



Board of Directors

Regular Meeting

Thursday, November 16, 2023
Virtual Meeting via Zoom

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
November 16, 2023, 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

ACTION ITEMS.....	3
Consent Agenda.....	3
Special Retirement to Uncollectable Accounts	6
General Retirement of Capital Credits.....	6
2024 Board Meeting Dates	7
DISCUSSION ITEMS	8
OPALCO BUDGET 2024	8
Q3 Financials	10
REPORTS.....	11
General Manager	11
DASHBOARDS.....	11
QUICKFACTS.....	11
ENGINEERING, OPERATIONS, AND INFORMATION TECHNOLOGIES.....	12
FINANCE	13
MEMBER SERVICES	15
COMMUNICATIONS	17
Rock Island Snapshot	19

EXECUTIVE SESSION

Legal, Personnel, Competitive, Other

ADJOURNMENT

ACTION ITEMS

Consent Agenda

All matters listed on 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 at the 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 – October 2023

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

ABEL-FLYNN, LYNN
ALDSTADT, CALEB
ARMSTRONG, CAMOLYN
BANK, REGAN
BENNETT, KRISTINE
BRASINO, JOHN & THERESE, BRASINO
CHAIRES, ISAC
CIACIURA, CHRISTINE
COBURN, KARI & COBURN, WILLIAM
CODE CRACKER EDUC, ATION LLC
CRUZ, CAMILLE
DORSEY, CHAD
EBERHARD, MARTIN
EVERSON, KRISTY
HANDLER, LILLY & HANDLER, WOLFGANG
HARBOR HILL HOA
HARRISON, KENNETH & HARRISON,
KATHRYN
HOLCOMB, CYNTHIA & HOLCOMB, DAN
KILPATRICK BOE, MIRREN
KIRKPATRICK, DAVID & KIRKPATRICK,
CRISTAL
LOPEZ, HAIDE
MULLIS COMMUNITY, SENIOR CENTER
RALSTON, DAVID
RESHOVSKY, ZACHARY
ROBERSON, CORY
ROT, BYRON
RUSK, AIDAN
SMITH, SHAYNE & ELLIS, OWEN
SOTO, JAFET
SOUND HANGAR LLC
THE 10TH HOUSE LLC
WALL, KEITH & WAGNER, APRIL
WHEELER, WILLIAM & WHEELER, CYNTHIA
WHITE, DEREK
WOODS, JOHN & WOODS, LESLIE
YACOBELLIS, PETER

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

CIER, JAMIE
CRUM, BRIAN
CULP, JOSH
FIENBERG, ALLEN & SULLIVAN, ROBIN
FORSYTHE, STEPHEN
HAGEL, MALLORY
HARTZ, KYLE
HULL, RICHARD
JONES, CLAIRE & JAFFRAY, ANDREW
KALAHAR, MICHAEL & KALAHAR, CAROLE
KRUSE, JAMES & KRUSE, DAO
LEDGERWOOD, ANNALIZA
NAUMANN, RACHEL
OLSON, MADELINE
ORCAS WINDOW AND, DOOR
SCENIC LANE HOLDI, NGS LLC
THE SHOCKLEY FAMI, LY TRUST
WA INSTITUTE OF N, ATURAL SCIENC
WARREN, REBECCA
WCC TRANSPORT LLC
WESTMORELAND, GREGORY
WILSON, BLAKE & MCLENNA, JENNA

District 3 (Lopez, Center, Decatur, Charles)

DREWS, FRANK & PASUPATHI, MONISHA
DUPUIS, ANDREA
GRENVILLE, ANDREW & JAMES, DENA
HANLEYBROWN, JASON & HANLEYBROWN,
FAY
JOHNSON, AARON & LAAKSO, TARYN
KELLNER, GAYLE
LIBY, PATRICK
MOTTOLA, PHYLLIS
PRENDERGAST, JOHN
SHURTZ, SCOTT & SHURTZ, LISA
SISLEY, AUSTIN & SISLEY, ERIKA
THOMAS, MAIA

District 4 (Shaw, Crane, Canoe, Bell)

LINVILLE, KAREN

C



Capital Credits

Staff requests payment of capital credits to the estates of the following deceased members and/or to organizations no longer in business by way of approval of the consent agenda:

November	
Customer #	Amount
62434	1,311.96
71445	582.24
51060	626.19
Total	\$ 2,520.39

Staff requests a motion to approve the Consent Agenda.



Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, October 20, 2023

Streaming through Zoom attendees were Board members Vince Dauciunas, Jerry Whitfield, Brian Silverstein, Mark Madsen, Tom Osterman, Chuks Onwuneme, and Jeff Struthers. 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) and Head Accountant Travis Neal. Also present were Legal Counsel Joel Paisner and consultant Jay Kimball.

Members in attendance: Robert Dashiell, Ron Zee, Derek Hill, Nancy Webb, Wendy Hiester, Rob Memmott, Heather Nicholson, Jami Mitchell, John Fleischer, James McCubbin

Meeting commenced at 8:30 a.m.

Member Comment Period: Heather Nicholson (kwh purchases v sold), Nancy Webb (grange, LSRD)

ACTION ITEMS

CONSENT AGENDA

MOTION was made by Madsen to accept the consent agenda, seconded by Struthers, and passed unanimously by voice vote.

DISCUSSION ITEMS

2024 Budget Drivers – Staff reviewed weather conditions that influence heating degree days and budgeting for kwh sales. Discussion ensued.

SJC Climate and Sustainability Committee Update – Dauciunas gave an update on activities and timeline of sustainability and climate planning in San Juan County. Discussion ensued.

REPORTS

GM REPORTS – Staff reviewed reports, dashboards, grant and budget tracking, and project updates.

Break: 10:30 – 10:45

Executive Session: 10:45 – 11:40

Meeting Closed: 12:30 pm

Vince Dauciunas, President

Brian Silverstein, Secretary-Treasurer



Special Retirement to Uncollectable Accounts

Staff has transferred delinquent inactive accounts to an uncollectable account (UA) status. The next step in this process is to proportionately apply previously allocated member capital credits to UA balances.

It is important to note that our billing software ‘flags’ accounts and associated capital credit payment processes when member accounts are transferred to the status of uncollectable. When staff processes the year-end check run to pay allocated member capital credits, our software will first pay uncollectable account balances before issuing a capital credit check for any remaining balance.

Staff is requesting that \$2,443.10 of member capital credits be applied to UA balances. The member capital credit allocation transfers are as follows:

Capital Credits Applied to UA Balance	\$2,443
Discounted Capital Credits Remain in Equity	11,544
Total Capital Credits Retired	\$13,987

Staff recommends the board make a motion to approve the use of member allocated capital credits to reduce and/or offset individual member delinquent UA balances as referenced in the Capital Credit /Bad Debt Payment Program report.

General Retirement of Capital Credits

The purpose of this memorandum is to obtain Board approval to fund the general retirement of capital credits. Please note staff are continuing with the concept of smoothing, whereby we fund the remaining unretired balance from 1998 and a portion of 1999 as follows.

Year (% of unretired)	Retirement	Projected Checks
1998 (~100%)	\$605,697	~\$466,466
1999 (~47%)	\$794,303	~\$611,717
Total	\$1,400,000	~\$1,078,183

Please note, the difference between the Retirement and Projected Checks above are individual members who in most cases have inactive accounts, moved out of the service territory, and have not updated their contact information.

This will continue our 25-year retirement rotation and capital credit retirement smoothing methodology established by the board in December 2017. As a reminder, smoothing the annual general retirements produces a predictable schedule that will allow us to not only stay ahead of the 25-year retirement schedule, but also avoid fluctuations in margins, cash and equity stemming from capital credits.

Staff is requesting a motion to approve the payment and retirement of capital credits for the remainder of 1998 and a portion of 1999, as outlined above.



2024 Board Meeting Dates

The 2024 OPALCO Board and Rock Island Communications (RIC) meetings will be held via Zoom. The Board Meetings are typically on the third Thursday of each month (12 meetings annually) and quarterly RIC meetings to be held after regular OPALCO meetings.

Proposed dates are as follows:

- January 18
- February 15
- March 21 OPALCO/RIC
- April 25 Business Annual Meeting & Regular Board Meeting
- April 26 Annual Member Appreciation Event
- May 16
- June 20 OPALCO/RIC
- July NO MEETING
- August 15
- September 19 OPALCO/RIC
- October 17
- November 21 OPALCO/RIC Budget
- December 19

DISCUSSION ITEMS

OPALCO BUDGET 2024

Under separate cover you will find the complete 2024 Budget Presentation. Consistent with last year's projections, staff is recommending a 6% average rate increase for the 2024 budget year and forecasting 6% over the following four years. Staff is recommending that our 2024 budget revenue increase from \$36.3M (projected 2023) to \$37.4M to meet our financial, operational and capital project commitments. The projected figures for years 2025 through 2028 are for reference only, as future years will be reviewed annually during our normal budgeting process.

OPALCO is strategically positioned to address the future power needs of our membership and sustain our island communities through the escalating costs and challenges of the carbon-free economy. With Washington's Clean Energy Transformation Act (CETA), the clock is now ticking. OPALCO has the expertise in its Board, management and team to get the job done; and, thanks to the foresight of recent past boards, we have built the modern grid and communication infrastructure required to succeed. OPALCO continues to seek federal and state grants and find success in leveraging awards to support the design and construction of the projects that will help to develop the local energy resilience we require to thrive in the new paradigm of electric transportation, renewable generation, grid modernization and the changing price signals in the power industry. As a small cooperative, our ability to make this transition is limited by two key factors: our ability to leverage grant funds as we must keep rates affordable for our membership, and acquisition of a new, redundant submarine cable to the mainland to increase our capacity to match the increased load of decarbonization.

The Island Way Campaign made significant progress toward inspiring transformative action and increasing participation in programs such as Switch it Up, commercial upgrades, efficiency rebates and a course correction on retail rate structure. There are more than 600 member projects completed for a total of \$10.6M in USDA Rural Energy Savings Funds in play (out of total available funds of \$46.8M), which is reflected in the Co-op's equity position. The Board's decision in 2022 to open the program to greater measures (including solar) and raise the ceiling to \$100,000 per membership resulted in a dramatic uptick in project starts and total dollars in play each year: from \$698k in 2021 to \$4.45M in 2022 and a projected \$4.6M in 2023.

There are very few discretionary expenses in the budget and staff continually look for ways to reduce costs. The Co-op budget is tightly constrained: one-third for power costs; one-third for labor (bargaining unit and competitive wage rates) and most of the final third in fixed costs such as plant, mortgage and operations; discretionary expenses are largely limited to member facing programs. Labor is always a major factor in budgeting. Staffing levels fell to a low of 42 through the pandemic and due to the highly competitive environment for qualified line workers among electric cooperatives. OPALCO filled five open positions in 2023 and expects to fill two more vacancies in 2024 to bring the total FTE up to 49. With housing scarcity and inflationary cost of living challenges, hiring has been difficult. OPALCO is budgeting for worker housing to be developed on the back lot of the Eastsound headquarters in 2025 to address employee hiring challenges.



Inflation is driving escalating expense in the budget: supply chain issues, rising cost of materials and hiring costs are all contributing to a higher cost of service for the same level of system reliability.

OPALCO is committed to programs that help its most vulnerable members keep up with the rising cost of power. Since 2018, OPALCO energy assistance programs have provided >\$1.5M to members in need. The 2024 Budget once again raises the Energy Assist bill credit amounts to offset the rate increase. In late 2024, we are forecasting for the Bailer Hill Microgrid Project to come online (contingent on permitting approval from San Juan County) to generate additional support for the low-income program thanks to a \$1M grant through the Department of Commerce. This strategy is a key part of OPALCO's plan to support low- and fixed-income members through the carbon reduction transformation in the region. OPALCO streamlined applications for both energy assistance programs – Energy Assist and Project Pal – with new online forms that provide a quick eligibility test for members and make it easy to apply.

The 2024 budget continues to align our operations to the mission statement of providing safe, reliable, cost effective, and environmentally sensitive utility services. This budget prepares OPALCO to meet the marks set out in our energy road map:

TODAY: Make the most of our available resources. Incentivize all electric homes through Switch it Up program and the all electric pilot rate that rewards fuel switching to electricity. Reduce members' total energy budget through electrification of transportation and heating. Leverage grants, state and federal programs to 1) help members increase efficiency and position themselves for sustainability in the rapidly changing energy economy and 2) plan for major upgrades required to meet decarbonization targets and electric ferry deployment.

TOMORROW: Increase local resilience. Bring more local utility-scale microgrid projects on, leveraging our dynamic grid and building emergency back-up power for emergency services. Prepare for grid parity when renewables (local and regional) will be less expensive than our mainland power provider. Explore demand response programs to reward time of use and peak shaving technologies. Explore rate structure options that guarantee collection of revenue to cover fixed costs of operations.

FUTURE: Give members more control. With the devices and connections OPALCO and Rock Island facilitate, members will participate more actively in making decisions about their power usage in response to real time price signals and demand response. OPALCO's system must evolve to include the equipment, automated control and power supply capacity necessary to manage full adoption of EVs, local distributed power generators and battery storage units – as well as smart home appliances and devices.

The 2024 budget includes some key capital projects: the Bailer Hill Microgrid Project (on San Juan Island), delayed due to supply chain issues, is on track for construction of the solar array with the battery storage component scheduled for 2024; substation upgrades are planned for Friday Harbor, Olga and Orcas; the Center Island submarine cable will be replaced; and routine replacement of 12 miles of URD as well as routine replacement of distribution and transmission poles.

We curtailed expense during the pandemic knowing the challenges it would present in future years. The rate increases forecast for the next four years must reposition the Co-op's equity for major capital projects on the horizon including several costly submarine cable replacement projects.



Staff recommends the Board make a motion to approve the 2024 budget as submitted, including a 6% rate increase to be applied equally across the fixed and energy charges. Individual tariffs would come before the Board for a second read in December with the increase applied to all tariffs for review and approval.

Q3 Financials

The 2023 Q3 Financial Report is distributed under separate cover. Summary below.

The 2023 third quarter financial report is posted online and included under separate cover. The third quarter results are consistent with the budget. Included in the report package are the Statement of Revenues and Margins (along with a notable driver analysis), Balance Sheet, Statement of Cash Flows (GAAP), and capital projects budget tracking.

The energy charge adjustment (ECA) returned a net \$649k to the membership through Q3 2023. This is driven by a combination of higher kWh sales, lower power costs than budgeted due to BPA dividend credits that were included through April'23 and an ECA credit of ~\$250k in January, related to a kWh sales spike in December of 2022. The board approved, at the May 2023 regular meeting, a prospective adjustment to the Tariff ECA calculation which became effective as of the date of the board action, May 18th, 2023. The calculation now excludes the Bonneville Power Administrations' provision known as the Reserves Distribution Clause (RDC) from the total purchased cost of power. Overall operating revenue was higher than budget with kWh sales coming in slightly over budget.

The table below presents the projection of full-year 2023 financial results using actuals from Q3 and budget projections for future months.

Income Statement Summary (in thousands)	2023 Projection (actuals for prior months)		
	Budget	Projected	Variance
Operating Revenue	\$ 35,809	\$ 36,915	\$ 1,106
ECA Surcharge / (Credit)*	\$ -	\$ (604)	\$ (604)
Revenue	\$ 35,809	\$ 36,311	\$ 502
Expenses:			
Cost of Purchased Power	\$ 9,631	\$ 8,887	\$ (744)
Transmission & Distribution Expense	7,780	8,831	1,051
General & Administrative Expense	6,621	6,068	(553)
Depreciation, Tax, Interest & Other	9,537	9,531	(6)
Total Expenses	33,236	33,317	(252)
Operating Margin	2,730	3,737	1,007
Non-op margin	457	743	286
Net Margin*	\$ 3,187	\$ 4,480	1,293
OTIER	2.31	2.90	0.59
TIER	2.53	3.28	0.75
Equity %	39.7%	41.3%	1.6%
HDD	1,367	1,250	(117)
kWh Purchases	222,000	227,956	5,956
kWh Sales	208,700	211,276	2,576

* The ECA returned \$604k to members through Oct 2023. The credit is partially driven by BPA dividend credits (of \$426k in Q1) included in, and artificially reducing Cost of Power.

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?
- Future Power Purchase Strategy
- Industry Association Memberships and Co-op Benefits
- Climate Change News Review - September 2022
- OPALCO Tidal Energy Pilot Project
- Solar Rate for Residential Members
- Right-of-Way Program
- Inflation Reduction Act (IRA) Benefits
- Wildfire Mitigation
- Surge Protection
- OPALCO Needs a New Submarine Cable



ENGINEERING, OPERATIONS, AND INFORMATION TECHNOLOGIES

WIP

As of November 9, 2023, there are 455 work orders open totaling \$13.0M. Operations has completed construction on 179 work orders, totaling \$5.5M.

Safety

Northwest Safety Service conducted Accident Investigation and Hazard Awareness for operations. The total current hours worked without a loss time accident 286,708 hours.

Grants

Grant Seeking

Grant Program / partner	Funder	Project Title (\$\$)	Grant \$\$	Matching \$\$	Timeline
Energy Improvement in Rural or Remote Areas (ERA)	DOE	Submarine Cable Project (\$100M)	\$80M	\$20M	Determination in 11/2023
Water Power Technology Office	DOE	Pilot Tidal Project (\$60M)	\$35M	\$25M	Determination in 11/2023
Clean Energy Fund 5 / partner to Port of Orcas	WA Dept of Commerce	EV Charging Project – Orcas	n/a	n/a	TBD

Grant Awards

Grant Program / partner	Funder	Project Title (\$\$)	Grant \$\$	Matching \$\$	Timeline / Notes
Zero Energy Vehicle Infrastructure (ZEVI) / partner with OPAL CLT	Bonneville Environmental Foundation	EV Chargers for OPAL Neighborhoods (\$45k)	\$25k	\$20k	Working with OPAL Install in 2024
Remote Communities Broadband ARPA	WA State Broadband Office	Last Mile Broadband	\$15M		In contracting
Clean Energy Fund 3 Grid Modernization	WA Dept of Commerce	Bailer Hill Microgrid	\$2.4M	\$2.4M	Land Use Permitting
Clean Energy Fund 4 Grid Modernization	WA Dept of Commerce	San Juan Islands Tidal Generation Conceptual Design (feasibility study)	\$150k	\$150k	Q4 2023
		Friday Harbor Ferry Electrification Prelim Design	\$150k	\$150k	Q4 2024
Clean Energy Fund 3 Grid Modernization	WA Dept of Commerce	Low Income Solar – Bailer Hill Microgrid	\$1M	\$1M	2024



FINANCE

2023 Budget Tracking

Energy (kWh) sales were slightly higher than budgeted levels through October 2023. The table presents the full year 2023 projection with actuals for prior months where available.

Income Statement Summary (in thousands)	2023 Projection (actuals for prior months)		
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HDD	1,367	1,250	(117)
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kWh Sales	208,700	211,276	2,576

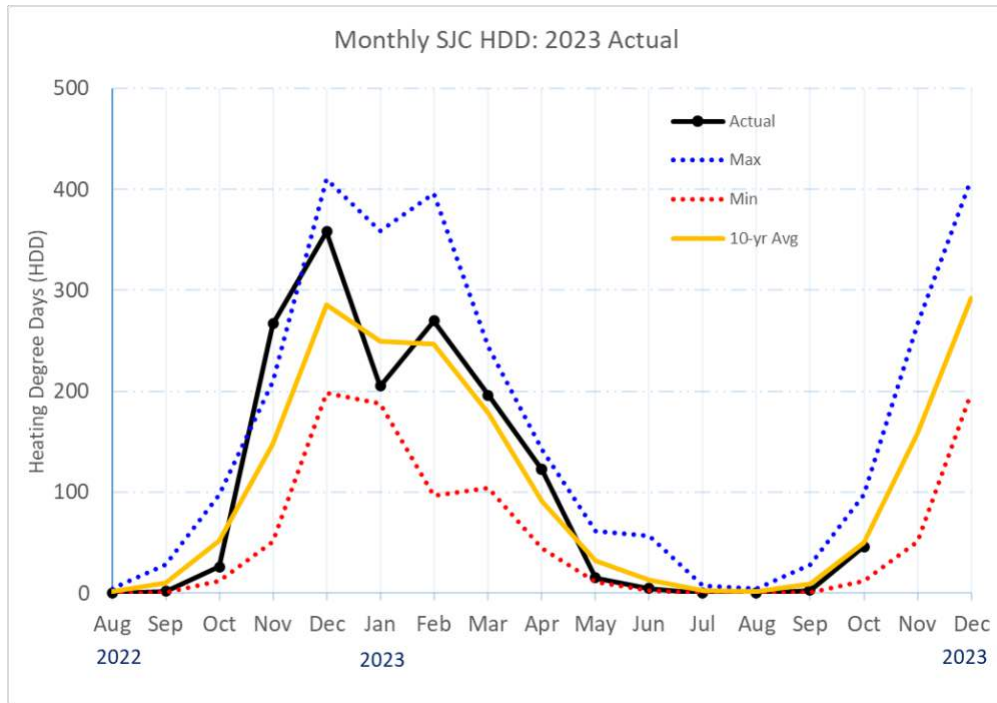
* The ECA returned \$604k to members through Oct 2023. The credit is partially driven by BPA dividend credits (of \$426k in Q1) included in, and artificially reducing Cost of Power.

Monthly Energy Charge Adjustment (ECA)

October 2023 ECA collected \$45,525 from members, or \$3.49 per 1,000 kWh. The November billing period ECA is projected to be a bill surcharge of \$.012420 per kWh on member bills, or \$12.42 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)

At year end 2021 and 2022, we saw a very cold weather snap. In 2023, we are transitioning from an average (yellow line) HDD trajectory to a warmer trending (El Niño). We continue to monitor weather trends monthly.

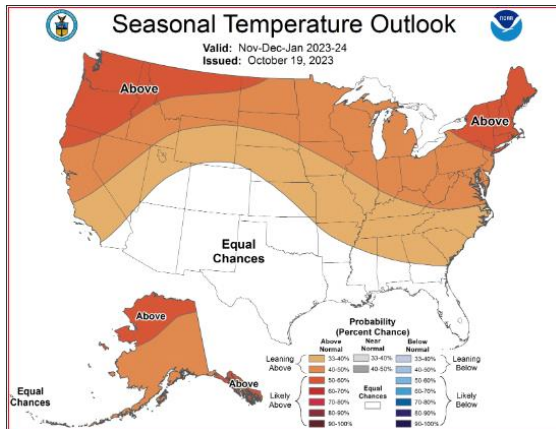


*max, min, avg is based on 10 year average

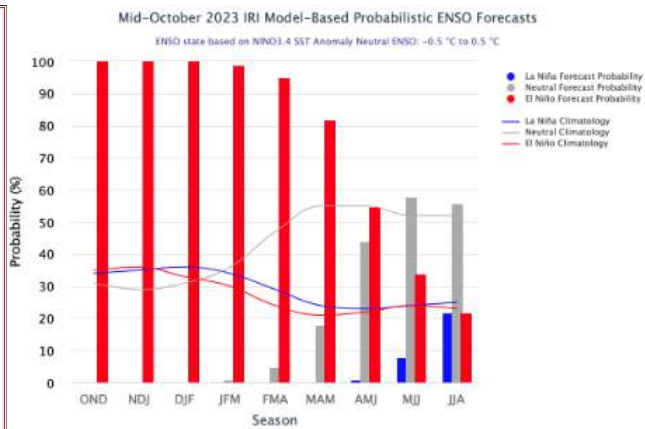
Weather Forecast

Looking ahead to the NOAA 'three-month outlook temperature probability' for Nov-Dec-Jan 2023-24, the outlook is currently showing strong El Niño temperature conditions in our region in the coming winter months. We continue to monitor these predictors monthly.

2023-24 Nov-Dec-Jan Outlook



Source: NOAA National Weather Service





MEMBER SERVICES

Annual History of Energy Assistance Funding

All values are as of first of the month reported.

Assistance History

		2018	2019	2020	2021	2022	2023	Grand Total
Energy Assist Credit	# of Accounts	444	460	574	577	546	480	1,054
	Total Assistance	111,996	135,595	158,434	158,740	156,761	116,266	837,792
PAL	# of Accounts	212	205	329	363	297	173	779
	Total Assistance	45,155	53,137	80,975	104,880	82,912	48,500	415,560
EAP Residential - COVID	# of Accounts			88	74	63		98
	Total Assistance			21,535	27,606	8,348		57,489
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	460	488	835	825	754	538	1,393
	Total Assistance	157,151	188,732	349,283	390,659	270,018	164,766	1,520,610

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” varies based on single account adjustments.

EAP: During October 2023, 268 members received ~ \$10.6k from the low-income Energy Assist program, compared to 318 members who received ~ \$12.1k in assistance in October 2022.

Project Pal: Project PAL Award Season began November 1, 2023. Staff is processing incoming applications for awards to be posted. Project Pal is an important safety net for islanders during the heating season and we encourage all members to donate by rounding up their bill or making a contribution here: <https://www.opalco.com/account-services/project-pal/contribute/>.

LIHEAP: Notifications and Awards for LIHEAP and T-RAP have slowed considerably from the Opportunity Council.

Switch it Up!

There are now 598 projects completed and billing for a total of \$9.2M net outstanding (total projects less member pay-offs). There are another 30+ projects in various stages of the process. Some projects have been delayed as residential contractors have been limited by supply chain issues. Staff have made the new Switch It Up measures available and have received lots of interest from members. Current project details are as follows:



Project	2019	2020	2021	2022	2023	Grand Total
Appliance					31,937	\$ 31,937
Energy Storage				39,510		\$ 39,510
Ductless Heat Pump	648,252	611,617	634,118	1,553,247	1,310,793	\$ 4,758,028
Fiber		30,725	48,681	29,301	32,452	\$ 141,159
Ducted Heat Pump	8,119	30,000	15,000	18,127	599,891	\$ 671,137
Heat Pump Water Heater	13,985	9,805		5,012	15,701	\$ 44,503
Insulation				256,935	14,801	\$ 271,736
Other	14,543			90,649	188,075	\$ 293,268
Solar + Storage				302,520	166,501	\$ 469,021
Solar				1,586,517	1,594,125	\$ 3,180,643
Windows				563,557	131,492	\$ 695,050
Grand Total	\$ 684,900	\$ 682,146	\$ 697,799	\$ 4,445,376	\$ 4,085,769	\$ 10,595,990

Energy Savings

During October there were a total of 29 rebates paid out to members totaling ~\$32.3k. This includes nine fuel switching ductless heat pump rebates and three 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.

		2018	2019	2020	2021	2022	2023	Totals
EE Rebates*	# of Accounts	264	442	303	147	210	215	1,581
	Total Awards	\$161,262	\$228,418	\$167,432	\$149,886	\$227,622	\$264,706	\$1,199,326
	Total Energy Savings (annual kWh)	479,323	733,432	783,431	359,269	346,900	391,439	3,093,794
Switch It Up**	# of Accounts		72	87	69	188	222	638
	Total Financed		\$684,900	\$682,146	\$697,799	\$4,445,376	\$4,085,769	\$10,595,990

*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 comes from the USDA Rural Energy Savings Program for relending to members. OPALCO charges 2-3% interest to cover administrative costs for members financing projects with these funds; there is no impact to member rates.

Solar Programs

Interconnects

There were 15 new interconnect applications submitted in October, with eight members interconnected with solar for a total of 683 (<https://energysavings.opalco.com/member-generated-power/>). There are an additional 62 pending connections.

Community Solar

During the October 2023 billing cycle, the [Decatur Community Solar](#) array produced 36,320 kWh. A total of ~\$4,073 was distributed to 266 accounts in October.

Solar Benefits Paid to Members

All values are as of first of the month reported.

		2018	2019	2020	2021	2022	2023	Totals
Comm Solar	# of Accounts			265	268	262	266	
	Total Payments			\$93,734	\$95,497	\$84,658	\$84,955	\$358,844
WA State Incentives*	# of Accounts	268	256	259	58	57	59	
	Total Payments	\$167,971	\$224,766	\$218,222	\$91,461	\$84,828	\$82,717	\$869,965
MORE**	# of Accounts	145	144	144	140	135	0	
	Total Payments	\$54,173	\$53,109	\$51,897	\$50,896	\$123,477	\$0	\$333,552

*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. The program ended September 30, 2022, with a final payout of all program dollars that remained.

COMMUNICATIONS

Member Outreach Events

OPALCO staff participated in several events throughout the month including Touch-A-Truck on San Juan Island, Truck-or-Treat on Orcas, and Energize Friday Harbor to encourage businesses to access commercial energy audit grant funds.





Election Timeline

Event	Date
Legal Notice for Election (RUS requires minimum 30 days prior to nominating process)	12/15/23 (extra time to avoid holidays)
Director Applications due to EGC	01/22/24
Nominations posted - (80 days prior to meeting)	02/05/24
Nominations by petition due to office	02/16/24
Nominations by petition posted - (55 days prior to meeting)	03/01/24
Candidate Forum (virtual)	03/06/24
Notice to members/Ballots mailed - (21-50 days prior to meeting)	03/06/24-04/04/24
Election closes - (3 days prior to meeting)	04/22/24
Annual Meeting	04/25/24

It should be noted this will be the that we have three board positions from three different districts as outlined below:

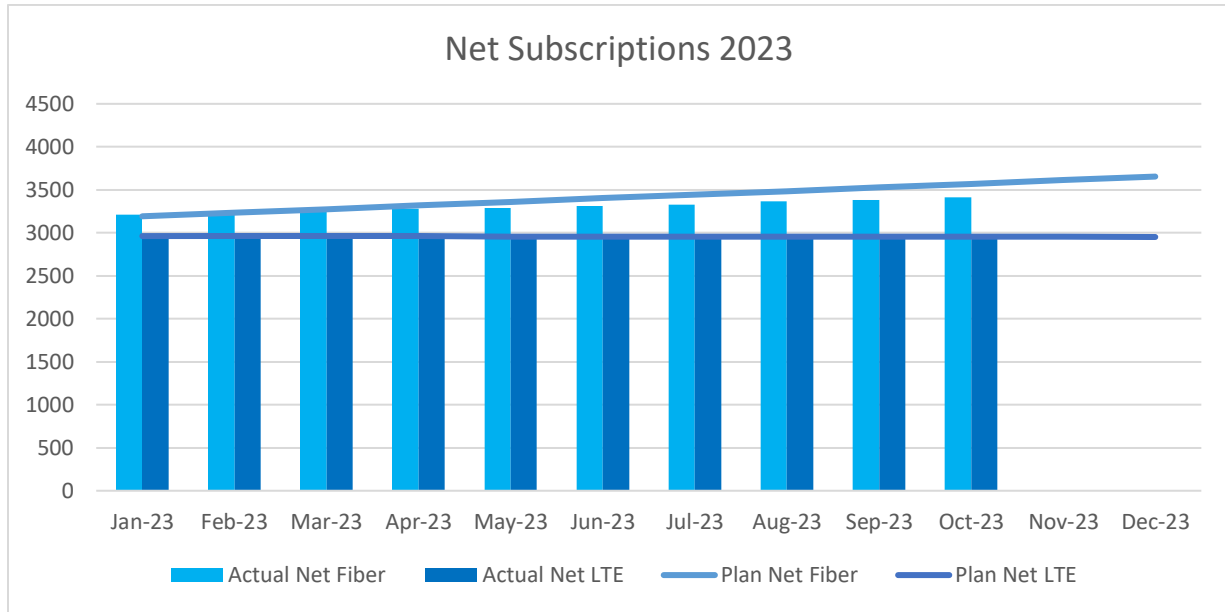
Election Year	District			
	D1 - San Juan	D2 - Orcas	D3 - Lopez	D4 - Shaw
2024		2A - Struthers	3B - Osterman	
2025	1B - Madsen		3A - Silverstein	4 - Whitfield

* All terms are 3-year terms starting in 2022

Rock Island Snapshot

6,639 Internet Service Customers

Net Subscribers



Revenues



❖ Previous months revenues are not closed out and are subject to change.