

**ORCAS POWER AND LIGHT COOPERATIVE
MEMBER SERVICE POLICY 1
NATURE OF SERVICES OFFERED**

1.1 ELECTRIC SERVICES

1.1.1 OPALCO provides 60 cycle (Hertz) alternating current service at the following voltages:

Single Phase, 2 Wire	120 Volts
Single Phase, 3 Wire	120/240 Volts
Three Phase, 4 Wire	120/208 Volts
Three Phase, 4 Wire	277/480 Volts

Service voltage ranges are maintained at +/- 5% of these voltage levels. It will not be considered a violation of this voltage standard when voltages outside of the prescribed limits are caused by any of the following:

- Action of the elements
- Service Interruptions
- Temporary separation of parts of the system from the main system
- Infrequent fluctuation of a short duration
- Voltage control for load management purposes
- Addition of member equipment without proper notification to the Cooperative
- Emergency operation
- Operation of member's equipment
- Other causes beyond the control of the Cooperative

The Cooperative will not be responsible for the installation and maintenance of any equipment needed to accommodate nonstandard voltage, voltage regulation of less than +/- 5% of the standard voltages, or protection for motors and electronic equipment. This equipment will be operated and maintained at the member's expense.

1.1.2 OPALCO shall, unless otherwise provided in this policy, construct, operate and maintain the facilities necessary to deliver electrical energy to the point of service connection to the service equipment owned by the member or prospective member (hereinafter "member"). Responsibility for design, construction, operation, maintenance and removal of OPALCO's lines and other facilities shall rest with OPALCO. See Member Service Policy 5 *Line Extension* for a detailed description of OPALCO's responsibility for construction of new facilities.

1.1.3 OPALCO shall only provide service to its members.

1.1.4 Principles of Service and Rate Design

Any person in San Juan County who qualifies under OPALCO bylaws is eligible to become a member and receive electric and communication services, so long as they continually satisfy OPALCO Bylaws and Member Services Policies. As an electric cooperative, OPALCO upholds these essential service obligations by ensuring that there are adequate facilities to serve member needs. OPALCO shall provide adequate facilities including both equipment that generates electricity and equipment that transmits such electricity to members. San Juan County has recognized OPALCO's role in providing essential electric service by classifying the cooperative's "primary electrical transmission and distribution systems" as essential public facilities (San Juan County Code (SJCC) 18.20.050; see also SJCC 18.30.055 (concerning the siting and permitting of essential public facilities for purposes of the Growth Management Act). OPALCO's electric distribution systems depend on and assume the availability of adequate electric generation to transmit to members.

OPALCO adheres to fair and transparent utility practices. Rates are set using cost-of-service rate design principles. Retail rates must be based on the cost of providing electric services and shall be consistent with sound utility rate-making principles. The primary goal of setting retail rates is to equitably collect the required revenue to effectively run and operate the cooperative. Ancillary goals to support energy efficiency, conservation, low-income assistance and rebate disbursements shall be independent programs and separate from general rate setting practices.

OPALCO adheres to the cost-of-service ratemaking philosophy. Rate design allocating costs relies upon cost causation principles to ensure that each rate class pays its fair share of system costs. Rate structures will not vary based on a member's income, except where specifically mandated by OPALCO policies or under state law for low-income assistance programs.

OPALCO will not arbitrarily ration or limit kWh usage for any member or member class. While OPALCO may implement demand management programs or emergency load reduction measures when required for grid reliability, these actions will be non-discriminatory and not based upon usage or household size, transparent, and compliant with applicable cooperative policy, member agreements and state and federal regulatory obligations. As an ongoing borrower of the Rural Utilities Service (RUS), OPALCO complies with RUS "area coverage" regulations by continuing to make diligent efforts to extend electric service to all unserved persons in the service area who desire electric service consistent with 7 C.F.R. §§ 1710.2(a), 1710.103. Although OPALCO is a self-regulated electric utility, it is mindful of a continuing obligation to provide electric services to the entire San Juan Island community it has served since 1937.

OPALCO's policies and procedures aim to ensure all members receive equitable and non-preferential access to electric service, consistent with our cooperative principles, policies and the legal standards we uphold.

_____ Foster Hildreth, General Manager	Effective Date: <u>06/19/2025</u>
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