	2022 0.0%				•		•		•				**	***		0
16 17	Rate Revenue from Rate Increases Subtotal	\$0 174	\$0 161	\$0 159	\$0 168	\$0 153	\$0 153	\$0 162	\$0 162	\$0 162	\$0 162	\$0 162	\$0 162	\$0 162	\$0 162	\$0
18	Other Operating Revenues Total Operating Revenues	\$189.625	\$129.661	\$155.254	\$182,579	\$188,452	\$180.275	\$166.348	\$162.666	\$165.015	\$167.990	\$171.071	\$173.592	\$175.980	\$178.805	162 \$181.633
19	Total Operating Nevertues	\$109,023	\$129,001	φ100,204	\$102,379	φ100,432	\$100,275	\$100,540	\$102,000	φ105,015	φ107,990	\$171,071	\$173,392	\$175,900	φ170,003	φ101,033
20	Operating Expenses															
21	Purchased Power															
22	KRS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
23	KRS-2	-	-	-	-	-	-	1,473	2,956	2,968	2,958	2,933	2,939	2,946	2,944	2,946
24	Other	5,961	3,724	4,212	7,650	8,644	10,017	13,307	18,055	18,455	18,761	18,997	19,350	19,765	20,067	20,437
25	Power Production - Fuel	98,148	51,952	68,900	90,533	94,033	87,605	69,473	57,027	58,048	59,493	46,266	47,289	48,182	49,452	50,658
26	Power Production - Non-Fuel - Existing	14,415	12,917	13,701	14,917	15,426	14,751	13,922	13,378	13,808	14,304	13,601	14,020	14,434	14,876	15,358
27	Power Production - Non-Fuel - New	0	0	0	0	0	0	0	0	0	0	1,735	1,774	1,813	1,853	1,895
28	Transmission O&M	947	1,030	1,071	1,046	900	1,066	1,066	1,123	1,194	1,224	1,277	1,342	1,376	1,410	1,445
29	Distribution O&M	3,642	3,645	3,857	4,055	3,672	3,964	4,063	4,165	4,269	4,376	4,485	4,597	4,712	4,830	4,951
30	Consumer Accounts and Sales	3,320	3,196	3,218	3,161	3,348	3,230	3,311	3,393	3,478	3,565	3,654	3,746	3,839	3,935	4,034
31	Regulatory Commission Expenses - HPUC Fees	947	648	775	912	942	901	832	813	825	840	855	868	880	894	908
32	Administrative and General	0	0	0	0	-	-	10	50	50	50	50	50	50	50	F0
33 34	KRS-1 KRS-2	0	0	0	0	5 0	5 0	13 25	50 50	50 50	50 50	50 50	50 50	50 50	50 50	50 50
35	Other	11,239	10,620	13,377	13,855	13,012	13,547	13,853	14,137	14,493	14,858	15,232	15,615	16,008	16,411	16,824
36	Depreciation and Amortization	16,450	16,736	14,595	13,372	13,435	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560
37	Franchise & PSC Taxes	15,923	10,750	13,003	15,289	15,783	15,181	14,009	13,699	13,896	14,147	14,406	14,619	14,820	15,058	15,296
38	Other Taxes	104	77	45	(0)	0	0	0	0	0	0	0	0	0	0	0
39	Interest Expense on Long-Term Debt				(-)	-										
40	Existing Debt	9,941	9,502	9,061	8,669	8,335	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
41	KRS-1	0	0	0	0	0	0	284	1,091	1,061	1,030	998	965	931	896	860
42	Other New Debt	0	0	0	0	0	165	527	979	3,036	4,362	6,618	6,530	6,430	6,339	6,478
43	Other Interest Expense															
44	KRS-1	0	0	0	7	194	264	870	0	0	0	0	0	0	0	0
45	Other	65	82	164	124	354	349	390	101	102	104	106	107	109	110	112
46	Capitalized Interest	0	0	0	0	0	0	0	0	(1,478)	(2,230)	0	0	0	0	0
47	Contributions and Other Deductions	97	77	121	86	103	69	69	69	69	69	69	69	69	69	69
48	Other Total Operating Expenses	\$181.198	0 \$135,060	0 ¢146 101	0 © 172.675	0 \$178.185	£172.022	0	0 \$156.647	0 ¢150.971	0 \$163,465	0 \$150.460	0 \$160.766	0 \$162.020	0 \$165.476	<u>0</u> \$168.324
49 50	Total Operating Expenses	\$101,198	\$125,069	φ 140, 101	\$ 173,675	φ1/0,105	\$172,932	\$160,380	\$156,647	\$159,871	φ103,405	\$158,469	φ 10U, / 0b	\$162,920	\$165,476	φ 100,3∠4
50																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

7.11.01.11.11.10				Actual							Projec	cted				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	apital and Operating Margins	\$8,427	\$4,593	\$9,153	\$8,904	\$10,267	\$7,343	\$5,969	\$6,020	\$5,144	\$4,525	\$12,602	\$12,826	\$13,060	\$13,329	\$13,309
52 Income (Loss		0	0	0	(32)	(198)	(5)	161	273	265	257	249	241	233	224	215
	s) from KRS 2	0	0	0	0	0	0	1	2	2	2	2	2	216	228	247
	its & Patronage Dividends	59	40	40	30	34	40	40	40	40	40	40	40	40	40	40
55 A&G Income		0	0	0	0	5	5	13	50	50	50	50	50	50	50	50
56 A&G Income		0	0	0 0	0 7	0	0	25	50	50	50	50	50	50	50 896	50
57 Interest Inco		909	786	20	36	194 39	264 21	1,154 4	1,091 4	1,061 4	1,030 3	998 5	965 7	931 4	096	860 0
58 Interest Inco		909	786	20 618	517	546	574	603	565	383	402	423	7 444	467	491	516
	ue and Expense	159	156	125	195	205	167	167	167	167	167	167	167	167	167	167
61 Total Margins		\$9,554	\$5,574	\$9,956	\$9,657	\$11,091	\$8,409	\$8,136	\$8,260	\$7,165	\$6,526	\$14,585	\$14,793	\$15,218	\$15,475	\$15,454
62		ψ0,004	ψ0,07-4	ψ0,000	ψ0,007	ψ11,001	ψ0,400	ψο, 100	ψ0,200	ψ1,100	ψ0,020	ψ14,000	ψ14,700	Ψ10,210	ψ10,470	φ10,404
63 RUS																
64 Total TIER		1.96	1.59	2.10	2.11	2.33	2.08	2.02	1.94	1.69	1.58	2.12	2.20	2.30	2.41	2.47
65																
66 Regulatory																
67 Total TIER		2.19	1.83	2.35	2.38	2.61	2.37	2.30	2.19	1.90	1.78	2.30	2.38	2.50	2.61	2.68
68																
69 KRS1																
70																
71 Revenue fror					\$0	\$0	\$0	\$969	\$3,460	\$3,425	\$3,390	\$3,353	\$3,315	\$3,277	\$3,236	\$3,195
72 Expenses (R	levenues)															
73 O&M					\$25	\$0	\$0	\$52	\$210	\$213	\$216	\$219	\$223	\$226	\$229	\$233
74 Insurance								9	37	37	37	37	37	37	37	37
75 Land Lea					0	0	0	25	101	101	101	101	101	101	101	101
76 Deprecia	tion				0	0	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
77 HBA 78 Amortize	41104				0	0	0	12	47 6	47	47 6	47 6	47 6	47 6	47 6	47 6
					0	0	0	1	-	6	-	-	-	-	-	-
	perty Tax penses (KIUC MSA)				0	0 5	5	3 13	12 50							
	m Interest Expense				0	0	0	284	1,091	1.061	1,030	998	965	931	896	860
	erest Expense				7	194	264	870	0,091	0	1,030	0	903	0	0	0
83 IDC	creat Expense				0	0	(264)	(870)	0	0	0	0	0	0	0	0
84 Interest I	ncome				Ü	0	0	0	0	Ö	0	0	0	0	0	ő
85 Net Margin				_	(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
86					(, -)	(,,	(, -,		, -	,	, .	•	·		·	
	and TIER Calculation															
88 Net Margin					(\$32)	(\$198)	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
89 Interest					0	0	0	284	1,091	1,061	1,030	998	965	931	896	860
90 Depreciation					0	0	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
91 Total					(\$32)	(\$198)	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,709
92																
93 LT Interest P					\$0	\$0	\$0	\$284	\$1,091	\$1,061	\$1,030	\$998	\$965	\$931	\$896	\$860
94 LT Principal I	Payments			_	0	0	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
95 Total						\$0	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
96																
97 DSC					na	na	na	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
98 TIER					na	na	na	1.57	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
99 100 Cross KBS1	Energy Payments by KILIC (cente/k)A/h				no	20	20	20	14.60	14.42	14 22	14.17	14.04	12.00	12.60	12 50
	Energy Payments by KIUC (cents/kWh) Payments to KIUC (cents/kWh)				na	na	na	na	14.62	14.43	14.33	14.17	14.01	13.80	13.68	13.50
	Payments to KIUC (cents/kWh) nergy Payments by KIUC (cents/kWh)				na na	na na	na na	na na	(3.97) 10.65	(3.80) 10.63	(3.65) 10.68	(3.48) 10.69	(3.31) 10.70	(2.96) 10.84	(2.79) 10.89	(2.60) 10.90
102 Net KRS1 Er	iergy rayments by Kioo (cents/kwn)				IId	IId	IId	IId	10.05	10.03	10.08	10.09	10.70	10.84	10.69	10.90
100																

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 4 - Income Statement (\$000)

Alternative Scenario 4 - Flat Fuel Prices															
			Actual							Projec	cted				
Line	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
104 KRS2															
105 Revenue from KIUC					\$0	\$0	\$1,473	\$2,956	\$2,968	\$2,958	\$2,933	\$2,939	\$2,946	\$2,944	\$2,946
106 Expenses (Revenues)															
107 O&M					\$0	\$0	\$99	\$201	\$204	\$207	\$210	\$213	\$216	\$219	\$223
108 Insurance						0	16	31	31	31	31	31	31	31	31
109 Land Lease					0	0	25	51	53	54	56	58	59	61	63
110 4.167% GET On Land Lease					0	0	1	2	2	2	2	2	2	3	3
111 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
112 HBA					0	0	0	0	0	0	0	0	0	0	0
113 Amortized HBA					0	0	0	0	0	0	0	0	0	0	0
114 Real Property Tax					0	0	0	1	1	1	1	1	1	1	1
115 Other Expenses (KIUC MSA)					0	0	25	50	50	50	50	50	50	50	50
116 Long-Term Interest					0	0	402	803	788	772	755	737	718	698	676
117 Other Interest Expense					0	41	429	0	0	0	0	0	0	0	0
118 IDC					0	(41)	(429)	0	0	0	0	0	0	0	0
119 Interest Income					0	0	0	0	0	0	0	0	0	0	0
120 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$175	\$194	\$216	\$228	\$247
121															
122 KRS2 DSC and TIER Calculation															
123 Net Margin					\$0	\$0	\$79	\$164	\$186	\$188	\$175	\$194	\$216	\$228	\$247
124 Interest					0	0	402	803	788	772	755	737	718	698	676
125 Depreciation					0	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
126 Total					\$0	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,582	\$2,584	\$2,586	\$2,579	\$2,576
127															
128 Interest Payments					\$0	\$0	\$402	\$803	\$788	\$772	\$755	\$737	\$718	\$698	\$676
129 Principal Payments					0	0	0	268	283	299	316	335	354	374	395
130 Total					\$0	\$0	\$402	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
131															
132 DSC					na	na	3.25	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.40
133 TIER					na	na	1.20	1.20	1.24	1.24	1.23	1.26	1.30	1.33	1.37
134															
135 Gross KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
136 KRS2 Cash Payments to KIUC (cents/kWh)					na	na	(0.02)	(0.04)	(0.07)	(0.07)	(0.06)	(0.06)	(6.43)	(6.40)	(6.38)
137 Net KRS2 Energy Payments by KIUC (cents/kWh)					na	na	12.48	12.46	12.43	12.43	12.44	12.44	6.07	6.10	6.12

	Alternative Scenario 4 - Flat Fuel Prices			Actual		Í					D	rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	ASSETS AND OTHER DEBITS															
2	Total Utility Plant	\$438,705	\$453,415	\$462,666	\$478,307	\$494,066	\$504.284	\$527,275	\$539,943	\$598,476	\$656,033	\$665,414	\$672,426	\$682,987	\$693,225	\$708.379
3	Accumulated Provision for Depr and Amort	(198,672)	(211,674)	(221,234)	(230,027)	(238,616)	(248,303)	(258,247)	(268,555)	(279,108)	(290,022)	(301,898)	(313,909)	(326,080)	(338,473)	(351,144)
4	Net Utility Plant in Service	\$240.033	\$241.741	\$241,431	\$248,279	\$255,450	\$255,981	\$269.028	\$271,388	\$319,369	\$366,011	\$363,516	\$358.517	\$356,906	\$354,752	\$357.236
5	,,	4-10,000	+ =,	*=,	* = . . , =	,,	4=00,000	*===;===	4	*****	*****	*****	******	*****	*****	,
6	Other Property and Investments															
7	Non-Utility Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Investment in KRS1	0	0	0	5,593	8,052	9,847	41,114	40,414	39,677	38,901	38,085	37,228	36,329	35,387	34,399
9	Investment in KRS2	0	0	0	0	0	0	270	262	249	235	222	209	(930)	(2,208)	(3,466)
10	Other Investments	1,000	1,261	1,247	1,193	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
11	Total Other Property and Investments	\$1,000	\$1,261	\$1,247	\$6,787	\$9,554	\$11,349	\$42,885	\$42,178	\$41,427	\$40,637	\$39,808	\$38,938	\$36,901	\$34,680	\$32,434
12																
13	Current Assets															
14	Cash															
15	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	(\$695)	\$244	\$1,147	\$2,010	\$2,834	\$3,617	\$4,320	\$4,979	\$5,594
16	KRS2	0	0	0	0	0	0	(269)	(260)	(244)	(229)	(214)	(199)	1,155	2,662	4,167
17	Other	26,001	2,919	6,096	3,437	3,762	7,765	3,090	3,156	3,098	2,219	3,812	5,975	3,381	0	0
18	Accounts Receivable	9,576	10,849	9,695	12,164	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868	13,868
19	Inventory	13,157	13,320	14,217	14,033	14,788	15,094	15,782	16,162	17,914	19,636	19,917	20,127	20,443	20,750	21,203
20	Prepaids	1,110	1,196	955	987	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
21	Other Current Assets	7,302	7,275	8,167	8,059	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394	9,394
22	Total Current Assets	57,145	35,559	39,131	38,679	43,033	47,342	42,390	43,785	46,396	48,119	50,832	54,003	53,782	52,874	55,447
23	Regulatory Assets	4,338	5,559	5,914	5,357	6,966	6,674	6,381	6,089	5,797	5,505	5,212	4,920	4,628	4,335	4,116
24	Deferred Debits	82	331	421	89	121	121	121	121	121	121	121	121	121	121	121
25	Total Assets and Other Debits	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$360,806	\$363,561	\$413,110	\$460,393	\$459,490	\$456,499	\$452,339	\$446,762	\$449,354
26																
27	EQUITIES AND LIABILTIES															
28	Margins and Equities															
29	Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Patronage Capital	_	_	_												
31	KRS1	0	0	0	(32)	(230)	(234)	5,177	5,450	5,715	5,972	6,222	6,463	6,696	6,920	7,135
32	KRS2	0	0	0	0	0	0	1	2	4	6	8	10	226	454	701
33	Other	48,144	51,316	59,756	68,415	78,601	84,134	91,344	99,074	105,847	111,988	126,197	139,013	151,216	162,585	172,989
34	Other Margins and Equities	0	952 0	1,162 0	963 0	174	252 0	330	408 0	486	564 0	642	720	798	876	954
35 36	Unrealized Gain(Loss) on Investments Total Margins and Equities	(306) \$47,838	\$52,268	\$60,919	\$69,347	978,546	\$84,153	\$96,853	\$104,935	\$112,053	\$118,532	9 \$133,070	0 \$146,207	0 \$158,936	0 \$170,835	0 \$181,780
37	Non-Current Liabilities	φ41,030	\$52,200	\$00,919	φυθ,547	\$70,540	\$04,133	φ 9 0,033	\$104,933	\$112,055	\$110,552	\$133,070	\$140,207	φ150,950	φ170,033	\$101,700
38	Long-Term Debt															
39	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$34.382	\$33,380	\$32,347	\$31,282	\$30.184	\$29.052	\$27,885	\$26,682	\$25,442
40	Other	216.855	207,935	198,675	189,015	188,916	187,583	185,707	184,820	184,805	181,658	251,498	235,504	218,865	201.616	193,708
41	Cushion of Credit	(9,404)	(15,115)	(10,155)	(10,724)	(11,270)	(11,845)	(12,448)	(7,513)	(7,896)	(8,298)	(8,720)	(9,165)	(9,632)	(10,122)	(10,638)
42	Post-Retirement Benefit Obligation	3,858	2,384	1,981	1,881	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382	2,382
43	Total Non-Current Liabilities	\$211,308	\$195.204	\$190,501	\$180.172	\$180.028	\$178.121	\$210.024	\$213,070	\$211.638	\$207.025	\$275.344	\$257.773	\$239,500	\$220,559	\$210.894
44	Current Liabilities	Ψ2,σσσ	ψ.00,20.	ψσσ,σσ.	Ų100,112	ψ.00,020	ψσ,. <u>.</u>	ψ <u>2</u> .0,0 <u>2</u> .	Ψ2.0,0.0	Ψ211,000	\$201,020	Ψ2.0,0	Ψ201,110	Ψ200,000	Ψ220,000	Ψ2.0,00.
45	Current Portion of Long-Term Liab															
46	KRS1	\$0	\$0	\$0	\$0	\$0	\$0	\$972	\$1,002	\$1,033	\$1,065	\$1,098	\$1,132	\$1,167	\$1,203	\$1,240
47	Other	8.487	8.876	9.261	9.661	10,395	11,239	11.875	12.533	13,235	14.777	15.368	15.994	16.639	17,410	18.070
48	Accounts Payable	5,665	7,439	7,338	7,981	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251	6,251
49	Notes Payable to KRS1	0,000	0	0 . ,000	0	0,201	0,20	(695)	244	1,147	2.010	2.834	3.617	4.320	4.979	5.594
50	Notes Payable - KRS 1	Ö	0	0	5.000	7,500	9,500	0	0	0	2,010	2,004	0,017	0	4,575	0,004
51	Notes Payable - Other	ő	2.000	ő	3,700	6.678	6.678	10,000	0	42,228	85.208	ő	Ö	Ö	ő	ő
52	Consumer Deposits	884	1.138	1,049	1,248	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273
53	Interest Accrued Debt KRS1	0	0	0	7	200	0	0	0	0	0	0	0	0	0	0
54	Other Liabilities	15,351	7.146	9.448	12,432	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471	12,471
55	Total Current Liabilities	\$30,388	\$26,598	\$27.096	\$40.028	\$44,768	\$47,412	\$42,147	\$33,775	\$77.637	\$123.056	\$39,295	\$40,738	\$42,121	\$43,587	\$44,899
		400,000	Ψ=0,000	Ψ=.,000	Ψ.0,020	ψ,.σο	Ψ,	♥ . = ,	¥00,0	ψ,σσι	20,000	400,200	ψ.0,.00	¥ ·-, ·- ·	ψ.ο,οοι	ψ,σσσ

	Alternative Scenario 4 - Flat Fuel Prices			Actual		1					Pi	rojected				
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
56	Regulatory Liabilities	4,019	3,726	3,434	3,142	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849
57	Deferred Credits	9,045	6,654	6,194	6,502	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932
58	Total Liabilities	\$254,760	\$232,182	\$227,225	\$229,844	\$236,578	\$237,314	\$263,953	\$258,626	\$301,057	\$341,861	\$326,420	\$310,292	\$293,402	\$275,927	\$267,574
59 60 61	Total Equities and Liabilities	\$302,598	\$284,451	\$288,144	\$299,191	\$315,124	\$321,467	\$360,806	\$363,561	\$413,109	\$460,393	\$459,490	\$456,499	\$452,338	\$446,762	\$449,354
62 63	FINANCIAL RATIOS															
64	Equity to Total Assets	15.81%	18.38%	21.14%	23.18%	24.93%	26.18%	26.84%	28.86%	27.12%	25.75%	28.96%	32.03%	35.14%	38.24%	40.45%
65 66 67	Working Capital (Days of Operating Expenses)	55	9	16	8	8	17	5	8	10	9	16	23	21	18	23
68 69	KRS1 Utility Plant															
70	Electric Plant in Service				\$0	\$0	\$0	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837	\$40,837
71	Accumulated Depreciation and Amortization				0	0	0	(408)	(2,042)	(3,675)	(5,309)	(6,942)	(8,576)	(10,209)	(11,843)	(13,476)
72	Net Electric Plant in Service			_	\$0	\$0	\$0	\$40,428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
73	Construction Work in Progress				4,954	7,806	9,500	φ 4 υ, 4 20	φ30,793 N	φ37,101	φ33,326 Ω	φυυ,094 Ω	φ32,201 Ω	φ30,02 <i>1</i>	\$20,99 4 0	φ2 <i>1</i> ,300
74	Net Electric Utility Plant			_	\$4,954	\$7.806	\$9,500	\$40.428	\$38,795	\$37,161	\$35,528	\$33,894	\$32,261	\$30,627	\$28,994	\$27,360
74 75	Net Electric Utility Plant				\$4,954	\$7,806	\$9,500	\$40,428	\$38,795	\$37,101	\$35,528	\$33,894	\$32,201	\$30,627	\$28,994	\$27,300
76	Current Asssets															
77	Cash				\$640	\$249	\$197	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
78	Accounts/Notes Receivable				φ040 0	9249	φ197 0	(695)	244	1,147	2,010	2,834	3,617	4,320	4,979	5,594
79					U	U		148	142	1,147	130	124	118		106	
80	Prepaid Lease						150 0					1.222	1.222	112		100
	Inventories			_	\$640	\$249	\$347	1,222 \$685	1,222 \$1,619	1,222 \$2,515	1,222 \$3,373	\$4,191	\$4,968	1,222	1,222 \$6,318	1,222 \$6,927
81 82	Total Current Assets				\$640	\$249	\$347	\$080	\$1,019	\$2,515	\$3,373	\$4,191	\$4,968	\$5,665	\$0,318	\$6,927
83	Deferred Tax Benefit				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37	\$74	\$111
84 85	Total Assats				\$5,593	\$8,055	\$9.847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
86	<u>Total Assets</u>				Φ 0,093	\$6,055	φ 9,04 7	Φ41,114	Ф40,414	\$39,077	\$30,90 I	\$30,000	\$37,220	\$30,329	φου,οο <i>ι</i>	\$34,399
87																
88 89	Equity and Margins				(\$32)	(\$230)	(\$234)	\$5,177	\$5,450	\$5,715	\$5,972	\$6,222	\$6,463	\$6,696	\$6,920	\$7,135
90	Advances from KIUC					l										
91	Cash				\$618	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582
92	Loans				5.000	7,500	9.500	35,355	34,382	33,380	32.347	31,282	30.184	29.052	27.885	26,682
93	Total Advances			_	\$5,618	\$8.082	\$10.082	\$35,936	\$34,964	\$33,962	\$32,928	\$31,863	\$30.765	\$29,633	\$28,467	\$27,264
94	Total / lavallocs				ψ0,010	ψ0,002	Ψ10,002	ψου,σου	φο-1,00-1	ψ00,002	402,020	ψο1,000	ψου,1 ου	Ψ20,000	Ψ20,407	ψ 2 1,204
95	Accounts Payable - KRS1				\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96 97	Interest Accrued - KRS1				\$7	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98 99	<u>Deferred Taxes</u>				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100 101	Total Liabilities, Equities, and Margins				\$5,593	\$8,055	\$9,847	\$41,114	\$40,414	\$39,677	\$38,901	\$38,085	\$37,228	\$36,329	\$35,387	\$34,399
102					Ŧ-,3	Ţ.,30	+-,-··	* ,	Ŧ · Ŧ · · · ·	***···	,	,,o	Ţ.,O	+, o	*,	Ţ,-00
103																

	Alternative Scenario 4 - Flat Fuel Prices			Actual		1	Projected									
Line	•	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
104	KRS2															
105	Utility Plant															
106	Electric Plant in Service					\$0	\$0	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314	\$41,314
107	Accumulated Depreciation and Amortization					0	0	(826)	(2,479)	(4,131)	(5,784)	(7,437)	(9,089)	(10,742)	(12,394)	(14,047)
108	Net Electric Plant in Service					\$0	\$0	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
109	Construction Work in Progress					0	6,000	0	0	0	0	0	0	0	0	0
110	Net Electric Utility Plant					\$0	\$6,000	\$40,488	\$38,835	\$37,183	\$35,530	\$33,877	\$32,225	\$30,572	\$28,920	\$27,267
111	O world Associate															
112	Current Asssets							••	••	••	••	••	••	••		•
113	Cash					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
114	Accounts/Notes Receivable					0	0	0	0	0	0	0	0	0	0	0
115	Prepaid Lease					0	0	0	0	0	0	0	0	0	0	0
116	Inventories					- 00		618	1,237	1,237	1,237	1,237	1,237	1,237	1,237	1,237
117	Total Current Assets					\$0	\$0	\$618	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237	\$1,237
118	Defended to Deces							00		00	00		00		00	00
119	Deferred Tax Benefit					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
120 121	Total Assets					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
121	Total Assets					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$30,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
	Faulty and Massica															
123	Equity and Margins					40	40	\$270	\$262	\$249	\$235	\$222	\$209	¢10 E60	\$18,289	\$17,031
124 125	KIUC Equity Equity Investor Equity					\$0 0	\$0 0	26,740	25,981	24,625	23,286	21,963	20,658	\$19,568 0	\$10,209 N	\$17,031 0
125	Total Equity					\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17,031
120	Total Equity					φυ	φU	\$27,010	\$20,243	\$24,074	φ 2 3,32 I	\$22,100	\$20,007	φ19,300	\$10,209	\$17,031
128	Long-Term Debt					\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472
129	Long-Term Debt					φυ	φ0,000	\$14,090	\$13,020	\$13,545	\$13,240	\$12,929	\$12,595	\$12,241	φ11,007	\$11,472
130	Other Current and Accrued Liabilities					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
131	Other Current and Accided Liabilities					φυ	φυ	φU	φ0	φU	φυ	φυ	φυ	φυ	φυ	ΨU
132	Deferred Taxes					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
133	Deletted Taxes					φυ	φυ	φU	φ0	φU	φυ	φυ	φυ	φυ	φυ	ΨU
134	Total Liabilities, Equities, and Margins					\$0	\$6,000	\$41,106	\$40,072	\$38,419	\$36,767	\$35,114	\$33,462	\$31,809	\$30,156	\$28,504
135	Total Elabilities, Equities, and ivialgins					φυ	φ0,000	φ41,100	φ40,072	φ30,419	\$30,707	φ55, I 1 4	φ33, 4 02	φ51,00 9	φ30,130	\$20,504
136	Equity Detail															
137	<u>Equity Detail</u>															
138	Total Equity															
139	Beginning Equity					\$0	\$0	\$0	\$27,010	\$26,243	\$24,874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289
140	Retained Earnings					0	0	79	164	186	188	175	194	216	228	247
141	Equity Investment					ő	0	27,218	0	0	0	0	0	0	0	0
142	Distributions					0	0	(287)	(930)	(1,555)	(1,541)	(1,511)	(1,512)	(1,515)	(1,507)	(1,504)
143	Ending Equity					\$0	\$0	\$27,010	\$26,243	\$24.874	\$23,521	\$22,185	\$20,867	\$19,568	\$18,289	\$17.031
144						**	**	+=-,			*,	7,		* ,	* ,	*,
145	KIUC Equity															
146	% Ownership					1%	1%	1%	1%	1%	1%	1%	1%	100%	100%	100%
147	Beginning Equity					0	0	0	270	262	249	235	222	209	19,568	18,289
148	Retained Earnings					0	0	1	2	2	2	2	2	216	228	247
149	Equity Investment					0	0	272	0	0	0	0	0	0	0	0
150	Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,515)	(1,507)	(1,504)
151	Change in Ownership													20,658		
152	Ending Equity					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	\$19,568	\$18,289	\$17,031
153	- · · ·					·										
154	Equity Investor Equity															
155	% Ownership					99%	99%	99%	99%	99%	99%	99%	99%	0%	0%	0%
156	Beginning Equity					0	0	0	26,740	25,981	24,625	23,286	21,963	20,658	0	0
157	Retained Earnings					0	0	78	163	184	186	173	192	0	0	0
158	Equity Investment					0	0	26,945	0	0	0	0	0	0	0	0
159	Distributions					0	0	(284)	(921)	(1,540)	(1,525)	(1,496)	(1,497)	0	0	0
160	Change in Ownership					0	0	0	0	0	0	0	0	(20,658)	0	0
161	Ending Equity					\$0	\$0	\$26,740	\$25,981	\$24,625	\$23,286	\$21,963	\$20,658	\$0	\$0	\$0
						•										

		Actual					Projected									
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
162																<u>.</u>
163	KIUC Portion of KRS2															
164																
165	Assets															
166	Beginning Investment in KRS2					\$0	\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)
167	KRS2 Net Income					0	0	1	2	2	2	2	2	216	228	247
168	KRS2 Capital Investment					0	0	272	0	0	0	0	0	161		
169	KRS2 Distributions					0	0	(3)	(9)	(16)	(15)	(15)	(15)	(1,515)	(1,507)	(1,504)
170	Ending Investment in KRS2					\$0	\$0	\$270	\$262	\$249	\$235	\$222	\$209	(\$930)	(\$2,208)	(\$3,466)
171																
172	Beginning Cash					\$0	\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,155	\$2,662
173	KRS2 Capital Investment					0	0	(272)	0	0	0	0	0	(161)	0	0
174	KRS2 Distributions					0	0	3	9	16	15	15	15	1,515	1,507	1,504
175	Ending Cash					\$0	\$0	(\$269)	(\$260)	(\$244)	(\$229)	(\$214)	(\$199)	\$1,155	\$2,662	\$4,167
176																
177	Total Assets					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$226	\$454	\$701
178																
179	Equity & Liabilities															
180	Beginning Patronage Capital - KRS2					\$0	\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$226	\$454
181	KRS2 Net Income					0	0	1	2	2	2	2	2	216	228	247
182	Ending Patronage Capital - KRS2					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$226	\$454	\$701
183																
184	Total Equity & Liabilities					\$0	\$0	\$1	\$2	\$4	\$6	\$8	\$10	\$226	\$454	\$701

						Pro	jected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
_											
1	Total Accrual Margins	\$8,409	\$8,136	\$8,260	\$7,165	\$6,526	\$14,585	\$14,793	\$15,218	\$15,475	\$15,454
2	Add: Depreciation and Amortization	14,677	15,195	15,800	16,260	16,731	18,886	19,127	19,365	19,680	20,024
3	Add: Interest Exp - Existing Long-Term Debt	7,605	7,194	6,765	6,325	5,849	5,360	4,856	4,328	3,778	3,198
4	Add: Interest Exp - KRS1 Long-Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
5	Add: Interest Exp - Other New Long-Term Debt	165	527	979	3,036	4,362	6,618	6,530	6,430	6,339	6,478
6	Less: Capital Credits, Pat Cap, and KRS1/KRS2 Income (Loss)	(35)	(202)	(314)	(307)	(299)	(291)	(283)	(489)	(492)	(502)
7	Less: COC Interest Income	(574)	(603)	(565)	(383)	(402)	(423)	(444)	(467)	(491)	(516)
8	Less: Capitalized Interest	0	0	0	(1,478)	(2,230)	0	0	0	0	0
9	Cash from Operations	\$30,245	\$30,530	\$32,015	\$31,678	\$31,565	\$45,734	\$45,543	\$45,316	\$45,185	\$44,996
10	D.110 : 1 T										
11	Debt Service - Long Term	07.005	67.404	00 705	00.005	05.040	05.000	04.050	04.000	00.770	00.400
12	Existing - Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
13	Existing - Principal	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
14	KRS1 Interest	0	284	1,091	1,061	1,030	998	965	931	896	860
15	KRS1 Principal	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
16	Other New - Interest	165	527	979	3,036	4,362	6,618	6,530	6,430	6,339	6,478
17	New - Principal	93	314	523	741	969	2,025	2,114	2,213	2,309	2,503
18	Other - Interest	0	0	0	0	0	0	0	0	0	0
19	Total Debt Service	\$18,259	\$19,476	\$21,682	\$23,957	\$25,508	\$28,818	\$28,817	\$28,815	\$28,819	\$29,149
20	0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	***	****	***		****		A 4 0 = 0 0		***	
21	Cash Margins After Debt Service	\$11,987	\$11,054	\$10,333	\$7,721	\$6,057	\$16,915	\$16,726	\$16,501	\$16,366	\$15,847
22											
23	Additional Sources of Cash	***	***	***		***		••		***	***
24	Proceeds from Long-Term Debt	\$10,000	\$10,000	\$11,646	\$13,219	\$11,631	\$85,208	\$0	\$0	\$162	\$10,161
25	Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
26	Proceeds from RUS Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
27	Free Cash Flow From		(005)	0.40	000	004	20.4	700	700	000	0.4.5
28	KRS1	0	(695)	940	902	864	824	783	703	660	615
29	KRS2	0	(269)	9	16	15	15	15	1,354	1,507	1,504
30	Principal Income from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
31	CIAC/Grant Funds/Advances	9,191	662	728	800	880	967	1,063	1,168	1,284	1,411
32	Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
33	A 1887 - 111 - 100 - 1										
34	Additional Uses of Cash	(00.007)	(00.007)	(40.050)	(00.040)	(04.444)	(40.750)	(4.4.550)	(40.040)	(40.000)	(00.000)
35	Total Additions and Replacements	(23,997)	(28,397)	(18,359)	(63,010)	(61,444)	(16,752)	(14,552)	(18,249)	(18,098)	(23,239)
36	Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
37	Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)
38	Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	0	0	(85,208)	0	0	0	0
39	Regular Capital Credit Retirements	(2,755)	(639)	(131)	0	0	0	(1,609)	(2,442)	(3,529)	(4,462)
40	Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
41	T + 1 A 1 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(07.000)	(0.4.0.005)	(00 04 =)	(00.000)	(00.05=)	(0.4.4.406)	(040 705)	(0.17.006)	(0.47 500)	(0.10.706)
42	Total Additional Sources and Uses of Cash	(\$7,983)	(\$16,695)	(\$9,317)	(\$6,862)	(\$6,057)	(\$14,483)	(\$13,765)	(\$17,038)	(\$17,580)	(\$13,728)

		Projected										
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
43												
44	Net Change in Cash Including KRS1/KRS2-Related	\$4,003	(\$5,640)	\$1,016	\$859	\$0	\$2,432	\$2,961	(\$537)	(\$1,214)	\$2,119	
45	Less KRS1/KRS2-Related Net Change In Cash	0	965	(949)	(918)	(879)	(839)	(798)	(2,057)	(2,167)	(2,119)	
46	Total Net Change in Cash	\$4,003	(\$4,676)	\$67	(\$58)	(\$879)	\$1,593	\$2,163	(\$2,594)	(\$3,381)	(\$0)	
47												
48	TIER Calculation											
49	Long-Term Interest Payment	\$7,770	\$8,005	\$8,834	\$10,422	\$11,240	\$12,976	\$12,351	\$11,689	\$11,013	\$10,536	
50	Total TIER	2.08	2.02	1.94	1.69	1.58	2.12	2.20	2.30	2.41	2.47	
51												
52	RUS Debt Service Coverage Ratio											
53	Net Margins	\$8,409	\$8,136	\$8,260	\$7,165	\$6,526	\$14,585	\$14,793	\$15,218	\$15,475	\$15,454	
54	Interest on Long Term Debt	7,770	8,005	8,834	10,422	11,240	12,976	12,351	11,689	11,013	10,536	
55	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560	
56	Adjusted Margins	\$ 30,392	\$ 30,872	\$ 32,431	\$ 33,383	\$ 34,033	\$ 45,984	\$ 45,807	\$ 45,808	\$ 45,705	\$ 45,551	
57												
58	Debt Service	\$ 18,259	\$ 19,476	\$ 21,682	\$ 23,957	\$ 25,508	\$ 28,818	\$ 28,817	\$ 28,815	\$ 28,819	\$ 29,149	
59	RUS DSC Ratio	1.66	1.59	1.50	1.39	1.33	1.60	1.59	1.59	1.59	1.56	
60												
61	CFC Debt Service Coverage Ratio											
62	Operating Margins	\$7,343	\$5,969	\$6,020	\$5,144	\$4,525	\$12,602	\$12,826	\$13,060	\$13,329	\$13,309	
63	Non-Operating Margins - Interest	860	1,761	1,659	1,447	1,435	1,425	1,417	1,402	1,387	1,376	
64	Interest on Long Term Debt	7,770	8,005	8,834	10,422	11,240	12,976	12,351	11,689	11,013	10,536	
65	Depreciation and Amortization Expense	14,213	14,731	15,336	15,796	16,267	18,423	18,663	18,901	19,216	19,560	
66	apital Crettits Received	0	0	0	0	0	0	0	0	0	0	
67	Adjusted Margins	\$ 30,185	\$ 30,466	\$ 31,849	\$ 32,809	\$ 33,467	\$ 45,426	\$ 45,257	\$ 45,053	\$ 44,945	\$ 44,782	
68												
69	Debt Service	\$ 18,259				\$ 25,508	\$ 28,818			,	\$ 29,149	
70	CFC DSC Ratio	1.65	1.56	1.47	1.37	1.31	1.58	1.57	1.56	1.56	1.54	
71												
72	Patronage Refund Over 2.0 RUS TIER	(\$2,755)	(\$639)	(\$131)	\$0	\$0	\$0	(\$1,609)	(\$2,442)	(\$3,529)	(\$4,462)	
73												
74	Capital Credits Balance - Excluding KRS1 and KRS2											
75	Balance (Beg Yr)	\$78,601	\$84,134	\$91,344	\$99,074	\$105,847	\$111,988	\$126,197	\$139,013	\$151,216	\$162,585	
76	Retirements	(2,755)		(131)	0	0	0	(1,609)	(2,442)	(3,529)	(4,462)	
77	Early Retirements	(125)	` ,	(125)	(125)	, ,	(125)	(125)	(125)	(125)	(125)	
78	Additions	8,413	7,974	7,986	6,898	6,267	14,334	14,550	14,769	15,023	14,992	
79	Balance (End Yr)	\$84,134	\$91,344	\$99,074	\$105,847	\$111,988	\$126,197	\$139,013	\$151,216	\$162,585	\$172,989	
80												

					Proj	ected				
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
81 <u>KRS1</u>										
82 Cash Flows from Operating Activities										
83 Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
84 Depreciation and Amortization	0	410	1,639	1,639	1,639	1,639	1,639	1,639	1,639	1,639
85 Capitalized Interest	(264)	(870)	0	0	0	0	0	0	0	0
86 Taxes Paid	0	0	0	0	0	0	0	(37)	(37)	(37
87 Changes in Prepayments	(150)	0	0	0	0	0	0	0	0	0
88 Changes in Accounts Payable	(3)	0	0	0	0	0	0	0	0	0
89 Changes in Accrued Interest	(200)	0	0	0	0	0	0	0	0	C
90 Changes in Inventories	0	(1,222)	0	0	0	0	0	0	0	C
91 Net Cash from Operating Activities	(\$622)	(\$1,521)	\$1,912	\$1,905	\$1,897	\$1,889	\$1,881	\$1,835	\$1,826	\$1,818
92										
93 Cash Flows from Investing Activities										
94 Additions to Utility Plant	(\$1,430)	(\$46,802)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95										
96 Cash Flows from Financing Activities										
97 Loan Amounts	\$2,000	\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
98 Principal Paid on Debt	0	(232)	(972)	(1,002)	(1,033)	(1,065)	(1,098)	(1,132)	(1,167)	(1,203
99 Grants/Tax Incentives Received	0	21,586	0	0	0	0	0	0	0	(
00 Grants/Tax Incentives Paid On Debt	0	(21,586)	0	0	0	0	0	0	0	(
01 Note Receivable to Parent	0	695	(940)	(902)	(864)	(824)	(783)	(703)	(660)	(615
102 Net Cash from Financing Activities	\$2,000	\$48,136	(\$1,912)	(\$1,905)	(\$1,897)	(\$1,889)	(\$1,881)	(\$1,835)	(\$1,826)	(\$1,818
103										
04 Net Change in Cash	(\$52)	(\$187)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
05										
106 RUS Debt Service Coverage Ratio										
107 Net Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
108 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
109 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
110 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,709
111										
112 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
113 RUS DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
114										
115 CFC Debt Service Coverage Ratio										
116 Operating Margins	(\$5)	\$161	\$273	\$265	\$257	\$249	\$241	\$233	\$224	\$215
117 on-Opera fi ng Margins - Interest	0	0	0	0	0	0	0	0	0	(
118 Interest on Long Term Debt	0	284	1,091	1,061	1,030	998	965	931	896	860
119 Depreciation and Amortization Expense	0	408	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633
120 apital Cre@tts Received	0	0	0	0	0	0	0	0	0	1
121 Adjusted Margins	(\$5)	\$854	\$2,997	\$2,959	\$2,921	\$2,881	\$2,840	\$2,797	\$2,754	\$2,710
122										
123 Debt Service	\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
124 CFC DSC Ratio	NA	1.66	1.45	1.43	1.42	1.40	1.38	1.36	1.33	1.31
125										

	Alternative Scenario 4 - Flat Fuel Prices					Pro	jected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	KRS2										
127	Cash Flows from Operating Activities										
128	Margins	\$0	\$79	\$164	\$186	\$188	\$175	\$194	\$216	\$228	\$247
129	Depreciation and Amortization	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
130	Capitalized Interest	(41)	(429)	0	0	0	0	0	0	0	0
131	Taxes Paid	0	0	0	0	0	0	0	0	0	0
132	Changes in Accrued Interest	0	0	0	0	0	0	0	0	0	0
133	Changes in Prepayments	0	0	0	0	0	0	0	0	0	0
134	Changes in Inventories	0	(618)	(618)	0	0	0	0	0	0	0
135	Net Cash from Operating Activities	(\$41)	(\$142)	\$1,198	\$1,839	\$1,840	\$1,827	\$1,847	\$1,868	\$1,881	\$1,900
136											
137	Cash Flows from Investing Activities										
138	Additions to Utility Plant	(\$5,959)	(\$34,885)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
139											
140	Cash Flows from Financing Activities										
141	Loan Amounts	\$6,000	\$35,314	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
142	Principal Paid on Debt	0	0	(268)	(283)	(299)	(316)	(335)	(354)	(374)	(395)
143	State Tax Refund	0	4,987) O	O O	O O	O O	O O) O) O	O O
144	Distributions	0	(5,274)	(930)	(1,555)	(1,541)	(1,511)	(1,512)	(1,515)	(1,507)	(1,504)
145	Net Cash from Financing Activities	\$6,000	\$35,027	(\$1,198)	(\$1,839)	(\$1,840)	(\$1,827)	(\$1,847)	(\$1,868)	(\$1,881)	(\$1,900)
146											
147	Net Change in Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
148											
149	RUS Debt Service Coverage Ratio										
150	Net Margins	na	\$ 79	\$ 164	\$ 186	\$ 188	\$ 175	\$ 194	\$ 216	\$ 228	\$ 247
151	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
152	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
153	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,582	\$2,584	\$2,586	\$2,579	\$2,576
154											
155	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
156	RUS DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.40
157											
158	CFC Debt Service Coverage Ratio										
159	Operating Margins	na	\$79	\$164	\$186	\$188	\$175	\$194	\$216	\$228	\$247
160	on-Opera f\ ng Margins - Interest	na	0	0	0	0	0	0	0	0	0
161	Interest on Long Term Debt	0	402	803	788	772	755	737	718	698	676
162	Depreciation and Amortization Expense	0	826	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
163	apital Credits Received	0	0	0	0	0	0	0	0	0	1
164	Adjusted Margins	\$0	\$1,307	\$2,620	\$2,627	\$2,612	\$2,582	\$2,584	\$2,586	\$2,579	\$2,577
165											
166	Debt Service	\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
167	CFC DSC Ratio	NA	2.44	2.45	2.45	2.44	2.41	2.41	2.41	2.41	2.41
		•									

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 7 - General Funds Summary (\$000)

	Projected 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 R \$3,762 \$7,765 \$2,125 \$3,141 \$4,000 \$4,000 \$6,432 \$9,393 \$8,856 \$7,64									
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 KIUC NET GENERAL FUNDS - BEGINNING OF YEAR	\$3,762	\$7,765	\$2,125	\$3,141	\$4,000	\$4,000	\$6,432	\$9,393	\$8,856	\$7,642
2										
3 SOURCES OF GENERAL FUNDS										
4 Cash Margins after Debt Service	\$11,987	\$11,054	\$10,333	\$7,721	\$6,057	\$16,915	\$16,726	\$16,501	\$16,366	\$15,847
5 Long Term Debt Loan Proceeds	10,000	10,000	11,646	13,219	11,631	85,208	0	0	162	10,161
6 Patronage Capital Paid in Cash	40	40	40	40	40	40	40	40	40	40
7 Principal Income from KRS1	0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
8 Proceeds from Short-Term Debt	10,000	13,322	0	42,228	42,980	0	0	0	0	0
9 Cushion of Credit	0	0	5,500	0	0	0	0	0	0	0
10 Change in KRS1-Related Cash	0	(695)	940	902	864	824	783	703	660	615
11 Change in KRS2-Related Cash	0	(269)	9	16	15	15	15	1,354	1,507	1,504
12 Total Sources of General Funds	\$32,027	\$33,684	\$29,440	\$65,128	\$62,621	\$104,067	\$18,662	\$19,730	\$19,901	\$29,370
13										
14 USES OF GENERAL FUNDS										
15 Regular Capital Credit Retirements	(\$2,755)	(\$639)	(\$131)	\$0	\$0	\$0	(\$1,609)	(\$2,442)	(\$3,529)	(\$4,462)
16 Early Retirement of Capital Credits	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)
17 Net Additions and Replacements	(14,806)	(27,735)	(17,631)	(62,210)	(60,565)	(15,785)	(13,489)	(17,081)	(16,814)	(21,828)
18 Refund of Customer Advances	(109)	(215)	(236)	(260)	(286)	(315)	(346)	(381)	(419)	(461)
19 Inventory Buildup	(306)	(688)	(379)	(1,752)	(1,723)	(281)	(210)	(316)	(306)	(454)
20 Repayment of Short-Term Debt	(10,000)	(10,000)	(10,000)	0	0	(85,208)	0	0	0	0
21 Total Uses of General Funds	(\$28,023)	(\$39,324)	(\$28,424)	(\$64,269)	(\$62,621)	(\$101,635)	(\$15,701)	(\$20,267)	(\$21,115)	(\$27,251)
22										
23 KIUC NET GENERAL FUNDS - END OF YEAR	\$7,765	\$2,125	\$3,141	\$4,000	\$4,000	\$6,432	\$9,393	\$8,856	\$7,642	\$9,761

						Proje	ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	UTILITY PLANT										
2	Plant-in-Service - BOY	\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
3	Acquisition Adjustment - BOY	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852	54,852
4	CWIP - BOY	18,902	5,715	7,169	550	49,238	0	0	0	2,200	0
5	Total Utility Plant - BOY	\$494,066	\$504,284	\$527,275	\$539,943	\$598,476	\$656,032	\$665,413	\$672,426	\$682,986	\$693,224
6											
7											
8	ADDITIONS AND REPLACEMENTS										
9	Generation										
10	Hydropower	\$0	\$0	\$0	\$40,750	\$40,750	\$0	\$0	\$0	\$0	\$0
11	Hydropower Capitalized Interest	0	0	0	1,478	2,230	0	0	0	0	0
12	SWD CO Catalysts Install	150	0	0	0	0	0	0	0	0	0
13	EMD CO Catalysts Install	300	0	0	0	0	0	0	0	0	0
14	HRSG MCC Replacement	100	0	0	0	0	0	0	0	0	0
15	Waiahi Upper Powerhouse Expansion	0	3,489	0	0	0	0	0	0	0	0
16	Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	0
17	LFG	0	0	0	0	0	0	0	0	0	0
18	Titan or Alternative	0	0	0	0	0	0	0	0	0	0
19	Other Non-Recurring Projects	5,130	1,928	0	0	0	5,050	2,000	2,000	2,000	2,000
20	Other Recurring Projects	925	950	850	850	850	850	950	1,600	1,600	850
21	Transmission and Distribution										
22	North Shore Transmission Line Capital Expenditures	0	0	0	7,010	9,000	0	0	0	0	0
23	Anahola Service Center	200	4,692	0	0	0	0	0	0	0	0
24	Princeville Substation Upgrade	152	0	0	0	0	0	0	0	0	0
25	Replacement GIS Mapping System	250	50	0	0	0	0	0	0	0	0
26	Kipu 12 kV Reroute	100	300	0	0	0	0	0	0	0	0
27	Wailua Corridor Undergrounding	1,666	834	0	0	0	0	0	0	0	0
28	RUS Standards Compliance	50	75	0	0	0	0	0	0	0	0
29	Hanalei Tap Reconfiguration	0	50	500	1,000	0	0	0	0	0	0
30	New T&D Warehouse and Field Offices	0	0	1,500	0	0	0	0	0	0	0
31	HCP - C2 Waiakea Canal Crossing	245	147	0	0	0	0	0	0	0	0
32	Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	0
33	Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	0
34	Kilohana Switching Station	0	0	0	0	0	0	0	0	0	0
35	Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	1,122	0
36	Other Non-Recurring Projects										
37	Transmission	2,401	1,945	4,398	1,581	1,040	0	0	0	0	6,000
38	Distribution	0	0	0	0	0	0	0	0	0	0

•	2013	2014	2015	2016	Project 2017	2018	2019	2020	2021	2022
e Other Recurring Projects	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	040	740	000	0.004	540	470	400	400	400	į
Transmission	840	710	620	3,231	542	479	468	482	498	
Distribution	5,934	6,492	7,375	6,076	7,184	7,759	8,389	9,080	9,837	10,
2 Other	40	44	48	53	59	64	71	78	86	
3 Other Projects	505	4.005		4.055	500	4 000	4 400	4.040	1 001	
Non-Recurring Projects	535	1,305	555	1,055	500	1,000	1,100	1,210	1,331	1
Recurring Projects	1,730	1,467	1,401	1,405	1,520	1,549	1,574	1,599	1,625	1
Carryover Projects				_		_	_	_		
AEPO Substation (Kumanu)	530	3,920	1,112	0	0	0	0	0	0	
SPCC Substation Compliance	220	0	0	0	0	0	0	0	0	
AMI/Advanced Metering Infrastructure	2,500	0	0	0	0	0	0	0	0	
Battery Energy Storage	0	0	0	0	0	0	0	0	0	
Other Carryover Projects	0	0	0	0	0	0	0	0	0	
Total Additions and Replacements	\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23
Less Customer Advances	(2,880)	(651)	(716)	(788)	(867)	(953)	(1,049)	(1,153)	(1,269)	(*
Less CIAC	(9)	(11)	(12)	(12)	(13)	(14)	(14)	(15)	(15)	
Less AMI Funding	(6,302)	0	0	0	0	0	0	0	0	
Total Cap Ex Cash Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$2
CONSTRUCTION WORK IN PROGRESS										
Hydropower	\$0	\$0	\$0	\$40,750	\$0	\$0	\$0	\$0	\$0	
Hydropower Capitalized Interest	0	0	0	1,478	0	0	0	0	0	
SWD CO Catalysts Install	0	0	0	0	0	0	0	0	0	
EMD CO Catalysts Install	0	0	0	0	0	0	0	0	0	
HRSG MCC Replacement	0	0	0	0	0	0	0	0	0	
Waiahi Upper Powerhouse Expansion	0	0	0	0	0	0	0	0	0	
Waiahi Lower Powerhouse Upgrade	0	0	0	0	0	0	0	0	0	
LFG	0	0	0	0	0	0	0	0	0	
Titan or Altennative	0	0	0	0	0	Ö	0	Ö	0	
North Shore Transmission Line Capital Expenditures	0	0	0	7,010	0	Ö	0	Ö	0	
Anahola Service Center	200	0	0	0	0	0	Ö	0	0	
Princeville Substation Upgrade	0	0	0	0	0	0	0	0	0	
Repace GIS Mapping System	250	0	0	0	0	0	0	0	0	
Kipu 12 kV Reroute	100	0	0	0	0	0	0	0	0	
Wailua Corridor Undergrounding	1,666	0	0	0	0	0	0	0	0	
RUS Standards Compliance	50	0	0	0	0	0	0	0	0	
Hanalei Tap Reconfiguration	0	50	550	0	0	0	0	0	0	
	0	0	550 0	0	0	0	0	0	0	
New T&D Warehouse and Field Offices	-	-	•	ū	-	-	-	-	•	
HCP - C2 Waiakea Canal Crossing	250	0	0	0	0	0	0	0	0	
Kapaia to Hanahanapuni	0	0	0	0	0	0	0	0	0	
Convert Hanahanapuni Tap to Switching Station	0	0	0	0	0	0	0	0	0	
Kilohana Switching Station	0	0	0	0	0	0	0	0	0	
Lihue Station - Upgraded Transformers (3 @ \$850)	0	0	0	0	0	0	0	2,200	0	
2 AEPO Substation (Kumanu)	3,199	7,119	0	0	0	0	0	0	0	

	Alternative Scenario 4 - Flat Fuel Prices						Proje	cted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
83	SPCC Substation Compliance		0	0	0	0	0	0	0	0	0	0
84	AMI/Advanced Metering Infrastructure		0	0	0	0	0	0	0	0	0	0
85	Battery Energy Storage		0	0	0	0	0	0	0	0	0	0
86	Other Carryover Projects		0	0	0	0	0	0	0	0	0	0
87	Total CWIP		\$5,715	\$7,169	\$550	\$49,238	\$0	\$0	\$0	\$2,200	\$0	\$0
88												
89	TOTAL PLANT IN SERVICE - BOY		\$420,312	\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372
90	Total Additions and Replacements		23,997	28,397	18,359	64,488	63,675	16,752	14,552	18,249	18,098	23,239
91	Carryover Closed to Plant		16,228	2,516	7,119	550	49,238	0	0	0	2,200	0
92	Less CIAC and Funding		(9,082)	(447)	(492)	(540)	(594)	(652)	(717)	(787)	(865)	(951)
93	Less Cap Ex to CWIP		(3,041)	(3,970)	(500)	(49,238)	0	0	0	(2,200)	0	0
94	Less Retirements		(4,697)	(4,958)	(5,199)	(5,415)	(5,525)	(6,718)	(6,823)	(6,901)	(6,995)	(7,134)
95	TOTAL PLANT IN SERVICE - EOY		\$443,717	\$465,254	\$484,541	\$494,386	\$601,180	\$610,561	\$617,574	\$625,934	\$638,372	\$653,527
96	Closed to Plant		\$28,102	\$26,496	\$24,486	\$15,260	\$112,319	\$16,099	\$13,835	\$15,262	\$19,433	\$22,288
97												
98	FUNDING		040.000	* 40.000	04.040	055 445	054044		•	••	0.400	••
99	Debt		\$10,000	\$13,322	\$1,646	\$55,447	\$54,611	\$0	\$0	\$0	\$162	\$0
100	Customer Advances		2,880	651	716	788	867	953	1,049	1,153	1,269	1,395
101	Cash		4,806	14,413	10,485	8,241	8,184	15,785	13,489	17,081	16,652	0
102	CIAC/AMI Funding		6,311	11	12	12	13	14	14	15	15	16
103	Total		\$23,997	\$28,397	\$18,359	\$64,488	\$63,675	\$16,752	\$14,552	\$18,249	\$18,098	\$23,239
104	DEDDECLATION EVDENCE											
105	DEPRECIATION EXPENSE	D										
106		Depr										
100	Existing 2012 Plant	2.73%	\$11,398	\$11,266	\$11,128	\$10,983	\$10,834	\$10,667	\$10,482	\$10,295	\$10,106	\$9,913
107	•	2.73%	53	105	105	105	105	105	105	105	105	105
109		2.1370	55	105	105	105	105	105	105	105	105	105
110		2.00%	0	0	0	0	0	1,630	1,630	1,630	1,630	1,630
111	Hydropower Capitalized Interest	2.00%	0	0	0	0	0	74	74	74	74	74
112		2.10%	10	20	20	20	20	20	20	20	20	20
113	EMD CO Catalysts Install	2.10%	8	16	16	16	16	16	16	16	16	16
114	•	2.10%	1	3	3	3	3	3	3	3	3	3
115	Waiahi Upper Powerhouse Expansion	2.00%	Ö	35	70	70	70	70	70	70	70	70
116	··	2.00%	0	0	0	0	0	0	0	,0	0	0
117	LFG	6.67%	0	0	0	0	0	0	0	0	Ö	0
118	Titan or Alternative	2.10%	0	0	0	0	0	0	0	0	Ö	0
119	Other Non-Recurring Projects	2.10%	54	128	148	148	148	202	276	318	360	402
120	Other Recurring Projects	2.10%	10	29	48	66	84	102	121	148	181	207
121	• .	2.1070	10	20	40	00	04	102	121	140	101	201
122		2.82%	0	0	0	0	226	452	452	452	452	452
123		2.82%	0	69	138	138	138	138	138	138	138	138
124		3.33%	13	25	25	25	25	25	25	25	25	25
125	Replacement GIS Mapping System	3.33%	0	5	10	10	10	10	10	10	10	10
123	Replacement Old Mapping System	J.JJ /0	ı ⁰	3	10	10	10	10	10	10	10	10

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 8 - Plant Investment and Depreciation Expense (\$000)

	Alternative Scenario 4 - Flat Fuel Prices						Projec	ted				
Line			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
126	Kipu 12 kV Reroute	2.82%	0	6	11	11	11	11	11	11	11	11
127	Wailua Corridor Undergrounding	2.82%	0	35	71	71	71	71	71	71	71	71
128	RUS Standards Compliance	2.82%	0	2	4	4	4	4	4	4	4	4
129	Hanalei Tap Reconfiguration	2.82%	0	0	0	22	44	44	44	44	44	44
130	New T&D Warehouse and Field Offices	2.82%	0	0	21	42	42	42	42	42	42	42
131	HCP - C2 Waiakea Canal Crossing	2.70%	0	5	11	11	11	11	11	11	11	11
132	Kapaia to Hanahanapuni	2.82%	0	0	0	0	0	0	0	0	0	0
133	Convert Hanahanapuni Tap to Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
134	Kilohana Switching Station	2.82%	0	0	0	0	0	0	0	0	0	0
135	Lihue Station - Upgraded Transformers (3 @ \$850)	2.82%	0	0	0	0	0	0	0	0	47	94
136	Other Non-Recurring Projects											
137	Transmission	2.82%	34	95	185	269	306	321	321	321	321	406
138	Distribution	3.33%	0	0	0	0	0	0	0	0	0	0
139	Other Recurring Projects											
140	Transmission	2.82%	12	34	53	107	160	175	188	201	215	229
141	Distribution	3.33%	99	305	536	760	980	1,229	1,498	1,788	2,103	2,444
142	Other	2.73%	1	2	3	4	6	. 8	9	11	14	16
143	Other Projects											
144	Non-Recurring Projects	2.73%	7	32	58	80	101	121	150	181	216	254
145	Recurring Projects	2.73%	24	67	106	145	184	226	269	312	356	401
146	Carryover Projects											
147	AEPO Substation (Kumanu)	3.33%	0	0	137	274	274	274	274	274	274	274
148	SPCC Substation Compliance	3.33%	10	20	20	20	20	20	20	20	20	20
149	AMI/Advanced Metering Infrastructure	8.00%	504	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
150	Battery Energy Storage	5.00%	0	0	0	0	0	0	0	0	0	0
151	Total	•	\$12,236	\$13,314	\$13,934	\$14,412	\$14,902	\$17,078	\$17,341	\$17,604	\$17,946	\$18,394
152	Less AMI Funding	8.00%	0	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)	(507)
153	Less CIAC	3.33%	(46)	(99)	(115)	(132)	(151)	(171)	(194)	(219)	(247)	(277)
154	Total Deprec and Amort Accrual	•	\$12,190	\$12,708	\$13,313	\$13,773	\$14,244	\$16,400	\$16,641	\$16,878	\$17,193	\$17,610
155	Less Depreciation in Other Accounts		(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)	(463)
156	Net Depr and Amort Expense	•	\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147
157												
158	Net Depreciation and Amortization Expense		\$11,727	\$12,245	\$12,850	\$13,310	\$13,781	\$15,936	\$16,177	\$16,415	\$16,730	\$17,147
159	Amortization of Regulatory Asset - Iniki		292	292	292	292	292	292	292	292	292	219
160	Amortization of Acquisition Adjustment		2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194
161	Total Depreciation & Amortization Expense	ŀ	\$14,213	\$14,731	\$15,336	\$15,796	\$16,267	\$18,423	\$18,663	\$18,901	\$19,216	\$19,560
162	Plus Depreciation in Other Accounts		463	463	463	463	463	463	463	463	463	463
163	Total Depr and Amort Accrual	ŀ	\$14,677	\$15,195	\$15,800	\$16,260	\$16,731	\$18,886	\$19,127	\$19,365	\$19,680	\$20,024
164												
165												

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 8 - Plant Investment and Depreciation Expense (\$000)

Alternative Scenario 4 - Flat Fuel Frices												
		Projected										
Line	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
166 KRS1												
167 BOY CWIP	\$7,806	\$9,500										
168 Capital Expenditures	1,694	47,672										
169 Federal Grant	0	(16,336)										
170 EOY CWIP	9,500											
171 Closed to Plant	\$0	\$40,837										
172												
173 KRS2												
174 BOY CWIP	\$0	\$6,000										
175 Capital Expenditures	6,000	35,314										
176 Buyout Amount	0	0										
177 EOY CWIP	6,000	0										
178 Closed to Plant	\$0	\$41,314										

	Alternative Scenario 4 - Flat Fuel Prices										
							ected				
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	EVICTING LONG TERM DERT										
1	EXISTING LONG TERM DEBT	0400 044	0400.045	0477.000	0400 000	0454045	0440.570	0400 000	0440 570	0400 704	000 400
2	Balance (Beg Yr)	\$199,311	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462
3	Existing Loan Advances	0	0	0	0	0	0	0	0	0	0
4	Principal Repayments	10,396	10,925	11,353	11,792	12,266	12,752	13,255	13,782	14,330	14,907
5	Balance (End Yr)	\$188,915	\$177,990	\$166,638	\$154,845	\$142,579	\$129,828	\$116,573	\$102,791	\$88,462	\$73,555
6											
7	EXISTING DEBT INTEREST AND PRINCIPAL PAYMENTS										
8	Interest										
9	RUS - A41-1B010	\$297	\$282	\$265	\$248	\$230	\$212	\$192	\$173	\$152	\$130
10	RUS - A41-1B011	594	563	530	496	460	423	385	345	303	260
11	RUS - A41-1B012	474	447	420	391	362	332	301	269	235	201
12	RUS - A41-1B013	375	352	328	304	279	254	229	203	177	150
13	RUS - A41-1B014	691	655	618	580	539	497	453	407	358	308
14	RUS - A41-1B015	3,909	3,715	3,512	3,299	3,075	2,840	2,593	2,334	2,062	1,776
15	CFC - HI001-9005	133	122	110	99	86	74	61	48	34	20
16	FFB B8 - H0010	154	141	128	116	101	86	72	58	42	26
17	FFB B8 - H0015	224	206	188	171	150	129	109	87	65	40
18	FFB B8 - H0020	501	463	423	385	338	292	246	197	147	92
19	FFB C8 - F0025	211	207	202	198	190	184	180	174	169	162
20	FFB C8 - F0030	42	41	40	39	38	37	36	35	34	32
21	Total Interest	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
22	Principal										
23	RUS - A41-1B010	\$402	\$417	\$434	\$451	\$469	\$487	\$507	\$526	\$547	\$569
24	RUS - A41-1B011	803	834	867	901	937	974	1,012	1,052	1,094	1,137
25	RUS - A41-1B012	840	866	894	922	951	981	1,013	1,045	1,078	1,112
26	RUS - A41-1B013	1,430	1,453	1,477	1,501	1,526	1,551	1,576	1,602	1,628	1,655
27	RUS - A41-1B014	795	831	868	906	947	989	1,033	1,079	1,128	1,178
28	RUS - A41-1B015	3,883	4,076	4,279	4,492	4,717	4,952	5,199	5,458	5,730	6,016
29	CFC - HI001-9005	406	418	430	443	455	468	482	496	510	525
30	FFB B8 - H0010	442	455	467	479	493	507	520	535	549	564
31	FFB B8 - H0015	428	442	460	479	498	518	539	561	584	608
32	FFB B8 - H0020	846	883	921	959	1,005	1,049	1,094	1,141	1,190	1,244
33	FFB C8 - F0025	104	212	216	220	227	233	237	243	247	254
34	FFB C8 - F0030	19	38	39	40	41	42	43	44	45	46
35	Total Principal	\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
36											
37	FUNDING REQUIREMENTS										
38	Capital Funding Requirements	\$14,806	\$27,735	\$17,631	\$63,688	\$62,795	\$15,785	\$13,489	\$17,081	\$16,814	\$21,828
39	Refinancing Requirements	10,000	10,000	10,000	0	0	85,208	0	0	0	0
40	Total Funding Requirements	\$24,806	\$37,735	\$27,631	\$63,688	\$62,795	\$100,993	\$13,489	\$17,081	\$16,814	\$21,828
41		1									
42	Short-Term Long Funds Advanced	\$10,000	\$13,322	\$0	\$42,228	\$42,980	\$0	\$0	\$0	\$0	\$0
43	Long-Term Loan Funds Advanced	10,000	10,000	11,646	13,219	11,631	85,208	0	0	162	10,161
44	Total Debt Advances	\$20,000	\$23,322	\$11,646	\$55,447	\$54,611	\$85,208	\$0	\$0	\$162	\$10,161
45		I									

												ected				
ne							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
16	FFB C8 Add'l Draws	Amount	Per	Rate	Term	Per Yr										
47		\$31,646	na	na	na	na										
48	BOY Balance						\$0	\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,3
49	Loan Funds Advanced						10,000	10,000	11,646	0	0	0	0	0	0	
50	Principal Payment						93	314	523	644	683	713	734	763	785	8
51	Interest Payment						165	527	979	1,228	1,189	1,159	1,137	1,108	1,086	1,0
52	Total Debt Service						\$258	\$841	\$1,501	\$1,872	\$1,872	\$1,872	\$1,871	\$1,871	\$1,871	\$1,8
53	EOY Balance						\$9,907	\$19,592	\$30,716	\$30,072	\$29,388	\$28,676	\$27,942	\$27,178	\$26,394	\$25,5
54																
55	2014 Loan	Amount	Per	Rate	Term	Per Yr										
56		\$0	3	3.5%	6 30	4										
57	BOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
58	Loan Funds Advanced							0	0	0	0	0	0	0	0	
59	Principal Payment							0	0	0	0	0	0	0	0	
60	Interest Payment							0	0	0	0	0	0	0	0	
61	Total Debt Service						-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
62	EOY Balance							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
63																
64	2015 Loan	Amount	Per	Rate	Term	Per Yr										
65		\$0	3	5.0%		4										
66	BOY Balance	**	_			•			\$0	\$0	\$0	\$0	\$0	\$0	\$0	
67	Loan Funds Advanced								0	0	0	0	0	0	0	
68	Principal Payment								0	0	0	0	0	0	0	
69	Interest Payment								0	0	0	0	0	0	0	
70	Total Debt Service							-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
71	EOY Balance								\$0	\$0	\$0	\$0	\$0	\$0 \$0	\$0	
72	EOT Balance		Const	LT					ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	
73	New Hydro Loans	Amount	Rate	Rate	Term	Per Yr										
74	New Hydro Loans	\$85,208	3.5%	5.0%		4				ST Debt	ST Debt	LT Debt	LT Debt	LT Debt	LT Debt	LT Del
7 4 75	BOY Balance	\$65,206	3.576	5.07	0 33	4				\$1 Debt	\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,2
75 76	Loan Funds Advanced									پې 42,228	42,226 42,980	φου,200 0	φο 4 ,2ο3	φου,υτι 0	φο2,209 0	φο 1,2
	Principal Payment												972			4 /
77	, ,									0	0	925		1,022	1,074	1,1
78	Interest Payment									1,478	2,230	4,243	4,196	4,147	4,095	4,0
79	Total Debt Service									\$1,478	\$2,230	\$5,168	\$5,168	\$5,168	\$5,168	\$5,1
80	EOY Balance									\$42,228	\$85,208	\$84,283	\$83,311	\$82,289	\$81,215	\$80,0
81			_	_	_											
82	2016 Loan	Amount	Per	Rate	Term	Per Yr										
83		\$13,219	3	5.0%	6 30	4										
84	BOY Balance									\$0	\$13,122	\$12,922	\$12,711	\$12,489	\$12,256	\$12,0
85	Loan Funds Advanced									13,219	0	0	0	0	0	
86	Principal Payment									97	201	211	222	233	245	2
87	Interest Payment									330	652	642	631	620	608	5
88	Total Debt Service								•	\$427	\$853	\$853	\$853	\$853	\$853	\$8
89	EOY Balance									\$13,122	\$12,922	\$12,711	\$12,489	\$12,256	\$12,011	\$11,7
90																

										Proje	ected				
Line						2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
91	2017 Loan	Amount	Per	Rate Term	Per Yr										
92		\$11,631	3	5.0% 30	4										
93	BOY Balance									\$0	\$11,546	\$11,369	\$11,184	\$10,989	\$10,784
94	Loan Funds Advanced									11,631	0	0	0	0	0
95	Principal Payment									85	177	186	195	205	215
96	Interest Payment									290	574	565	556	546	535
97	Total Debt Service									\$375	\$751	\$751	\$751	\$751	\$751
98	EOY Balance									\$11,546	\$11,369	\$11,184	\$10,989	\$10,784	\$10,568
99															
100	2018 Loan	Amount	Per	Rate Term	Per Yr										
101		\$0	3	5.0% 30	4										
102	BOY Balance										\$0	\$0	\$0	\$0	\$0
103	Loan Funds Advanced										0	0	0	0	0
104	Principal Payment										0	0	0	0	0
105	Interest Payment									_	0	0	0	0	0
106	Total Debt Service										\$0	\$0	\$0	\$0	\$0
107	EOY Balance										\$0	\$0	\$0	\$0	\$0
108															
109	2019 Loan	Amount	Per	Rate Term	Per Yr										
110		\$0	3	5.0% 30	4										
111	BOY Balance											\$0	\$0	\$0	\$0
112	Loan Funds Advanced											0	0	0	0
113	Principal Payment											0	0	0	0
114	Interest Payment											0	0	0	0
115	Total Debt Service										-	\$0	\$0	\$0	\$0
116	EOY Balance											\$0	\$0	\$0	\$0
117												•	•	•	•
118	2020 Loan	Amount	Per	Rate Term	Per Yr										
119		\$0	3	5.0% 30	4										
120	BOY Balance	**											\$0	\$0	\$0
121	Loan Funds Advanced												0	0	0
122	Principal Payment												0	0	0
123	Interest Payment												0	0	0
124	Total Debt Service											-	\$0	\$0	\$0
125	EOY Balance												\$0	\$0	\$0
126	201 20.0.00												•	Ų.	Ų.
127	2021 Loan	Amount	Per	Rate Term	Per Yr										
128	ZOZ I ZOGII	\$162	3	5.0% 30	4	+									
129	BOY Balance	Ψ102	3	0.070 00	-									\$0	\$160
130	Loan Funds Advanced													162	0
131	Principal Payment													102	2
132	Interest Payment													4	8
133	Total Debt Service												-	\$5	\$10
134	EOY Balance													ან \$160	\$10 \$158
	EUT Balance													\$100	801 \$
135						1									

		Projected									
Line		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
136	2022 Loan Amount Per Rate Term Per Yr										
137	\$10,161 3 5.0% 30 4										
138	BOY Balance										\$0
139	Loan Funds Advanced										10,161
140	Principal Payment										74
141	Interest Payment										254
142	Total Debt Service									-	\$328
143	EOY Balance										\$10,087
144											. ,
145	TOTAL LONG TERM DEBT SERVICE										
146	Interest										
147	Existing Debt	\$7,605	\$7,194	\$6,765	\$6,325	\$5,849	\$5,360	\$4,856	\$4,328	\$3,778	\$3,198
148	New Debt (Excl Hydro Loan Capitalized Interest)	165	527	979	3,036	4,362	6,618	6,530	6,430	6,339	6,478
149	Total Interest	\$7,770	\$7,721	\$7,744	\$9,361	\$10,210	\$11,978	\$11,386	\$10,758	\$10,117	\$9,676
150	Principal	**,***	*-,	4 .,	40,000	+ , =	* ,	* ,	+ ,	* . • ,	70,0.0
151	Existing Debt	\$10,396	\$10,925	\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907
152	New Debt	93	314	523	741	969	2,025	2,114	2,213	2,309	2,503
153	Total Principal	\$10,489	\$11,239	\$11,875	\$12,533	\$13,235	\$14,777	\$15,368	\$15,994	\$16,639	\$17,410
154	Total Debt Service	\$18,259	\$18,960	\$19,619	\$21,894	\$23,445	\$26,755	\$26,754	\$26,752	\$26,756	\$27,086
155	Total Bobt Gol vice	ψ10,200	φ10,000	ψ10,010	Ψ21,001	Ψ20,110	Ψ20,700	Ψ20,701	Ψ20,702	Ψ20,700	Ψ21,000
156	TOTAL LONG TERM DEBT										
157	Balance (Beg Yr)	\$199,311	\$198,822	\$197,583	\$197,353	\$198,039	\$196,436	\$266,867	\$251,498	\$235,504	\$219,026
158	Loan Funds Advanced	10.000	10,000	11,646	13,219	11,631	85,208	0	Ψ201,430	162	10,161
159	Less Principal Repayments	10,489	11,239	11,875	12,533	13,235	14,777	15,368	15,994	16,639	17,410
160	Balance (End Yr)	\$198,822	\$197,583	\$197,353	\$198,039	\$196,436	\$266,867	\$251,498	\$235,504	\$219,026	\$211,777
161	balance (Chu 11)	\$190,022	φ191,565	\$197,333	\$ 190,039	\$ 190,430	\$200,007	φ251,496	\$235,504	φ2 19,020	φ211,///
162	Current Portion of Long Term Debt - EOY										
163		\$10,925	£44.2E2	611 700	¢10.066	¢10.750	¢12 255	£12 702	£14 220	614.007	¢1E 270
	Existing Debt		\$11,353	\$11,792	\$12,266	\$12,752	\$13,255	\$13,782	\$14,330	\$14,907	\$15,370
164	New Debt	314	523	741	969	2,025	2,114	2,213	2,309	2,503	2,700
165 166	Total Current Portion	\$11,239	\$11,875	\$12,533	\$13,235	\$14,777	\$15,368	\$15,994	\$16,639	\$17,410	\$18,070
	CHORT TERM DERT										
167	SHORT TERM DEBT										
168	\$20 M CC/Other CC										
169	\$20 M LOC/Other LOC Amount Per Rate Term Per Yr	00.070	00.070	040.000							
170	BOY Balance 3.0%	\$6,678	\$6,678	\$10,000							
171	Loan Funds Advanced	10,000	13,322	0							
172	Less Principal Repayments	(10,000)	(10,000)	(10,000)							
173	Balance (End Yr)	\$6,678	\$10,000	\$0							
174											
175	Interest Expense	\$252	\$292	\$0							
176	Est Average Balance	\$8,385	\$9,725	\$0							
177											
178	\$5 M LOC Amount Per Rate Term Per Yr										
179	BOY Balance 3.0%	\$0	\$0	\$0							
180	Loan Funds Advanced	0	0	0							
181	Less Principal Repayments	0	0	0							
182	Balance (End Yr)	\$0	\$0	\$0							
183											
184	Interest Expense	\$0	\$0	\$0							
185	Est Average Balance	\$0	\$0	\$0							
186											

	Alternative Scenario 4 - Flat Fuel F	rices					Projected									
Line							2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
187	KRS1															
188		Long-Term	Const	LT												
189		Amount	Rate	Rate	Yr	Per Yr										
190		\$35,587	3.0%	3.1%	25	1										
191	BOY Balance						\$7,500	\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885
192	Short-Term Debt															
193	Funds Advanced						2,000	47,672	0	0	0	0	0	0	0	0
194	Short-Term Interest						264	870	0	0	0	0	0	0	0	0
195	Federal Grant/State Tax Credit							21,586	0	0	0	0	0	0	0	0
196	Long-Term Debt															
197	Principal Payment						0	232	972	1,002	1,033	1,065	1,098	1,132	1,167	1,203
198	Interest Payment						0	284	1,091	1,061	1,030	998	965	931	896	860
199	Debt Service						\$0	\$516	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063	\$2,063
200	EOY Balance						\$9,500	\$35,355	\$34,382	\$33,380	\$32,347	\$31,282	\$30,184	\$29,052	\$27,885	\$26,682
201	_															
202	KRS2															
203		Long-Term	Const	LT												
204		Amount	Rate	Rate	Yr	Per Yr										
205		\$14,096	3.0%	5.7%	25	1										
206	BOY Balance						\$0	\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867
207	Short-Term Debt															
208	Funds Advanced						6,000	35,314	0	0	0	0	0	0	0	0
209	Short-Term Interest						41	429	0	0	0	0	0	0	0	0
210	Equity Investment							27,218	0	0	0	0	0	0	0	0
211	Long-Term Debt															
212	Principal Payment						0	0	268	283	299	316	335	354	374	395
213	Interest Payment						0	402	803	788	772	755	737	718	698	676
214	Debt Service						\$0	\$536	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071	\$1,071
215	EOY Balance						\$6,000	\$14,096	\$13,828	\$13,545	\$13,246	\$12,929	\$12,595	\$12,241	\$11,867	\$11,472

Kaua'i Island Utility Cooperative Final 2013 Equity Management Plan Table 10 - Projected ERAC Revenues

		Actual				Ī	Projected									
Line		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	KIUC Thermal Generated (MWh)	437,819	417,224	417,117	409,392	405,946	381,990	336,980	279,870	284,270	291,070	220,480	225,910	230,690	237,200	243,330
2	KIUC Hydro Generated (MWh)	8,386	7,788	8,227	7,270	7,918	7,437	7,770	7,770	7,800	7,770	83,950	83,950	84,230	83,950	83,950
3	KRS1 Generated (MWh)	-	-	-	-	0	0	5,870	23,660	23,740	23,660	23,660	23,660	23,740	23,660	23,660
4	KRS2 Generated (MWh)	-	-	-	-	0	0	11,780	23,650	23,740	23,660	23,460	23,510	23,570	23,550	23,570
5	Purchased Power MWh - NEM & Sched Q	9	0	0	1,741	3,321	5,700	6,140	6,590	7,120	7,590	7,390	7,810	8,300	8,670	9,170
6	Purchased Power (MWh) - Other	29.090	30.796	27.414	34.855	34.633	46,303	69,120	103.860	104,150	103.860	103.860	103,860	104,150	103.860	103.860
7	Total MWh	475,305	455,808	452,758	453,259	451,818	441,430	437,660	445,400	450,820	457,610	462,800	468,700	474,680	480.890	487,540
8																
9	KIUC Sales (MWh)	453,791	436,273	434,533	434,745	433,159	423,584	420,139	427,506	432,744	439,225	444,278	450,004	455,624	461,704	468,055
10																
11	Losses (%)	4.5%	4.3%	4.0%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
12																
13	KIUC Generated Sales (MWh)	426,044	406,694	408,185	399,686	396,771	372,828	335,657	276,084	280,359	286,834	292,246	297,500	302,278	308,337	314,200
14																
15	Fuel Consumed (MMBtu)	4,208,477	3,913,866	3,868,068	3,870,223	3,778,090	3,594,303	3,137,302	2,604,471	2,648,153	2,710,436	2,085,018	2,132,890	2,176,636	2,231,960	2,286,499
16																
17	Actual Sales Heat Rate (Btu/kWh)	9,878	9,624	9,476	9,683	9,522	9,641	9,347	9,434	9,446	9,450	7,134	7,169	7,201	7,239	7,277
18																
19	Effective Sales Heat Rate for ERAC (Btu/kWh)	11,230	11,230	10,442	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850	9,850
20																
21	Adj Fuel Consumed for Efficiency Factor (MMBtu)	4,784,479	4,567,169	4,262,385	3,936,904	3,908,195	3,672,352	3,306,226	2,719,428	2,761,538	2,825,313	2,878,625	2,930,375	2,977,434	3,037,121	3,094,869
22	Actual Fuel Cost (\$/MMBtu)	\$23.32	\$13.23	\$17.80	\$23.36	\$24.89	\$24.37	\$22.14	\$21.90	\$21.92	\$21.95	\$22.19	\$22.17	\$22.14	\$22.16	\$22.16
23																
24	Equivalent Base Fuel Cost (\$/MMBtu)	\$4.31	\$4.31	\$11.33	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36	\$17.36
25	Equivalent Purchased Power Cost (\$/kWh)	\$0.046	\$0.046	\$0.110	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174	\$0.174
26																
27	ERAC Revenue Components (\$000)															
28	KIUC Fuel Costs	\$98,148	\$51,952	\$68,900	\$90,533	\$94,033	\$87,605	\$69,473	\$57,027	\$58,048	\$59,493	\$46,266	\$47,289	\$48,182	\$49,452	\$50,658
29	KIUC Purch Power Costs - Excl NEM, Sched Q, KRS1, and KRS2	5,959	3,724	4,212	7,194	7,741	10,017	12,085	17,050	17,368	17,607	17,868	18,157	18,502	18,744	19,041
30	KIUC Purchased Power Costs - KRS1	0	0	0	0	0	0	969	3,460	3,425	3,390	3,353	3,315	3,277	3,236	3,195
31	KIUC Purchased Power Costs - KRS2	0	0	0	0	0	0	1,473	2,956	2,968	2,958	2,933	2,939	2,946	2,944	2,946
32	ERAC Excess	13,633	8,493	6,965	1,429	3,246	1,902	3,741	2,517	2,485	2,521	17,610	17,681	17,726	17,839	17,910
33	Fuel and Purchased Power in Base Rates	(21,929)	(21,071)	(51,336)	(74,396)	(73,859)	(72,566)	(72,472)	(73,479)	(74,290)	(75,319)	(76,210)	(77,117)	(78,008)	(78,977)	(79,983)
34	Tax on Fuel and Purchased Power	8,446	3,098	2,146	2,370	2,624	2,444	1,124	684	733	793	(565)	(528)	(498)	(449)	(404)
35	Tax on ERAC Excess	1,380	828	679	139	317	186	365	245	242	246	1,717	1,724	1,729	1,740	1,747
36	Total	\$105,636	\$47,025	\$31,566	\$27,268	\$34,101	\$29,587	\$16,757	\$10,460	\$10,980	\$11,688	\$12,972	\$13,461	\$13,856	\$14,530	\$15,110
37																
38	Revenue from Efficiency Factor (\$000)															
39	ERAC Efficiency Adjustment	\$13,633	\$8,493	\$6,965	\$1,429	\$3,246	\$1,902	\$3,741	\$2,517	\$2,485	\$2,521	\$17,610	\$17,681	\$17,726	\$17,839	\$17,910
40	Tax on Efficiency Adjustment	1,380	828	679	139	317	186	365	245	242	246	1,717	1,724	1,729	1,740	1,747
41	Total	\$15,013	\$9,321	\$7,645	\$1,568	\$3,562	\$2,088	\$4,106	\$2,763	\$2,728	\$2,767	\$19,327	\$19,406	\$19,455	\$19,579	\$19,656
42																
43	ERAC Rate Components (\$/kWh)															
44	KIUC Fuel Costs	\$0.217	\$0.119	\$0.159	\$0.208	\$0.217	\$0.207	\$0.165	\$0.133	\$0.134	\$0.135	\$0.104	\$0.105	\$0.106	\$0.107	\$0.108
45	KIUC Purchased Power Costs - Existing	\$0.013	\$0.009	\$0.010	\$0.017	\$0.018	\$0.024	\$0.029	\$0.040	\$0.040	\$0.040	\$0.040	\$0.040	\$0.041	\$0.041	\$0.041
46	KIUC Purchased Power Costs - KRS1	NA	NA	NA	NA	\$0.000	\$0.000	\$0.002	\$0.008	\$0.008	\$0.008	\$0.008	\$0.007	\$0.007	\$0.007	\$0.007
47	KIUC Purchased Power Costs - KRS2	NA	NA	NA	NA	\$0.000	\$0.000	\$0.004	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.006	\$0.006	\$0.006
48	ERAC Efficiency Adjustment	\$0.030	\$0.020	\$0.016	\$0.003	\$0.007	\$0.004	\$0.009	\$0.006	\$0.006	\$0.006	\$0.040	\$0.039	\$0.039	\$0.039	\$0.038
49	Fuel and purchased power in base rates	(\$0.048)	(\$0.048)	(\$0.118)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.173)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.172)	(\$0.171)	(\$0.171)	(\$0.171)	(\$0.171)
50	Tax on Fuel and Purchased Power	\$0.019	\$0.007	\$0.005	\$0.005	\$0.006	\$0.006	\$0.003	\$0.002	\$0.002	\$0.002	(\$0.001)	(\$0.001)	(\$0.001)	(\$0.001)	(\$0.001)
51	Tax on Efficiency Adjustment	\$0.003	\$0.002	\$0.002	\$0.000	\$0.001	\$0.000	\$0.001	\$0.001	\$0.001	\$0.001	\$0.004	\$0.004	\$0.004	\$0.004	\$0.004
52	Total (before other adjustments)	\$0.233	\$0.108	\$0.073	\$0.063	\$0.079	\$0.070	\$0.040	\$0.024	\$0.025	\$0.027	\$0.029	\$0.030	\$0.030	\$0.031	\$0.032

Appendix F RESOLUTION OF THE BOARD OF DIRECTORS OF KAUA'I ISLAND UTILITY COOPERATIVE



RESOLUTION 06-13 OF THE BOARD OF DIRECTORS OF KAUA'I ISLAND UTILITY COOPERATIVE ("KIUC")

WHEREAS, pursuant to Resolution 11-04 of the Board of Directors of KIUC, the adopted its first Equity Management Plan ("EMP") (the "2004 KIUC EMP") which KIUC submitted to and was approved by the Hawaii Public Utilities Commission ("HPUC"); and

WHEREAS, pursuant to Resolution 06-09 of the Board of Directors of KIUC, the adopted its 2009 Equity Management Plan ("EMP") (the "2009 KIUC EMP) which KIUC submitted to and was approved by the Hawaii Public Utilities Commission ("HPUC"); and

WHEREAS, KIUC engaged the firm of SAIC Energy, Environment & Infrastructure, LLC ("SAIC") to assist in the revision and updating of the 2009 KIUC EMP; and

WHEREAS, a revised and updated EMP has been developed by KIUC Staff and SAIC (the "2013 KIUC EMP"); and

WHEREAS, the Board is satisfied that the proposed 2013 KIUC EMP meets the necessary criteria, and is appropriate for adoption as the 2013 KIUC EMP for use in evaluating financial options, for use in various regulatory proceedings and for use with KIUC's Lenders.

NOW, THEREFORE, be it hereby RESOLVED by the Board of Directors of KIUC that the 2013 Equity Management Plan of KIUC attached hereto as Exhibit "A" (the "2013 KIUC EMP") be and is hereby adopted as the 2013 Equity Management Plan

of Kaua'i Island Utility Cooperative, and that the President and CEO of KIUC is authorized and directed use said 2013 KIUC EMP as aforesaid.

SECRETARY'S CERTIFICATE

The undersigned Secretary of KIUC hereby certifies that the foregoing Resolution of the Board of Directors of KIUC was duly adopted at the Meeting of the Board of Directors held on September 24, 2013, at Līhu'e, Kaua'i, Hawai'i.

Dated this 24th day of September, 2013, at Līhu'e, Kaua'i, Hawai'i.

David Iha
Secretary