



# ORCAS POWER & LIGHT COOPERATIVE

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**FOR IMMEDIATE RELEASE**

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## *OPALCO Board Adjusts Non-Residential Tariffs to Share Costs Fairly for all Co-op Members*

At the July 21<sup>st</sup> OPALCO board meeting, the Board approved rate increases for the Pump Service and Commercial Service Tariffs as a part of a four-year adjustment process to bring all rates up to cost of service. The Commercial Tariff is in its third year of adjustment; the Pump Service Tariff is in its second year of adjustment. These increases will take effect with the August 2011 billing. In August, the Board will consider a final adjustment to the Limited Service Tariff, bringing rates in line with the Residential Service Tariff.

<i>Tariff</i>	<i>Basic Charge (per month)</i>	<i>Energy Charges (per kWh)</i>	<i>Demand Charges (per kW)</i>
<b>Pump Service</b>	\$19.50/mo ( <i>was \$16.50</i> )	\$0.01065 - first 370 kWh ( <i>was \$0.1260</i> ) \$0.0660 - next 4,630 kWh ( <i>was \$0.0650</i> ) \$0.0720 - over 5,000 kWh ( <i>was \$0.0630</i> )	\$1.61 - over 20kW ( <i>no change</i> )
<b>Commercial Service</b>	\$36.00 ( <i>was \$34.10</i> )	\$0.0770 - first 5,000 kWh ( <i>was \$0.0740</i> ) \$0.0695 - over 5,000 kWh ( <i>was \$0.0655</i> )	\$2.80 - over 20kW ( <i>was \$2.30</i> )

In order to complete the four-year process of re-aligning these tariffs with the cost of service, the Board will vote on further adjustments to Pump Service rates in 2012 and 2013; and Commercial Service rates again in 2012.

At the August 18<sup>th</sup> meeting of the Board in Eastsound, the Board will vote on a cost-of-service increase to the Limited Service Tariff covering small loads for barns, gates and other outbuildings (less than 5kVa). With this second-year adjustment, the Limited Service rates would be the same as Residential Service rates and the Board would eliminate the tariff, moving the 140 members affected to the Residential Tariff. If approved by the Board, the changes will take effect with the September 2011 billing. Proposed rate increase:

<i>Tariff</i>	<i>Basic Charge (per month)</i>	<i>Energy Charges (per kWh)</i>
<b>Limited Service</b>	\$25.50/mo ( <i>is currently \$19.50</i> )	\$0.0758 ( <i>is currently \$0.1115</i> )

Why are these rates going up? OPALCO is a non-profit cooperative that sells power to our members at cost. In late 2008, OPALCO completed a cost-of-service study to determine whether each member rate class was paying their fair share of the cost. The study showed that the cost of delivering electrical service is rising and will continue to fluctuate, and that a number of OPALCO's rates were performing below our cost of service for fixed costs.

OPALCO is our cooperative electrical utility serving more than 11,000 co-op member-owners on 20 islands in San Juan County. We provide electricity that is 95% greenhouse-gas free and is predominately generated by hydro-electric plants. OPALCO was founded in 1937 to bring electricity to our rural islands.

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