

Orcas Power & Light Cooperative

Minutes of the Board of Directors Meeting

Thursday, September 19, 2019

President Vince Dauciunas called the meeting to order at 8:15 a.m. in the Lopez Fire Hall. Board members present were Vince Dauciunas, Mark Madsen, Jeffrey Struthers, Rick Christmas and Brian Silverstein. Jerry Whitfield and Peter Garlock participated via a video connection. Staff present were General Manager Foster Hildreth, Manager of Engineering and Operations Russell Guerry, Manager of Finance and Member Services Nancy Loomis, Head Accountant Travis Neal and Public Relations Administrator Suzanne Olson (serving as recording secretary).

Members/Guests

Kent Lopez – General Manger, WRECA; Ashley Slater – Vice President of Government Affairs & Policy, PNGC Power; Greg Mendonca – Vice President of Power Supply, PNGC Power; EGC members Bill Severson (Chair), Rob Thesman, Ray Glaze and Chom Greacen; Members Julienne Battalia, Allan Tamm, Giacomo Sturniolo, Cynthia Dillon and Steve Horn

MEMBER COMMENTS

- Julienne Battalia re: wireless technology
- Rob Thesman re: EGC process
- Chom Greacen re: IRP, LSRD resolution and EGC process

CONSENT AGENDA

- **Motion** was made and seconded to approve Consent Agenda, including August 2019 minutes, new members as listed with the Board materials, capital credit payments totaling \$7,384.18 and RUS 219s totaling \$363,731.42. Motion carried by voice vote.

NRECA REGION 9 VOTING DELEGATE

- **Motion** was made and seconded to ratify an earlier email vote to approve Foster Hildreth as voting delegate and Rick Christmas as the alternate. Motion carried by voice vote.

SUPPORT OF FEDERAL POWER SYSTEM AND SNAKE RIVER DAMS

Discussion continued from the August Board meeting on the myriad issues involved with balancing clean, reliable power supply with ecosystem health. Discussion covered a wide range of topics including ocean health (rising water temperatures and ocean acidification); salmon recovery and whale survival; and the NEPA study in progress. Hydro system capacity constraints, regional generation deficiencies and demand pressures caused by the new carbon legislation were also discussed. A number of members present shared their thoughts.

- **Motion** was made and seconded to approve Resolution 2-2019. Motion carried by voice vote.

RESP LOAN – MEMBER ON-BILL FINANCING

Discussion ensued on Co-op finances and the separation of these funds from debt on the balance sheet. Further discussion on what measures would be included in the new round of funding, how the funding would support objectives of the IRP and member demand for the program.

- **Motion** was made and seconded to approve Resolution 3-2019: RESP 2.0 loan submittal. Motion carried by voice vote.
- **Motion** was made and seconded to approve Resolution 4-2019: Corporate Debt Limit Increase. Motion carried by voice vote.

EASEMENT RELINQUISHMENT

Staff presented the details of this easement relinquishment as a result of the County's Orcas Road relocation project.

- **Motion** was made and seconded to approve the Easement Relinquishment as presented. Motion carried by voice vote.

President Vince Daucinas called a break from 9:10 – 9:20am

CLEAN ENERGY TRANSFORMATION ACT (CETA) SB 5116 UPDATE – KENT, ASHLEY AND GREG

Kent Lopez updated the Board on legislative affairs and focused on the Clean Energy Transformation Act (CETA). Discussion ensued on the timeline for requirements. Ashley Slater gave an overview of PNGC as OPALCO's power supplier and their role in future power planning. Greg Mendonca discussed available resources, compliance issues and BPA. He applauded OPALCO's IRP and process stating, "OPALCO is ahead of the curve." Discussion ensued on costs, low-income programs and timeline.

ELECTION & GOVERNANCE COMMITTEE (EGC) REVIEW OF DIRECTOR QUALIFICATIONS

Hildreth thanked the members who volunteered their time for this review and recapped the process and timeline. EGC Chair Bill Severson outlined the three issues reviewed by the committee including 1) term of residence, 2) relationship with public office and 3) employment with OPALCO. Discussion ensued on board candidate qualifications and member outreach. Staff and Legal Counsel will incorporate EGC and Board discussion points into policy and procedural documents at the next meeting.

President Vince Daucinas called a break from 10:50 – 11:00am

INTEGRATED RESOURCE PLAN (IRP)

Hildreth recognized the team that worked on the 2020-2040 update to the IRP. The Board reviewed the updates and discussion ensued on industry trends, climate change, technology, resources, capacity constraints, costs, communication to members and strategic planning.

- **Motion** was made and seconded to approve the Updated 2020-2040 Integrated Resource Plan as presented. Motion carried by voice vote.

GENERAL MANGER

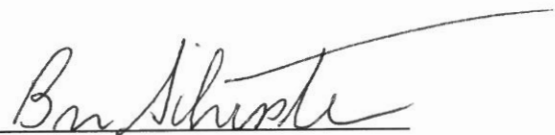
General Manager's report was reviewed.

EXECUTIVE SESSION 12:15 - 12:45p.m.

ADJOURNMENT

Meeting was adjourned at 12:50 p.m.


Vince Daucinas, President


Brian Silverstein, Secretary-Treasurer