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PUBLIC UTILITIES  
COMMISSION

March 26, 2013

Ms. Brooke K. Kane  
Administrative Director  
Public Utilities Commission  
Kekuanao'a Building, Room 103  
465 South King Street  
Honolulu, HI 96813

Industry Type Electric  
Period Ending 12/31/12  
Initials Y

Subject: 2012 ANNUAL REPORT TO THE PUC

Dear Ms. Kane:

Kauai Island Utility Cooperative respectfully submits its 2012 Annual Report and the selected five-year statistical data (2008-2012) drawn from the annual report.

Please call me if you have any questions at (808) 246-8213.

Very truly yours,

David J. Bissell  
President and Chief Executive Officer

Enclosures

Cc: Division of Consumer Advocacy

16  
4/12/13

# Annual Report of

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**KAUAI 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**

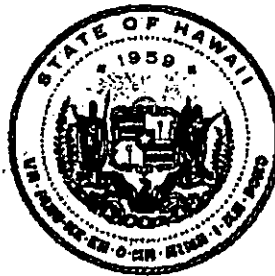
**For the year ending**

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**DECEMBER 31, 2012**

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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	2013	16	N/A	N/A
Karen Baldwin	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2015	12	N/A	N/A
Stewart Burley	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2012	3	N/A	N/A
Pat Gegan	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2015	12	N/A	N/A
David Iha Secretary	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2014	16	N/A	N/A
Calvin Murashige	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2015	12	N/A	N/A
Steve Rapozo	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2012	3	N/A	N/A
Allan Smith Treasurer	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2013	15	N/A	N/A
Ben Sullivan	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	Resigned 12/31/11	1	N/A	N/A
Teofilo Tacbian Chairman	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2014	16	N/A	N/A
Jan TenBruggencate	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2013	16	N/A	N/A
Peter Yukimura	Kauai Island Utility Cooperative 4463 Pahee Street, Suite #1 Lihue, Hawaii 96766-2000	2014	16	N/A	N/A

**Principal Officers**

Title	Name	Date Appointed	Shares Owned	
			Common	Preferred
David J. Bissell	President & CEO	March 1, 2011	N/A	N/A
Karissa Jonas	Financial Vice President & CFO	August 31, 2011	N/A	N/A
David Iha	Secretary	March 27, 2012	N/A	N/A
Allan Smith	Treasurer	March 27, 2012	N/A	N/A
			N/A	N/A

State total Amount of all Outstanding Stock at close of year: <b>\$ N/A - Electric Membership Cooperative</b>			
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: <span style="float: right;">On 10/11/2012, KIUC created a wholly owned subsidiary, KIUC Renewable Solutions Two, LLC (KRS Two). KRS Two is a Delaware limited liability company that has elected to be treated as a disregarded entity for federal tax purposes. KRS Two was created to construct, own, and operate a photovoltaic (PV) facility for the purpose of selling the renewable energy produced by the PV facility to KIUC.</span>			
Furnish complete list showing all companies controlled by respondent, either directly or indirectly: KIUC Renewable Solutions One, LLC KIUC Renewable Solutions Two, 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: <span style="float: right;">None</span>			
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: <span style="float: right;">January 1, 2012 to December 31, 2012</span>			
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 1/1/12 Beg of Year	Balance 12/31/12 Close of Year	Increase or (Decrease)
<b>Utility Plant</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Utility Plant in Service	A-1	\$ 410,001,917	\$ 420,311,882	\$ 10,309,965
Accumulated Provision for Deprec. & Amort.	A-2	(209,916,200)	(216,310,280)	(6,394,080)
Utility Plant Less Reserves		200,085,717	204,001,602	3,915,885
Construction Work in Progress	A-1	13,452,399	18,901,804	5,449,405
Utility Plant Acquisition Adjustments	A-1	54,852,453	54,852,453	-
Accum. Prov. for Amort. of Util. Plt.Acq.Adj.	A-3	(20,111,234)	(22,305,416)	(2,194,182)
Utility Plant Acquis. Adj. Less Reserves				
Other Utility Plant Adjustments	A-1	-	-	-
<b>Total Utility Plant Less Reserves</b>		<b>248,279,335</b>	<b>255,450,443</b>	<b>7,171,108</b>
<b>Other Property and Investments</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Non-Utility Property Less Reserves	A-4	-	-	-
Investment in Associated Companies	A-5	6,786,698	9,553,570	2,766,872
Other Investments	A-5-A			-
Special Funds	A-6	-	-	-
<b>Total Other Property and Investments</b>		<b>6,786,698</b>	<b>9,553,570</b>	<b>2,766,872</b>
<b>Current and Accrued Assets</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Cash		3,425,733	3,759,853	334,120
Special Deposits	A-7	9,710	14,710	5,000
Working Funds		2,000	2,000	-
Temporary Cash Investments	A-8	-	-	-
Notes Receivable				
Customer Accounts Receivable		12,057,740	13,394,601	1,336,861
Other Accounts Receivable		561,183	1,408,175	846,992
Accumulated Prov. for Uncollect.Accts.-Cr.	A-9	(454,699)	(468,161)	(13,462)
Receivables from Associated Companies				
Fuel Stock	A-10	1,662,614	2,043,548	380,934
Residuals				
Materials and Supplies--Utility		12,370,029	12,744,875	374,846
Materials and Supplies--Merchandise				
Materials and Supplies--Non-Utility				
Stores Expense				
Prepayments	A-11	986,557	1,206,207	219,650
Interest and Dividends Receivable		(1)	-	1
Rents Receivable				
Accrued Utility Revenues		8,058,573	8,927,119	868,546
Miscellaneous Current and Accrued Assets	A-12	-	-	-
<b>Total Current and Accrued Assets</b>		<b>38,679,439</b>	<b>43,032,927</b>	<b>4,353,488</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		1,924,008	3,269,366	1,345,358
Clearing Accounts		3,068	-	(3,068)
Temporary Facilities				
Miscellaneous Deferred Debits	A-15	85,571	121,244	35,673
Regulatory Commission Expenses	A-16	3,432,910	3,696,457	263,547
<b>Total Deferred Debits</b>		<b>5,445,557</b>	<b>7,087,067</b>	<b>1,641,510</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>		<b>\$ 299,191,029</b>	<b>\$ 315,124,007</b>	<b>\$ 15,932,978</b>



**Schedule A  
COMPARATIVE BALANCE SHEET**

LIABILITIES AND OTHER CREDITS	Sched. No.	Balance 1/1/12 Beg of Year	Balance 12/31/12 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		\$ 68,383,816	\$ 78,371,443	\$ 9,987,627
Memberships		428	434	6
Other Equities & Retired Capital Credits		963,241	174,327	(788,914)
Capital Stock Expense	A-20	-	-	-
Appropriated Retained Earnings	A-21	-	-	-
Unappropriated Retained Earnings		-	-	-
Reacquired Capital Stock	A-19	-	-	-
<b>Total Proprietary Capital</b>		<b>69,347,485</b>	<b>78,546,204</b>	<b>9,198,719</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	178,291,187	177,645,916	(645,271)
<b>Other Long-Term Debt</b>		<b>178,291,187</b>	<b>177,645,916</b>	<b>(645,271)</b>
<b>Current and Accrued Liabilities</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Notes Payable		8,700,000	14,178,000	5,478,000
Accounts Payable		7,980,716	6,250,710	(1,730,006)
Payables to Associated Companies				
Customer Deposits		1,248,210	1,272,909	24,699
Taxes Accrued	A-24	9,684,268	10,231,266	546,998
Interest Accrued		137,868	149,701	11,833
Patronage Capital Payable		28,392	33,162	4,770
Matured Long-Term Debt		9,661,000	10,395,000	734,000
Tax Collections Payable	A-24	-	-	-
Misc. Current and Accrued Liabilities	A-25	4,468,446	4,639,897	171,451
<b>Total Current and Accrued Liabilities</b>		<b>41,908,900</b>	<b>47,150,645</b>	<b>5,241,745</b>
<b>Deferred Credits</b>		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
Unamortized Premiums on Debt	A-28	-	-	-
Customer Advances For Construction	A-26	3,466,422	3,428,700	(37,722)
Other Deferred Credits	A-27	6,177,035	8,352,542	2,175,507
Accumulated Deferred Investment Tax Cr.	A-30	-	-	-
<b>Total Deferred Credits</b>		<b>9,643,457</b>	<b>11,781,242</b>	<b>2,137,785</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>\$ 299,191,029</b>	<b>\$ 315,124,007</b>	<b>\$ 15,932,978</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	Adjustments and Other Credits	
	<b>Steam Production Plant</b>					
3100	Land & Land Rights	290,735				290,735
3110	Structures & Improvements	5,564,326	13,466	2,030		5,575,761
3120	Boiler Plant & Equipment	15,308,371	38,646	20,147		15,326,869
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	663,661	30,491	35,516		658,636
	<b>Total Steam Production</b>	<b>25,231,103</b>	<b>82,603</b>	<b>57,694</b>	<b>-</b>	<b>25,256,013</b>
	<b>Hydraulic Production Plant</b>					
3300	Land & Land Rights	0				0
3310	Structures & Improvements	53,493				53,493
3320	Reservoirs, Dams & Waterways	465,764				465,764
3330	Water Wheels, Turbines & Gen.	591,156				591,156
3340	Accessory Electric Equipment	0				0
3350	Misc Power Plant Equipment	0				0
3360	Roads, Railroads & Bridges	0				0
	<b>Total Hydraulic Production Plant</b>	<b>1,110,413</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,110,413</b>
	<b>Other Production Plant</b>					
3400	Land & Land Rights	8,604,211				8,604,211
3410	Structures & Improvements	18,788,879	427,772			19,216,651
3420	Fuel Holders, Producers	4,430,237				4,430,237
3430	Prime Movers	64,255,260	1,489,985	175,631		65,569,615
3440	Generators	11,188,131	43,093			11,231,225
3450	Accessory Electric Equipment	8,794,222	66,309	101,241		8,759,290
3460	Misc Power Plant Equipment	4,517,108	10,311	1,605		4,525,815
	<b>Total Other Production Plant</b>	<b>120,578,049</b>	<b>2,037,472</b>	<b>278,477</b>	<b>-</b>	<b>122,337,044</b>
	<b>Total Production Plant</b>	<b>146,919,566</b>	<b>2,120,075</b>	<b>336,171</b>	<b>-</b>	<b>148,703,470</b>
	<b>TOTAL - Carried Forward</b>	<b>146,919,566</b>	<b>2,120,075</b>	<b>336,171</b>	<b>-</b>	<b>148,703,470</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>146,919,566</b>	<b>2,120,075</b>	<b>336,171</b>	<b>-</b>	<b>148,703,470</b>
	<i>Transmission Plant</i>					
3500	Land & Land Rights	576,538				576,538
3520	Structures & Improvements	263,001				263,001
3530	Station Equipment	23,695,282	73,699	134,493		23,634,488
3540	Towers & Fixtures	58,189				58,189
3550	Poles & Fixtures	29,842,916	223,070	119,660		29,946,326
3560	Overhead Conductors & Devices	18,698,632	183,981	40,039		18,842,574
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>73,635,610</b>	<b>480,750</b>	<b>294,192</b>	<b>0</b>	<b>73,822,168</b>
	<i>Distribution Plant</i>					
3600	Land & Land Rights	476,761	938			477,699
3610	Structures & Improvements	3,590,214	15,622	40,609		3,565,227
3620	Station Equipment	15,975,158	999,088	170,122		16,804,125
3630	Storage Battery Equipment	2,546,880	4,941,995			7,488,875
3640	Poles, Towers & Fixtures	34,596,917	528,597	230,755		34,894,759
3650	Overhead Conductors & Devices	36,132,329	714,177	292,821		36,553,686
3660	Underground Conduit	6,385,167	24,983	15,277		6,394,873
3670	Underground Conductors & Devi.	21,723,625	1,912,778	146,477		23,489,926
3680	Line Transformers	24,338,442	992,777	703,552		24,627,667
3690	Services	6,316,617	57,280	4,567		6,369,330
3700	Meters	7,124,927	43,675	2,019,925		5,148,676
3720	Leased Property	18,709				18,709
3730	St. Lighting & Signal Systems	3,292,744	58,430	50,361		3,300,813
	<b>Total Distribution Plant</b>	<b>162,518,492</b>	<b>10,290,340</b>	<b>3,674,466</b>	<b>0</b>	<b>169,134,365</b>
	<b>TOTAL - Carried Forward</b>	<b>383,073,668</b>	<b>12,891,165</b>	<b>4,304,828</b>	<b>0</b>	<b>391,660,003</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>383,073,668</b>	<b>12,891,165</b>	<b>4,304,828</b>	<b>0</b>	<b>391,660,003</b>
	<i>General Plant</i>					
	Land & Land Rights	216,685				216,685
3890	Structures & Improvements	10,390,232	673,309	24,005		11,039,535
3900	Office Furniture & Equipment	6,433,360	350,816	9,323		6,774,853
3910	Transportation Equipment	4,167,096	572,618	225,294		4,514,420
3920	Stores Equipment	159,271	2,860	2,412		159,718
3930	Tool, Shop & Garage Equipment	1,406,474	163,381	20,759		1,549,095
3940	Laboratory Equipment	794,026	6,073			800,099
3950	Power Operated Equipment	250,532	6,620			257,152
3960	Communication Equipment	2,663,350	239,945	11,030		2,892,265
3970	Miscellaneous Equipment	447,225	3,283	2,451		448,057
3980	<b>Total General Plant</b>	<b>26,928,249</b>	<b>2,018,904</b>	<b>295,274</b>	<b>0</b>	<b>28,651,879</b>
	<i>Intangible Plant</i>					
	Organization	0				0
3010	Franchises and Consents	0				0
3020	<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<i>Contributed Plant Reclass</i>					
	Capital Lease	0				0
1140	<b>Plant Acquisition Adjustment</b>	<b>54,852,453</b>			<b>0</b>	<b>54,852,453</b>
	<b>TOTAL-UTILITY PLANT-IN-SERVICE</b>	<b>464,854,370</b>	<b>14,910,068</b>	<b>4,600,102</b>	<b>0</b>	<b>475,164,336</b>
	<i>Construction Work-In-Progress</i>					
	Construction Work-In-Progress	13,452,398	6,943,514		(1,494,109)	18,901,804
	<b>TOTAL</b>	<b>478,306,769</b>	<b>21,853,582</b>	<b>4,600,102</b>	<b>(1,494,109)</b>	<b>494,066,139</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>209,916,200</b>	<b>209,916,200</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CREDITS</b>					
Depreciation Accruals for Year Charged to:					
403 Depreciation	11,321,150	11,321,150			
413 Expenses of utility plant leased to others					
Other Accounts: (specify)					
Loss due to retirements	0				
Reserve adjustments	0				
Deferred Depr Exp-Iniki Plant	292,260	292,260			
<b>Total Depreciation Accruals</b>	<b>11,613,410</b>	<b>11,613,410</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net charges for plant retired:					
Book cost of plant retired	4,600,102	4,600,102			
Cost of removal	0	0			
<b>Net Charges for Plant Retired</b>	<b>4,600,102</b>	<b>4,600,102</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	0	0			
Sale of used merchandise	0	0			
Reserve Adj to system	0	0			
Loss & Removal Cost Allocation	(570,628)	(570,628)			
Retirement Work in Progress	(48,599)	(48,599)			
<b>BALANCE END OF YEAR</b>	<b>216,310,280</b>	<b>216,310,280</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	94			94	0
3110	Structures & Improvements	3,731,943	215,174		2,030		3,945,087
3120	Boiler Plant & Equipment	8,627,834	374,520		20,147		8,982,207
3130	Engine Driven Generators	5,556					5,556
3140	Turbogenerators Units	1,663,451	11,414				1,674,865
3150	Accessory Electrical Equipment	566,723	2,766				569,488
3160	Misc Power Plant Equip	190,814	34,363		35,516		189,660
	<b>Total Steam Production</b>	<b>14,786,321</b>	<b>638,330</b>	<b>0</b>	<b>57,694</b>	<b>94</b>	<b>15,366,863</b>
	<b>Hydraulic Production Plant</b>						
3300	Land & Land Rights	0					0
3310	Structures & Improvements	4,398	1,803				6,201
3320	Reservoirs, Dams & Waterways	69,050	16,253				85,304
3330	Water Wheels, Turbines & Gen.	86,954	20,629				107,583
3340	Accessory Electric Equipment	0					0
3350	Misc Power Plant Equipment	0					0
3360	Roads, Railroads & Bridges	0					0
	<b>Total Hydraulic Production Plant</b>	<b>160,402</b>	<b>38,685</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>199,087</b>
	<b>Other Production Plant</b>						
3400	Land & Land Rights	0					0
3410	Structures & Improvements	7,904,014	495,731				8,399,745
3420	Fuel Holders, Producers	1,450,106	126,680				1,576,786
3430	Prime Movers	37,432,613	786,406		175,631		38,043,388
3440	Generators	4,038,475	272,414				4,310,888
3450	Accessory Electric Equipment	5,846,569	144,973		101,241		5,890,301
3460	Misc Power Plant Equipment	1,889,285	116,485		1,605		2,004,165
	<b>Total Other Production Plant</b>	<b>58,561,062</b>	<b>1,942,689</b>	<b>0</b>	<b>278,477</b>	<b>0</b>	<b>60,225,274</b>
	<b>Total Production Total</b>	<b>73,507,784</b>	<b>2,619,704</b>	<b>0</b>	<b>336,171</b>	<b>94</b>	<b>75,791,224</b>
	<b>Total - Carried Forward</b>	<b>73,507,784</b>	<b>2,619,704</b>	<b>0</b>	<b>336,171</b>	<b>94</b>	<b>75,791,224</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>73,507,784</b>	<b>2,619,704</b>	<b>0</b>	<b>336,171</b>	<b>94</b>	<b>75,791,224</b>
	<i>Transmission Plant</i>						
3500	Land & Land Rights	0					0
3520	Structures & Improvements	122,668	7,155				129,822
3530	Station Equipment	7,223,494	939,860		134,493	44,246	7,984,615
3540	Towers & Fixtures	24,337	1,147				25,484
3550	Poles & Fixtures	21,116,486	679,464		119,660	54,383	21,621,907
3560	Overhead Conductors & Devices	11,807,738	459,255		40,039	15,665	12,211,288
3570	Underground Conduit	1,533	241				1,774
3580	Underground Conductors & Dev.	39,475	12,403				51,879
3590	Roads & Trails	0					0
	<b>Total Transmission Plant</b>	<b>40,335,731</b>	<b>2,099,524</b>	<b>0</b>	<b>294,192</b>	<b>114,294</b>	<b>42,026,770</b>
	<i>Distribution Plant</i>						
3600	Land & Land Rights	0					0
3610	Structures & Improvements	170,278	80,482		40,609	1,736	208,415
3620	Station Equipment	5,461,918	455,038		170,122	40,203	5,706,631
3630	Storage Battery	42,446	295,859		0	0	338,306
3640	Poles, Towers & Fixtures	20,385,078	843,407		230,755	99,418	20,898,312
3650	Overhead Conductors & Devices	17,266,458	1,182,526		292,821	105,942	18,050,222
3660	Underground Conduit	3,401,711	130,437		15,277	2,483	3,514,387
3670	Underground Conductors & Devi.	13,651,867	351,891		146,477	48,114	13,809,168
3680	Line Transformers	7,671,730	987,794		703,552	145,893	7,810,080
3690	Services	4,637,275	175,086		4,567	1,592	4,806,202
3700	Meters	1,981,298	549,806		2,019,925		511,178
3720	Leased Property	4,451	1,936				6,388
3730	St. Lighting & Signal Systems	2,294,237	89,409		50,361	9,870	2,323,415
	<b>Total Distribution Plant</b>	<b>76,968,748</b>	<b>5,143,672</b>	<b>0</b>	<b>3,674,466</b>	<b>455,251</b>	<b>77,982,703</b>
	<b>Total - Carried Forward</b>	<b>190,812,264</b>	<b>9,862,900</b>	<b>0</b>	<b>4,304,828</b>	<b>569,638</b>	<b>195,800,697</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>190,812,264</b>	<b>9,862,900</b>	<b>0</b>	<b>4,304,828</b>	<b>569,638</b>	<b>195,800,697</b>
	<b>General Plant</b>						
	Land & Land Rights	0					0
3890	Structures & Improvements	5,207,660	237,972		24,005	989	5,420,638
3910	Office Furniture & Equipment	5,313,678	549,650		9,322		5,854,006
3920	Transportation Equipment	2,345,189	377,944		225,294		2,497,839
3930	Stores Equipment	155,905	140		2,412		153,632
3940	Tool, Shop & Garage Equipment	584,479	132,731		20,759		696,451
3950	Laboratory Equipment	535,005	40,565		0		575,570
3960	Power Operated Equipment	219,133	6,798		0		225,931
3970	Communication Equipment	1,032,644	100,248		11,030		1,121,862
3980	Miscellaneous Equipment	160,102	12,200		2,451		169,850
	<b>Total General Plant</b>	<b>15,553,793</b>	<b>1,458,249</b>	<b>0</b>	<b>295,274</b>	<b>989</b>	<b>16,715,779</b>
	<b>Sub-total</b>	<b>206,366,057</b>	<b>11,321,150</b>	<b>0</b>	<b>4,600,102</b>	<b>570,628</b>	<b>212,516,476</b>
	Iniki Deferred Depreciation Expense	3,799,380	292,260				4,091,640
	<b>Retirement Work-in-Progress</b>	<b>(249,237)</b>	<b>570,628</b>			<b>619,227</b>	<b>(297,836)</b>
	<b>TOTAL</b>	<b>209,916,200</b>	<b>12,184,037</b>	<b>0</b>	<b>4,600,102</b>	<b>1,189,854</b>	<b>216,310,280</b>



Schedule A-3  
ACCUMULATED PROVISIONS FOR AMORTIZATION OF UTILITY PLANT

Amortization of Utility Plant	Total	Utility Plant In Service	Utility Plant Leased To Others	Utility Plant Held for Future Use
Balance Beginning of Year	0	0		
(Specify Accounts Credited or Debited)	0	0		
<b>Total Credits</b>	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	20,111,234	20,111,234		
4060 Amortization Expense - Acquisition Adjustment	2,194,182	2,194,182		
<b>Total Credits</b>	2,194,182	2,194,182		
<b>Total Debits</b>	0	0		
<b>BALANCE END OF YEAR</b>	22,305,416	22,305,416		

**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	146,357	0	31,075	0
CFC SCTC's	N/A	N/A	106,126	0	2,672	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	18,750	0
NISC Patronage Capital	N/A	N/A	5,602	0	2,888	0
Ruralite Patronage Capital	N/A	N/A	0	0	293	0
Economic Development Loan - NTBG	03/17/08	03/17/18	196,875	0	0	0
Economic Development Loan - Island School	09/04/08	09/04/18	215,625	0	0	0
Revolving Loan Fund Loan - Hale Opio	03/06/08	03/06/18	54,985	0	624	0
Economic Development Loan - YWCA	05/18/12	05/18/22	360,000	0	0	0
KRS1	10/10/11	N/A	8,052,200	0	200,238	(198,190)
<b>TOTAL</b>	<b>x x x x x x</b>	<b>x x x x x x</b>	<b>9,553,570</b>	<b>0</b>	<b>256,540</b>	<b>(198,190)</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	8,334
A&B Rental Deposit	2,500
A&B Rental Deposit	2,500
<b>TOTAL</b>	<b>14,710</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	454,699	0			454,699
Prov. for Uncollectibles for Year	185,730	0			185,730
Accounts Written Off	(202,919)				(202,919)
Collection of Accts. Written Off	30,651				30,651
Adjustments: (Explain)					0
Balance End of Year	468,161	0	0	0	468,161

**Schedule A-10  
FUEL STOCK**

	Total Cost	Naphtha		Diesel		Used Oil	
		Barrels	Cost	Barrels	Cost	Barrels	Cost
Beginning of Year (excludes fuel for vehicles)	1,662,614	8,453	912,018	6,498	750,020	10	576
Purchased During Year:	94,413,817	368,444	44,163,583	337,914	50,250,234	0	0
Consumed During Year:	94,032,883	368,573	44,061,147	337,791	49,971,735	0	0
End of Year							
Balance End of Year	2,043,548	8,324	1,014,454	6,621	1,028,518	10	576

**Schedule A-11  
PREPAYMENTS**

NATURE OF PAYMENTS	Balance End of Year
Prepaid Other	89,635
Prepaid Rent	0
Prepaid Insurance	1,116,573
<b>TOTAL</b>	<b>1,206,207</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	117,170
Stimulus Programs	4,075
<b>TOTAL</b>	<b>121,244</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.	\$ 3,141,732	\$ 292,260	\$ 292,260	\$ 2,849,472
(B) FASB106 - HPUC D&O 13659 dated 11/29/94 amortized over 18 years beginning 1/1/95.	68,961	68,988	68,961	-
(C) DSM project costs and recoveries - HPUC D&O 15733 dated 8/5/97				244,270
(D) IRP project costs and recoveries - HPUC D&O 15733 dated 8/5/97				(263,544)
(E) Solar Water Heating Pay-As-You-Save - HPUC D&O 23531 dated 6/29/07				57,690
(F) 2013 Rate Case	133,428			133,428
(G) Pension Costs Tracking				675,141
	\$ 3,344,121	\$ 361,248	\$ 361,221	\$ 3,696,457

**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)**

	Amount	Increase or (Decrease) From Preceding Year
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		\$ 160,982,574	\$ 7,127,831		
less: RUS Cushion of Credit				\$ (11,270,335)			
RUS/FFB-KPP Purchase Financing	10/19/04	12/31/23		\$ 22,969,971	\$ 1,063,530		
RUS/FFB-C8	10/01/12	12/31/42		\$10,322,000	\$0		
Natl Rural Utility Coop Finance Corp (CFC) (KPP Purchase)	12/18/03	12/17/23		5,036,706	144,002		
less: Current Maturities of Long-term Debt				(10,395,000)			
Interest Expense on Customer Deposits					95,187		
Other Interest Expense - \$5M LOC					91,958		
Other Interest Expense - \$20M LOC					360,832		
<b>Total</b>	xxxxxxx	xxxxxxx	-	\$ 177,645,916	\$ 8,883,340	-	-

**A - 24  
ACCRUED TAXES**

KIND OF TAX	Balance Beg. of Yr.	During Year			Adjustments	Balance End of Year
	Taxes Accrued 1/1/12	Taxes Charged During Year	Paid During Year		Taxes Accrued 12/31/12	
<b>FEDERAL TAXES</b>						
F.I.C.A.	0	1,096,531	1,096,531		0	
Unemployment Tax	72	7,267	7,240		99	
Income Taxes	0	354	354		0	
<b>STATE TAXES</b>						
Public Service Company Tax	4,734,586	11,144,217	10,777,131		5,101,672	
Public Utility Fee	313,619	946,832	915,644		344,807	
Unemployment Tax	588	113,934	113,267		1,255	
Use Tax	57,226	404,335	411,959		49,602	
General Excise Tax	0	38,047	38,047		0	
Income Taxes	0	(54,324)	(54,324)		0	
<b>COUNTY TAXES</b>						
Franchise Tax	4,578,177	4,734,162	4,578,508		4,733,831	
Motor Vehicle Tax	0	31,486	31,486		0	
Property Tax	0	0	0		0	
<b>TOTAL</b>	<b>9,684,268</b>	<b>18,462,841</b>	<b>17,915,843</b>	<b>0</b>	<b>10,231,266</b>	

<b>Schedule A-25 MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES</b>			
Description		Balance End of Year	
FAS-158 Accumulated Post-Retirement Benefit Obligation Liability		\$	2,382,400
NBU & BU Employees Vacation Accrual			573,177
NBU & BU Accrued Payroll			1,684,320
<b>Total</b>		<b>\$</b>	<b>4,639,897</b>
<b>Schedule A-26 CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
Item	Debit	Credit	Amount
Balance Beginning of Year			\$ 3,466,422
Advances By Customers			-
Refunds To Customers			(27,540)
Transferred to CIAC			(10,182)
Balance End of Year			\$ 3,428,700
<b>Schedule A-27 OTHER DEFERRED CREDITS</b>			
Description of Deferred Credits		Balance End of Year	
Iniki Deferred Depreciation (Contra) Schedule A-16		\$	2,849,472
Hitachi Major Overhaul (GT-1)			343,280
Boiler/Steam Turbine Major Overhaul			343,518
JBE Major Overhaul (GT-2)			90,184
KPS Major Overhaul (CT-1)			2,427,953
D-6 Major Overhaul			200,000
D-7 Major Overhaul			375,000
D-8 Major Overhaul			150,000
D-9 Major Overhaul			350,000
RUS Rural Economic Development Grant			1,223,134
<b>Total</b>		<b>\$</b>	<b>8,352,542</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	\$ 188,451,736	\$ 5,872,338
<b>Operating Expenses</b>			
Operating Expense	B-2	126,988,838	2,840,576
Maintenance Expense	B-2	12,987,761	1,007,208
Depreciation Expense		11,240,335	62,302
Amortization of Utility Plant			
Amortization of Utility Plant Acquis. Adj.		2,194,182	-
Amortization of Property Losses			
Taxes Other Than Income Taxes	B-3	15,782,639	494,078
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>		169,193,755	4,404,164
<b>Operating Income</b>		19,257,981	1,468,175
Income from Utility Plant Leased to others			
<b>Total Operating Income</b>		19,257,981	1,468,175
<b>OTHER INCOME</b>			
Income from Mdse., Jobbing & Contract Work (Net)		62,704	(65,379)
(Income)/Loss from KRS1		(198,190)	(166,630)
Capital Credits & Patronage		34,256	4,591
Non-operating Rental Income		72,417	17,452
PPA Liquidated Damages		69,032	57,532
Interest & Dividend Income		778,608	219,068
Allowance for Funds Used During Construction			
Miscellaneous Non-operating Income		624	(97)
<b>Total Other Income</b>		819,452	66,538
<b>OTHER INCOME DEDUCTIONS</b>			
Miscellaneous Amortization			
Miscellaneous Income Deductions		103,249	17,042
<b>Total Other Income Deductions</b>		103,249	17,042
<b>Total Other Income and Deductions</b>		716,202	49,496
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt		8,335,362	(333,524)
Amortization of Debt Discount & Expense			
Amortization of Premium on Debt Cr.			
Interest on Debt to Associated Companies			
Other Interest Expenses		547,978	417,224
<b>Total Interest Charges</b>		8,883,340	83,701
<b>Income Before Extraordinary Items</b>		11,090,843	1,433,970
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Income			
Extraordinary Deductions			
Income Taxes, Extraordinary Items			
<b>Total Extraordinary Items</b>			
<b>NET MARGINS</b>		<b>\$ 11,090,843</b>	<b>\$ 1,433,970</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"	\$ 70,785,142	\$ 69,031,915
General Lighting Service "C"		
General Lighting Service "G"	27,353,872	26,468,791
General Lighting Service "J"	22,168,732	21,485,166
Large Power "P"	18,487,842	46,579,473
Large Power "L"	47,797,928	17,238,659
Optional Power		
Industrial Contract		
Governmental Street, Highway & Park Lighting "SL"	1,647,005	1,573,722
Electric Service for Employees "E"	-	-
Irrigation	58,037	33,626
<b>Sub-Total</b>	<b>\$ 188,298,557</b>	<b>\$ 182,411,351</b>
<b>Other Operating Revenues:</b>		
Late Payment Fees		
Miscellaneous Service Revenues	135,359	126,806
Rent From Property	11,120	37,341
Other Revenues	6,700	3,900
<b>Sub-Total</b>	<b>\$ 153,179</b>	<b>\$ 168,047</b>
<b>Total Gross Operating Revenues</b>	<b>\$ 188,451,736</b>	<b>\$ 182,579,398</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	842,488	774,132
501 Fuel		
502 Steam Expenses	787,309	854,409
503 Steam from Other Sources		
504 Steam Transferred-Cr.		
505 Electric Expenses		
506 Miscellaneous Steam Power Expenses	5,609	1,145
507 Rents		
<b>Total Operation</b>	<b>1,635,406</b>	<b>1,629,686</b>
<b>Maintenance</b>		
510 Maintenance Supervision and Engineering	3,384	13,994
511 Maintenance of Structures	184,064	159,035
512 Maintenance of Boiler Plant	187,833	169,576
513 Maintenance of Electric Plant	40,697	99,047
514 Maintenance of Miscellaneous Steam Plant		
<b>Total Maintenance</b>	<b>415,977</b>	<b>441,652</b>
<b>Total Steam Power Generation</b>	<b>2,051,383</b>	<b>2,071,338</b>
<b>Hydraulic Power Generation</b>		
<b>Operation</b>		
535 Operation Supervision and Engineering		
536 Water for Power	77,826	65,865
537 Hydraulic Expenses		
538 Electric Expenses		
539 Misc. Hydraulic Power Generation Expenses		
540 Rents		
<b>Total Operation</b>	<b>77,826</b>	<b>65,865</b>
<b>Maintenance</b>		
541 Maintenance Supervision and Engineering		
542 Maintenance of Structures		
543 Maintenance of Reservoirs, Dams and Waterways	197,960	232,085
544 Maintenance of Electric Plant	33,431	16,235
545 Maintenance of Miscellaneous Hydraulic Plant		
<b>Total Maintenance</b>	<b>231,391</b>	<b>248,320</b>
<b>Total Hydraulic Power Generation</b>	<b>309,217</b>	<b>314,185</b>
<b>Other Power Generation</b>		
<b>Operation</b>		
546 Operation Supervision and Engineering	662,520	685,309
547 Fuel	94,032,883	90,533,608
548 Generation Expenses	2,937,492	3,278,010
549 Miscellaneous Other Power Generation Expenses	959,204	994,851
550 Rents		
<b>Total Operation</b>	<b>98,592,098</b>	<b>95,491,777</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	594,943	723,346
552 Maintenance of Structures	82,136	88,377
553 Maintenance of Generating and Electric Plant	8,113,318	6,530,329
554 Maint. of Misc. Other Power Generation Plant		
<b>Total Maintenance</b>	<b>8,790,397</b>	<b>7,342,052</b>
<b>Total Other Power Generation</b>	<b>107,382,494</b>	<b>102,833,829</b>
<b>Other Power Supply Expenses</b>		
555 Purchased Power	8,129,704	7,650,307
556 System Control and Load Dispatching	230,408	230,733
557 Other Expenses		
<b>Total Other Power Supply Expenses</b>	<b>8,360,112</b>	<b>7,881,039</b>
<b>TOTAL PRODUCTION EXPENSES</b>	<b>118,103,206</b>	<b>113,100,392</b>
<b>TRANSMISSION EXPENSES</b>		
<b>Operation</b>		
560 Operation Supervision and Engineering		888
561 Load Dispatching		
562 Station Expenses	154,529	90,869
563 Overhead Line Expenses	9,710	39,324
564 Underground Line Expenses		
565 Transmission of Electricity by Others		
566 Miscellaneous Transmission Expenses	115,306	131,210
567 Rents	58,201	58,692
<b>Total Operation</b>	<b>337,746</b>	<b>320,984</b>
<b>Maintenance</b>		
568 Maintenance Supervision and Engineering		
569 Maintenance of Structures		
570 Maintenance of Station Equipment	287,359	307,784
571 Maintenance of Overhead Lines	274,414	416,850
572 Maintenance of Underground Lines		
573 Maintenance of Miscellaneous Transmission Plant		
<b>Total Maintenance</b>	<b>561,774</b>	<b>724,633</b>
<b>TOTAL TRANSMISSION EXPENSES</b>	<b>899,520</b>	<b>1,045,617</b>
<b>DISTRIBUTION EXPENSES</b>		
<b>Operation</b>		
580 Operation Supervision and Engineering		1,258
581 Load Dispatching		
582 Station Expenses	147,583	114,295
583 Overhead Line Expenses	26,398	80,348
584 Underground Line Expenses	47,609	16,819
585 Street Lighting and Signal System Expenses		
586 Meter Expenses	445,973	525,362
587 Customer Installations Expenses		
588 Miscellaneous Distribution Expenses	412,214	451,813
589 Rents	18,104	12,212
<b>Total Operation</b>	<b>1,097,881</b>	<b>1,202,106</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		1,606
591 Maintenance of Structures		
592 Maintenance of Station Equipment	364,436	402,225
593 Maintenance of Overhead Lines	1,858,544	2,013,261
594 Maintenance of Underground Lines	272,859	358,438
595 Maintenance of Line Transformers	-	-
596 Maintenance of Street Lighting & Signal Systems	65,023	70,037
597 Maintenance of Meters	13,229	7,003
598 Maintenance of Miscellaneous Distribution Plant		
<b>Total Maintenance</b>	<b>2,574,091</b>	<b>2,852,571</b>
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>3,671,972</b>	<b>4,054,676</b>
<b>TOTAL TRANSMISSION &amp; DISTRIBUTION EXPENSES</b>	<b>4,571,492</b>	<b>5,100,293</b>
<b>CUSTOMER ACCOUNTS</b>		
<b>Operation</b>		
901 Supervision	353,618	405,676
902 Meter Reading Expenses	342,399	419,066
903 Customer Records and Collection Expenses	1,812,557	1,533,163
904 Uncollectible Accounts	185,903	191,444
905 Miscellaneous Customer Accounts Expenses		
907-912 Additional Customer Accounts Expenses	653,260	612,107
<b>TOTAL CUSTOMER ACCOUNTS</b>	<b>3,347,738</b>	<b>3,161,456</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	6,018,128	5,437,399
921 Office Supplies and Expenses	897,594	775,972
923.30 Administrative Office Expenses		
923 Outside Services Employed	2,134,784	2,813,067
924 Property Insurance	529,038	487,276
925 Injuries and Damages		
926 Employee Pensions and Benefits		
927 Franchise Requirements		
928 Regulatory Commission Expenses	1,541,300	2,394,384
929 Duplicate Charges--Cr.		
930 Miscellaneous General Expenses	1,105,510	1,176,941
931 Rents	1,313,679	1,310,312
<b>Total Operation</b>	<b>13,540,032</b>	<b>14,395,351</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	414,131	371,323
<b>TOTAL ADMIN. &amp; GENERAL EXPENSES</b>	<b>13,954,163</b>	<b>14,766,674</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>139,976,599</b>	<b>136,128,815</b>
<b>TOTAL OPERATION EXPENSES</b>	<b>126,988,838</b>	<b>124,148,263</b>
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>12,987,761</b>	<b>11,980,552</b>

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

DESCRIPTION OF TAX	Rate	Total Taxes Charged During Year	DISTRIBUTION OF TAXES				Non-Utility
			Tax Expense	Income Taxes	Charged To Plant	Other Accounts	
<b>STATE TAXES:</b>							
Franchise Tax		4,754,162	4,710,364			43,798	
Public Service Company Tax		11,144,217	11,088,198			56,019	
Unemployment Tax		113,934			26,205	87,729	
Use Tax		404,335			202,168	202,167	
General Excise Tax		38,047	38,047				
Income Tax		(54,324)		(54,324)			
Property Tax		-	-				
		-					
<b>Total State Taxes</b>		<b>16,400,371</b>	<b>15,836,609</b>	<b>(54,324)</b>	<b>228,373</b>	<b>389,713</b>	
<b>FEDERAL TAXES:</b>							
F.I.C.A.		1,096,531			252,202	844,329	
Unemployment Tax		7,267			1,671	5,596	
Income Tax		354		354			
Vehicle Use		-					
		-					
		-					
<b>Total Federal Taxes</b>		<b>1,104,152</b>	<b>-</b>	<b>354</b>	<b>253,873</b>	<b>849,925</b>	<b>-</b>
<b>FEES AND LICENSES:</b>							
Public Utility Fee		946,832				946,832	
Motor Vehicle Tax		31,486				31,486	
		-					
<b>Total Fees and Licenses</b>		<b>978,318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>978,318</b>	<b>-</b>
<b>TOTAL CORPORATION TAXES</b>		<b>\$ 18,482,841</b>	<b>\$ 15,836,609</b>	<b>\$ (53,970)</b>	<b>\$ 482,246</b>	<b>\$ 2,217,956</b>	<b>\$ -</b>

**Schedule C  
STATISTICAL INFORMATION  
COMPARATIVE ANALYSIS FOR THE TWELVE MONTH PERIOD ENDED 12/31/2011**

CLASSIFICATION OF RATES	12-Month Avg. Number of Customers (2)	12-Month Avg. Number of Meters (3)	Total K.W. Hrs. Sold During 2011 (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"	28,168	28,168	157,278,152	\$ 70,785,142	\$ 5,584	0.45006	\$ 2,513	37.59%
General Lighting Service - "C"	4,194	4,194	59,663,973	27,353,872	14,226	0.45847	6,522	14.53%
General Lighting Service - "G"	327	327	51,607,028	22,168,732	157,820	0.42957	67,794	11.77%
General Lighting Service - "J"	114	115	115,389,124	47,797,928	1,012,185	0.41423	419,280	25.38%
Large Power - "P"	15	15	46,285,546	18,487,842	3,085,703	0.39943	1,232,523	9.82%
Optional Power								
Industrial Contract								
Governmental St. Hwy. & Park Ltg. - "SL"	3,588	3,588	2,759,910	1,647,005	769	0.59676	459	0.87%
Governmental Contract								
Interdepartmental								
Electric Service for Employees	0	0	0	-	#DIV/0!	#DIV/0!	#DIV/0!	0.00%
Irrigation	3	3	175,336	58,037	58,445	0.33100	19,346	0.03%
<b>Total</b>	<b>36,409</b>	<b>36,410</b>	<b>433,159,069</b>	<b>\$ 188,298,557</b>	<b>\$ 11,897</b>	<b>0.43471</b>	<b>\$ 5,172</b>	<b>100.00%</b>
KW Hrs. Used - N/C	xxxxxxx	xxxxxxx	1,599,221	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
KW Hrs. Lost - Unaccounted	xxxxxxx	xxxxxxx	17,059,283	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
KW Hrs. - Net to System	xxxxxxx	xxxxxxx	451,817,573	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
KW Hrs. - Station Use	xxxxxxx	xxxxxxx	11,865,733	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
KW Hrs. & KW (Max.) Generated - Steam	xxxxxxx	xxxxxxx	11,375,650	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
" " " " " " " " " " " "	xxxxxxx	xxxxxxx	406,435,874	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
" " " " " " " " " " " "	xxxxxxx	xxxxxxx	7,917,610	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
" " " " " " " " " " " "	xxxxxxx	xxxxxxx	425,729,134	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total KWH & KW (Max.) - Generated	xxxxxxx	xxxxxxx	37,954,172	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Total KWH & KW (Max.) - Purchased	xxxxxxx	xxxxxxx	3,775,70%	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Percentage of Loss - Unaccounted	xxxxxxx	xxxxxxx	0.35400%	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Percentage Used -- N/C	xxxxxxx	xxxxxxx		xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx	xxxxxxx
Avg. Cost per KWH Sold	xxxxxxx	xxxxxxx		xxxxxxx	xxxxxxx	0.39060	xxxxxxx	xxxxxxx
Avg. Net Income per KWH Sold	xxxxxxx	xxxxxxx		xxxxxxx	xxxxxxx	0.02560	xxxxxxx	xxxxxxx



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, Kauai Coffee Co.  
 State terms and duration of contract: Doc. 4163, D&O 6528 approved in 1981 ; Doc. 4284, D&O 6684 approved in 1981;  
Doc. 4996, D&O 7801 approved in 1984; Doc. 97-0213, D&O 16396 approved in 1998.  
 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>			122,550

State generation capacity	122,550	KW		
State peak demand	73,060	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:		706,358		706,364
Purchased				On hand 14,955
* State total cost fuel oil:	\$ 94,413,817			\$133.66
Purchased				
* State total cost fuel oil:	\$ 94,032,882			\$133.12
Consumed				
State total fuel oil adjustment Revenues	\$ 33,092,491			16,818
Generated				
Cost of fuel oil per K.W.Hr.: Generated	\$0.22721			\$0.21709
per K.W. Hr. sold				
How often are meters tested? Give details			Meters are tested per Rule No. 11A	How many tested? 3,236

State Peak Demand and Date of Peak for Each Month

Date	Peak	Date	Peak
Jan 01/17/12	72,620	Jul 07/31/12	68,400
Feb 02/29/12	69,500	Aug 08/01/12	70,060
Mar 03/05/12	69,240	Sep 09/19/12	68,000
Apr 04/03/12	67,260	Oct 10/09/12	72,060
May 05/21/12	65,500	Nov 11/20/12	70,350
June 06/13/12	67,260	Dec 12/26/12	73,060

\* diesel & naphtha combined

Schedule D (Continued)				
MISCELLANEOUS DATA				
Transmission Substations				
LOCATION	TRANSFORMERS			Substation Ratings
	Voltages	No. of Transformers	Rating	
Princeville	69.0/12.47	1	10,000	10,000
Princeville	69.0/12.47	1	10,000	10,000
Kapaa	69.0/12.47	1	10,000	10,000
Kapaa	69.0/12.47	1	10,000	10,000
Lihue Sw. Station	69.0/12.47	2	10,000	20,000
Lihue Sw. Station	69.0/13.2	1	7,500	7,500
Lawai	69.0/57.1/12.47	1	7,500	7,500
Port Allen	66.0/12.47	1	10,000	10,000
Port Allen	4.16/57.1/69.0	1	10,000	10,000
Port Allen	13.8/57.1/69.0	1	20,000	20,000
Port Allen	13.8/57.1/69.0	1	20,000	20,000
Kaumakani	69.0x57.1/12.47	1	3,750	3,750
Port Allen	13.8/69.0	2	15,000	30,000
Koloa Switchyard	69.0/57.1/12.47	1	10,000	10,000
Koloa Switchyard	69.0/12.47	1	7,500	7,500
Mana	69.0/57.1/12.47	1	7,500	7,500
Kekaha Switchyard	57.1/12.47	1	5,000	5,000
Kekaha Switchyard	69.0x57.1/12.47	1	7,500	7,500
Port Allen	69.0/57.1/12.47	1	7,500	7,500
Wainiha	69.0/12.47	1	1,500	1,500
KPS	69.0/13.8	1	21,000	21,000
Kapaia	69.0/12.47	1	10,000	10,000
Puhi	12.47/4.16	1	750	750
Puhi	12.47/4.16	1	500	500
Lydgate	69.0/12.47	1	10,000	10,000
Lydgate	69.0/12.47	1	10,000	10,000
Aepo	69.0/12.47	1	10,000	10,000
<b>TOTAL</b>	x x x x x x x x x x	29	x x x x x x	277,500
Distribution Substations				
LOCATION	TRANSFORMERS			Substation Ratings
	Voltages	No. of Transformers	Rating	
Port Allen Plant	4.16/12.47	1	5,000	5,000
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
				-
<b>TOTAL</b>	x x x x x x x x x x	8	x x x x x x	10,350

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.

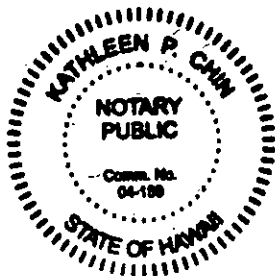
Lihue, Kauai  
City or Town

David Bond  
Signature of Officer

3/26/2013  
Date

PRESIDENT AND CEO  
Title of Officer

Subscribed and sworn to before me this 26<sup>th</sup> day of March, 2013



Kathleen P. Chin  
Notary Public

5<sup>th</sup>  
Judicial Circuit  
State of Hawaii

My Commission Expires 3/28/2016

Doc. Description: 2012 Annual Report  
to the PUC

Doc. Date: 3/24/13 No. Pages: 45  
Kathleen P. Chin 5<sup>th</sup>  
Notary Printed Name Jud. Circuit

**KAUAI ISLAND UTILITY COOPERATIVE  
INCOME STATEMENT  
2008-2012**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
KWH SALES	433,159,069	434,745,062	434,533,319	436,273,236	453,790,517
<b>REVENUE</b>					
ENERGY SALES	\$ 155,206,066	\$ 154,177,427	\$ 123,476,659	\$ 85,915,304	\$ 80,238,612
FUEL OIL CLAUSE	33,092,491	28,233,924	31,618,442	43,584,744	109,212,444
TOTAL (2+3)	188,298,557	182,411,351	155,095,101	129,500,048	189,451,056
OTHER UTILITY REVENUE	153,179	168,047	158,942	161,387	174,072
TOTAL OPERATING REVENUE (4+5)	<u>\$ 188,451,736</u>	<u>\$ 182,579,398</u>	<u>\$ 155,254,043</u>	<u>\$ 129,661,435</u>	<u>\$ 189,625,128</u>
<b>OPERATING EXPENSES</b>					
FUEL	\$ 94,032,883	\$ 90,533,608	\$ 68,899,697	\$ 51,952,273	\$ 98,149,044
OTHER PRODUCTION	14,632,559	14,534,759	10,743,024	9,890,828	12,357,170
DISTRIBUTION	1,435,628	1,523,090	1,720,822	1,696,116	1,687,118
CUSTOMER SALES	3,347,738	3,161,456	3,218,484	3,196,079	3,320,211
ADMINISTRATIVE & GENERAL	13,540,032	14,395,351	13,750,175	10,874,967	11,799,584
TOTAL OPERATION (8 TO 12)	<u>\$ 32,955,956</u>	<u>\$ 33,614,656</u>	<u>\$ 29,432,505</u>	<u>\$ 25,657,990</u>	<u>\$ 29,164,083</u>
<b>MAINTENANCE EXPENSES</b>					
PRODUCTION	\$ 9,437,765	\$ 8,032,024	\$ 7,169,914	\$ 6,750,525	\$ 8,017,022
DISTRIBUTION	3,135,864	3,577,204	3,207,392	2,979,228	2,902,114
GENERAL	414,131	371,323	401,828	392,766	387,211
TOTAL MAINTENANCE (14 TO 16)	<u>\$ 12,987,761</u>	<u>\$ 11,980,552</u>	<u>\$ 10,779,134</u>	<u>\$ 10,122,519</u>	<u>\$ 11,306,347</u>
TOTAL OPERATION & MAINTENANCE (13+17)	<u>\$ 45,943,716</u>	<u>\$ 45,595,208</u>	<u>\$ 40,211,639</u>	<u>\$ 35,780,509</u>	<u>\$ 40,470,430</u>
TOTAL OPERATING EXPENSES (7+18)	<u>\$ 139,976,599</u>	<u>\$ 136,128,815</u>	<u>\$ 109,111,336</u>	<u>\$ 87,732,782</u>	<u>\$ 138,619,474</u>
DEPRECIATION & AMORTIZATION	13,434,517	13,372,215	14,595,414	16,736,333	16,450,486
TAXES OTHER THAN INCOME	15,782,639	15,288,561	13,047,862	10,938,606	16,026,840
INCOME TAXES	-	-	-	-	-
INCOME TAXES DEFERRED	-	-	-	-	-
TOTAL OPERATING EXPENSES (19 TO 23)	<u>\$ 169,193,755</u>	<u>\$ 164,789,592</u>	<u>\$ 136,754,612</u>	<u>\$ 115,407,721</u>	<u>\$ 171,096,800</u>
OPERATING MARGINS (6-24)	<u>\$ 19,257,981</u>	<u>\$ 17,789,806</u>	<u>\$ 18,499,431</u>	<u>\$ 14,253,714</u>	<u>\$ 18,528,328</u>
MISCELLANEOUS INCOME-NET	819,452	752,914	763,172	981,222	1,127,217
MISCELLANEOUS INCOME DEDUCTIONS	103,249	86,208	81,283	77,163	96,523
TOTAL UTILITY INCOME (25+26-27)	<u>\$ 19,974,183</u>	<u>\$ 18,456,512</u>	<u>\$ 19,181,320</u>	<u>\$ 15,157,773</u>	<u>\$ 19,559,022</u>
<b>INTEREST EXPENSE</b>					
INTEREST DURING CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ -
AMORT. DEBT PREMIUM & EXPENSES	-	-	-	-	-
BOND INTEREST	-	-	-	-	-
SHORT TERM INTEREST	-	-	-	-	-
LONG TERM INTEREST	8,335,362	8,668,886	9,061,322	9,502,337	9,940,742
OTHER INTEREST EXPENSE	547,978	130,754	163,876	81,679	64,683
TOTAL (29 TO 34)	<u>\$ 8,883,340</u>	<u>\$ 8,799,640</u>	<u>\$ 9,225,198</u>	<u>\$ 9,584,016</u>	<u>\$ 10,005,425</u>
NET MARGINS (28-35)	<u>\$ 11,090,843</u>	<u>\$ 9,656,872</u>	<u>\$ 9,956,122</u>	<u>\$ 5,573,757</u>	<u>\$ 9,553,597</u>
CAPITAL CREDITS & PATRONAGE DIVIDENDS AVAILABLE FOR COMMON (36-37)	11,090,843	9,656,872	9,956,122	5,573,757	9,553,597
NET MARGINS (38-39)	<u>\$ 11,090,843</u>	<u>\$ 9,656,872</u>	<u>\$ 9,956,122</u>	<u>\$ 5,573,757</u>	<u>\$ 9,553,597</u>

**KAUAI ISLAND UTILITY COOPERATIVE  
BALANCE SHEET  
2008-2012**

<u>ASSETS &amp; OTHER DEBITS</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>UTILITY PLANT</b>					
UTILITY PLANT IN SERVICE	\$ 475,164,335	\$ 464,854,370	\$ 450,876,105	\$ 439,951,101	\$ 424,072,179
UTILITY PLANT IN SERVICE PUC ADJ.	-	-	-	-	-
CONSTRUCTION WORK IN PROGRESS	18,901,804	13,452,399	11,789,712	13,463,888	14,632,361
DEPRECIATION	238,615,696	230,027,434	221,234,482	211,674,481	198,671,933
<b>TOTAL UTILITY PLANT</b>	<b>\$ 255,450,443</b>	<b>\$ 248,279,335</b>	<b>\$ 241,431,335</b>	<b>\$ 241,740,509</b>	<b>\$ 240,032,607</b>
<b>CURRENT &amp; ACCRUED ASSETS</b>					
CASH IN BANK & TEMPORARY INVESTMENTS	\$ 5,277,933	\$ 4,630,648	\$ 7,342,947	\$ 4,180,004	\$ 27,001,141
INVESTMENT IN KRS1	8,052,200	5,593,493	-	-	-
ACCOUNTS RECEIVABLE	14,802,777	12,618,923	10,405,847	12,025,374	10,740,183
ACCUM. PROV. FOR UNCOLLECTIBLE ACCT	(468,161)	(454,699)	(711,029)	(1,176,683)	(1,164,541)
INVENTORY	14,788,423	14,032,643	14,217,398	13,320,441	13,156,810
PREPAYMENTS	1,206,207	986,557	954,729	1,196,222	1,109,534
INTEREST RECEIVABLE	-	(1)	9	7	31,359
ACCRUED REVENUES	8,927,119	8,058,573	8,167,434	7,275,331	7,270,482
DEFERRED ENGINE OVERHAUL EXPENSE	-	-	-	-	-
DEFERRED DEBITS - MISCELLANEOUS	3,390,610	2,012,647	1,840,665	922,634	384,906
REGULATORY COMMISSION EXPENSES	3,696,457	3,432,910	4,494,625	4,966,896	4,035,674
<b>TOTAL CURRENT &amp; ACCRUED ASSETS</b>	<b>\$ 59,673,565</b>	<b>\$ 50,911,694</b>	<b>\$ 46,712,625</b>	<b>\$ 42,710,225</b>	<b>\$ 62,565,548</b>
<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>\$ 315,124,007</b>	<b>\$ 299,191,029</b>	<b>\$ 288,143,960</b>	<b>\$ 284,450,734</b>	<b>\$ 302,598,155</b>
<b>LIABILITIES &amp; OTHER CREDITS</b>					
PATRONAGE CAPITAL & MEMBERSHIPS	\$ 78,546,204	\$ 69,347,485	\$ 60,918,555	\$ 52,268,377	\$ 46,667,767
<b>LONG TERM DEBT</b>					
FIRST MORTGAGE BOND	\$ -	\$ -	\$ -	\$ -	\$ -
LONG TERM NOTE	177,645,916	178,291,187	188,520,589	192,820,610	207,450,282
<b>TOTAL LONG TERM DEBT</b>	<b>\$ 177,645,916</b>	<b>\$ 178,291,187</b>	<b>\$ 188,520,589</b>	<b>\$ 192,820,610</b>	<b>\$ 207,450,282</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>					
CURRENT PORTION: NOTES PAYABLE/LTD	\$ 10,395,000	\$ 9,661,000	\$ 9,261,000	\$ 8,875,500	\$ 8,487,400
NOTES PAYABLE	14,178,000	8,700,000	-	2,000,000	-
ACCOUNTS PAYABLE	6,250,710	7,980,716	7,337,948	7,438,615	5,665,381
METER DEPOSITS	1,272,909	1,248,210	1,048,833	1,137,879	883,951
TAXES ACCRUED	10,231,266	9,684,268	7,203,240	4,947,846	10,454,884
INTEREST ACCRUED	149,701	137,868	96,417	105,142	75,846
TAX COLLECTION PAYABLE	0	-	-	-	-
MISCELLANEOUS	4,673,060	4,496,837	4,129,104	4,476,464	9,849,020
DEFERRED CREDITS	8,352,542	6,177,035	5,963,306	6,687,027	10,347,440
CUSTOMER ADVANCE FOR CONSTRUCTION	3,428,700	3,466,422	3,664,968	3,693,275	2,716,184
CONTRIBUTION IN AID OF CONSTRUCTION	-	-	-	-	-
<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>\$ 58,931,887</b>	<b>\$ 51,552,357</b>	<b>\$ 38,704,816</b>	<b>\$ 39,361,747</b>	<b>\$ 48,480,106</b>
TOTAL ACCUM DEFERRED INCOME TAXES	-	-	-	-	-
<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$ 315,124,007</b>	<b>\$ 299,191,029</b>	<b>\$ 288,143,960</b>	<b>\$ 284,450,734</b>	<b>\$ 302,598,155</b>

KAUAI ISLAND UTILITY COOPERATIVE  
MISCELLANEOUS DATA  
2008-2012

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>KWH SALES</u>					
RESIDENTIAL	157,278,152	159,071,128	159,425,808	161,946,254	160,479,367
COMMERCIAL	111,271,001	111,649,769	112,717,079	113,163,543	119,324,054
LARGE POWER	161,674,670	161,202,956	159,512,556	157,051,579	170,165,703
STREET LIGHTING	2,759,910	2,716,421	2,729,677	2,702,271	2,637,376
IRRIGATION	175,336	104,788	148,199	1,409,589	1,184,017
TOTAL KWH SALES	<u>433,159,069</u>	<u>434,745,062</u>	<u>434,533,319</u>	<u>436,273,236</u>	<u>453,790,517</u>

REVENUES

RESIDENTIAL	\$ 70,785,142	\$ 69,031,915	\$ 58,599,648	\$ 48,759,893	\$ 67,521,772
COMMERCIAL	49,522,604	47,953,957	41,245,256	34,600,351	50,856,616
LARGE POWER	66,285,770	63,818,131	53,833,261	44,714,928	69,199,753
STREET LIGHTING	1,647,005	1,573,722	1,381,050	1,160,789	1,457,504
IRRIGATION	58,037	33,626	35,886	264,087	415,411
TOTAL REVENUES	<u>\$ 188,298,557</u>	<u>\$ 182,411,351</u>	<u>\$ 155,095,101</u>	<u>\$ 129,500,048</u>	<u>\$ 189,451,056</u>

CUSTOMERS @ 12/31

RESIDENTIAL	28,215	28,041	27,834	27,755	27,435
COMMERCIAL	4,541	4,519	4,540	4,564	4,649
LARGE POWER	127	132	124	134	127
STREET LIGHTING	3,587	3,574	3,561	3,548	3,499
IRRIGATION	3	3	3	3	3
TOTAL CUSTOMERS	<u>36,473</u>	<u>36,269</u>	<u>36,062</u>	<u>36,004</u>	<u>35,713</u>

AVERAGE REVENUE PER KWH

RESIDENTIAL	\$ 0.45006	\$ 0.43397	\$ 0.36757	\$ 0.30109	\$ 0.42075
COMMERCIAL	0.44506	0.42950	0.36592	0.30576	0.42621
LARGE POWER	0.40999	0.39589	0.33749	0.28471	0.40666
STREET LIGHTING	0.59676	0.57934	0.50594	0.42956	0.55263
IRRIGATION	0.33100	0.32090	0.24215	0.18735	0.35085
TOTAL	<u>\$ 0.43471</u>	<u>\$ 0.41958</u>	<u>\$ 0.35692</u>	<u>\$ 0.29683</u>	<u>\$ 0.41749</u>

AVERAGE RATE-CENTS PER KWH SOLD

RESIDENTIAL	\$ 45.006	\$ 43.397	\$ 36.757	\$ 30.109	\$ 42.075
COMMERCIAL	44.506	42.950	36.592	30.576	42.621
LARGE POWER	40.999	39.589	33.749	28.471	40.666
STREET LIGHTING	59.676	57.934	50.594	42.956	55.263
IRRIGATION	33.100	32.090	24.215	18.735	35.085
TOTAL	<u>\$ 43.471</u>	<u>\$ 41.958</u>	<u>\$ 35.692</u>	<u>\$ 29.683</u>	<u>\$ 41.749</u>

KAUAI ISLAND UTILITY COOPERATIVE  
ADMINISTRATIVE & GENERAL EXPENSES  
2008-2012

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
ADMINISTRATIVE & GENERAL SALARIES	\$ 6,018,128	\$ 5,437,399	\$ 5,062,861	\$ 4,843,483	\$ 4,644,644
OFFICE SUPPLIES & EXPENSES	897,594	775,972	1,178,277	976,759	1,035,501
ADMIN OFFICE MAINTENANCE EXPENSE	414,131	371,323	401,828	392,766	387,211
OUTSIDE SERVICES EMPLOYED	2,134,784	2,813,067	2,256,744	1,206,962	2,020,500
PROPERTY INSURANCE	529,038	487,276	567,522	574,574	491,451
INJURIES & DAMAGES	-	-	-	-	-
EMPLOYEE PENSIONS & BENEFITS	-	-	-	-	-
REGULATORY COMMISSION EXPENSE	1,541,300	2,394,384	2,414,081	1,011,629	1,399,977
MISCELLANEOUS GENERAL EXPENSE	1,105,510	1,176,941	868,178	833,680	900,929
RENTS	1,313,679	1,310,312	1,402,512	1,427,880	1,306,582
<b>TOTAL ADMINISTRATIVE &amp; GENERAL EXPENSES</b>	<b>\$ 13,954,163</b>	<b>\$ 14,766,674</b>	<b>\$ 14,152,002</b>	<b>\$ 11,267,733</b>	<b>\$ 12,186,795</b>



KAUAI ISLAND UTILITY COOPERATIVE  
TAXES OTHER THAN INCOME TAXES  
2008-2012

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>STATE TAXES</u>					
FRANCHISE	\$ 4,710,364	\$ 4,559,912	\$ 3,876,767	\$ 3,238,355	\$ 4,775,188
UNEMPLOYMENT				-	-
P.U.C. TAX	11,088,198	10,734,032	9,125,908	7,623,088	11,147,927
CONSUMPTION AND USE TAX / PROPERTY	(15,923)	(5,383)	45,187	77,163	103,725
<u>FEDERAL TAXES</u>					
FICA	-	-	-	-	-
UNEMPLOYMENT	-	-	-	-	-
TOTAL TAXES OTHER THAN INCOME TAX	<u>\$ 15,782,639</u>	<u>\$ 15,288,561</u>	<u>\$ 13,047,862</u>	<u>\$ 10,938,606</u>	<u>\$ 16,026,840</u>

KAUAI ISLAND UTILITY COOPERATIVE  
MISCELLANEOUS DATA  
2008-2012

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>NET KWH GENERATION</u>					
STEAM	11,375,650	20,278,790	10,388,466	18,179,338	21,090,192
DIESEL/NAPHTHA	406,435,874	401,622,309	406,728,948	399,044,503	416,728,705
HYDROS	7,917,610	7,270,484	8,227,307	7,787,912	8,386,490
TOTAL NET GENERATION	<u>425,729,134</u>	<u>429,171,583</u>	<u>425,344,721</u>	<u>425,011,753</u>	<u>446,205,387</u>
NET PURCHASED POWER	37,954,172	36,596,458	27,413,670	30,796,214	29,099,649
LINE LOSSES - %	3.67908	3.63288	3.67752	3.93550	4.19674
SYSTEM USE - %	0.37564	0.37122	0.37024	0.37562	0.35123
SYSTEM PEAK LOAD - MW	73.06	72.05	76.54	75.41	74.27
ANNUAL SYSTEM LOAD FACTORS	0.7245	0.7380	0.6753	0.6900	0.7306