



3/28 SJI  
C: JG, MEC, DP

**FILED**

**2016 MAR 28 P 3 35**

**PUBLIC UTILITIES  
COMMISSION**

March 24, 2016

Mr. Randall Y. Iwase  
Administrative Director  
Public Utilities Commission  
Kekuanao'a Building, Room 103  
465 South King Street  
Honolulu, HI 96813

Industry Type Electric  
Period Ending 12/31/15  
Initials J

Subject: 2015 ANNUAL REPORT TO THE PUC

Dear Mr. Iwase:

Kauai Island Utility Cooperative respectfully submits its 2015 Annual Report and the selected five-year statistical data (2011-2015) drawn from the annual report.

Please call me if you have any questions at (808) 246-8278.

Very truly yours,

Karissa Jonas  
Financial Vice President & CFO

Enclosures

Cc: Division of Consumer Advocacy

**FILED**

2016 MAR 28 P 3:36

PUBLIC UTILITIES  
COMMISSION

# Annual Report of

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**KAUA'I ISLAND UTILITY COOPERATIVE**

State exact corporate name of respondent

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**LIHUE, KAUAI, HAWAII**

Address of Respondent's Principal Business Office

**To the**

# **Public Utilities Commission**

**State of Hawaii**

**For the year ending**

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**DECEMBER 31, 2015**

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Approved Annual Report  
for  
Electric Utilities



Revised Form  
Approved by Public Utilities Commission

## GENERAL INSTRUCTION FOR PREPARING REPORT

All electric utilities operating within the State of Hawaii shall make their annual report on this form in duplicate and file the original, duly verified in the office of this Commission, on or before March 31st of the following year, retaining duplicate copy for its files.

The form of annual report is prepared in conformity with Uniform System of Accounts for Public Utilities as prescribed by this Commission, and all accounting words and phrases are to be interpreted in accordance with the said classification.

The word "Respondent" wherever used in this report, means the person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

Each annual report should in all particulars be complete in itself and references to returns of former years or to other reports should not be made to take the place of information as required herein.

Where information, required herein, is not given, state fully the reason for its omission.

The report should be made on typewriter, as all forms are designed therefore. All entries should be typed in black except those of contrary or opposite character which should be typed in red or enclosed in parenthesis. If it is necessary or advisable to insert additional statements for the purpose of further explanation of accounts or schedules, they should be typed on paper of durable quality and should conform with this in size of page and be securely appended hereto.

The report is designed to cover the calendar year. Each utility shall close its books at the end of each calendar year unless otherwise authorized by the Commission.

Respondent may, in lieu of filing this report, file a copy of the annual report submitted to the Federal Power Commission (Form 1). In addition to filing either report, respondent shall also file with the Commission, a copy of its annual report prepared for distribution to its security holders and such other reports or schedules as requested.

Page Nos. 3-4. ORGANIZATION AND CONTROL OF RESPONDENT. Answer all questions as indicated.

Page Nos. 5-6. Schedule A – COMPARATIVE BALANCE SHEET. The balance at the beginning and at the close of the year appearing in the respective accounts on the respondent's books, as well as the increase or decrease, should be reported on this schedule for each item; all entries on the balance sheet should be consistent with those shown on supporting schedules.

Page Nos. 7-8-9. Schedules A-1 to A-1.2 inclusive. – ANALYSIS OF UTILITY PLANT ACCOUNTS. The amounts applicable to the various account classifications shall be shown on this schedule. There shall be reported the balances in accounts 101, 102, 103, 104, 105, 106, 107 and 114, at the beginning of the year, total charges during the year, total credits during year, and the balances at the close of the year. The total of each classification and the total of all accounts should be in accord with the amounts shown on the Balance Sheet.

Page No. 10. Schedule A-2 – ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT. The accrued depreciation applicable to the various account classifications shall be shown on this schedule. There shall be reported the balances at the beginning of the year, credits and debits during the year and the balance at the end of the year, which should be in accord with the amount shown on the Balance Sheet.

Page Nos. 11-12-13. Schedules A-2.1 to A-2.3 inclusive. ANALYSIS OF ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT. State complete analysis as indicated.

Page No. 14. Schedule A-3 – ACCUMULATED PROVISIONS FOR AMORTIZATION OF UTILITY PLANT. The total amount of reserves at the beginning of the year, credits and debits during year and balance at the end of year for each classification of accounts should be reported on the schedule. Totals should be in accord with amounts shown on Balance Sheet.

Page 14-A. Schedule A-4 – NON-UTILITY PLANT. Complete schedules as indicated.

Page No. 15. Schedules A-5 to A-6 inclusive. Indicate on these schedules a complete analysis for all corresponding items as appearing on the Balance Sheet.

Page No. 16. Schedules A-7 to A-9 inclusive. State complete analysis as indicated.

Page No. 17. Schedules A-10 to A-12 inclusive. State complete analysis as indicated.

Page No. 18. Schedule A-13 – UNAMORTIZED DEBT DISCOUNT AND EXPENSE. State complete analysis as indicated for each class and series of long-term debt.

Page No. 19. Schedule A-14 – EXTRAORDINARY PROPERTY LOSSES. State complete analysis of property abandoned, date of abandonment, date of Commission Authorization and period over which amortization is being made.

Schedule A-15 – MISCELLANEOUS DEFERRED DEBITS. Complete as indicated.

Schedule A-16 – DEFERRED REGULATORY COMMISSION EXPENSES. State complete analysis as indicated.

Page No. 20. Schedules A-17 to A-19 inclusive. State complete analysis as indicated.

Page No. 21. Schedule A-20 – CAPITAL STOCK EXPENSE. If any change occurred during the year, give particulars of the change. State the reason for any chargeoff of capital stock expense and specify the amount and account charged.

Page No. 22. Schedule A-21 – ANALYSIS OF APPROPRIATED RETAINED EARNINGS. State complete analysis as indicated.

Page No. 23. Schedule A-22 – ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS. State complete analysis as indicated.

Page No. 24. Schedule A-23 – LONG-TERM DEBT. State complete analysis as indicated for Bonds. Advances from Associated Companies and Other Long-Term Debt, which should be in accord with the amounts shown on the Balance Sheet.

Page No. 25. Schedule A-24 – ACCRUED TAXES. There shall be reported the accrued tax amounts at the beginning of the year, taxes charged during the year and the balance at the end of year, which should be in accord with the amount shown on the Balance Sheet.

Page No. 26. Schedules A-25 to A-27 inclusive. State complete analysis as indicated.

Page No. 27. Schedule A-28 – UNAMORTIZED PREMIUM ON DEBT. State complete analysis as indicated on premiums applicable to each class and series of long-term debt.

Page No. 28. Schedules A-29 to A-31 inclusive. State complete analysis as indicated.

Page No. 29. Schedule B – ANALYSIS OF INCOME ACCOUNT. State complete analysis as indicated.

Page No. 30. Schedule B-1 – ANALYSIS OF GROSS OPERATING REVENUES. State complete analysis as indicated.

Page Nos. 31-34. Schedule B-2 – ANALYSIS OF OPERATION AND MAINTENANCE EXPENSE ACCOUNTS. State complete analysis as indicated.

Page No. 35. Schedule B-3 – ANALYSIS OF TOTAL CORPORATION TAXES. State complete analysis as indicated.

Page No. 36. Schedule C – STATISTICAL INFORMATION. State complete analysis as indicated.

Page Nos. 37-38. Schedule D – MISCELLANEOUS DATA. Answer each question fully as indicated.

Page No. 39. Schedule E – CONTINGENT ASSETS AND LIABILITIES. Give a complete statement of significant contingent assets and liabilities at the close of the year.

Page No. 40. VERIFICATION. Complete as indicated.

**ORGANIZATION AND CONTROL OF RESPONDENT**

**State full and exact name of respondent making this report:** Kauai Island Utility Cooperative  
**Date of Incorporation** November 6, 1999  
**Nature of Business** Generate, purchase, distribute and sell electric energy to member-owners  
**Location of Main Business Office** 4463 Pahee Street, Suite #1  
 Lihue, Hawaii 96766-2000  
**Island and Districts in Which Service is Supplied:** Entire Island of Kauai

**Directors**

Name	Address	Term Expires	Meetings Attended During Year	Shares Owned	
				Common	Preferred
Carol Bain	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2016	18	N/A	N/A
Karen Baldwin Secretary effective 3/24/15	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2018	16	N/A	N/A
Dennis Esaki	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2018	14	N/A	N/A
Pat Gegan	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2018	16	N/A	N/A
David Iha	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2017	17	N/A	N/A
Calvin Murashige Vice Chair effective 3/24/15	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2016	18	N/A	N/A
Teofilo Tacbian	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2017	18	N/A	N/A
Jan TenBruggencate Chairman effective 3/24/15	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2016	17	N/A	N/A
Peter Yukimura Treasurer effective 3/24/15	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2017	15	N/A	N/A

**Principal Officers**

Title	Name	Date Appointed	Shares Owned	
			Common	Preferred
President & CEO	David J. Bissell	March 1, 2011	N/A	N/A
Financial Vice President & CFO	Karissa Jonas	August 31, 2011	N/A	N/A
Secretary	Teofilo Tacbian	October 27, 2015	N/A	N/A
Treasurer	Peter Yukimura	March 24, 2015	N/A	N/A
			N/A	N/A

State total Amount of all Outstanding Stock at close of year: \$ N/A - Electric Membership Cooperative				
Common	_____	Shares; par value	\$ _____	Amount _____
Preferred	_____	Shares; par value	\$ _____	Amount _____
Preferred	_____	Shares; par value	\$ _____	Amount _____
Does any class of securities carry any special privileges in any elections or in the control of corporate action? If so, describe each such class or issue, showing the character and extend of such privileges:				None
If during the year the respondent acquired other companies or was organized in any respect or merged or consolidated with other companies, state in detail full particulars of such transactions:				
Furnish complete list showing all companies controlled by respondent, either directly or indirectly: KIUC Renewable Solutions One, LLC KIUC Renewable Solutions Two, LLC                      KIUC Renewable Solutions Two Holdings, LLC				
Furnish complete list showing companies controlling respondent: None				
Name all kinds of business, other than Utility in which the respondent was engaged at any time during the year. If none, state so:                      None				
State Commission's Docket, Order numbers and effective dates authorizing present classification of rate:				
Classification		Docket No.	Order No.	Effective Date
Residential Service	D	2009-0050	Filed	09/09/10
General Light & Power Service (Small Commercial)	G	"	"	"
General Light & Power Service (Large Commercial)	J	"	"	"
Large Power Primary Service	L	"	"	"
Large Power Secondary Service	P	"	"	"
Purchases from Qualifying facilities-100kw or less	Q Modified	Tariff Order	Filed	03/05/09
Street Lighting	SL	2009-0050	Filed	09/09/10
Standby, Auxiliary, Supplementary or Breakdown Svce	Rider S	"	"	"
Interruptible Contract Service	Rider I	"	"	"
State precisely the period covered by this report:                      January 1, 2015 to December 31, 2015				
State name, title, and address of officer in charge of correspondence relative to this report:				
Name	David J. Bissell			
Title	President & Chief Executive Officer, Kauai Island Utility Cooperative			
Address	4463 Pahee Street, Suite #1, Lihue, HI 96766-2000			

**Schedule A  
COMPARATIVE BALANCE SHEET**

ASSETS AND OTHER DEBITS	Sched. No.	Balance 1/1/15 Beg of Year	Balance 12/31/15 Close of Year	Increase or (Decrease)
<b>Utility Plant</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Utility Plant in Service	A-1	\$ 439,694,424	\$ 447,239,844	\$ 7,545,420
Accumulated Provision for Deprec. & Amort.	A-2	(226,710,744)	(234,171,889)	(7,461,144)
Utility Plant Less Reserves		212,983,680	213,067,955	84,275
Construction Work in Progress	A-1	7,964,338	8,287,147	322,809
Utility Plant Acquisition Adjustments	A-1	54,852,453	54,852,453	-
Accum. Prov. for Amort. of Util. Plt.Acq.Adj.	A-3	(26,693,780)	(28,887,962)	(2,194,182)
Utility Plant Acquis. Adj. Less Reserves				
Other Utility Plant Adjustments	A-1	-	-	-
<b>Total Utility Plant Less Reserves</b>		<b>249,106,691</b>	<b>247,319,593</b>	<b>(1,787,098)</b>
<b>Other Property and Investments</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Non-Utility Property Less Reserves	A-4	-	-	-
Investment in Associated Companies	A-5	39,738,534	60,136,724	20,398,191
Other Investments	A-5-A	-	-	-
Special Funds	A-6	-	-	-
<b>Total Other Property and Investments</b>		<b>39,738,534</b>	<b>60,136,724</b>	<b>20,398,191</b>
<b>Current and Accrued Assets</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Cash		20,671,671	20,706,105	34,434
Special Deposits	A-7	14,710	5,986	(8,724)
Working Funds		2,000	2,000	-
Temporary Cash Investments	A-8	-	-	-
Notes Receivable				
Customer Accounts Receivable		9,698,368	9,433,635	(264,733)
Other Accounts Receivable		1,066,730	282,541	(784,189)
Accumulated Prov. for Uncollect.Accts.-Cr.	A-9	(592,145)	(688,103)	(95,958)
Receivables from Associated Companies				
Fuel Stock	A-10	1,602,414	1,470,925	(131,489)
Residuals				
Materials and Supplies--Utility		12,794,123	13,067,549	273,426
Materials and Supplies--Merchandise				
Materials and Supplies--Non-Utility				
Stores Expense				
Prepayments	A-11	1,147,130	1,213,025	65,895
Interest and Dividends Receivable		-	-	-
Rents Receivable				
Accrued Utility Revenues		7,091,702	6,599,036	(492,667)
Miscellaneous Current and Accrued Assets	A-12	-	-	-
<b>Total Current and Accrued Assets</b>		<b>53,496,703</b>	<b>52,092,698</b>	<b>(1,404,005)</b>
<b>Deferred Debits</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Unamortized Debt Discount and Expense	A-13	-	-	-
Notes Receivable--SSPP	A-14	-	-	-
Preliminary Survey and Investigation Charges		3,990,250	5,088,894	1,098,644
Clearing Accounts		-	-	-
Temporary Facilities				
Miscellaneous Deferred Debits	A-15	63,073	341,600	278,527
Regulatory Commission Expenses	A-16	3,477,424	3,936,975	459,551
<b>Total Deferred Debits</b>		<b>7,530,747</b>	<b>9,367,469</b>	<b>1,836,722</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>		<b>\$ 349,872,675</b>	<b>\$ 368,916,484</b>	<b>\$ 19,043,809</b>



**Schedule A  
COMPARATIVE BALANCE SHEET**

LIABILITIES AND OTHER CREDITS	Sched. No.	Balance 1/1/15 Beg of Year	Balance 12/31/15 Close of Year	Increase or Decrease
<b>Proprietary Capital</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Common Stock Issued	A-17	-	-	-
Preferred Stock Issued	A-18	-	-	-
Capital Stock Subscribed				
Patronage Capital		\$ 92,527,762	\$ 96,389,605	\$ 3,861,842
Memberships		467	483	16
Other Equities & Retired Capital Credits		491,033	138,441	(352,592)
Capital Stock Expense	A-20	-	-	-
Appropriated Retained Earnings	A-21	-	-	-
Unappropriated Retained Earnings		-	-	-
Reacquired Capital Stock	A-19	-	-	-
<b>Total Proprietary Capital</b>		<b>93,019,262</b>	<b>96,528,528</b>	<b>3,509,266</b>
<b>Division Capital</b>	A-22	-	-	-
<b>Long-Term Debt</b>				
Bonds	A-23	-	-	-
Advances from Associated Companies	A-23	-	-	-
Other Long-Term Debt	A-23	175,433,686	172,125,709	(3,307,977)
<b>Other Long-Term Debt</b>		<b>175,433,686</b>	<b>172,125,709</b>	<b>(3,307,977)</b>
<b>Current and Accrued Liabilities</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Notes Payable		39,000,000	59,500,000	20,500,000
Accounts Payable		6,036,260	5,534,448	(501,811)
Energy Rate Adjustment Clause		1,109,770	1,259,609	149,839
Customer Deposits		1,514,639	1,593,707	79,068
Taxes Accrued	A-24	9,406,315	6,218,963	(3,187,353)
Interest Accrued		67,527	-	(67,527)
Patronage Capital Payable		38,325	41,349	3,024
Matured Long-Term Debt		12,186,909	13,565,249	1,378,340
Tax Collections Payable	A-24	-	-	-
Misc. Current and Accrued Liabilities	A-25	1,542,200	1,482,539	(59,661)
<b>Total Current and Accrued Liabilities</b>		<b>70,901,945</b>	<b>89,195,863</b>	<b>18,293,918</b>
<b>Deferred Credits</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Unamortized Premiums on Debt	A-28	-	-	-
Customer Advances For Construction	A-26	653,485	1,746,945	1,093,460
Other Deferred Credits	A-27	9,864,297	9,319,439	(544,858)
Accumulated Deferred Investment Tax Cr.	A-30	-	-	-
<b>Total Deferred Credits</b>		<b>10,517,782</b>	<b>11,066,384</b>	<b>548,602</b>
<b>Operating Reserves</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Property Insurance Reserve				
Injuries and Damages Reserve				
Pensions and Benefits Reserve				
Miscellaneous Operating Reserve				
<b>Total Operating Reserves</b>		-	-	-
<b>Contributions in Aid of Construction</b>	A-31	-	-	-
<b>Accumulated Deferred Income Taxes</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Accum Def Inc Taxes--Lib. Depr.	A-29	-	-	-
Accum Def Inc Taxes--Other	A-29	-	-	-
<b>Total Accum Def Inc Taxes</b>		-	-	-
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>		<b>\$ 349,872,675</b>	<b>\$ 368,916,484</b>	<b>\$ 19,043,810</b>

**Schedule A-1  
ANALYSIS OF UTILITY PLANT ACCOUNTS**

Account No.	ACCOUNT TITLE	Balance Beginning of Year	Total Charges During Year	TOTAL CREDITS DURING YEAR		Balance Close of Year
				Retired Property Charged Depreciation Reserve	Adjustments and Other Credits	
	<b><i>Steam Production Plant</i></b>					
3100	Land & Land Rights	290,735				290,735
3110	Structures & Improvements	5,639,483				5,639,483
3120	Boiler Plant & Equipment	15,839,227	73,922	68,569		15,844,580
3130	Engine Driven Generators	5,556				5,556
3140	Turbogenerators Units	2,624,969				2,624,969
3150	Accessory Electrical Equipment	773,487				773,487
3160	Misc Power Plant Equip	658,636	6,666	2,206		663,095
	<b>Total Steam Production</b>	<b>25,832,092</b>	<b>80,588</b>	<b>70,775</b>	<b>-</b>	<b>25,841,905</b>
	<b><i>Hydraulic Production Plant</i></b>					
3300	Land & Land Rights	0				0
3310	Structures & Improvements	132,994	19,610			152,604
3320	Reservoirs, Dams & Waterways	465,764	1,564,787			2,030,551
3330	Water Wheels, Turbines & Gen.	666,472				666,472
3340	Accessory Electric Equipment	410,032	110,048			520,080
3350	Misc Power Plant Equipment	0				0
3360	Roads, Railroads & Bridges	0				0
	<b>Total Hydraulic Production Plant</b>	<b>1,675,263</b>	<b>1,694,445</b>	<b>0</b>	<b>0</b>	<b>3,369,707</b>
	<b><i>Other Production Plant</i></b>					
3400	Land & Land Rights	8,604,211				8,604,211
3410	Structures & Improvements	18,912,231	38,119	10,275		18,940,075
3420	Fuel Holders, Producers	4,680,867	229,896			4,910,762
3430	Prime Movers	67,108,446	1,122,821	1,846,106		66,385,160
3440	Generators	11,384,715	126,742	203,029		11,308,427
3450	Accessory Electric Equipment	8,981,390	152,133			9,133,524
3460	Misc Power Plant Equipment	4,319,451	5,930	4,709		4,320,672
	<b>Total Other Production Plant</b>	<b>123,991,311</b>	<b>1,675,641</b>	<b>2,064,119</b>	<b>-</b>	<b>123,602,832</b>
	<b>Total Production Plant</b>	<b>151,498,666</b>	<b>3,450,673</b>	<b>2,134,894</b>	<b>-</b>	<b>152,814,444</b>
	<b>TOTAL - Carried Forward</b>	<b>151,498,666</b>	<b>3,450,673</b>	<b>2,134,894</b>	<b>-</b>	<b>152,814,444</b>

**Schedule A-1.1 (Continued)**  
**ANALYSIS OF UTILITY PLANT ACCOUNTS**

Account No.	ACCOUNT TITLE	Balance Beginning of Year	Total Charges During Year	TOTAL CREDITS DURING YEAR		Balance Close of Year
				Retired Property Charged Depreciation Reserve	Adjustments and Other Credits	
	<b>Brought Forward</b>	<b>151,498,666</b>	<b>3,450,673</b>	<b>2,134,894</b>	<b>-</b>	<b>152,814,444</b>
	<b>Transmission Plant</b>					
3500	Land & Land Rights	576,538				576,538
3520	Structures & Improvements	263,001				263,001
3530	Station Equipment	24,333,778	1,031,081	332,221		25,032,637
3540	Towers & Fixtures	58,189				58,189
3550	Poles & Fixtures	30,356,223	294,585	98,962		30,551,845
3560	Overhead Conductors & Devices	20,434,488	400,066	123,290		20,711,264
3570	Underground Conduit	8,865				8,865
3580	Underground Conductors & Dev.	492,187				492,187
3590	Roads & Trails	0				0
	<b>Total Transmission Plant</b>	<b>76,523,268</b>	<b>1,725,732</b>	<b>554,474</b>	<b>0</b>	<b>77,694,526</b>
	<b>Distribution Plant</b>					
3600	Land & Land Rights	480,493	3,082			483,575
3610	Structures & Improvements	3,572,353	19,177	17,039		3,574,491
3620	Station Equipment	18,391,727	1,434,731	609,854		19,216,604
3630	Storage Battery Equipment	7,498,313	212,415	89,223		7,621,505
3640	Poles, Towers & Fixtures	36,084,290	620,804	257,757		36,447,337
3650	Overhead Conductors & Devices	38,189,136	715,554	263,732		38,640,958
3660	Underground Conduit	7,440,929	192,193	18,871		7,614,251
3670	Underground Conductors & Devi.	23,181,444	1,683,544	300,571		24,564,417
3680	Line Transformers	25,117,282	781,344	433,678		25,464,949
3690	Services	6,549,518	111,943	12,805		6,648,657
3700	Meters	7,470,261	26,878	97,581		7,399,557
3710	Installations on Customer's Premises	29,138				29,138
3720	Leased Property	18,709				18,709
3730	St. Lighting & Signal Systems	3,426,228	85,101	38,800		3,472,528
	<b>Total Distribution Plant</b>	<b>177,449,820</b>	<b>5,886,766</b>	<b>2,139,911</b>	<b>0</b>	<b>181,196,676</b>
	<b>TOTAL - Carried Forward</b>	<b>405,471,754</b>	<b>11,063,171</b>	<b>4,829,279</b>	<b>0</b>	<b>411,705,646</b>

Schedule A-1.2 (Continued)  
ANALYSIS OF UTILITY PLANT ACCOUNTS

Account No.	ACCOUNT TITLE	Balance Beginning of Year	Total Charges During Year	TOTAL CREDITS DURING YEAR		Balance Close of Year
				Retired Property Charged Depreciation Reserve	Adjustments and Other Credits	
	<b>Brought Forward</b>	<b>405,471,754</b>	<b>11,063,171</b>	<b>4,829,279</b>	<b>0</b>	<b>411,705,646</b>
	<b>General Plant</b>					
3890	Land & Land Rights	216,685				216,685
3900	Structures & Improvements	11,305,792	356,878	201,140		11,461,530
3910	Office Furniture & Equipment	9,328,285	676,637	226,786		9,778,136
3920	Transportation Equipment	5,188,645	406,710			5,595,355
3930	Stores Equipment	172,009				172,009
3940	Tool, Shop & Garage Equipment	1,676,045	69,610	13,005		1,732,650
3950	Laboratory Equipment	822,994				822,994
3960	Power Operated Equipment	257,152				257,152
3970	Communication Equipment	4,206,974	95,220	1,280		4,300,914
3980	Miscellaneous Equipment	1,048,087	208,238	59,552		1,196,773
	<b>Total General Plant</b>	<b>34,222,670</b>	<b>1,813,292</b>	<b>501,763</b>		<b>35,534,198</b>
	<b>Intangible Plant</b>					
3010	Organization	0				0
3020	Franchises and Consents	0				0
	<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Contributed Plant Reclass</b>	<b>0</b>			<b>0</b>	<b>0</b>
	<b>Capital Lease</b>	<b>0</b>				<b>0</b>
1140	Plant Acquisition Adjustment	54,852,453			0	54,852,453
	<b>TOTAL-UTILITY PLANT-IN-SERVICE</b>	<b>494,546,877</b>	<b>12,876,463</b>	<b>5,331,043</b>	<b>0</b>	<b>502,092,297</b>
	<b>Construction Work-In-Progress</b>	<b>7,964,338</b>	<b>322,809</b>			<b>8,287,147</b>
	<b>TOTAL</b>	<b>502,511,216</b>	<b>13,199,272</b>	<b>5,331,043</b>	<b>0</b>	<b>510,379,444</b>

**Schedule A-2**  
**ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT**

ITEM	Total	Utility Plant In Service	Utility Plant Leased To Others	Utility Plant Held for Future Use	Utility Plant In Process of Reclassification
<b>Balance Beginning of Year</b>	<b>226,710,744</b>	<b>226,710,744</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>CREDITS</u></b>					
Depreciation Accruals for Year Charged to:					
403 Depreciation	12,942,152	12,942,152			
413 Expenses of utility plant leased to others					
Other Accounts: (specify)					
Loss due to retirements	0	0			
Reserve adjustments	0	0			
Deferred Depr Exp-Iniki Plant	292,260	292,260			
<b>Total Depreciation Accruals</b>	<b>13,234,412</b>	<b>13,234,412</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net charges for plant retired:					
Book cost of plant retired	5,331,043	5,331,043			
Cost of removal	0	0			
<b>Net Charges for Plant Retired</b>	<b>5,331,043</b>	<b>5,331,043</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Accumulated Depreciation on Plant Retired					
Other debit or credit items: (specify)					
Transfer of assets-CIAC amortization	0	0			
Insurance Recovery	80,000	80,000			
Sale of used merchandise	0	0			
Reserve Adj to system	0	0			
Loss & Removal Cost Allocation	(545,599)	(545,599)			
Retirement Work in Progress	23,375	23,375			
<b>BALANCE END OF YEAR</b>	<b>234,171,889</b>	<b>234,171,889</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Schedule A-2.1 (Continued)**  
**ANALYSIS OF ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT**

Account No.	ACCOUNT TITLE	Balance Beginning of Year	TOTAL CREDITS DURING YEAR		TOTAL DEBITS DURING YEAR		Balance Close of Year
			Charged to Depreciation	Other Credits	Net Charge to Reserve	Other Debits	
	<b>Steam Production Plant</b>						
3100	Land & Land Rights	0					0
3110	Structures & Improvements	4,320,666	210,317				4,530,983
3120	Boiler Plant & Equipment	8,801,575	386,027		68,569	5,715	9,113,318
3130	Engine Driven Generators	5,556	0				5,556
3140	Turbogenerators Units	1,697,693	11,414				1,709,107
3150	Accessory Electrical Equipment	575,296	2,808				578,104
3160	Misc Power Plant Equip	255,711	32,892		2,206	408	285,988
	<b>Total Steam Production</b>	<b>15,656,497</b>	<b>643,457</b>	<b>0</b>	<b>70,775</b>	<b>6,123</b>	<b>16,223,056</b>
	<b>Hydraulic Production Plant</b>						
3300	Land & Land Rights	0					0
3310	Structures & Improvements	2,988	4,702				7,689
3320	Reservoirs, Dams & Waterways	117,810	25,354				143,164
3330	Water Wheels, Turbines & Gen.	84,253	23,257				107,510
3340	Accessory Electric Equipment	25,321	14,628				39,949
3350	Misc Power Plant Equipment	0					0
3360	Roads, Railroads & Bridges	0					0
	<b>Total Hydraulic Production Plant</b>	<b>230,371</b>	<b>67,942</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>298,313</b>
	<b>Other Production Plant</b>						
3400	Land & Land Rights	0					0
3410	Structures & Improvements	8,279,010	497,595		10,275	1,640	8,764,691
3420	Fuel Holders, Producers	1,805,721	137,066				1,942,787
3430	Prime Movers	37,279,303	803,825	80,000	1,846,106	162,613	36,154,410
3440	Generators	4,618,188	250,373		203,029	8,463	4,657,070
3450	Accessory Electric Equipment	6,117,911	142,864				6,260,776
3460	Misc Power Plant Equipment	1,938,556	111,293		4,709	826	2,044,313
	<b>Total Other Production Plant</b>	<b>60,038,690</b>	<b>1,943,017</b>	<b>80,000</b>	<b>2,064,119</b>	<b>173,541</b>	<b>59,824,047</b>
	<b>Total Production Total</b>	<b>75,925,558</b>	<b>2,654,416</b>	<b>80,000</b>	<b>2,134,894</b>	<b>179,664</b>	<b>76,345,416</b>
	<b>Total - Carried Forward</b>	<b>75,925,558</b>	<b>2,654,416</b>	<b>80,000</b>	<b>2,134,894</b>	<b>179,664</b>	<b>76,345,416</b>

**Schedule A-2.2 (Continued)**  
**ANALYSIS OF ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT**

Account No.	ACCOUNT TITLE	Balance Beginning of Year	TOTAL CREDITS DURING YEAR		TOTAL DEBITS DURING YEAR		Balance Close of Year
			Charged to Depreciation	Other Credits	Net Charge to Reserve	Other Debits	
	<b>Brought Forward</b>	<b>75,925,558</b>	<b>2,654,416</b>	<b>80,000</b>	<b>2,134,894</b>	<b>179,664</b>	<b>76,345,416</b>
	<i><b>Transmission Plant</b></i>						
3500	Land & Land Rights	0					0
3520	Structures & Improvements	144,132	7,155				151,286
3530	Station Equipment	9,630,555	960,255		332,221	29,485	10,229,103
3540	Towers & Fixtures	27,777	1,147				28,924
3550	Poles & Fixtures	22,764,754	684,362		98,962	26,163	23,323,990
3560	Overhead Conductors & Devices	12,836,765	495,211		123,290	23,312	13,185,373
3570	Underground Conduit	2,257	241				2,498
3580	Underground Conductors & Dev.	76,685	12,403				89,088
3590	Roads & Trails	0					0
	<b>Total Transmission Plant</b>	<b>45,482,923</b>	<b>2,160,773</b>	<b>0</b>	<b>554,474</b>	<b>78,961</b>	<b>47,010,261</b>
	<i><b>Distribution Plant</b></i>						
3600	Land & Land Rights	0					0
3610	Structures & Improvements	369,548	80,741		17,039		433,250
3620	Station Equipment	5,132,795	512,263		609,854	72,780	4,962,423
3630	Storage Battery	1,801,357	755,693		89,223		2,467,826
3640	Poles, Towers & Fixtures	21,840,119	883,801		257,757	49,161	22,417,002
3650	Overhead Conductors & Devices	19,360,759	1,247,835		263,732	50,260	20,294,603
3660	Underground Conduit	3,795,203	159,713		18,871	3,489	3,932,556
3670	Underground Conductors & Devi.	14,300,063	397,111		300,571	51,001	14,345,602
3680	Line Transformers	8,607,796	1,014,402		433,678	49,191	9,139,330
3690	Services	4,884,966	182,212		12,805	2,898	5,051,476
3700	Meters	254,674	587,435		97,581		744,528
3710	Installations on Customer's Premises	486	2,914				3,399
3720	Leased Property	10,260	1,936				12,197
3730	St. Lighting & Signal Systems	2,430,806	95,335		38,800	8,196	2,479,145
	<b>Total Distribution Plant</b>	<b>82,788,831</b>	<b>5,921,391</b>	<b>0</b>	<b>2,139,911</b>	<b>286,974</b>	<b>86,283,337</b>
	<b>Total - Carried Forward</b>	<b>204,197,312</b>	<b>10,736,581</b>	<b>80,000</b>	<b>4,829,279</b>	<b>545,599</b>	<b>209,639,014</b>

**Schedule A-2.3 (Continued)**  
**ANALYSIS OF ACCUMULATED PROVISIONS FOR DEPRECIATION OF UTILITY PLANT**

Account No.	ACCOUNT TITLE	Balance Beginning of Year	TOTAL CREDITS DURING YEAR		TOTAL DEBITS DURING YEAR		Balance Close of Year
			Charged to Depreciation	Other Credits	Net Charge to Reserve	Other Debits	
	<b>Brought Forward</b>	<b>204,197,312</b>	<b>10,736,581</b>	<b>80,000</b>	<b>4,829,279</b>	<b>545,599</b>	<b>209,639,014</b>
	<b>General Plant</b>						
3890	Land & Land Rights	0					0
3900	Structures & Improvements	5,857,227	247,620		201,140		5,903,707
3910	Office Furniture & Equipment	5,858,851	1,069,038		226,786		6,701,102
3920	Transportation Equipment	3,141,369	497,716				3,639,084
3930	Stores Equipment	154,245	796				155,041
3940	Tool, Shop & Garage Equipment	939,550	147,901		13,005		1,074,446
3950	Laboratory Equipment	644,332	35,620				679,952
3960	Power Operated Equipment	234,350	3,256				237,606
3970	Communication Equipment	1,085,474	172,815		1,280	0	1,257,010
3980	Miscellaneous Equipment	206,712	30,809		59,552		177,969
	<b>Total General Plant</b>	<b>18,122,111</b>	<b>2,205,572</b>	<b>0</b>	<b>501,764</b>	<b>0</b>	<b>19,825,918</b>
	<b>Sub-total</b>	<b>222,319,423</b>	<b>12,942,152</b>	<b>80,000</b>	<b>5,331,043</b>	<b>545,599</b>	<b>229,464,933</b>
	Iniki Deferred Depreciation Expense	4,676,160	292,260				4,968,420
	<b>Retirement Work-in-Progress</b>	<b>(284,839)</b>	<b>545,599</b>			<b>522,225</b>	<b>(261,464)</b>
	<b>TOTAL</b>	<b>226,710,744</b>	<b>13,780,012</b>	<b>80,000</b>	<b>5,331,043</b>	<b>1,067,824</b>	<b>234,171,889</b>



**Schedule A-3  
ACCUMULATED PROVISIONS FOR AMORTIZATION OF UTILITY PLANT**

<b>Amortization of Utility Plant</b>	<b>Total</b>	<b>Utility Plant In Service</b>	<b>Utility Plant Leased To Others</b>	<b>Utility Plant Held for Future Use</b>
Balance Beginning of Year	0	0		
(Specify Accounts Credited or Debited)	0	0		
<b>Total Credits</b>	0	0		
	0	0		
<b>Total Debits</b>	0	0		
<b>BALANCE END OF YEAR</b>	0	0		
<b>Amortization of UTILITY PLANT ACQUISITION ADJUSTMENTS</b>				
Balance Beginning of Year	<b>26,693,780</b>	<b>26,693,780</b>		
4060 Amortization Expense - Acquisition Adjustment	2,194,182	2,194,182		
<b>Total Credits</b>	<b>2,194,182</b>	<b>2,194,182</b>		
<b>Total Debits</b>	0	0		
<b>BALANCE END OF YEAR</b>	<b>28,887,962</b>	<b>28,887,962</b>		

**Schedule A-4  
NON-UTILITY PLANT**

DESCRIPTION - NON-UTILITY ASSETS	Balance Beginning of Year	Debits During Year	Credits During Year	Balance Close of Year
1211 Land and Land Rights	0			0
1212 Structures and Improvements	0			0
1213 Furniture and Equipment	0			0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Schedule A-4  
RESERVE FOR DEPRECIATION  
NON-UTILITY PLANT**

DESCRIPTION NON-UTILITY ASSETS	Balance Beginning of Year	Debits During Year	Credits During Year	Balance Close of Year
1211 Land and Land Rights	0			0
1212 Structures and Improvements	0			0
1213 Furniture and Equipment	0			0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Schedule A-5  
INVESTMENT IN ASSOCIATED COMPANIES**

DESCRIPTION OF ITEM	Date Acquired	Date of Maturity	Amount	Book Cost End of Year	Revenues For Year	Gain or Loss from Investment
CFC Loan Capital Term Certificates	12/17/03	01/01/24	164,800	0	0	0
CFC Patronage Capital	N/A	N/A	242,495	0	90,715	0
CFC SCTC's	N/A	N/A	212,352	0	4,966	0
CFC Membership Fee	12/30/99	N/A	1,000	0	0	0
CFC Member Capital Securities	03/02/09	03/02/44	250,000	0	12,500	0
NISC Patronage Capital	N/A	N/A	19,133	0	5,884	0
Ruralite Patronage Capital	N/A	N/A	0	0	710	0
Economic Development Loan - NTBG	03/17/08	03/17/18	84,375	0	0	0
Economic Development Loan - Island School	09/04/08	09/04/18	103,125	0	0	0
Revolving Loan Fund Loan - Hale Opio	03/06/08	03/06/18	24,273	0	330	0
Economic Development Loan - YWCA	05/18/12	05/18/22	288,750	0	0	0
Revolving Loan Fund Loan - Kauai Brewers	05/15/13	05/15/20	98,269	0	1,103	0
Revolving Loan Fund Loan - Tiki Iniki	07/25/13	07/25/20	113,164	0	1,250	0
Revolving Loan Fund Loan - JC Linen	08/05/13	08/05/20	84,774	0	0	0
Revolving Loan Fund Loan - Kipuni Way	03/20/14	03/18/24	77,020	0	838	0
KRS1	10/10/11	N/A	59,633,328	0	1,371,849	(9,089)
KRS2	10/11/12	N/A	98	0	0	0
KRS2 Holdings	08/01/13	N/A	-1,260,232	0	0	(5,575)
<b>TOTAL</b>	<b>x x x x x x</b>	<b>x x x x x x</b>	<b>60,136,724</b>	<b>0</b>	<b>1,490,145</b>	<b>(14,664)</b>

**Schedule A-5-A  
OTHER INVESTMENTS**

DESCRIPTION OF ITEM	Date Acquired	Date of Maturity	Amount	Book Cost End of Year	Revenues For Year	Gain or Loss from Investment
NONE						
<b>TOTAL</b>	<b>x x x x x x</b>	<b>x x x x x x</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Schedule A-6  
SPECIAL FUNDS**

NAME AND PURPOSE OF FUND	Balance End of Year
NONE	
<b>TOTAL</b>	<b>0</b>

**Schedule A-7  
SPECIAL DEPOSITS**

DESCRIPTION AND PURPOSE OF DEPOSIT	Balance End of Year
Deposit - Bank of Hawaii Savings Certificate	1,376
Deposit - Department of Land and Natural Resources	8,308
A&B Rental Deposit	2,500
A&B Rental Deposit	2,500
Credit Card Processing Fee	(8,698)
<b>TOTAL</b>	<b>5,986</b>

**Schedule A-8  
TEMPORARY CASH INVESTMENTS**

DESCRIPTION OF ITEM	Par or Stated Value	Book Cost End of Year	Ledger Value	Revenues For Year
	0	0	0	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Schedule A-9  
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS--CR.**

ITEM	Utility Customers	Merchandise, Jobbing and Contact Work	Officers and Employees	Other	Total
Balance Beginning of Year	592,145	0			592,145
Prov. for Uncollectibles for Year	140,280	0			140,280
Accounts Written Off	(71,841)				(71,841)
Collection of Accts. Written Off	27,519				27,519
Adjustments: (Explain)					0
Balance End of Year	688,103	0	0	0	688,103

**Schedule A-10  
FUEL STOCK**

	Total Cost	Naphtha		Diesel		Used Oil	
		Barrels	Cost	Barrels	Cost	Barrels	Cost
Beginning of Year (excludes fuel for vehicles)	1,602,414	8,585	761,485	5,657	840,924	0	5
Purchased During Year:	50,810,025	344,598	24,835,669	284,070	25,917,637	1,179	56,718
Consumed During Year:	50,941,514	344,390	25,018,390	282,671	25,867,191	1,162	55,932
End of Year							
Balance End of Year	1,470,925	8,793	578,764	7,056	891,370	17	791

**Schedule A-11  
PREPAYMENTS**

NATURE OF PAYMENTS	Balance End of Year
Prepaid Other	53,373
Prepaid Rent	0
Prepaid Insurance	1,159,651
<b>TOTAL</b>	<b>1,213,025</b>

**Schedule A-12  
MISCELLANEOUS CURRENT AND ACCRUED ASSETS**

DESCRIPTION OF ITEM	Balance End of Year
NONE	
<b>TOTAL</b>	<b>0</b>

**Schedule A-13  
UNAMORTIZED DEBT DISCOUNT AND EXPENSE**

DESCRIPTION OF LONG-TERM DEBT	Principal Amount	Total Discount and Expense	Amortization Period		Balance Beginning of Year	Debits During Year	Credits During Year	Balance End of Year
			From	To				
NONE								
<b>Total</b>					0	0	0	0

**Schedule A-14  
EXTRAORDINARY PROPERTY LOSSES**

DESCRIPTION OF ITEM	Total Amount of Loss	Previously Written Off	Written Off During Year		Balance End of Year
			Ac. Charged	Amount	
NONE					
<b>Total</b>					

**Schedule A-15  
MISCELLANEOUS DEFERRED DEBITS**

DESCRIPTION OF OTHER DEFERRED DEBITS	Balance End of Year
Other Work-in-Progress	341,600
<b>TOTAL</b>	<b>341,600</b>

**Schedule A-16  
DEFERRED REGULATORY COMMISSION EXPENSES**

DESCRIPTION OF CASE	Total Expenses of Case	Amortization		Balance End of Year
		Previous Year	Current Year	
(A) Iniki Deferred Depreciation -HPUC D&O 12064 dated 12/9/92 pg. 7 being amortized over 28 years beginning 10/1/96.	\$ 2,264,952	\$ 292,260	\$ 292,260	\$ 1,972,692
(B) DSM project costs and recoveries - HPUC D&O 15733 dated 8/5/97				135,279
(C) IRP project costs and recoveries - HPUC D&O 15733 dated 8/5/97				(587,221)
(D) Solar Water Heating Pay-As-You-Save - HPUC D&O 23531 dated 6/29/07				52,137
(E) Pension Costs Tracking				2,364,088
	\$ 2,264,952	\$ 292,260	\$ 292,260	\$ 3,936,975

**Schedule A-17  
COMMON STOCK ISSUED**

DESCRIPTION	Par or Stated Value Per Share	Number of Shares At End of Year		Book Liability Actually Outstanding At End of Year	Premium or Discount
		Authorized	Outstanding		
NONE					
<b>Total</b>	0	0	0	0	0

**Schedule A-18  
PREFERRED STOCK ISSUED**

Series	Dividend Rate	Face Amount	Date of Issue	Date of Maturity	Premiums or Discount	Amount Actually Outstanding
NONE						
<b>Total</b>		0	0			0

**Schedule A-19  
REACQUIRED CAPITAL STOCK**

CAPITAL STOCK	Number of Shares Reacquired	Cost Per Share Reacquired	Balance End of Year
NONE			
<b>Total</b>	0	0	0



**Schedule A-20  
CAPITAL STOCK EXPENSE**

CLASS AND SERIES OF STOCK	Balance End of Year
NONE	
<b>Total</b>	<b>0</b>

**Schedule A-21  
ANALYSIS OF APPROPRIATED RETAINED EARNINGS**

ITEM	Account	Amount
	XXXXXXXXXXXX	
<b>CREDITS</b> Give nature of each credit and account charged:	XXXXXXXXXXXX	XXXXXXXXXXXX
NONE		
<b>Total Credits</b>	- XXXXXXXXXXXX	- -
<b>DEBITS</b> Give nature of each credit and account charged:	XXXXXXXXXXXX XXXXXXXXXXXX	XXXXXXXXXXXX XXXXXXXXXXXX
NONE		
<b>Total Debits</b>	- XXXXXXXXXXXX	- -
<b>BALANCE END OF YEAR</b>	XXXXXXXXXXXX	-

**Schedule A-22  
ANALYSIS OF UNAPPROPRIATED RETAINED EARNINGS (DIVISION CAPITAL)**

	<b>Amount</b>	<b>Increase or (Decrease) From Preceding Year</b>
Retained Earnings, Beginning of Year	-	
	-	
<b>TOTAL CREDITS</b>	-	-
<b>TOTAL DEBITS</b>	-	-
<b>RETAINED EARNINGS -- End of Year</b>	-	-

**Schedule A-23  
LONG-TERM DEBT**

CLASS AND SERIES OF OBLIGATION	Date of Issue	Maturity Date	Amount Authorized	Amount Outstanding	Interest Expense For the Year	PREMIUM OR DISCOUNT	
						Balance End of Year	Amortized During Year
Rural Utility Service (RUS) Financing	11/01/02	10/31/27		\$ 135,150,216	\$ 5,041,625		
less: RUS Cushion of Credit				\$ (13,081,919)			
RUS/FFB-KPP Purchase Financing	10/19/04	12/31/23		\$ 17,527,651	\$ 613,736		
RUS/FFB-C8	10/01/12	12/31/42		\$ 42,323,272	\$ 1,012,192		
Natl Rural Utility Coop Finance Corp (CFC) (KPP Purchase)	12/18/03	12/17/23		\$ 3,771,737	\$ 102,946		
less: Current Maturities of Long-term Debt				\$ (13,565,249)			
Interest Expense on Customer Deposits					59		
Other Interest Expense - \$5M LOC					0		
Other Interest Expense - \$20M LOC					\$ -		
Other Interest Expense - \$70M LOC					\$ 1,371,849		
<b>Total</b>	xxxxxxx	xxxxxxx	-	\$ 172,125,709	\$ 8,142,406	-	-

**A - 24**  
**ACCRUED TAXES**

KIND OF TAX	Balance Beg. of Yr.				Balance End of Year
	Taxes Accrued 1/1/15	Taxes Charged During Year	Paid During Year	Adjustments	Taxes Accrued 12/31/15
<b>FEDERAL TAXES</b>					
F.I.C.A.	0	1,128,605	1,128,605		0
Unemployment Tax	157	6,602	6,759		0
Income Taxes	0	5,168	5,168		0
<b>STATE TAXES</b>					
Public Service Company Tax	4,561,913	8,464,481	10,595,714		2,430,680
Public Utility Fee	298,949	719,157	900,230		117,876
Unemployment Tax	479	53,600	53,873		207
Use Tax	40,280	398,415	367,664		71,031
General Excise Tax	0	34,473	34,473		0
Income Taxes	0	26,340	26,340		0
<b>COUNTY TAXES</b>					
Franchise Tax	4,504,537	3,595,786	4,501,153		3,599,170
Motor Vehicle Tax	0	42,820	42,820		0
Property Tax	0	0	0		0
<b>TOTAL</b>	<b>9,406,315</b>	<b>14,475,447</b>	<b>17,662,799</b>	<b>0</b>	<b>6,218,963</b>

**Schedule A-25  
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**

Description	Balance End of Year
FAS-158 Accumulated Post-Retirement Benefit Obligation Liability	\$ (1,252,400)
NBU & BU Employees Vacation Accrual	618,150
NBU & BU Accrued Payroll	1,428,956
Schedule Q Credits	687,833
<b>Total</b>	<b>\$ 1,482,539</b>

**Schedule A-26  
CUSTOMER ADVANCES FOR CONSTRUCTION**

Item	Debit	Credit	Amount
Balance Beginning of Year			\$ 653,485
Advances By Customers			1,221,666
Refunds To Customers			(120,124)
Transferred to CIAC			(8,082)
Balance End of Year			\$ 1,746,945

**Schedule A-27  
OTHER DEFERRED CREDITS**

Description of Deferred Credits	Balance End of Year
Iniki Deferred Depreciation (Contra) Schedule A-16	\$ 1,972,692
Hitachi Major Overhaul (GT-1)	493,280
Boiler/Steam Turbine Major Overhaul	376,018
JBE Major Overhaul (GT-2)	330,184
KPS Major Overhaul (CT-1)	2,514,242
D-6 Major Overhaul	75,000
D-7 Major Overhaul	500,000
D-8 Major Overhaul	300,000
D-9 Major Overhaul	0
RUS Rural Economic Development Grant	1,258,022
G&R Hydro Security Deposit	1,500,000
<b>Total</b>	<b>\$ 9,319,439</b>

Schedule A-28  
UNAMORTIZED PREMIUM ON DEBT

DESCRIPTION OF LONG-TERM DEBT	Amount	Premium	Amortization Period		Balance Beginning of Year	Debits During Year	Credits During Year	Balance End of Year
			From	To				
None								
<b>Total</b>								

Schedule A-29  
ACCUMULATED DEFERRED INCOME TAXES

ITEMS	Balance Beginning of Year	Changes During Year		Balance End of Year
		Amts. Debited	Amts. Credited	
NONE	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Total	-	-	-	-

Schedule A-30  
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS

ITEMS	Balance Beginning of Year	Changes During Year		Balance End of Year
		Amts. Debited	Amts. Credited	
NONE	-	-	-	-
Total	-	-	-	-

Schedule A-31  
CONTRIBUTIONS IN AID OF CONSTRUCTION

	Debits	Credits	Amount
Balance Beginning of Year			\$ -
			-
NONE			-
			-
			-
			-
			-
			-
			\$ -
Balance End of Year			-



**Schedule B  
ANALYSIS OF INCOME ACCOUNT**

ACCOUNT TITLE	Sched. No.	Amount	Increase (Decrease) From Previous Year
<b>UTILITY OPERATING INCOME</b>			
<b>Operating Revenues</b>	B-1	\$ 143,456,769	\$ (35,918,699)
<b>Operating Expenses</b>			
Operating Expense	B-2	91,841,385	(28,360,240)
Maintenance Expense	B-2	12,035,782	200,996
Depreciation Expense		12,742,467	321,607
Amortization of Utility Plant			
Amortization of Utility Plant Acquis. Adj.		2,194,182	-
Amortization of Property Losses			
Taxes Other Than Income Taxes	B-3	12,083,069	(3,011,956)
Income Taxes	B-3		
Provision for Deferred Income Taxes	B-3		
Provision for Deferred Investment Tax Cr.			
Income Taxes Deferred in Prior Yrs.--Cr.			
Amortization of Def. Investment Tax Cr.--Cr.			
<b>Total Operating Expenses</b>		130,896,885	(30,849,592)
<b>Operating Income</b>		12,559,884	(5,069,107)
Income from Utility Plant Leased to others			
<b>Total Operating Income</b>		12,559,884	(5,069,107)
<b>OTHER INCOME</b>			
Income from Mdse., Jobbing & Contract Work (Net)		49,978	2,472
(Income)/Loss from Subsidiaries		(14,664)	1,495,780
Capital Credits & Patronage		97,309	43,633
Non-operating Rental Income		88,838	10,732
PPA Liquidated Damages		-	-
Interest & Dividend Income		1,985,457	864,947
Allowance for Funds Used During Construction		-	-
Miscellaneous Non-operating Income		3,520	(615)
<b>Total Other Income</b>		2,210,439	2,416,948
<b>OTHER INCOME DEDUCTIONS</b>			
Miscellaneous Amortization			
Miscellaneous Income Deductions		677,035	615,624
<b>Total Other Income Deductions</b>		677,035	615,624
<b>Total Other Income and Deductions</b>		1,533,404	1,801,324
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt		6,770,498	(591,630)
Amortization of Debt Discount & Expense			
Amortization of Premium on Debt Cr.			
Interest on Debt to Associated Companies			
Other Interest Expenses		1,371,908	821,846
<b>Total Interest Charges</b>		8,142,406	230,216
<b>Income Before Extraordinary Items</b>		5,950,881	(3,497,999)
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Income			
Extraordinary Deductions			
Income Taxes, Extraordinary Items			
<b>Total Extraordinary Items</b>			
<b>NET MARGINS</b>		<b>\$ 5,950,881</b>	<b>\$ (3,497,999)</b>

**Schedule B-1  
ANALYSIS OF GROSS OPERATING REVENUES  
Utility Department**

ACCOUNT TITLE	Current Year	Previous Year
<b>Operating Revenues:</b>		
Residential Comb. Lighting, Heating and Small Power "D"	\$ 55,512,573	\$ 68,457,684
General Lighting Service "C"		
General Lighting Service "G"	21,661,344	26,487,475
General Lighting Service "J"	16,404,878	20,541,391
Large Power "P"	15,063,959	18,163,410
Large Power "L"	32,883,320	43,467,971
Optional Power		
Industrial Contract		
Governmental Street, Highway & Park Lighting "SL"	1,362,924	1,594,732
Electric Service for Employees "E"		
Irrigation	59,629	38,762
<b>Sub-Total</b>	<b>\$ 142,948,626</b>	<b>\$ 178,751,426</b>
<b>Other Operating Revenues:</b>		
Late Payment Fees		
Miscellaneous Service Revenues	156,643	237,145
Non-Standard Meter Charge	326,024	357,301
Rent From Property	19,776	19,496
Other Revenues	5,700	10,100
<b>Sub-Total</b>	<b>\$ 508,143</b>	<b>\$ 624,042</b>
<b>Total Gross Operating Revenues</b>	<b>\$ 143,456,769</b>	<b>\$ 179,375,468</b>

**Schedule B-2  
ANALYSIS OF OPERATION AND MAINTENANCE EXPENSE ACCOUNTS**

ACCOUNT TITLE	Current Year	Previous Year
<b>POWER PRODUCTION EXPENSES</b>		
<b>Steam Power Generation</b>		
<b>Operation</b>		
500 Operation Supervision and Engineering	868,611	906,854
501 Fuel		
502 Steam Expenses	985,109	799,545
503 Steam from Other Sources		
504 Steam Transferred--Cr.		
505 Electric Expenses		
506 Miscellaneous Steam Power Expenses	312	570
507 Rents		
<b>Total Operation</b>	<b>1,854,032</b>	<b>1,706,969</b>
<b>Maintenance</b>		
510 Maintenance Supervision and Engineering	-	-
511 Maintenance of Structures	178,903	166,324
512 Maintenance of Boiler Plant	137,930	156,506
513 Maintenance of Electric Plant	24,883	41,398
514 Maintenance of Miscellaneous Steam Plant		
<b>Total Maintenance</b>	<b>341,716</b>	<b>364,228</b>
<b>Total Steam Power Generation</b>	<b>2,195,748</b>	<b>2,071,197</b>
<b>Hydraulic Power Generation</b>		
<b>Operation</b>		
535 Operation Supervision and Engineering		
536 Water for Power	48,285	(9,164)
537 Hydraulic Expenses		
538 Electric Expenses		
539 Misc. Hydraulic Power Generation Expenses		
540 Rents		
<b>Total Operation</b>	<b>48,285</b>	<b>(9,164)</b>
<b>Maintenance</b>		
541 Maintenance Supervision and Engineering		
542 Maintenance of Structures	1,252	-
543 Maintenance of Reservoirs, Dams and Waterways	205,299	200,195
544 Maintenance of Electric Plant	8,137	7,161
545 Maintenance of Miscellaneous Hydraulic Plant		
<b>Total Maintenance</b>	<b>214,688</b>	<b>207,356</b>
<b>Total Hydraulic Power Generation</b>	<b>262,973</b>	<b>198,192</b>
<b>Other Power Generation</b>		
<b>Operation</b>		
546 Operation Supervision and Engineering	482,646	549,675
547 Fuel	50,941,514	84,821,208
548 Generation Expenses	2,583,723	2,691,799
549 Miscellaneous Other Power Generation Expenses	945,458	975,208
550 Rents		
<b>Total Operation</b>	<b>54,953,340</b>	<b>89,037,890</b>

<b>ANALYSIS OF OPERATION AND MAINTENANCE EXPENSE ACCOUNTS-- (Continued)</b>		
<b>ACCOUNT TITLE</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Maintenance</b>		
551 Maintenance Supervision and Engineering	514,692	497,232
552 Maintenance of Structures	82,818	180,594
553 Maintenance of Generating and Electric Plant	6,524,987	6,490,712
554 Maint. of Misc. Other Power Generation Plant		
<b>Total Maintenance</b>	<b>7,122,497</b>	<b>7,168,538</b>
<b>Total Other Power Generation</b>	<b>62,075,837</b>	<b>96,206,428</b>
<b>Other Power Supply Expenses</b>		
555 Purchased Power	14,315,017	11,839,524
556 System Control and Load Dispatching	199,272	273,712
557 Other Expenses		
<b>Total Other Power Supply Expenses</b>	<b>14,514,290</b>	<b>12,113,236</b>
<b>TOTAL PRODUCTION EXPENSES</b>	<b>79,048,848</b>	<b>110,589,054</b>
<b>TRANSMISSION EXPENSES</b>		
<b>Operation</b>		
560 Operation Supervision and Engineering		
561 Load Dispatching		
562 Station Expenses	144,631	138,275
563 Overhead Line Expenses	14,170	5,793
564 Underground Line Expenses		
565 Transmission of Electricity by Others		
566 Miscellaneous Transmission Expenses	185,703	128,367
567 Rents	61,207	63,391
<b>Total Operation</b>	<b>405,710</b>	<b>335,826</b>
<b>Maintenance</b>		
568 Maintenance Supervision and Engineering		
569 Maintenance of Structures		
570 Maintenance of Station Equipment	223,244	168,165
571 Maintenance of Overhead Lines	352,765	311,691
572 Maintenance of Underground Lines		
573 Maintenance of Miscellaneous Transmission Plant		
<b>Total Maintenance</b>	<b>576,009</b>	<b>479,856</b>
<b>TOTAL TRANSMISSION EXPENSES</b>	<b>981,719</b>	<b>815,682</b>
<b>DISTRIBUTION EXPENSES</b>		
<b>Operation</b>		
580 Operation Supervision and Engineering	750	-
581 Load Dispatching	-	-
582 Station Expenses	254,051	271,706
583 Overhead Line Expenses	21,240	18,252
584 Underground Line Expenses	4,934	25,076
585 Street Lighting and Signal System Expenses		
586 Meter Expenses	406,910	546,852
587 Customer Installations Expenses		
588 Miscellaneous Distribution Expenses	558,712	471,670
589 Rents	13,092	13,247
<b>Total Operation</b>	<b>1,259,689</b>	<b>1,346,803</b>

<b>ANALYSIS OF OPERATION AND MAINTENANCE EXPENSE ACCOUNTS-- (Continued)</b>		
<b>ACCOUNT TITLE</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Maintenance</b>		
590 Maintenance Supervision and Engineering		
591 Maintenance of Structures		
592 Maintenance of Station Equipment	389,345	426,810
593 Maintenance of Overhead Lines	2,221,405	2,180,371
594 Maintenance of Underground Lines	361,032	346,957
595 Maintenance of Line Transformers	-	1,816
596 Maintenance of Street Lighting & Signal Systems	70,648	77,918
597 Maintenance of Meters	16,172	12,730
598 Maintenance of Miscellaneous Distribution Plant		
<b>Total Maintenance</b>	<b>3,058,601</b>	<b>3,046,602</b>
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>4,318,290</b>	<b>4,393,405</b>
<b>TOTAL TRANSMISSION &amp; DISTRIBUTION EXPENSES</b>	<b>5,300,010</b>	<b>5,209,087</b>
<b>CUSTOMER ACCOUNTS</b>		
<b>Operation</b>		
901 Supervision	288,213	270,549
902 Meter Reading Expenses	74,435	74,999
903 Customer Records and Collection Expenses	1,775,997	1,833,613
904 Uncollectible Accounts	140,305	178,124
905 Miscellaneous Customer Accounts Expenses		
907-912 Additional Customer Accounts Expenses	597,264	527,877
<b>TOTAL CUSTOMER ACCOUNTS</b>	<b>2,876,214</b>	<b>2,885,162</b>
<b>SALES EXPENSES</b>		
<b>Operation</b>		
911 Supervision		
912 Demonstrating and Selling Expenses		
913 Advertising Expenses		
914 Revenues from Merchandising, Jobbing and Contract Work		
915 Costs and Expenses of Merchandising, Jobbing and Contract Work		
916 Miscellaneous Sales Expenses		
<b>TOTAL SALES EXPENSES</b>	<b>-</b>	<b>-</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>		
<b>Operation</b>		
920 Administrative and General Salaries	6,742,408	4,301,342
921 Office Supplies and Expenses	966,377	1,025,488
923.30 Administrative Office Expenses		
923 Outside Services Employed	4,165,178	3,132,492
924 Property Insurance	614,265	649,520
925 Injuries and Damages		
926 Employee Pensions and Benefits		
927 Franchise Requirements		
928 Regulatory Commission Expenses	1,239,212	1,368,067
929 Duplicate Charges--Cr.		
930 Miscellaneous General Expenses	869,442	983,686
931 Rents	1,332,945	1,324,307
<b>Total Operation</b>	<b>15,929,825</b>	<b>12,784,902</b>

<b>ANALYSIS OF OPERATION AND MAINTENANCE EXPENSE ACCOUNTS-- (Continued)</b>		
<b>ACCOUNT TITLE</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Maintenance</b>		
935 Maintenance of General Plant	722,270	568,206
<b>TOTAL ADMIN. &amp; GENERAL EXPENSES</b>	<b>16,652,095</b>	<b>13,353,108</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>103,877,167</b>	<b>132,036,411</b>
<b>TOTAL OPERATION EXPENSES</b>	<b>91,841,385</b>	<b>120,201,625</b>
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>12,035,782</b>	<b>11,834,786</b>

**Schedule B-3  
ANALYSIS OF TOTAL CORPORATION TAXES**

DESCRIPTION OF TAX	Rate	Total Taxes Charged During Year	DISTRIBUTION OF TAXES				
			Tax Expense	Income Taxes	Charged To Plant	Other Accounts	Non-Utility
<b>STATE TAXES:</b>							
Franchise Tax		3,595,786	3,582,912			12,874	
Public Service Company Tax		8,464,481	8,434,175			30,306	
Unemployment Tax		53,600			10,184	43,416	
Use Tax		398,415			199,207	199,208	
General Excise Tax		34,473	34,473				
Income Tax		26,340		26,340			
Property Tax		-					
		-					
		-					
		-					
<b>Total State Taxes</b>		<b>12,573,095</b>	<b>12,051,560</b>	<b>26,340</b>	<b>209,391</b>	<b>285,804</b>	<b>-</b>
<b>FEDERAL TAXES:</b>							
F.I.C.A.		1,128,605			214,435	914,170	
Unemployment Tax		6,602			1,254	5,348	
Income Tax		5,168		5,168			
Vehicle Use		-					
		-					
		-					
<b>Total Federal Taxes</b>		<b>1,140,375</b>	<b>-</b>	<b>5,168</b>	<b>215,689</b>	<b>919,518</b>	<b>-</b>
<b>FEES AND LICENSES:</b>							
Public Utility Fee		719,157				719,157	
Motor Vehicle Tax		42,820				42,820	
		-					
		-					
<b>Total Fees and Licenses</b>		<b>761,977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>761,977</b>	<b>-</b>
<b>TOTAL CORPORATION TAXES</b>		<b>\$ 14,475,447</b>	<b>\$ 12,051,560</b>	<b>\$ 31,508</b>	<b>\$ 425,080</b>	<b>\$ 1,967,299</b>	<b>\$ -</b>

**Schedule C  
STATISTICAL INFORMATION  
COMPARATIVE ANALYSIS FOR THE TWELVE MONTH PERIOD ENDED 12/31/2014**

CLASSIFICATION OF RATES	12-Month Avg. Number of Customers (2)	12-Month Avg. Number of Meters (3)	Total K.W. Hrs. Sold During 2014 (4)	Net Revenue Received During Year (5)	Average Annual K.W. Hr. Sold Per Customer (6)	Average Net Revenue Per K.W. Hr. Sold (7)	Average Net Revenue Per Customer (8)	Percentage of Total Revenue Received (9)
Res. Comb. Ltg., Htg. & Small Power - "D"	28,658	28,658	161,826,042	\$ 55,512,573	\$ 5,647	0.34304	\$ 1,937	38.83%
General Lighting Service - "C"								
General Lighting Service - "G"	4,320	4,320	61,801,021	21,661,344	14,305	0.35050	5,014	15.15%
General Lighting Service - "J"	307	307	50,791,819	16,404,878	165,536	0.32298	53,465	11.48%
Large Power - "P"	108	108	104,433,662	32,883,320	969,972	0.31487	305,418	23.00%
Large Power - "L"	14	14	50,125,564	15,063,959	3,645,496	0.30052	1,095,561	10.54%
Optional Power								
Industrial Contract								
Governmental St. Hwy. & Park Ltg. - "SL"	3,631	3,631	2,780,067	1,362,924	766	0.49025	375	0.95%
Governmental Contract								
Interdepartmental								
Electric Service for Employees				-				
Irrigation	3	3	319,884	59,629	106,628	0.18641	19,876	0.04%
<b>Total</b>	<b>37,040</b>	<b>37,040</b>	<b>432,078,059</b>	<b>\$ 142,948,626</b>	<b>\$ 11,665</b>	<b>0.33084</b>	<b>\$ 3,859</b>	<b>100.00%</b>
KW Hrs. Used - N/C	xxxxxxxx	xxxxxxxx	1,748,767	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
KW Hrs. Lost - Unaccounted	xxxxxxxx	xxxxxxxx	17,750,677	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
KW Hrs. - Net to System	xxxxxxxx	xxxxxxxx	451,577,503	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
KW Hrs. - Station Use	xxxxxxxx	xxxxxxxx	11,891,209	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
KW Hrs. & KW (Max.) Generated - Steam	xxxxxxxx	xxxxxxxx	4,867,789	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
" " " " " " " " - Diesel	xxxxxxxx	xxxxxxxx	357,310,691	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
" " " " " " " " - Hydro	xxxxxxxx	xxxxxxxx	7,275,406	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
Total KWH & KW (Max.) - Generated	xxxxxxxx	xxxxxxxx	369,453,886	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
Total KWH & KW (Max.) - Purchased	xxxxxxxx	xxxxxxxx	94,014,826	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
Percentage of Loss - Unaccounted	xxxxxxxx	xxxxxxxx	3.93080%	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
Percentage Used - N/C	xxxxxxxx	xxxxxxxx	0.38700%	xxxxxxxx	xxxxxxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx
Avg. Cost per KWH Sold	xxxxxxxxxxxx	xxxxxxxx		xxxxxxxx	xxxxxxxxxxxx	0.30295	xxxxxxxx	xxxxxxxx
Avg. Net Income per KWH Sold	xxxxxxxxxxxx	xxxxxxxx		xxxxxxxx	xxxxxxxxxxxx	0.01377	xxxxxxxx	xxxxxxxx



Schedule D  
MISCELLANEOUS DATA

**Electric Utilities**

State whether Electric energy is generated or purchased	Generated and Purchased
If purchased, state from whom:	Gay & Robinson, Kekaha Ag Association, McBryde Resources Inc., KRS2 Koloa Solar Gen Facility
State terms and duration of contract:	Doc. 00-0086, D&O 18367 approved in 2001; Doc. 01-0055 D&O 18432 approved in 2001; Doc. 2012-0150 D&O 30649 approved in 2012.
State contract price per K.W. Hr.	Various prices - as per contracts approved above.

**Generating Stations**

LOCATION OF STATIONS	MOTIVE POWER		Rated Capacity in K.W
	No. of Units	Types of Unit	
Port Allen, Kauai	1	Steam	10,000
Port Allen, Kauai	2	Diesel	4,000
Port Allen, Kauai	3	Diesel	8,250
Port Allen, Kauai	2	Gas Turbine	40,100
Port Allen, Kauai	4	Diesel	31,400
Kapaia Power Station	1	Steam-Injected Gas Turbine	27,500
Upper and Lower Waiahi	2	Hydro	1,300
<b>TOTALS</b>			<b>122,550</b>

State generation capacity	122,550		KW		
State peak demand	72,910		KW		
State whether service supplied is "A-C" or "D-C"			A-C		
State average daily maximum load on outgoing lines			N/A	K.W. Hrs.	
* State total bbls. fuel oil:	Purchased	629,847	; Consumed	628,223	On hand 15,866
* State total cost fuel oil:	Purchased	\$ 50,810,024	; Cost per bbl	\$80.67	
* State total cost fuel oil:	Consumed	\$ 50,941,513	; Avg. cost per	\$81.09	
State total fuel oil adjustment Revenues		\$ (10,134,739)	; Bbl. consumed	14,958	
Cost of fuel oil per K.W.Hr.: Generated \$		\$0.14247	; per K.W. Hr. sold \$	\$0.11790	
How often are meters tested? Give details		Meters are tested per Rule No. 11A			How many tested? 999

State Peak Demand and Date of Peak for Each Month					
	Date	Peak		Date	Peak
Jan	01/19/15	67,940	Jul	07/28/15	73,720
Feb	02/02/15	68,680	Aug	08/07/15	73,640
Mar	03/23/15	66,740	Sep	09/10/15	73,470
Apr	04/23/15	66,220	Oct	10/19/15	73,730
May	05/04/15	64,930	Nov	11/02/15	74,920
June	06/30/15	68,740	Dec	12/15/15	70,730

\* diesel & naphtha combined

Schedule D (Continued) MISCELLANEOUS DATA				
Transmission Substations				
LOCATION	TRANSFORMERS			Substation Ratings
	Voltages	No. of Transformers	Rating	
Anahola	69.0/12.47	2	10,000	20,000
Kapaa	69.0/12.47	2	10,000	20,000
Kapaia	69.0/12.47	1	10,000	10,000
Kaunakani	69.0/12.47	1	3,750	3,750
Kekaha	69.0/12.47	1	7,500	7,500
Kekaha	69.0/12.47	1	10,000	10,000
Koloa	69.0/12.47	2	10,000	20,000
Lawai	69.0/12.47	1	7,500	7,500
Lihue	69.0/12.47	3	10,000	30,000
KPS	69.0/13.8	1	21,000	21,000
Lydgate	69.0/12.47	2	10,000	20,000
Mana	69.0/12.47	1	7,500	7,500
Port Allen	4.16/12.47	1	5,000	5,000
Port Allen	4.16/69.0	1	10,000	10,000
Port Allen	13.8/69.0	2	20,000	40,000
Port Allen	12.47/69.0	1	10,000	10,000
Port Allen	69.0/12.47	1	10,000	10,000
Port Allen	13.8/69.0	2	15,000	30,000
Port Allen	12.47/480	2	1,500	3,000
Princeville	69.0/12.47	2	10,000	20,000
Wainiha	69.0/12.47	1	1,500	1,500
<b>TOTAL</b>	x x x x x x x x x x	31	x x x x x x	306,750

Distribution Substations				
LOCATION	TRANSFORMERS			Substation Ratings
	Voltages	No. of Transformers	Rating	
Puhi	12.47/4.16	1	500	500
Puhi	12.47/4.16	1	500	500
Molokoa	12.47/4.16	2	300	600
Wainiha	12.47/2.4	1	1,500	1,500
Waiahi (Lower)	12.47/2.4	1	1,500	1,500
Waiahi (Upper)	12.47/2.4	1	750	750
Puhi	12.47/4.16	1	750	750
Puhi	12.47/4.16	1	500	500
<b>TOTAL</b>	x x x x x x x x x x	9	x x x x x x	6,600

Schedule E  
CONTINGENT ASSETS AND LIABILITIES

Commitments: NONE

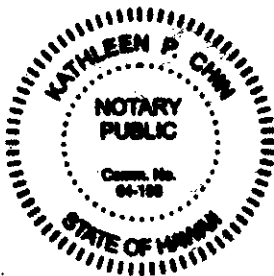
VERIFICATION

I swear ( or declare) that the foregoing report has been prepared under my direction, from the original books, records and documents of the respondent corporation; that I have carefully examined the foregoing report; that I believe to the best of my knowledge and information, all statements of fact and all accounts and figures contained in the foregoing report are true; that the said report is a correct and complete statement of the business, affairs and all operations of the respondent corporation during the period for which said report has been prepared.

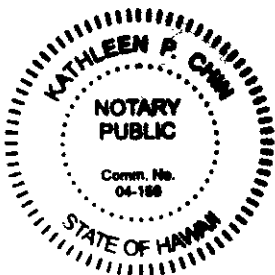
Lihue, Kauai  
City or Town  
3/24/2016  
Date

*Hauissa Ines*  
Signature of Officer  
Financial Vice President & CFO  
Title of Officer

Subscribed and sworn to before me this 24<sup>th</sup> day of March, 2016



*Kathleen Chin*  
Notary Public  
5<sup>th</sup>  
Judicial Circuit  
State of Hawaii  
My Commission Expires 03/28/2016



Doc. Description: Annual Report of KIUC  
to the Public Utilities Commission  
Doc. Date: 12/31/15 No. Pages: 40+5  
Kathleen P. Chin 5<sup>th</sup>  
Notary Printed Name Jud. Circuit

**KAUAI ISLAND UTILITY COOPERATIVE  
INCOME STATEMENT  
2011-2015**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
KWH SALES	432,078,059	429,923,505	431,478,196	433,159,069	434,745,062
<b>REVENUE</b>					
ENERGY SALES	\$ 153,083,365	\$ 150,650,475	\$ 152,316,663	\$ 155,206,066	\$ 154,177,427
FUEL OIL CLAUSE	(10,134,739)	28,100,951	32,156,241	33,092,491	28,233,924
TOTAL (2+3)	142,948,626	178,751,426	184,472,904	188,298,557	182,411,351
OTHER UTILITY REVENUE	508,143	624,043	241,384	153,179	168,047
TOTAL OPERATING REVENUE (4+5)	<u>\$ 143,456,769</u>	<u>\$ 179,375,468</u>	<u>\$ 184,714,288</u>	<u>\$ 188,451,736</u>	<u>\$ 182,579,398</u>
<b>OPERATING EXPENSES</b>					
FUEL	\$ 50,941,514	\$ 84,821,208	\$ 91,876,184	\$ 94,032,883	\$ 90,533,608
OTHER PRODUCTION	20,428,433	18,027,722	15,752,318	14,632,559	14,534,759
DISTRIBUTION	1,665,399	1,682,630	1,590,484	1,435,628	1,523,090
CUSTOMER SALES	2,876,214	2,885,163	3,108,046	3,347,738	3,161,456
ADMINISTRATIVE & GENERAL	-	-	-	-	-
TOTAL OPERATION (8 TO 12)	15,929,825	12,784,902	15,318,293	13,540,032	14,395,351
TOTAL OPERATION (8 TO 12)	<u>\$ 40,899,872</u>	<u>\$ 35,380,417</u>	<u>\$ 35,769,141</u>	<u>\$ 32,955,956</u>	<u>\$ 33,614,656</u>
<b>MAINTENANCE EXPENSES</b>					
PRODUCTION	\$ 7,678,901	\$ 7,740,123	\$ 7,709,746	\$ 9,437,765	\$ 8,032,024
DISTRIBUTION	3,634,611	3,526,457	3,269,016	3,135,864	3,577,204
GENERAL	722,270	568,206	511,493	414,131	371,323
TOTAL MAINTENANCE (14 TO 16)	<u>\$ 12,035,782</u>	<u>\$ 11,834,786</u>	<u>\$ 11,490,255</u>	<u>\$ 12,987,761</u>	<u>\$ 11,980,552</u>
TOTAL OPERATION & MAINTENANCE (13+17)	<u>\$ 52,935,653</u>	<u>\$ 47,215,203</u>	<u>\$ 47,259,396</u>	<u>\$ 45,943,716</u>	<u>\$ 45,595,208</u>
TOTAL OPERATING EXPENSES (7+18)	<u>\$ 103,877,167</u>	<u>\$ 132,036,411</u>	<u>\$ 139,135,580</u>	<u>\$ 139,976,599</u>	<u>\$ 136,128,815</u>
DEPRECIATION & AMORTIZATION	14,936,649	14,615,042	13,850,874	13,434,517	13,372,215
TAXES OTHER THAN INCOME	12,083,069	15,095,024	15,540,946	15,782,639	15,288,561
INCOME TAXES	-	-	-	-	-
INCOME TAXES DEFERRED	-	-	-	-	-
TOTAL OPERATING EXPENSES (19 TO 23)	<u>\$ 130,896,885</u>	<u>\$ 161,746,477</u>	<u>\$ 168,527,400</u>	<u>\$ 169,193,755</u>	<u>\$ 164,789,592</u>
OPERATING MARGINS (6-24)	<u>\$ 12,559,884</u>	<u>\$ 17,628,992</u>	<u>\$ 16,186,888</u>	<u>\$ 19,257,981</u>	<u>\$ 17,789,806</u>
MISCELLANEOUS INCOME-NET	2,210,439	(206,509)	1,265,352	819,452	752,914
MISCELLANEOUS INCOME DEDUCTIONS	677,035	61,411	104,404	103,249	86,208
TOTAL UTILITY INCOME (25+26-27)	<u>\$ 14,093,287</u>	<u>\$ 17,361,071</u>	<u>\$ 17,347,836</u>	<u>\$ 19,974,183</u>	<u>\$ 18,456,512</u>
<b>INTEREST EXPENSE</b>					
INTEREST DURING CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ -
AMORT. DEBT PREMIUM & EXPENSES	-	-	-	-	-
BOND INTEREST	-	-	-	-	-
SHORT TERM INTEREST	-	-	-	-	-
LONG TERM INTEREST	6,770,498	7,362,128	7,737,757	8,335,362	8,668,886
OTHER INTEREST EXPENSE	1,371,908	550,062	456,024	547,978	130,754
TOTAL (29 TO 34)	<u>\$ 8,142,406</u>	<u>\$ 7,912,190</u>	<u>\$ 8,193,781</u>	<u>\$ 8,883,340</u>	<u>\$ 8,799,640</u>
NET MARGINS (28-35)	<u>\$ 5,950,881</u>	<u>\$ 9,448,881</u>	<u>\$ 9,154,055</u>	<u>\$ 11,090,843</u>	<u>\$ 9,656,872</u>
CAPITAL CREDITS & PATRONAGE DIVIDENDS AVAILABLE FOR COMMON (36-37)	5,950,881	9,448,881	9,154,055	11,090,843	9,656,872
NET MARGINS (38-39)	<u>\$ 5,950,881</u>	<u>\$ 9,448,881</u>	<u>\$ 9,154,055</u>	<u>\$ 11,090,843</u>	<u>\$ 9,656,872</u>

**KAUAI ISLAND UTILITY COOPERATIVE  
BALANCE SHEET  
2011-2015**

<u>ASSETS &amp; OTHER DEBITS</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>UTILITY PLANT</b>					
UTILITY PLANT IN SERVICE	\$ 502,092,297	\$ 494,546,877	\$ 490,203,777	\$ 475,164,335	\$ 464,854,370
UTILITY PLANT IN SERVICE PUC ADJ.	-	-	-	-	-
CONSTRUCTION WORK IN PROGRESS	8,287,147	7,964,338	8,977,876	18,901,804	13,452,399
DEPRECIATION	263,059,851	253,404,524	245,585,999	238,615,696	230,027,434
<b>TOTAL UTILITY PLANT</b>	<b>\$ 247,319,593</b>	<b>\$ 249,106,691</b>	<b>\$ 253,595,654</b>	<b>\$ 255,450,443</b>	<b>\$ 248,279,335</b>
<b>CURRENT &amp; ACCRUED ASSETS</b>					
CASH IN BANK & TEMPORARY INVESTMENTS	\$ 22,477,621	\$ 22,553,489	\$ 9,568,779	\$ 5,277,933	\$ 4,630,648
INVESTMENT IN KRS1 / KRS2 / KRS2H	58,373,194	37,873,426	9,593,497	8,052,200	5,593,493
ACCOUNTS RECEIVABLE	9,716,176	10,765,098	13,917,090	14,802,777	12,618,923
ACCUM. PROV. FOR UNCOLLECTIBLE ACCT	(688,103)	(592,145)	(537,627)	(468,161)	(454,699)
INVENTORY	14,538,474	14,396,537	15,377,024	14,788,423	14,032,643
PREPAYMENTS	1,213,025	1,147,130	1,195,076	1,206,207	986,557
INTEREST RECEIVABLE	-	-	-	-	(1)
ACCRUED REVENUES	6,599,036	7,091,703	8,039,369	8,927,119	8,058,573
DEFERRED ENGINE OVERHAUL EXPENSE	-	-	-	-	-
DEFERRED DEBITS - MISCELLANEOUS	5,430,494	4,053,324	3,972,754	3,390,610	2,012,647
REGULATORY COMMISSION EXPENSES	3,936,975	3,477,423	3,432,477	3,696,457	3,432,910
<b>TOTAL CURRENT &amp; ACCRUED ASSETS</b>	<b>\$ 121,596,891</b>	<b>\$ 100,765,984</b>	<b>\$ 64,558,438</b>	<b>\$ 59,673,565</b>	<b>\$ 50,911,694</b>
<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>\$ 368,916,484</b>	<b>\$ 349,872,674</b>	<b>\$ 318,154,093</b>	<b>\$ 315,124,007</b>	<b>\$ 299,191,029</b>
<b>LIABILITIES &amp; OTHER CREDITS</b>					
PATRONAGE CAPITAL & MEMBERSHIPS	\$ 96,528,528	\$ 93,019,262	\$ 85,289,477	\$ 78,546,204	\$ 69,347,485
<b>LONG TERM DEBT</b>					
FIRST MORTGAGE BOND	\$ -	\$ -	\$ -	\$ -	\$ -
LONG TERM NOTE	172,125,709	175,433,686	177,468,620	177,645,916	178,291,187
<b>TOTAL LONG TERM DEBT</b>	<b>\$ 172,125,709</b>	<b>\$ 175,433,686</b>	<b>\$ 177,468,620</b>	<b>\$ 177,645,916</b>	<b>\$ 178,291,187</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>					
CURRENT PORTION: NOTES PAYABLE/LTD	\$ 13,565,249	\$ 12,186,909	\$ 11,291,699	\$ 10,395,000	\$ 9,661,000
NOTES PAYABLE	59,500,000	39,000,000	11,311,000	14,178,000	8,700,000
ACCOUNTS PAYABLE	5,534,448	6,036,260	6,038,393	6,250,710	7,980,716
METER DEPOSITS	1,593,707	1,514,639	1,281,238	1,272,909	1,248,210
TAXES ACCRUED	6,218,963	9,406,315	9,880,147	10,231,266	9,684,268
INTEREST ACCRUED	-	67,528	83,250	149,701	137,868
TAX COLLECTION PAYABLE	0	0	0	0	-
MISCELLANEOUS	2,783,497	2,690,295	4,024,483	4,673,060	4,496,837
DEFERRED CREDITS	9,319,439	9,864,297	9,372,956	8,352,542	6,177,035
CUSTOMER ADVANCE FOR CONSTRUCTION	1,746,945	653,485	2,112,830	3,428,700	3,466,422
CONTRIBUTION IN AID OF CONSTRUCTION	-	-	-	-	-
<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>\$ 100,262,247</b>	<b>\$ 81,419,726</b>	<b>\$ 55,395,996</b>	<b>\$ 58,931,887</b>	<b>\$ 51,552,357</b>
<b>TOTAL ACCUM DEFERRED INCOME TAXES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$ 368,916,484</b>	<b>\$ 349,872,674</b>	<b>\$ 318,154,093</b>	<b>\$ 315,124,007</b>	<b>\$ 299,191,029</b>

KAUAI ISLAND UTILITY COOPERATIVE  
MISCELLANEOUS DATA  
2011-2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>KWH SALES</b>					
RESIDENTIAL	161,826,042	159,151,338	157,866,897	157,278,152	159,071,128
COMMERCIAL	112,592,840	110,613,593	110,474,691	111,271,001	111,649,769
LARGE POWER	154,559,226	157,265,062	160,114,483	161,674,670	161,202,956
STREET LIGHTING	2,780,067	2,768,844	2,758,039	2,759,910	2,716,421
IRRIGATION	319,884	124,668	264,086	175,336	104,788
<b>TOTAL KWH SALES</b>	<b>432,078,059</b>	<b>429,923,505</b>	<b>431,478,196</b>	<b>433,159,069</b>	<b>434,745,062</b>

**REVENUES**

RESIDENTIAL	\$ 55,512,573	\$ 68,457,684	\$ 69,870,560	\$ 70,785,142	\$ 69,031,915
COMMERCIAL	38,066,222	47,028,867	48,310,631	49,522,604	47,953,957
LARGE POWER	47,947,279	61,631,381	64,592,257	66,285,770	63,818,131
STREET LIGHTING	1,362,924	1,594,732	1,616,931	1,647,005	1,573,722
IRRIGATION	59,629	38,762	82,525	58,037	33,626
<b>TOTAL REVENUES</b>	<b>\$ 142,948,626</b>	<b>\$ 178,751,426</b>	<b>\$ 184,472,904</b>	<b>\$ 188,298,557</b>	<b>\$ 182,411,351</b>

**CUSTOMERS @ 12/31**

RESIDENTIAL	28,430	28,606	28,371	28,215	28,041
COMMERCIAL	4,634	4,594	4,611	4,541	4,519
LARGE POWER	119	123	121	127	132
STREET LIGHTING	3,646	3,616	3,608	3,587	3,574
IRRIGATION	3	3	3	3	3
<b>TOTAL CUSTOMERS</b>	<b>36,832</b>	<b>36,942</b>	<b>36,714</b>	<b>36,473</b>	<b>36,269</b>

**AVERAGE REVENUE PER KWH**

RESIDENTIAL	\$ 0.34304	\$ 0.43014	\$ 0.44259	\$ 0.45006	\$ 0.43397
COMMERCIAL	0.33809	0.42516	0.43730	0.44506	0.42950
LARGE POWER	0.31022	0.39189	0.40341	0.40999	0.39589
STREET LIGHTING	0.49025	0.57596	0.58626	0.59676	0.57934
IRRIGATION	0.18641	0.31092	0.31249	0.33100	0.32090
<b>TOTAL</b>	<b>\$ 0.33084</b>	<b>\$ 0.41577</b>	<b>\$ 0.42754</b>	<b>\$ 0.43471</b>	<b>\$ 0.41958</b>

**AVERAGE RATE-CENTS PER KWH SOLD**

RESIDENTIAL	\$ 34.304	\$ 43.014	\$ 44.259	\$ 45.006	\$ 43.397
COMMERCIAL	33.809	42.516	43.730	44.506	42.950
LARGE POWER	31.022	39.189	40.341	40.999	39.589
STREET LIGHTING	49.025	57.596	58.626	59.676	57.934
IRRIGATION	18.641	31.092	31.249	33.100	32.090
<b>TOTAL</b>	<b>\$ 33.084</b>	<b>\$ 41.577</b>	<b>\$ 42.754</b>	<b>\$ 43.471</b>	<b>\$ 41.958</b>

KAUAI ISLAND UTILITY COOPERATIVE  
ADMINISTRATIVE & GENERAL EXPENSES  
2011-2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
ADMINISTRATIVE & GENERAL SALARIES	\$ 6,742,408	\$ 4,301,342	\$ 6,797,777	\$ 6,018,128	\$ 5,437,399
OFFICE SUPPLIES & EXPENSES	966,377	1,025,487	879,967	897,594	775,972
ADMIN OFFICE MAINTENANCE EXPENSE	722,270	568,206	511,493	414,131	371,323
OUTSIDE SERVICES EMPLOYED	4,165,178	3,132,492	3,188,342	2,134,784	2,813,067
PROPERTY INSURANCE	614,265	649,520	615,501	529,038	487,276
INJURIES & DAMAGES	-	-	-	-	-
EMPLOYEE PENSIONS & BENEFITS	-	-	-	-	-
REGULATORY COMMISSION EXPENSE	1,239,212	1,368,067	1,656,869	1,541,300	2,394,384
MISCELLANEOUS GENERAL EXPENSE	869,442	983,686	866,158	1,105,510	1,176,941
RENTS	1,332,945	1,324,307	1,313,679	1,313,679	1,310,312
<b>TOTAL ADMINISTRATIVE &amp; GENERAL EXPENSES</b>	<b>\$ 16,652,095</b>	<b>\$ 13,353,108</b>	<b>\$ 15,829,786</b>	<b>\$ 13,954,163</b>	<b>\$ 14,766,674</b>



KAUAI ISLAND UTILITY COOPERATIVE  
TAXES OTHER THAN INCOME TAXES  
2011-2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>STATE TAXES</b>					
FRANCHISE	\$ 3,582,912	\$ 4,479,935	\$ 4,613,303	\$ 4,710,364	\$ 4,559,912
UNEMPLOYMENT					
P.U.C. TAX	8,434,175	10,545,767	10,859,716	11,088,198	10,734,032
CONSUMPTION AND USE TAX / PROPERTY	65,981	69,322	67,927	(15,923)	(5,383)
<b>FEDERAL TAXES</b>					
FICA	-	-	-	-	-
UNEMPLOYMENT	-	-	-	-	-
<b>TOTAL TAXES OTHER THAN INCOME TAX</b>	<b>\$ 12,083,069</b>	<b>\$ 15,095,024</b>	<b>\$ 15,540,946</b>	<b>\$ 15,782,639</b>	<b>\$ 15,288,561</b>

KAUAI ISLAND UTILITY COOPERATIVE  
MISCELLANEOUS DATA  
2011-2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>NET KWH GENERATION</b>					
STEAM	2,820,530	5,073,313	8,764,006	11,375,650	20,278,790
DIESEL/NAPHTHA	347,466,741	368,319,156	385,732,735	406,435,874	401,622,309
HYDROS	7,275,406	7,878,602	8,441,975	7,917,610	7,270,484
<b>TOTAL NET GENERATION</b>	<b>357,562,677</b>	<b>381,271,071</b>	<b>402,938,716</b>	<b>425,729,134</b>	<b>429,171,583</b>
NET PURCHASED POWER	94,014,826	64,518,314	48,830,730	37,954,172	36,596,458
LINE LOSSES - %	3.93082	3.19207	4.12922	3.67908	3.63288
SYSTEM USE - %	0.48908	0.42908	0.40619	0.37564	0.37122
SYSTEM PEAK LOAD - MW	74.92	72.91	72.96	73.06	72.05
ANNUAL SYSTEM LOAD FACTORS	0.6881	0.6980	0.7069	0.7245	0.7380