



**BOARD OF DIRECTORS
WORK SESSION
SEPTEMBER 22, 2017
Eastsound OPALCO Office
10:00 am – 3:00 pm**

TRAVEL



Via Island Air
378-2376

To:

Leave Friday Harbor 9:15 am
Leave Lopez 9:30 am

Arrive Eastsound 9:45 am

Return:

Leave Eastsound 3:00 pm

Arrive Lopez 3:15 pm
Arrive FH 3:30 pm



Via Ferry: (if inclement weather; note meeting start time will change)

To:

Leave FH 8:30 am
Leave Lopez 10:00 am
Leave Shaw 10:20 am

Arrive Orcas 9:15 am

Arrive Orcas 10:40 am

Return:

Leave Orcas 3:05 pm
Leave Orcas 4:25 pm

Arrive Shaw 3:20 pm
Arrive Lopez 3:40 pm
Arrive FH 5:05 pm

NOTE: Ray Ellis to attend

MEMORANDUM

September 15, 2017

TO: Board of Directors

FROM: Foster Hildreth

RE: Rate Structure Work Session: Alternative Structures

Per board directive earlier this year, staff initiated a comprehensive rate structure review starting with a work session on June 16th and leading to an update of our cost of service study at the beginning of 2018, with final rate structure(s) approved by the Board by year-end 2018. At the work session meeting scheduled for tomorrow, the board will review and compare rate scenarios, examining member benefits and trade-offs.

Staff has invited Ray Ellis, GM of Lincoln Electric Cooperative (Montana) and previous GM of Okanogan County Electric Cooperative, to participate in our rates discussion. Ellis can provide perspective on introducing rate changes to members.

Staff is excited to demonstrate the rate comparison tool at the work session.

The NRECA Rate Guide Volume 1 and Volume 2 will be distributed under separate cover. Due to proprietary reasons, these will not be posted to the website.

Below find the reference materials from the June Work Session:

Strategic Directives (2015):

www.opalco.com/wp-content/uploads/2015/12/board-strategic-directives-jan-2015.pdf

Integrated Resource Plan (IRP):

www.opalco.com/wp-content/uploads/2016/08/IRP-Final-Dec-2015.pdf

Construction Work Plan (CWP):

www.opalco.com/wp-content/uploads/2017/06/OPALCO-2017-2020-CWP.pdf

2017 Budget:

www.opalco.com/wp-content/uploads/2016/12/2017-Budget-Report_Updated-Rate-Chart.pdf

2016 Year-End Financials:

www.opalco.com/wp-content/uploads/2017/03/2016-OPALCO-Year-End-Unaudited-Financial-Report.pdf

EES Rate Study (2014): www.opalco.com/wp-content/uploads/2015/04/Rate-Design-COSA.pdf

Policy 29: Rate Design:

www.opalco.com/wp-content/uploads/2016/02/Policy-29-Rate-Design.pdf

KRTA (2015):

www.opalco.com/wp-content/uploads/2017/05/2015-CFC-KRTA-Report-1.pdf

Dashboards:

www.opalco.com/dashboards/