

OPALCO Candidate Questions
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OPALCO

1. OPALCO's mission is to provide safe, reliable, sustainable and cost-effective essential utility services with a commitment to the utilization of renewable resources and carbon reduction. Which of these is most important to you and why?

The OPALCO Board must address all elements of the mission. For me, Safety is always first. I attended the funerals of two utility workers. We must ensure that our employees go home safely every day. As of February, OPALCO had worked 149,000 hours without a lost-time accident and that must continue. OPALCO and Rock Island have excellent safety programs.

2. OPALCO load doubles in winter, but solar production output drops to 1/16 (of summer production) in winter. What new energy resources would you like OPALCO to consider for meeting winter load?

As we need additional resources, with a focus on winter peaks, we must add a mix of local and off-island clean resources. OPALCO should continue exploring tidal generation that can provide predictable energy in our backyard 365 days of the year. We should find more grant funding to help with the higher costs of this new technology. Other sources could be wind, either on the mainland or offshore if that is developed. Energy storage must be added to meet peak needs.

3. Solar power requires a lot of sunny land for solar arrays. County land use codes favor preserving local rural character over solar on open land. How do you think about these potentially conflicting approaches to land use?

We all appreciate the rural nature of San Juan County. OPALCO and the County should work with the agricultural community to explore joint use of land, which according to studies increases production for some crops. Land use codes must be carefully updated to enable this beneficial use while protecting our community.

4. OPALCO depends on hydropower from the mainland for more than 84% of its total power supply. How important is hydropower in your vision for a future energy supply in the islands?

I expect that hydropower from Bonneville Power Administration will continue to be a significant part of our energy sources. This carbon-free energy is the only significant renewable resource today that provides reliable capacity to meet peak needs.

5. It's estimated that OPALCO's load growth will double between now and 2050 due to the electrification of heating and transportation. Questions:
- Where should this new energy come from?
 - Where should new renewable projects be located?
 - Will local resistance limit siting and permitting?
 - Who pays for it?

Continuing the discussion in questions 2, 3 and 4, OPALCO needs to engage Members to prioritize our objectives. Ultimately the Members pay for the costs. Where available we should seek grants for new technology such as tidal energy and storage.

6. OPALCO's current rate structure collects revenue to cover fixed costs through the kWh (energy use) charge. As we become more energy efficient and embrace more renewable energy, OPALCO won't collect enough kWh revenue to cover fixed costs. How would you address this rate structure dilemma?

This is an issue for all utilities, and is more vexing for OPALCO. About two-thirds of OPALCO costs are fixed, mostly the grid. This is the opposite of most utilities.

There are several solutions to ensure that we recover our costs while encouraging Members to conserve energy. We can change our rate design to charge Members for their peak usage, since peaks drive our investment in the grid. Another approach is Time-of-Use rates to encourage Members to shift energy usage to the night time when usage is lower.

It's important that we provide tools for Members to reduce their peaks such as smart meters; demand reduction at peak times, such as shutting off the water heater for short periods; and support Member battery storage.

7. The County Comprehensive Plan cites "energy independence" as a goal. What is your understanding of this goal? How would you achieve it?

I view "energy independence" as we make our energy choices.

- **Producing all energy within SJC would be very expensive and require huge amounts of land.**
- **To ensure that critical services have electricity in an emergency we can increase energy storage (utility size and Member installations), build micro-grids and add some local generation.**
- **We should select a mix of local energy to complement what comes from the mainland that is cost-effective and meets year around needs.**

8. OPALCO is a non-profit cooperative. How would you propose to keep member's power bills affordable?

Members pay the operating bills and for the investments in the grid. The budget should be the minimum needed to meet our mission over time. Some investments, like underwater cables, are very expensive but last decades. I encourage Members to participate in the budget development at Board meetings.

OPALCO helps Members reduce their energy bills with home conservation measures and fuel switching for heating and electric vehicle chargers. Rebates and Switch-it-Up financing make it more affordable. An area to do more work on is rental homes.

We should continue assisting low and fixed-income Members pay their bills.

ROCK ISLAND:

1. What is your vision for providing communication technology throughout SJ County?

Continue installing communication service to Members who are interested and that can be served at a reasonable cost.

2. Rock Island provides internet connections to nearly 50% of the OPALCO membership. How important is it to provide internet to the balance of our membership?

Half of the Members are not connected. Access to high quality broadband is important for staying connected, education, distance-medicine and work from home. We should find ways to make it affordable for those who want it.

3. Who should pay for the cost of internet connections?

In general we should continue our model of new customers investing in the connection. As Rock Island becomes more profitable some of those funds can be used to help with the new connections. Rock Island can help neighbors share middle mile costs and offer on-bill financing (Switch-it-Up) for last-mile fiber connections.

4. How would you assist Rock Island in realizing that vision?

- **The Director's role is to provide policy guidance in reviewing the Rock Island Business Plan and monitoring their progress.**
- **As current projects in the queue are completed Rock Island should put more effort assisting neighborhood groups to share the cost of Middle Mile fiber investments.**
- **Continue to improve LTE service for Members who are too far from the fiber backbone.**