

ORCAS POWER AND LIGHT COOPERATIVE

POLICY 30

Political Activity

30.1 PURPOSE

The purpose of this policy is to establish guidelines for Board of Directors, management and employee political activity.

30.2 POLICY

Orcas Power & Light Cooperative (OPALCO) serves our members with safe, reliable, cost effective, sustainable and environmentally sensitive utility services.

The impact that government and politics have on Washington's rural electric cooperatives is significant. Our Federal, State and County elected officials affect every aspect of our business - including regulations on safety practices, environmental standards, mandates on power plant fuel sources, carbon taxes, renewable energy incentives, and healthcare.

30.2.1 Cooperative Political Activity

OPALCO is a strong advocate for the interests of the Cooperative and its members. OPALCO ensures that the voice of electric cooperatives remains strong in our nation's capital, state legislature and local government.

30.2.1.1 OPALCO actively supports elected officials who are concerned about our community and the interests of cooperative and its members. We encourage our entire membership to join us as a grassroots proponent of cooperative energy policy and the Bonneville Power Association's federal hydropower system.

30.2.1.2 We monitor and lobby for regulatory developments to ensure that local, state and federal laws and rules are not detrimental to the energy interests of our members.

30.2.1.3 OPALCO is committed to engaging appropriately in the political process in a manner that informs and affects the issues related to our electric cooperative and internet subsidiary. We strive to engage on issues in the most responsible and ethical way. OPALCO complies with all applicable laws and regulations in connection with the Cooperative's political activities. Any political activities in which OPALCO engages are based solely upon the best interests of the Co-op and are made without regard to the private political preferences of its officers and/or directors. OPALCO will annually disclose formally adopted and approved political positions on its website, including political contributions (if any).

On an as-needed basis, the Board of Directors, through OPALCO's general manager and organizations such as NRECA, PNGC, WRECA, etc., will review relevant issues and candidates to form and support political positions and direction for OPALCO to follow.

30.2.2 Subsidiary Political Activity

OPALCO subsidiaries, its management, and employees will refrain from political activity related to election of OPALCO's Board of Directors or issues related to any OPALCO election. Further, employees may not use their official capacity or company resources to advocate for or endorse candidates or issues related to any OPALCO election.

30.2.3 Personal Political Activity

Board members and employees of the Cooperative and its subsidiaries are encouraged to stay well informed on local, state, and national affairs. Board members and employees are encouraged to support political candidates of their choice by active support, as well as by voting. All such activities must be on the board member's or employee's own time outside the Cooperative and subsidiary facilities. The board member or employee is not authorized to individually represent or act on behalf of the Cooperative. The exception would be an event hosted and sanctioned by the Cooperative's Board or General Manager, consistent with this policy.

30.2.3.1 All Cooperative members are encouraged to take part in all member-related activities to the fullest extent possible. However, because employees who are members may be perceived as official representatives of OPALCO or its subsidiaries, employees shall not use their status as an OPALCO employee to advocate and/or support positions or candidates.

30.2.3.2 Because employees have access to Cooperative facilities, equipment, material and time and these assets belong to all members of the Cooperative, some of whom may not agree with an individual employee regarding Cooperative issues, it is necessary to assure the membership that these assets are precluded from use to support an individual employee's position. The following rules apply to employee/member Cooperative or internet subsidiary "political" activities:

30.2.3.2.1 Personal political activities shall not be conducted during work hours including Cooperative, local, state and federal elections.

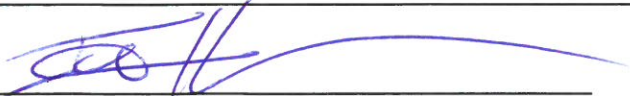
30.2.3.2.2. No political electioneering material shall be posted on company facilities or equipment.

30.2.3.2.3. No Cooperative equipment, material or time shall be used to generate electioneering information to reflect an individual's position regarding politics, including local, state, federal and Cooperative politics.

30.3 RESPONSIBILITY

The General Manager of the Cooperative shall be responsible for administering this policy. Violation of this policy will constitute disciplinary action up to and including termination.

This policy acknowledges the unique position a Director may be in when in a board election, and in that circumstance, the policies regarding director elections in Policy 1 shall apply.

 _____ Foster Hildreth, General Manager	December 15, 2016 _____ Effective Date
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