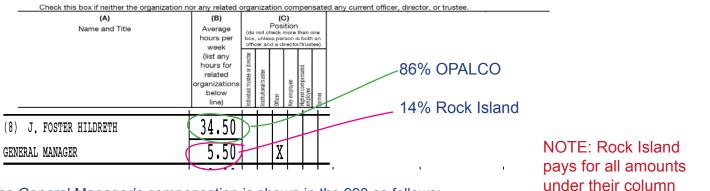
Understanding Compensation and the Form 990

The following are snippets of OPALCO's Form 990 with additional detail provided on the compensation of the General Manager. The full Form 990 is available online at: www.opalco.com/wp-content/uploads/2019/05/2017-Form-990-Public-Disclosure-Copy_05082019.pdf

			*	* PUBLIC DIS	CLOSURE CO	PY **		
			EXTEN	DED TO NO	OVEMBER 15	, 2018		
00	^	Returi	n of Org	ganizatio	ncome Tax	OMB No. 1545-0047		
Form 99	U	Under section 50	1(c), 527, or	4947(a)(1) of the	e Internal Revenue	o Code (exc	ept private foundations)	2017
Department of the		► Do i	not enter so	cial security num	nbers on this form	as it may b	e made public.	Open to Public
Internal Revenue		Go to www.irs.gov/Form990 for instructions and the latest in the late					information.	Inspection
A For the 20	017 calend	ar year, or tax yea	r beginning		and	ending		
B Check if applicable;	C Name of	organization			D Employer identification number			
Address								
change Name	ORCA	S POWER &	LIGHT					
change	Doing bu	usiness as		91-0348358				
return		and street (or P.O.		E Telephone number				
Final return/	183	MOUNT BAK	SR RD		<u>376-3500</u>			
termin- ated		own, state or provi		G Gross receipts \$ 25,880,275.				
X Amended return		SOUND, WA		H(a) Is this a group return				
Applica- tion	F Name a	nd address of prind	ipal officer:	for subordinates? Yes X No				
pending	SAME AS C ABOVE						H(b) Are all subordinates include	d? Yes No
Tax-exem		501(c)(3) X		12) ┥ (insert n	o.) 4947(a)(1)	or 527	If "No," attach a list.	(see instructions)
		OPALCO.CO	4				H(c) Group exemption nu	
K Form of org	ganization:	X Corporation	Trust	Association	Other ►	L Year	of formation: 1937 M Sta	ate of legal domicile; WA

OPALCO's General Manager is responsible for managing both the highly-complex cooperative (\$30M in revenue) and OPALCO's subsidiary, Rock Island Communications (\$6M in revenue). His time is recorded for both organizations. The 990 (see below) shows hours for a typical work week:



The General Manager's compensation is shown in the 990 as follows:

Schedule J (Form 990) 2017 ORCAS POWER & LIGHT COOPERATIVE 91-0348358 Page 2 Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed. For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(B) Breakdown of	W-2 and/or 1099-MI	SC compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B)
(A) Name and Title	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation		2010110		on prior Form 990
(1) J. FOSTER HILDRETH (i)	239,375.	0.	9,051.	101,491.	34,212.	384,129.	0.
GENERAL MANAGER (ii)	14,909.	0.	0.	0.	0.	14,909.	0.

base salaries for comparison

Here's how the break down between OPALCO and Rock Island looks:

O and Rock Islar	to oth	er utilities	
OPALCO	Rock Island	Total	
\$205,863	\$33,512	\$239,375	
\$116,705	\$18,998	\$135,703	
\$ 9,051	\$14,909	\$ 23,960	
\$331,619	\$67,419	\$399,038	
	OPALCO \$205,863 \$116,705 \$ 9,051	OPALCORock Island\$205,863\$33,512\$116,705\$18,998\$ 9,051\$14,909	OPALCO Rock Island Total \$205,863 \$33,512 \$239,375 \$116,705 \$18,998 \$135,703 \$ 9,051 \$14,909 \$ 23,960

Significant cost savings are gained by combining roles. A separate GM of Rock Island would drive expense up and postpone profitability.