

Board of Directors

Regular Meeting

Thursday, June 16, 2022
Virtual Meeting via Zoom

The OPALCO Board of Directors are following CDC and San Juan County guidelines for social distancing and all OPALCO public gatherings are cancelled until further notice in order to err on the side of caution in face of tremendous uncertainty with the current pandemic. Board meetings will be conducted as scheduled via remote video conferencing until further notice.

Members may participate in the regular board meetings via Zoom. The first part of the meeting is reserved for member questions and comments. For security purposes, staff will be checking Zoom identities so please use your first and last name or you may not be let into the meeting. Please follow the protocols listed below:

- Mute yourself unless talking,
- Use your first and last name in your Zoom identity,
- Chat if you have a question/comment and the monitor will put you in the queue,
- OPALCO's Policy 17 - Member Participation at OPALCO Meetings decorum must be followed.

The Zoom link will be updated monthly. Members can get the link to the meeting, submit any comments and questions in writing no less than 24 hours in advance of each meeting to: communications@opalco.com

Sequence of Events

- OPALCO Board Meeting
- Executive Session



Board of Directors
Regular Board Meeting
June 16, 2022 8:30 A.M.*
Virtual Meeting via Zoom

**Time is approximate; if all Board members are present, the meeting may begin earlier or later than advertised. The Board President has the authority to modify the sequence of the agenda.*

WELCOME GUESTS/MEMBERS

Members attending the board meeting acknowledge that they may be recorded, and the recording posted to OPALCO's website. Members are expected to conduct themselves with civility and decorum, consistent with Member Service Policy 17. If you would like answers to specific questions, please email communications@opalco.com for post-meeting follow-up.

Agenda

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| EXECUTIVE SESSION | |
| Legal, Personnel, Competitive, Other | |
| ADJOURNMENT | |

ACTION ITEMS

Consent Agenda

All matters listed with the Consent Agenda are considered routine and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed as an Action Item by request of a Board member.

The Consent Agenda includes:

- **Minutes** of the previous meeting – attached.
- **Approval of New Members** – attached {as required by Bylaws Article I Section 2 (d)}

NEW MEMBERS – May 2022

District 1 (San Juan, Pearl, Henry, Brown, Spieden)

ARMSTRONG, DANE & ARMSTRONG, JACKIE
BILLINGTON, AMMAH & MCMULLEN, SEAN
BORN, WILLI & O'BRIEN, REBECCA
CABRINHA, RUTH & STEPHENSON, DEBRA
DEJORIA, DANA
DEMBECK, HEATHER & DEMBECK, COREY
DUNCAN, CANDICE & DUNCAN, BENJAMIN
EVANS, LINDA
FHR360 LLC
HECK, DAVID & HECK, KATLYN
KNUDSEN, STEVEN & HOPKINS, MARDI
LAGERQUIST, GORDON & LAGERQUIST, ELIZABETH
LANCE, TIMOTHY
MCLEOD, JOHN
PROP PLACE LLC
RICKERT, KEN
RILEY, VAN & RILEY, MARY
ROBERTS, COLLEEN & CHATHAM, KEITH
ROSS, SHANNA
SAWASY, MITCHELL & SAWASY, SUSAN
SHANK, CHRISTOPHER & DOVE, SUZANNE
SMITH, VALERIE
TAYLOR, JONATHAN & TAYLOR, DODIE
TURNBOW, PATRICIA & TURNBOW, ALBERT
ZYLSTRA, JAY & ZYLSTRA, BRENDA

District 2 (Orcas, Armitage, Blakely, Obstruction, Double, Alegria, Fawn)

ALL OF THE THINGS, LLC
BAIRSTOW, ROGER & BROETJE, SUZANNE
BARRON, RACHEL & BARRON, REBEKAH
BRUCE, BETHANY
DAVIES, JOANNA
FOOTE, MOLLY & HANUKA, JAMIE
NEWLAND, MATT
ORCAS ISLE CIDER, LLC
TEPLEY, JUDY
WALTERS, BRYNN & WALTERS, DAVID
WHITTED, LINDA

District 3 (Lopez, Center, Decatur, Charles)

BEGIN, MELISA
BERKSHIRE-CRUSE, AYANNA & RIVERA, EDWARD
DO, THI
JONES, LUCILENA
KINKEAD, ELEANOR & BABCOCK, MARTY
MULLER, WILLIAM & MULLER, BARBY
RANKIN, BEN
THE INGRID STUIVE, R TRUST

District 4 (Shaw, Crane, Canoe, Bell)

None



- Capital Credit payments to estates of deceased members and/or organizations no longer in business as shown below:

| June | |
|--------------|------------------|
| Customer # | Amount |
| 2920 | 762.77 |
| Total | \$ 762.77 |

- RUS 219s Inventory of Work Orders of projects completed from the Construction Work Plan. These forms are submitted to RUS for approval of loan funds.

| Inventory | Amount | RUS Description |
|--------------|--------------------|---------------------------|
| 202204 | \$22,611.95 | Transclosure Replacements |
| Total | \$22,611.95 | |

Staff requests a motion to approve the Consent Agenda.



**Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, December 16, 2021**

Streaming through Zoom attendees were Board members Jerry Whitfield, Brian Silverstein, Mark Madsen, Tom Osterman, Rick Christmas and Jeff Struthers (Vince Dauciunas was absent). Staff present were General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance and Member Services Nancy Loomis; Communications Manager Suzanne Olson (serving as recording secretary); Communications Assistant Manager Krista Bouchey; and Head Accountant Travis Neal. Also present were Legal Counsel Joel Paisner and consultant Jay Kimball.

Member comment session commenced at 8:32 a.m.

Members in attendance:

Robert Dashiell, Sharon Abreu, Chuks Adaora

Staff opened and explained rules of the meeting. Reviewed today's agenda. Reported on upcoming events: Transition Lopez Fossil Free by '33 (5/21); Island Way workshop on "How Climate Change Will Affect Power Bills" (5/24); EV Jamboree (6/8) and an Island Way workshop on the "Energize San Juans" program for commercial energy audits (5/28). Members were encouraged to take advantage of the Switch it Up on-bill financing program.

Foster Hildreth and Joel Paisner introduced the need to formally allow the Secretary-Treasurer to chair the Board meeting in the absence of the President and Vice President (who was present but injured and not able to fully participate). Discussion ensued.

- **MOTION** was made to allow the Secretary-Treasurer to chair the meeting by Whitfield. Seconded by Christmas. Passed unanimously by voice vote.

Secretary/Treasurer Brian Silverstein opened the meeting at 8:42 a.m.

CONSENT AGENDA

- **MOTION** was made to accept the consent agenda by Madsen. Seconded by Struthers. Passed unanimously by voice vote.

ELECTION OF BOARD OFFICERS

The Board agreed to postpone board officer elections until the June meeting. In the interim, the existing Board Officers will continue in their positions.

2022 Q1 FINANCIAL REPORT

GM reviewed the Q1 report and discussion ensued.

GM REPORT

GM presented the monthly General Manager's Report.

Regular Session closed at 9:42 a.m.

Executive Session commenced at 10:00 a.m.

Regular Session re-opened at 10:40 a.m.

2021 AUDIT REPORT

- **MOTION** was made to approve the Moss Adams audit report by Madsen. Seconded by Christmas. Passed unanimously. It was noted that the audit materials will be posted to the website once the IRS finalizes the 2021 Form 990.

Regular session concluded at 10:42 a.m.

Vince Dauciunas, President

Brian Silverstein, Secretary-Treasurer



Orcas Power & Light Cooperative

Revision: 108578

| | | |
|--|--|---------|
| 12/17/2021 3:15:03 pm | RUS Form 219 Inventory Of Work Orders | Page: 1 |
| Period: NOV 2021 System Designation: WA 09 | | |
| Preliminary 202111 | | |

Inventory: 202111

| Project | Loan | Year | Work Order | | Bdgt (3) | Gross Funds Required | | Deductions | | Contrib In Aid Of Constr and Previous Advances (8) | Loan Funds Subject To Advance By RUS (9) |
|----------------------|------|-----------|---------------------|-------------------|-------------|---|--|--|--|---|--|
| | | | Construction (1) | Retirement (2) | | Cost Of Construction: New Constr Or Replacements (4) | Cost Of Removal: New Constr Or Replacements (5) | New Construction Or Replacements (6) | Salvage Relating To Retirements Without Replacements (7) | | |
| 601 | | 2018 3686 | | 3686 | 1 | 6,608.36 | 0.00 | 0.00 | 0.00 | 0.00 | 6,577.41 |
| | | | | | | 6,608.36 | 0.00 | 0.00 | AFUDC: 30.95 | 0.00 | 6,577.41 |
| 606 | | 2018 3738 | | 3738 | 1 | 7,973.06 | 990.83 | 0.00 | 0.00 | 0.00 | 8,916.02 |
| | | | | | | 7,973.06 | 990.83 | 0.00 | AFUDC: 47.87 | 0.00 | 8,916.02 |
| Grand Totals: | | | | | | \$ 14,581.42 | \$ 990.83 | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 15,493.43 |

55009

/pro/rpttemplate/acct/2.52.1/wo/WO_CLOSING_219.xml.rpt

treal

Orcas Power & Light Cooperative

Revision: 108578

| | | |
|--|--|---------|
| 12/17/2021 3:15:03 pm | RUS Form 219 Inventory Of Work Orders | Page: 3 |
| Period: NOV 2021 System Designation: WA 09 | | |
| Preliminary 202111 | | |

Inventory : 202111

| Budget | Loan | Project | Amount |
|---------------|------|---------|------------------|
| 1 | 601 | | 6,577.41 |
| 1 | 606 | | 8,916.02 |
| Total: | | | 15,493.43 |

BORROWER CERTIFICATION

WE CERTIFY THAT THE COSTS OF CONSTRUCTION SHOWN ARE THE ACTUAL COSTS AND ARE REFLECTED IN THE GENERAL ACCOUNTING RECORDS. WE FURTHER CERTIFY THAT FUNDS REPRESENTED BY ADVANCES REQUESTED HAVE BEEN EXPENDED IN ACCORDANCE WITH THE PURPOSES OF THE LOAN, THE PROVISIONS OF THE LOAN CONTRACT AND MORTGAGE, RUS BULLETINS, AND THE CODE OF FEDERAL REGULATIONS RELATIVE TO THE ADVANCE OF FUNDS FOR WORK ORDER PURPOSES. WE CERTIFY THAT NO FUNDS ARE BEING REQUESTED FOR REIMBURSEMENT OF CONSTRUCTION WORK IN A CBRA AREA.

SIGNATURE (MANAGER)

DATE

SIGNATURE (BOARD APPROVAL)

DATE

ENGINEERING CERTIFICATION

I HEREBY CERTIFY THAT SUFFICIENT INSPECTION HAS BEEN MADE OF THE CONSTRUCTION REPORTED BY THIS INVENTORY TO GIVE ME REASONABLE ASSURANCE THAT THE CONSTRUCTION COMPLIES WITH APPLICABLE SPECIFICATIONS AND STANDARDS AND MEETS APPROPRIATE CODE REQUIREMENTS AS TO STRENGTH AND SAFETY. THIS CERTIFICATION IS IN ACCORDANCE WITH ACCEPTABLE ENGINEERING PRACTICE.

INSPECTION PERFORMED BY

FIRM

LICENSE NUMBER

DATE

SIGNATURE OF LICENSED ENGINEER

55009

/pro/rpttemplate/acct/2.52.1/wo/WO_CLOSING_219.xml.rpt

treal

Board Officer Elections

The Board needs to elect officers to the OPALCO Board in keeping with our Bylaws and regulatory requirements.

Article V Section 2 of the Bylaws states “The officers shall be elected by ballot, annually by and from the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members.”

The Board is encouraged to discuss potential officers and those who are interested in serving. After discussion staff will distribute voting forms. Board members will be asked to vote electronically submitting their votes to the Recording Secretary during this meeting. The 2022-2023 Directors are as follows:

| Name | Island |
|-------------------|----------|
| Vince Dauciunas | San Juan |
| Mark Madsen | San Juan |
| Jeffery Struthers | Orcas |
| Rick Christmas | Orcas |
| Brian Silverstein | Lopez |
| Tom Osterman | Lopez |
| Jerry Whitfield | Shaw |

The following board positions to be elected are:

President

Vice President

Secretary-Treasurer

| Position | 2021-2022 | 2022-2023 |
|---------------------|-------------------|-----------|
| President | Vince Dauciunas | |
| Vice-President | Jerry Whitfield | |
| Secretary/Treasurer | Brian Silverstein | |

Staff will brief the Board on election procedures during discussion.

DISCUSSION ITEMS

Pilot Tidal Generation Update

As staff begins to conceptualize tidal power, Orbital Marine, Pacific Northwest National Laboratory (PNNL), OPALCO continues to coordinate efforts with another US DOE TEAMER grant and the WA DOC grant for preliminary design, pre-permitting environmental and biological efforts, and tribal and community outreach. The high-level schedule for outreach is as follows:

- Early July (post 4th July): Finalization of outreach materials. Initial outreach to Tribes (fisheries department, cultural department, and tribal council) to request meetings.
- Mid-July: Complete contact list and begin contacting tribes and regulatory agencies to introduce project and set up meetings. Possible site visit with project team and other project partners.
- Mid-Aug to Late September: Depending on staffing availability, meetings (either virtual or face-to-face depending on partners preference) with Tribes and regulatory agencies.
- Post Aug: Presentations to Tribal Councils

The goal is to define the pilot project to inform the planned outreach efforts beginning with the tribes. Concurrently, OPALCO is actively pursuing funding the project through both federal (Infrastructure, Investment and Jobs Act) and state (WA Governor supported funding) financial assistance. It's important for the project team to manage all aspects of the complex effort and will continue to provide regular updates to the Board as it matures.

Murray-Inslee DRAFT Lower Snake River Dams Benefit Replacement Report

OPALCO's position on the Lower Snake River Dams (LSRD) has been contingent on review of a reliable replacement plan for the power produced by the LSRD and a full funding solution. Senator Murray and Governor Inslee have released a DRAFT of a report that begins to address the complexity of issues involved with dam removal: <https://www.lsrdoptions.org/>. Public comment on the plan is open through July 11, 2022.

The plan states, in a nutshell, that "Replacement of LSRD benefits is possible – at significant cost and with a major infrastructure program" and "assumes that replacement actions would be in place before dam breaching so there is no loss of benefits." The cost to replace services provided by the dams are **estimated at \$10.3 - \$27.2 billion** – and anticipated costs are still not available for several necessary actions. A key component is that **Congressional authorization** would be needed before breaching could be considered – and would require establishing timelines and milestones for results, agreement on a comprehensive funding strategy, additional analyses to maximize benefits at all stages of the process, continued technological advancements and implementation of a significant infrastructure program.



The bottom line of the DRAFT report is that replacing the energy production of the LSRD would take time, funding, planning and collaboration across all stakeholders to ensure that the region's future clean energy goals are met, the region maintains a reliable system, and customers, especially the most vulnerable, are not overly burdened by increased electricity rates. The report state that the replacement portfolio must be in place and demonstrating that it is producing energy and providing services to the grid before breaching of the dams to avoid significant impacts to the regional energy system and the communities it serves.

As this report is finalized, OPALCO will review the plan and update its current position paper: <https://www.opalco.com/where-does-opalco-stand-on-regional-power-and-the-dams/2022/03/>.

REPORTS

General Manager

DASHBOARDS

Please review the dashboards at <https://www.opalco.com/dashboards>. Note that all the dashboards are within board approved strategic parameters.

Finance

- Budget Variance
- TIER/Margin
- Expense
- Cash
- Power Cost
- Purchased Power
- Annual Power Metrics
- Capital
- Debt/Equity
- WIP
- Income Statement Trends

Member Services

- Disconnects
- Uncollectable Revenue
- PAL
- EAP
- Membership
- Service Additions
- Annual Service Additions
- Revenue Dist. By Rate

Outage

- Historical SAIDI - Graph
- Historical SAIDI - Figures
- Outage Stats – Rolling 12 Mo
- Outage Stats – Monthly
- SAIDI by Category
- Outage Summary

QUICKFACTS

Please review the Quick Facts at <https://www.opalco.com/newsroom/quick-facts/>.

- OPALCO's Plan for our Energy Future
- Decarbonization – 4 Part Series
- Switch It Up!
- WA 2021 Energy Strategy
- Simpson Proposal and the Northwest Energy Evolution
- Will there be enough power?
- OPALCO Rates
- Energy Independence? Not entirely
- Rock Island Communications
- OPALCO election process
- Wireless Services
- Cost of Service
- Staff Compensation
- NRECA
- OPALCO Debt and Capital Projects
- Ocean Health
- NW Resource Adequacy in a Rapidly Decarbonizing World
- Land for Renewable Energy Projects
- Understanding the Change in Solar Rates
- Decatur Island Battery Storage Project
- Why Hydropower is Important to our Power Supply
- Where does OPALCO stand on regional issues and the dams?

ENGINEERING, OPERATIONS, AND INFORMATION TECHNOLOGIES

WIP

As of June 10, 2022, there are 420 work orders open totaling \$5.18M Operations has completed construction on 136 work orders, totaling \$1.76M.

Safety

John Spain of Northwest Safety Service conducted fire extinguishers training for operations staff. The total current hours worked without a loss time accident 142,286 hours.

Grants

Washington Department of Commerce - Grid Modernization

- San Juan Microgrid (Grant \$2.4M) (partnered with PNNL) – HDR and staff are working towards a 60% design to allow the RFPs to be published to potential vendors. Staff issued RFPs for battery systems in April 2022.
- WA DOC CEF4 Grid Modernization Grants. OPALCO has received conditional award of the following projects. This conditional award awaits the negotiation of contracts with WA DOC and final approval to proceed.
 - San Juan Islands Tidal Generation Conceptual Design (Phase 1 – Preliminary Design Only) – Staff and subcontractors are in process of pre-permitting and outreach activities. \$150K
 - Friday Harbor Ferry Electrification Preliminary Design (Phase 1 Only) – Scoping for WA DOC contract is underway. Staff is working with WA DOC on interfacing with WSF while negotiating the WA DOC contracting. \$150K
 - Orcas Biomass (Phase 2 – Detailed Design) – On hold until contracting for prior projects have been completed. \$165K

Washington Department of Commerce – Clean Energy Fund 3 Solar (partnered with PNNL)

- Low-Income Community Solar Deployment (Grant \$1M) – Staff has selected a contractor and is processing the contract.

US Forest Service (minor in-kind efforts only)

- Biomass Generation with Biochar (60% Design Grant \$72,835) – Design process is ongoing.

FINANCE

2022 Budget Tracking

Energy (kWh) purchases and sales began the year higher than budgeted through May 2022. kWh sales included the historic 'cold-snap' for both December and January billing cycles, resulting in our highest kWh peak (82MW) for a month. This was curtailed by a below-average February which also included an ECA credit of ~(\$545k). Overall, gross operating revenue is just above budget by ~\$471K & purchased power was above budget by ~\$515k. This was curtailed by the ECA which has collected a net ~137k through May. The table presents full year 2022 projection with actuals for prior months where available.

| Income Statement Summary (in thousands) | 2022 Projection (actuals for prior months) | | |
|--|--|-----------|----------|
| | Budget | Projected | Variance |
| Operating Revenue | \$ 34,261 | \$ 34,732 | \$ 471 |
| ECA Surcharge / (Credit)* | \$ - | \$ 137 | \$ 137 |
| Revenue | \$ 34,261 | \$ 34,869 | \$ 608 |
| Expenses: | | | |
| Cost of Purchased Power | \$ 9,496 | \$ 10,011 | \$ 515 |
| Transmission & Distribution Expense | 7,057 | 6,826 | (231) |
| General & Administrative Expense | 6,022 | 5,843 | (179) |
| Depreciation, Tax, Interest & Other | 8,578 | 8,733 | 155 |
| Total Expenses | 31,153 | 31,413 | 260 |
| Operating Margin | 3,108 | 3,456 | 348 |
| Non-op margin | 285 | 294 | 9 |
| Net Margin* | 3,393 | \$ 3,750 | 357 |
| OTIER** | 2.52 | 2.71 | 0.19 |
| TIER** | 2.64 | 2.86 | 0.22 |
| Equity % | 39.9% | 40.1% | 0.2% |
| HDD | 1,375 | 1,419 | 44 |
| kWh Purchases | 220,000 | 233,956 | 13,956 |
| kWh Sales | 206,800 | 218,868 | 12,068 |

* The ECA collected \$137k from members through May 2022

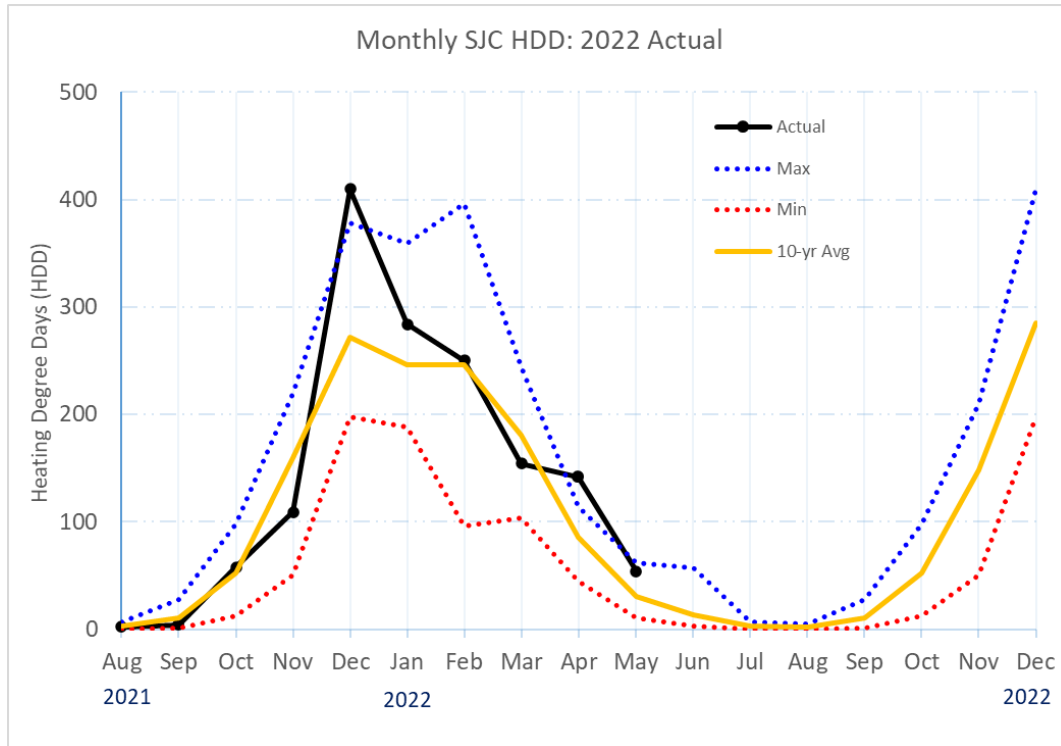
** TIER is a 'full-year' metric, thus not representative in early months as there has not been an accumulation of interest expense

Monthly Energy Charge Adjustment (ECA)

The calculated amount for the May ECA was a bill credit of \$.002393 per kWh which returned \$41,743 to members, or \$2.39 per 1,000 kWh. The June billing period ECA is projected to be a bill credit of \$.001582 per kWh on member bills, or \$1.58 per 1,000 kWh. The exact amount of the ECA is an estimation based on known kWh sold and a recalculation of our contractual power bill, which may occasionally include other one-time factors or adjustments.

Heating Degree Days (HDD)

December saw a very cold weather snap and HDDs came in above the 10-yr maximum. January – March 2022 began trending more towards historical averages, with April-May coming in with a more La Nina pattern. We continue to monitor weather trends monthly.

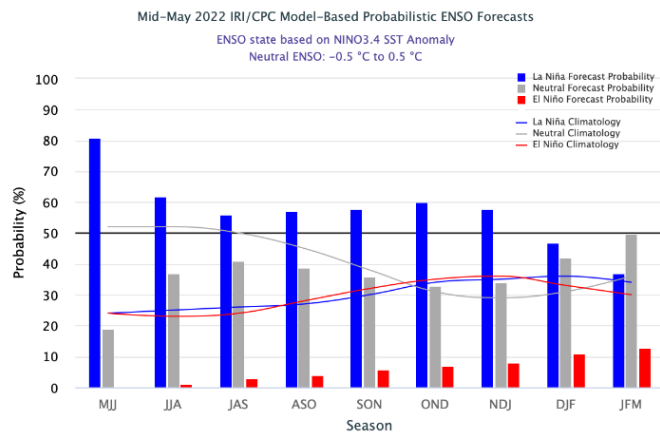
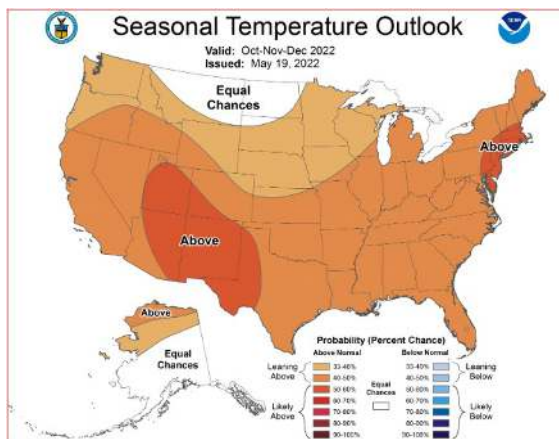


*10-year max, min, avg is 1912-2021

Weather Forecast

Looking ahead to the NOAA 'three-month outlook temperature probability' for Oct-Nov-Dec 2022, the outlook is currently showing 'leaning above' normal temperatures in our region in the coming early winter months. We continue to monitor these predictors monthly.

2022 Oct-Nov-Dec Outlook



Source: NOAA National Weather Service



Paycheck Protection Program (PPP) Loan

Key Bank notified the OPALCO staff that the Small Business Administration (SBA) was reviewing the OPALCO PPP loan. The review was portrayed as routine and was well within their rights to review any PPP loan of any size at any time at its discretion. All documentation requested was provided and staff are awaiting any additional requests or the resolution of the SBA review.

MEMBER SERVICES

Annual History of Energy Assistance Funding

All values are as of first of the month reported.

| | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Grand Total |
|-------------------------|------------------|--------|--------|--------|---------|---------|---------|---------|---------|---------|-------------|
| Energy Assist Credit | # of Accounts | | | 241 | 407 | 444 | 460 | 574 | 577 | 477 | 1,041 |
| | Total Assistance | | | 29,151 | 81,957 | 111,996 | 135,595 | 158,434 | 158,740 | 73,076 | 748,949 |
| PAL | # of Accounts | 180 | 226 | 228 | 217 | 212 | 205 | 329 | 363 | 203 | 1,009 |
| | Total Assistance | 31,560 | 46,345 | 46,885 | 48,833 | 45,155 | 53,137 | 80,975 | 104,880 | 52,212 | 509,983 |
| EAP Residential - COVID | # of Accounts | | | | | | | 88 | 74 | 63 | 98 |
| | Total Assistance | | | | | | | 21,535 | 27,606 | 8,323 | 57,464 |
| EAP Commercial - COVID | # of Accounts | | | | | | | 107 | 97 | 79 | 119 |
| | Total Assistance | | | | | | | 73,340 | 87,233 | 21,998 | 182,570 |
| PAL - COVID | # of Accounts | | | | | | | 131 | 122 | | 222 |
| | Total Assistance | | | | | | | 15,000 | 12,200 | | 27,200 |
| Grand Total | # of Accounts | 180 | 226 | 325 | 447 | 460 | 488 | 835 | 825 | 679 | 1,537 |
| | Total Assistance | 31,560 | 46,345 | 76,036 | 130,790 | 157,151 | 188,732 | 349,283 | 390,659 | 155,609 | 1,526,166 |

Note: EAP funds are collected, primarily, from a program OPALCO created by including a line item on all OPALCO member bills. Additional funds are directed to the EAP from the Decatur Solar Project (10% of all production credits). In 2020/2021, additional funds (not included in this chart) were paid out to members who were impacted by COVID. When the Bailer Hill Microgrid Projects comes online, up to 45% of its production will be directed to EAP. The “# of Accounts” are the distinct accounts assistance was provided to over the year or as a total. The “Total Assistance” many vary based on single account adjustments.

EAP: During May 2022, 265 members received ~\$9.9k from the low-income Energy Assist program, compared to 261 members who received ~9.6k in assistance in May 2021.

Project PAL: The 2021/2022 PAL season was completed in April

T-RAP: Treasury funds for Rental Assistance and Utilities continue to be available through 2022.

LIHEAP: Low Income Home Energy Assistance Program awards continue to be applied to members accounts.

Switch it Up!

There are now 282 projects complete and billing for a total of \$2.9M outstanding. There are another 37 projects in various stages of the process. Some projects have been delayed as residential contractors have been limited by COVID-19 and supply chain issues. Staff have made the new Switch It Up measures available and have received lots of interest from members.

Energy Savings

There were 22 rebates paid out to members totaling \$37.4k. This includes six fuel switching ductless heat pump rebates and two EV charging station rebates.

Member Benefits from Energy Efficiency and Fuel Switching Programs:

OPALCO is committed to helping members prepare for an efficient and sustainable energy future with programs, incentives, and rebates. All values are as of first of the month reported.

| | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------|-----------------------------------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|-------------|
| EE Rebates* | # of Accounts | 490 | 524 | 266 | 155 | 264 | 442 | 303 | 147 | 66 |
| | Total Awards | \$367,552 | \$359,835 | \$146,601 | \$84,809 | \$161,262 | \$228,418 | \$167,432 | \$149,886 | \$84,580 |
| | Total Energy Savings (annual kWh) | 1,423,477 | 1,696,662 | 731,392 | 896,425 | 479,323 | 733,432 | 783,431 | 359,269 | 128,088 |
| Switch It Up** | # of Accounts | | | | | | 72 | 87 | 69 | 71 |
| | Total Financed | | | | | | \$684,900 | \$687,589 | \$705,446 | \$1,437,411 |

| 2014-2022 | | Totals |
|----------------|----------------|--------------------|
| EE Rebates* | # of Accounts | 2,657 |
| | Total Awards | \$1,744,361 |
| Switch It Up** | # of Accounts | 299 |
| | Total Financed | \$3,515,347 |
| Total | | \$5,259,708 |

*BPA includes the cost of the Conservation (Rebate) program in the power bills that OPALCO pays. When members utilize the rebates and OPALCO documents it, the Co-op then gets credited back that amount. In essence, we are overbilled for the rebate program and only get credited if members utilize the rebates. OPALCO is unique in the pool of BPA utilities for consistently using all or most of the available conservation dollars in this program. We have often used conservation funds allocated to other Co-ops that they were unable to use through their member rebate programs.

**Funds for the Switch it Up! Program come from the USDA Rural Energy Savings Program for relending to members. OPALCO charges 2% interest to cover administrative costs for members financing projects with these funds; there is no impact to member rates.

Solar Programs

Interconnects

There were 10 new interconnect applications submitted in May and six members were interconnected with solar for a total of 547 (<https://energysavings.opalco.com/member-generated-power/>). There are an additional 29 pending connection. 303 members have already opted out of the new solar rate and wish to remain on the legacy tariff.

Community Solar

During the May 2022 billing cycles, the [Decatur Community Solar](#) array produced 58,320 kWh. A total of ~\$6,066 was distributed to 267 accounts.

Solar Benefits Paid to Members

All values are as of first of the month reported.

| | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|
| Comm Solar | # of Accounts | | | | | | | 265 | 268 | 267 |
| | Total Payments | | | | | | | \$50,688 | \$51,928 | \$14,879 |
| WA State Incentives* | # of Accounts | 136 | 162 | 171 | 197 | 268 | 256 | 259 | 58 | 0 |
| | Total Payments | \$100,425 | \$100,000 | \$114,037 | \$125,635 | \$167,971 | \$224,766 | \$218,222 | \$91,461 | \$0 |
| MORE** | # of Accounts | 104 | 132 | 147 | 149 | 145 | 144 | 144 | 140 | 0 |
| | Total Payments | \$58,451 | \$50,674 | \$52,587 | \$53,259 | \$54,173 | \$53,109 | \$51,897 | \$50,896 | \$0 |

| 2014-2022 | | Totals |
|----------------------|----------------|--------------------|
| Comm Solar | Total Payments | \$117,495 |
| WA State Incentives* | Total Payments | \$1,142,517 |
| MORE** | Total Payments | \$425,046 |
| Total | | \$1,685,058 |

*The funds paid out to members for the Washington State Incentives are included in OPALCO's state tax bill and then credited when paid out to members.

**The MORE (Member Owned Renewable Energy) program closed to new participants in 2016. Members purchased "green leaves" of renewable power to support local solar producers. OPALCO fully supported this voluntary member program until member interested died out.

COVID-19 UPDATE

San Juan County is still experiencing a high number of COVID-19 cases. The OPALCO offices will remain closed to the public while staff continue to monitor the situation to ensure OPALCO's staff remains healthy and can keep business running seamlessly. See the following link with the latest information from San Juan County: <https://www.sanjuanco.com/1668/2019-Novel-Coronavirus>

COMMUNICATIONS

EV Jamboree

An estimated 300 people attended OPALCO'S second EV Jamboree on June 8th at the San Juan County Fairgrounds. There were about 30 EVs to see up close including a new Kia EV-6 Wind Tech model from Jerry Smith Kia and member-owned cars across the spectrum including models from Tesla, Kia, Nissan, Volvo, Fiat, VW, Hyundai, Toyota and Chevy. Event goers loved the kit EV built by Friday Harbor eighth graders in the STEM program, a cherry 1950 VW beetle electric conversion, and an electric motorcycle.

Thanks to local member businesses that brought their electric wares to the Jamboree: Harbor Rental & Saw Shop with electric garden tools – including the new robotic mower; Cycle San Juans with electric bikes to test ride; and Suzie's Mopeds with electric scooters and the F.U.V. (fun utility vehicle) for a torquey ride around the fairgrounds. Thanks to Adam Greene of Oak Knoll Farm whose lamb petting pen was a big hit. Adam's sheep are grazing the Bailer Hill Microgrid Project site where OPALCO's next community solar project will be constructed in 2023.

Staff from Sustainable Connections were on hand to discuss the Energize San Juans program: putting powerful energy audits, tools, resources, and technical support in the hands of local businesses for efficiency and solar projects – and also the Community Energy Challenge that helps both residential and commercial co-op members access incentives for greater energy efficiency. Transitions San Juan set up a demonstration EV charging station to explain how charging works. OPALCO staff handed out information about EVs, energy efficiency and community solar – as well as some useful Island Way swag to inspire the transition away from carbon.

There were hot dogs on the BBQ for everyone, games on the lawn and special kid activities and coloring books. It was a warm and friendly opportunity to talk with members and to learn more about EVs. OPALCO will plan the next EV Jamboree once the current supply chain issues are resolved in the hopes of getting more new cars from the mainland for members to see and drive. It's a great way to for members to continue their research for making the switch!



Island Way Workshop: How will climate change affect your power bill

This workshop was not well attended despite over 20 registering for the event. Staff recorded the workshop so members can view: <https://www.youtube.com/watch?v=7gMfYwLaqkE>.

Energize San Juans: Commercial Audits and Solar

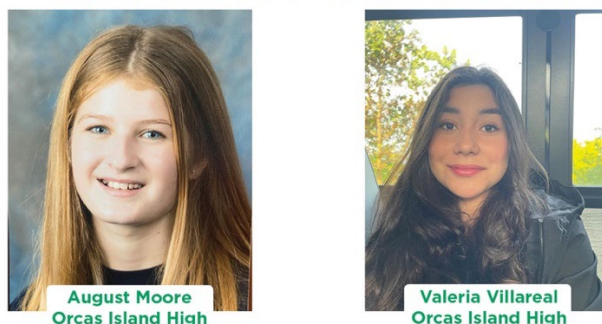
OPALCO and Sustainable Connections will hold the first in a series of workshops to educate members about the Energize San Juans program on June 28th @ 5pm via Zoom (register online at www.opalco.com). The Energize San Juans program provides discounted energy audits, solar assessments and a powerful package of tools, incentives, and access to grants for businesses that want to increase their energy efficiency, consider solar and future proof their buildings for cost savings. OPALCO has a grant from the USDA to provide up to 20 commercial audits: first come, first served. In addition to the resources provided by the grant and Sustainable Connections, commercial co-op members can finance their projects – up to \$100k per member – on their OPALCO bill (@2%) and get projects started with no money down.

Nourdine Jensen Cooperative Youth Scholarship Program

Five students from San Juan County high schools were selected to receive a \$1,000 Nourdine Jensen scholarship (for college or other post-high-school programs). The 2022 Scholars are: Valeria Villarreal Rosales and August Moore of Orcas High School; and McKenna Clark, Luke Fincher and Satchel Bourne of Friday Harbor High School. The Scholars will attend the Cooperative Youth Rally and leadership camp at The College of Idaho in July. Learn more about the program: <https://www.opalco.com/opalco-community/youth-rally-scholarship/>. Thanks to the family of past OPALCO Board Member Nourdine Jensen for their support of the scholarship program.



2022 OPALCO Youth Scholars

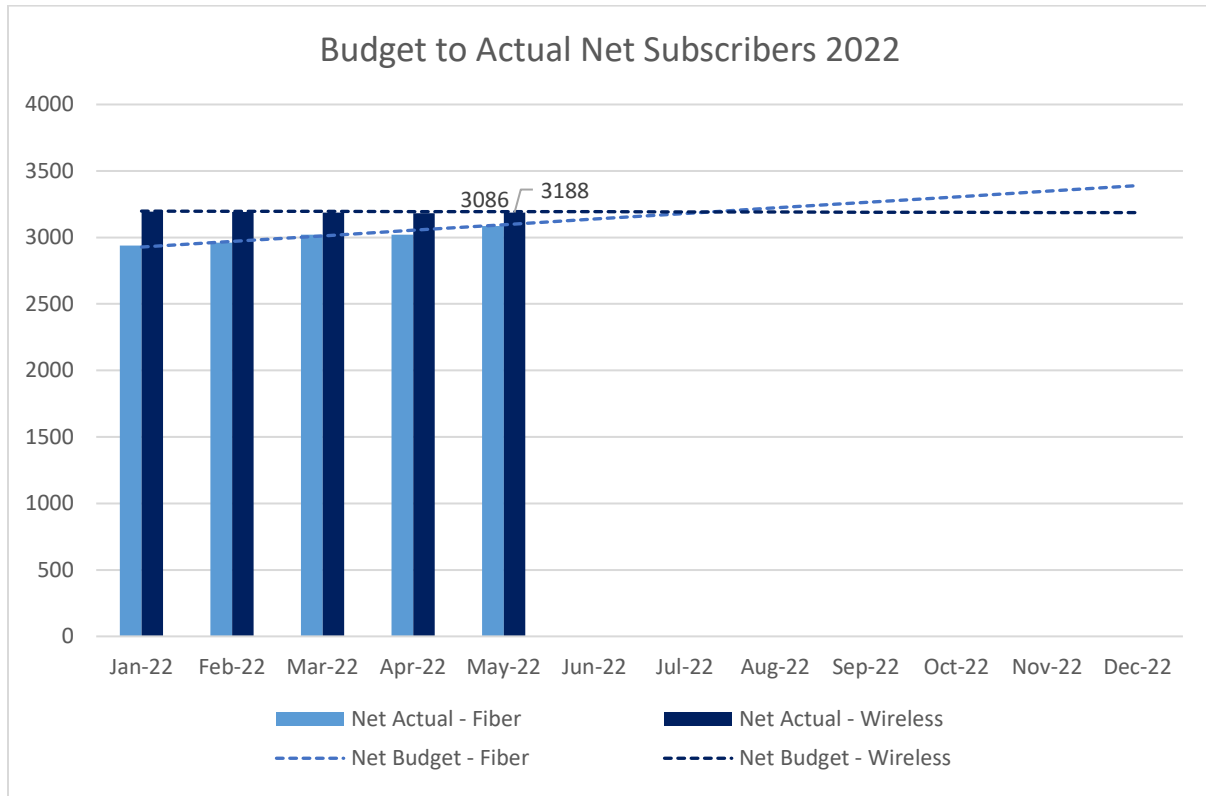


ROCKISLAND

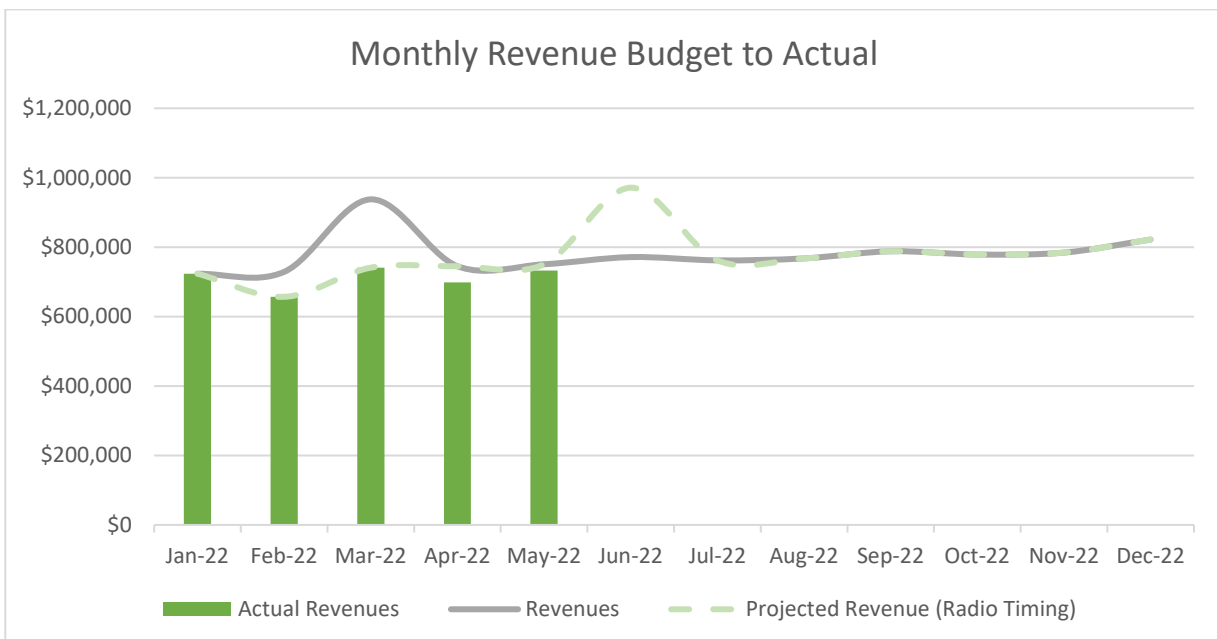
Rock Island Snapshot

- 6,511 Internet Service Customers

Net Subscribers



Revenues



*Previous months revenues are not closed out and are subject to change. Normal dip in February is due to total recognized revenue days in month.