



**BOARD OF DIRECTORS
WORK SESSION
September 21, 2018 8:30 a.m.
Eastsound OPALCO Office**

TRAVEL



Via Island Air

To:

Leave FH 7:45 a.m.
Lopez 8:00 a.m.

Arrive Eastsound 8:15 a.m.

Return:

Leave Eastsound 2:00 p.m.

Arrive Lopez 2:15 p.m.
FH 2:30 p.m.



Via Ferry:

To:

Leave FH 6:05 a.m.
Lopez 6:45 a.m.
Shaw 7:00 a.m.

Arrive Orcas 6:55 a.m.

Arrive Orcas 7:10 a.m.

Return:

Leave Orcas 3:05 p.m.
Leave Orcas 4:25 p.m.

Arrive Shaw 3:20 p.m.
Lopez 3:40 p.m.
Arrive FH 5:05 p.m.

**Orcas Power & Light Cooperative
Board of Directors
Board Work Session
Eastsound**

September 21, 2018 8:30 a.m.*

**Time is approximate; meetings are scheduled around the ferry schedule; if all Board members are present, the meeting may begin earlier or later than advertised.*

WELCOME GUESTS/MEMBERS

Members attending the board meeting acknowledge that they may be recorded and the recording posted to OPALCO's website.

- Member Comment Period
 - *Members are expected to conduct themselves with civility & decorum, consistent with Member Services Policy 17. If you would like answers to specific questions, please fill out the Q&A card for post-meeting follow-up.*
- Mike Searcy, Guernsey

DISCUSSION ITEMS

- Rates Review – Rate Structure Alternative

ADJOURNMENT

MEMORANDUM

September 14, 2018

TO: Board of Directors

FROM: Foster Hildreth

RE: Rates Review – Rate Structure Alternatives

The timeline of the 2018 Rates Review has reached the Rate Structure Review of the process.

At this meeting, Mike Searcy of Guernsey will present rate design objectives and structure alternatives for board review. The purpose of the review is to compare various rate structures that collect the required revenue to cover our costs, as allocated between rate classes in the COSA. This will include an open dialogue with the board to explore industry trends, how various structures balance the collections differently and among those, what is possible given current technology.

The following is a summary timeline of the steps necessary to the future rate planning:

- a. ✓ Strategic Long-Range Vision: February 2018
- b. ✓ Long-Range Capital Projects Plan: March 2018 Work Session (March 16th)
- c. ✓ Long-Range Financial Plan (Equity, Cash, Debt): May 2018
- d. ✓ Cost of Service Analysis (COSA): August 2018
- e. ✓ Rate Structure Review that Supports the COSA: September 21, 2018 Work Session
- f. Rate Structure Approval: October 2018 – December 2018 (with Budget)