



OPALCO

Board of Directors Regular Meeting

Thursday, May 16, 2024
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
Annual Meeting
May 16, 2024, 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.

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

NEW MEMBERS – March 2024

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

ABELL, MATTHEW & EDINGER, STEPHANIE
 ALTHOFF, LAURA & ALTHOFF, JUDSON
 BROWN, HOLLI
 COMPTON, RANDALL
 COOPER, STEVEN & NAGLE, DAVID
 DUKE, JAMES
 DWELLEY, PATRICIA
 FRIEL, BRYAN
 GALT, ALEXIS
 GAMBLE, REBECCA & GAMBLE, RICHARD
 GUSTAFSON, NAYALEAH & GUSTAFSON, JOHN
 HECKELE, ERNA
 HELLYER, NANCY & BLACK, TIRRELL
 HIATT, SARA & BLOOM, MICHAEL
 HOWARD, IRENE
 KASPER, ADAM
 KIM, INSUK
 MACK, GREG
 MANNING, JOHN & MANNING, DIANA
 MOSIER, AMY
 NORTON, ISAAC
 REESE, MICHELLE
 SHUTT, GREGORY
 SIMUTIS, JANINA
 SMOKIN YETIS LLC
 THOMAS EDWARD MUN, SEY ESTATE
 VINCENT, BRIAN
 VITARELLI, ARTHUR & VITARELLI, MARY

WALLER, KATE

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

BULLOCK, GARY
 BURDETTE, CLINTON
 CHENEY, JOSHUA & NEAL, URSELA
 CHINOWSKY WINK FA, MILY TRUST
 DOTLICH & ELWOOD, TOO LLC
 EMANUELE, PHILIP & NIKA, ANA
 HANSEN, JON
 HARTNEY, VICTOR
 HERRLE, MICHAEL
 KIMPLE, KALIE
 LINDSEY DAVIDSON, TRUST
 PECHACEK, LAINE & PECHACEK, CRAIG
 RISER, CRYSTAL
 RODGERS, LILLIAN & WEST, MADISON
 ROSATO, ALLAN
 SCHOLLMAIER, KIMBERLY
 SE'SI'LE
 STRINGER, JIMMY & MCKINNEY, SYLVIA
 THOMPSON, EILEEN
 VAZQUEZ, RICARDO & VALLADAREZ, FRANCISCA
 VOCK, TYLER & VOCK, MEGAN

District 3 (Lopez, Center, Decatur, Charles)

FLANIGAN, BRIGID
 HAYNES, ROBERT & HAYNES, KATHRYN
 MARY KRAUSE ESTAT, E
 MIKES JOY LLC

NGUYEN, KENNY

NICHOLS, CHRIS

PALMER, SUZANNE

District 4 (Shaw, Crane, Canoe, Bell)

No new members

NEW MEMBERS – April 2024

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

ALLEN, MATTHEW & FEASEY, ANGIE

ALLEN, VONNIE

BERRY, BETHANY & BERRY, CHARLES

BUCK COMMERCIAL P, ROPTIES LLC

BURCH, MICHAEL & MCCLERNON, FARRELL

CACHO GARCIA, VIRGINIA & DOMINGUEZ CACHO, CHRISTIAN

CAI, QIN

CORREA, OMAR & CORREA, ELIZABETH

DAGG, ROLF

FOX, CAROLYN

GENSCO FARMS INC

GUY, WENDY

HAINES, AIDEN

HALL, JAY & HALL, THERESA

HERIN, MIKE

HOUGH, ANDREW

KEETON, MICHELLE & QUANT, MARTIN

NOREAU, ALEX

OLMOS, JUANA & OLMO, HALEY

ROBINSON, LETICIA

ROGERS, ANDREW & BELL, JULIETTA

ROOP, MERRIE

RUHL, ROBERT & PETERSON, PATRICIA

SHAMBAUGH, CHRISTOPHER & SHAMBAUGH, DIANE

SHRIVER, ARIELLA & STILLINGE, CASPER

WILKINSON, CHRISTA

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

AHRENS, TERRY & AHERNS, LYNELL

COFFEY, TIMOTHY

COLESTOCK, KEVIN

CROWSON, JORDAN & CROWSON, HOLLY

DEEB, SANDRA

DELONG, MICHELE

DENNISON, JONI

DIEPENBROCK, TAYLOR

HENIGSON, ANDREA & HENIGSON, JEFF

KING, R TRAVIS & KASSA, LENA

KUPERBERG, DAN & KUPERBERG, SALLY

LEONHARDI, LINDSEY & STICK, JAKE

LONE PINE LARDER, LLC

MARKEE, BARBARA

MULDOON, ALEX

ORCAS FOOD CO-OP

SKY, LILY & MENGES, MARC

SLATER, JOHN

STANFORD, BETH & STANFORD, JOHN

TOKARCHUK, JESSICA

WIGFIELD, JAMES & WIGFIELD, ALICIA

District 3 (Lopez, Center, Decatur, Charles)

CLINE, THADDEUS & CLINE, MARGARET

CORRIGAN, MARI

COUMUO, ANNEWIL & HELLMAN, HANS

DUPUIS, ANDREA

HIRSS, ROM

INGRAM, SHELLEY

JACKSON, ELIZABETH

JOHN C MARINUCCI, TRUST

KONGELA, TANDIWHE

LOGGERFO, JAMES & LOGGERFO, MARIANNE

MATSUSHITA, GLEN

NICOL, ALI

PEROZZO, RHONDA

SEDUM HOUSE LLC

District 4 (Shaw, Crane, Canoe, Bell)

No new members

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:

April	
Customer #	Amount
21550	709.35
63031	1,397.66
63433	589.93
70537	108.86
71584	1,438.91
Total	\$ 4,244.71

May	
Customer #	Amount
6220	1,097.45
65438	837.12
82026	446.92
Total	\$ 2,381.49

RUS Form 219

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	Description
202403	\$25,744.15	Relocate single phase power for construction & install with new culvert
Total	\$25,744.15	

Staff requests a motion to approve the Consent Agenda.



Orcas Power & Light Cooperative

Rev: 202303050744

04/23/2024 2:54:54 pm	RUS Form 219 Inventory Of Work Orders	Page: 1
Period: MAR 2024 System Designation: WA O9		
Preliminary 202403		

Inventory: 202403

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)	Salvage Relating To New Construction Or Replacements (6)	Retirements Without Replacements (7)		
1600		2023 4067	4067		1	28,057.87	884.03	2,442.26	0.00	0.00	25,744.15
						28,057.87	884.03	2,442.26	AFUDC: 755.49 0.00	0.00	25,744.15
Grand Totals:						\$ 28,057.87	\$ 884.03	\$ 2,442.26	\$ 0.00	\$ 0.00	\$ 25,744.15

Minor Construction Work Orders

Work Order: 4067 - RELOCATE SINGLE PHASE POWER FOR CONSTRUCTION & INSTALL WITH NEW CULVERT

Orcas Power & Light Cooperative

Rev: 202303050744

04/23/2024 2:54:54 pm	RUS Form 219 Inventory Of Work Orders	Page: 3
Period: MAR 2024 System Designation: WA O9		
Preliminary 202403		

Inventory : 202403

Budget		Amount
Loan	Project	
1	1600	25,744.15
Total:		25,744.15

ENVIRONMENTAL CERTIFICATION

- 1 ☐ WE CERTIFY THAT CONSTRUCTION REPORTED ON THE LISTED WORK ORDERS (EXCEPT CERTIFICATION "2" BELOW), IS A CATEGORICAL EXCLUSION OF A TYPE DESCRIBED IN 7 CFR 1970 WHICH NORMALLY DOES NOT REQUIRE PREPARATION OF A BORROWER'S ENVIRONMENTAL REPORT.
- 2 ☐ WE CERTIFY THAT CONSTRUCTION REPORTED ON WORK ORDERS _____, IS A CATEGORICAL EXCLUSION OF A TYPE THAT NORMALLY REQUIRES A BORROWER'S ENVIRONMENTAL REPORT WHICH IS ATTACHED.

SIGNATURE (MANAGER) _____

DATE _____

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 ON 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/2.59.1/wo/WO_CLOSING_219.xml.rpt

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**Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, March 21, 2024**

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 Memmott, Wendy Hendrick Hiester, James McCubbin, Justin Wolfe

Meeting commenced at 8:30 a.m.

Member Comment Period: No member comments.

ACTION ITEMS

CONSENT AGENDA

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

DISCUSSION ITEMS

Year End Review – Staff reviewed the highlights of 2023 accomplishments.

2023 Year End Financial Review – Staff reviewed notable economics of the year-end financial report including revenue, expense, energy charge adjustment metrics.

REPORTS

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

Member Comments: Justin Wolfe asked about the February 14th power outage on Orcas. Staff responded.

Regular Session ended: 10:15am

Break: 10:15-10:30am

Executive Session: 10:30 am– (staff was dismissed for GM review at ~12:15pm)

Meeting Closed: ~2 pm

Vince Dauciunas, President

Brian Silverstein, Secretary-Treasurer



Board Officer Elections

The current Board Vice President will not be in attendance of the May Board Meeting. Staff is recommending that there be a delay in the officer election process until the June Board Meeting. In 2023, we had a similar circumstance where the Board Member attendance was less than 100%. Our legal counsel has concurred that the current slate of officers will remain intact until the next officer election (June meeting).

Staff recommends the Board make a motion to delay the Board Officer Elections until June 2023.

DISCUSSION ITEMS

Climate Survey

San Juan County is currently in the process of updating the Comprehensive Plan, which is due to be submitted to the State in July 2025. Recent Washington State legislation, **HB 1181**, requires the County to develop a Climate Element as part of this update. This planning effort will lead directly to projects and resources spent in the San Juan County community.

San Juan County Residents can make your voice heard, and help determine which projects the County undertakes, and where resources are focused, by participating in the following survey:
<https://www.surveymonkey.com/r/35KPL6K>.

Member Service Policy Updates (first read)

In the normal course of business, OPALCO staff respond to many member billing and financial inquiries. Now is a good time to provide further clarity to current OPALCO procedures and policy updates as follows:

1. **MS Services Policy 7: Billing and Collection:** Updated to reflect payment method options, payment processing, and delivery methods of the monthly bills to members.
2. **MS Services Policy 9: Fair Treatment of Members:** Update the review process to clarify the purpose of this process and detail the Board of Adjustment process.
3. **MS Services Policy 16: Information Requests:** Adjust to address the timing on public routine information the Co-op provides.

MEMBER SERVICE POLICY 7 - BILLING AND COLLECTION

7.1 RATES

Electric energy shall not be sold at prices other than those stated in the rate schedules (tariffs).

7.2 RENDITION OF BILL

Bills shall be deemed rendered, and other notices duly given, when delivered to the member personally or when mailed to them at the address supplied, or at the last known address of the member or when left at either of such places or delivered via e-mail to the e-mail address supplied by the member via an email notice of billing availability (which includes total monthly billed amount and associated due date) or uploaded on the online security portal (currently called SmartHub). To protect members' personal information, a digital copy of the monthly bill will not be sent by electronic means to the member on a routine basis. Failure to receive such bills or notices from OPALCO will not entitle the member to any delay in the settlement of each month's account, and any late payments will be subject to penalties.

7.3 PAYMENT OF BILL

Payments are due by midnight Pacific time on the date specified on the bill.

Payments may be made by a member either in-person at an OPALCO office, by telephone utilizing the on-line payment platforms offered by the Cooperative, via the US Postal

System or by other electronic means. Payment methods are subject to change based on prudent use of member resources and cybersecurity protocols.

The following forms of payments are considered an acceptable form of payment:

- Automatic payment system (currently Autopay)
- Online account management system (currently SmartHub)
- Over-the-phone payment system (currently SecurePay)
- Mail payments with check
- Office payments with cash, check, credit card

Payments are processed upon receipt and OPALCO does not hold payment instruments, such as a check, that are post-dated. Payment not honored for any reason by a financial institution will be subject to fees as outlined in Tariffs.

Any bill not paid within thirty days of the billing date specified on the bill will be considered delinquent. ~~Any delinquent bill exceeding fifty dollars (\$50.00) will be subject to disconnection.~~ Any account with a delinquent bill exceeding fifty dollars (\$50.00) will be considered delinquent and will be subject to disconnection.

7.3.1 Payment Agreement Plan

OPALCO shall offer a deferred payment plan for active accounts. The extension of time to pay the bill shall not be offered more than twice in a six-month period. The extension will not normally exceed 30 days but under hardship, cases may be for a period not to exceed 90 days.

7.3.2 Life Support Equipment

OPALCO will not normally disconnect members when it has been notified that the member is using life support equipment without contacting both the member and the appropriate social service agency. OPALCO will make every effort to work out an acceptable time payment plan that will enable uninterrupted electric service. If the member has notified OPALCO of the use of life support equipment, OPALCO will attempt to contact any member using life support equipment prior to any scheduled service interruption.

7.3.3 Fixed or Levelized Billing

OPALCO offers fixed or levelized billing to its residential and commercial members. *Fixed billing allows the member to set a specific amount to pay each and every month. Levelized billing continually looks at the last twelve (12) months and calculates the average monthly payment each month.* To qualify for this type of billing, the member must have established membership for a minimum of one (1) year and have a good credit rating with OPALCO.

7.3.3.1 OPALCO reserves the right to adjust the budget or average amount as necessary.

- 7.3.3.2 The member may elect to stop budget billing at any time. Such election will be effective with the next bill. If OPALCO owes the member any money upon termination of budget billing, the amount will be credited to the member's bill. Amounts owed by OPALCO above \$50.00 will be refunded upon the member's request.

If the member owes OPALCO less than \$100.00, this amount will be added to the next billing and become due and payable. If the amount is over \$100.00, the member may make equal monthly payments for a period not to exceed twelve (12) months.

7.4 PENALTY

OPALCO will charge a late penalty, as specified in Schedule of Deposits and Charges, for any account where payment is not received by-midnight Pacific time due date specified on the bill.

7.5 DISCONNECT PROCEDURE

- 7.5.1 In addition to immediate disconnection in accordance with Member Service Policy 3.5, a member may be disconnected with proper notice, for any of the following reasons:

- 7.5.1.1 Failure to pay bills or other amounts due OPALCO in a timely manner.
- 7.5.1.2 Failure to meet or maintain an adequate deposit.
- 7.5.1.3 Knowledge of and continued failure to provide access to the electric meter or other OPALCO owned equipment.
- 7.5.1.4 Breach of special contract or agreement with OPALCO, including a line extension agreement, failure to meet payment agreement plan, or failure to meet deposit payment agreement.
- 7.5.1.5 Failure to comply with the order of governmental agencies having jurisdiction in the matter.
- 7.5.1.6 Failure to comply with the conditions and terms of membership.

7.5.2 Disconnect Notice

A disconnect notice shall be sent by mail to those members whose electric service is in jeopardy of disconnection. Such notice shall be sent out not less than 48 hours, nor more than fourteen working days, prior to the date of disconnection, and shall contain, at the minimum, the following information:

- 7.5.2.1 The name and address of the member to be disconnected.
- 7.5.2.2 The account number for which service will be disconnected.
- 7.5.2.3 A statement of the reason for disconnection.
- 7.5.2.4 The date on or after which disconnection will take place.

7.5.2.5 If non-payment is the reason for disconnection the notices shall also include the amount that must be paid to prevent service disconnection.

7.5.2.6 A request to notify OPALCO if a person occupies the residence is seriously ill, handicapped, or dependent on life support systems.

7.5.2.7 An explanation of additional charges for reconnection of service after disconnection.

7.5.3 Disconnect Notice Not Required

A disconnect notice is not required in the following instances:

7.5.3.1 A member's check, used to pay for a disconnect notice, is returned for non-sufficient funds.

7.5.3.2 Failure to honor payment agreement plan(s).

7.5.4 Telephone Contact

OPALCO shall attempt to contact members scheduled for disconnection by telephone within three working days of the scheduled disconnection. Failure to contact the member by telephone will not delay the disconnection. OPALCO will not be required to contact chronic late payers who receive more than three disconnect notices in a twelve (12) month period.

7.5.5 Day of Disconnect

No disconnects will be completed on a Friday, or a day before a holiday during which OPALCO offices will be closed, or before 10:00 a.m. on a day following a weekend or holiday during which OPALCO offices are closed. The disconnection may occur up to ten days after the date specified in the disconnect notice. If disconnection is not accomplished within this ten-day period, another disconnect notice must be given.

7.5.6 Charges to Be Paid

Where a member's service is discontinued for non-payment of bills, OPALCO reserves the right to refuse to furnish service to said member at the same or any other location until all charges, including the reconnection charge and other monies due OPALCO, have been paid. Pursuant to Member Service Policy 4.7.5, a person who has been disconnected for non-payment of a bill may not receive benefit of service by having the account transferred into another if there has been no change in the occupancy in the location.

7.5.7 Reconnection Charge



OPALCO may make a charge for the reconnection of service where it has become necessary to disconnect service for the non-payment of bills. The charge for this service shall be as provided in the Schedule of Deposits and Charges in the OPALCO Tariff Book.

7.5.8 Right to Require Deposit

OPALCO may require a member to pay a deposit or adjust the amount of a deposit after disconnection for non-payment. OPALCO may not require this deposit to be paid as a condition for reconnection of service. The member may pay the deposit in up to three equal monthly installments.

7.6 COLLECTION PROCEDURES

The member shall pay OPALCO's cost of collection, including legal fees:

- 7.6.1 When a member's account becomes slow or no pay, OPALCO's member services staff will begin an in-house collection process. This will include telephone calls to the member, a disconnect notice, and actual disconnect of the service when the member does not meet the agreed-on payment arrangements or is non-responsive to OPALCO's efforts.
- 7.6.2 When a member's account is closed with a balance due, OPALCO will make every effort to contact the member by telephone. If this is not successful, OPALCO will send a standard letter stating, "we are sending your account to collections if we do not hear from you by a specified date within two weeks". If the member does not contact OPALCO within two weeks after the collection letter is sent, and the member is still residing in San Juan County, and the account balance is substantial enough to warrant the expense, OPALCO will initiate the small claims process. If OPALCO's correspondence to the member is being returned, OPALCO will utilize one of the credit reporting agency's skip tracing services to further our internal collection efforts.
- 7.6.3 After every effort is made to effect collection of the amount due internally, OPALCO will calculate the discount on available capital credits and, with Board approval, apply that amount to the bad debt. Any remaining balance on the account will be sent to the collection agency immediately. If there are any remaining capital credits for later years, they will be disbursed under OPALCO's normal retirement cycle.
- 7.6.4 After every effort is made to effect collection of the account internally, and there are no available capital credits to discount, the account will be submitted to the collection agency immediately.

7.7 BILLING PERIOD

7.7.1 Billing Month

Each meter is read on approximately the same date each month and bills are rendered accordingly. An actual billing period may vary.

7.7.2 Partial Month

When service is initiated or discontinued during a month, the facilities' or minimum charge will be prorated on a thirty (30) day month. Demand charges shall not be prorated.

7.8 ESTIMATED BILL

If OPALCO is unable to read a meter OPALCO shall estimate the meter reading and bill the member accordingly. Estimates will be based on records of previous usage, and length of billing period.

7.9 ADJUSTMENT OF ERRORS

7.9.1 Period to Be Adjusted

7.9.1.1 Meter Malfunction

If, for any reason, an electric meter fails to properly record the amount of usage or demand, OPALCO will estimate the bill based on the information available to OPALCO. In this case, OPALCO will correct the billing error for a period not to exceed five billing periods, not counting the billing period in which the error was found or recorded. OPALCO will waive any retroactive charges if the member served by the meter reports the problem within five billing periods.

7.9.1.2 Billing Error

In case OPALCO shall, for any reason, incorrectly bill a member, upon discovery, OPALCO will correct such billing error for a period not to exceed five billing periods, not counting the billing period in which the error was found or reported.

7.9.1.3 Fraud, Meter Tampering, or Damage to OPALCO Property

If the member's meter is damaged, tampered with, or for any other reason other than a meter malfunction, fails to record the proper amount of energy or demand used by that member, OPALCO will calculate or estimate the consumption based on the information available to OPALCO. In this case, the period to be corrected will be the period in which the damage, fraud, or theft occurred. The account may also be subject to a fee for unauthorized breakage of a meter seal, as specified in the Schedule of Deposits and Charges in the OPALCO Tariff Book.



7. 9.2 Estimated Consumption

If for any reason the actual amount of usage or demand cannot be determined, OPALCO will calculate or estimate the consumption based on the information available to OPALCO.

7. 9.3 Time to Pay

7.9.3.1 When there has been an adjustment to the account, if the member has overpaid, OPALCO shall apply the amount of the overpayment to the member's account or refund it to the member if the member requests it.

7.9.3.2 When there has been an adjustment to the account, if the member has underpaid, the member shall be given the opportunity to pay for the error over a period of time, without penalty. Payment agreement plans can be made pursuant to Section 7.3.1.

7.10 CHANGE OF OCCUPANCY OR ACCOUNT RESPONSIBILITY

Bills are rendered in the name of the person shown in OPALCO's records as the party responsible for electric consumption at the specified location. Any change of occupancy or ownership at a specified location must be reported to OPALCO.

7.11 CHANGE OF RATE CLASS

OPALCO shall inform each member when they apply for service of alternative rate schedules available to that member. OPALCO will not be responsible for changes occasioned by changes in the member's premises. Should the member be eligible for a rate class that would result in lower rates but fails to make OPALCO aware of the situation, the adjustment will not be retroactive.

7.12 SECOND PARTY BILLS

OPALCO will mail a copy of all bills and final notices to an additional name and/or address if requested by the member of record. Either party may make payments on the account; however, the financial responsibility for the account remains with the person whose name appears on the account as the member of record.

ORCAS POWER AND LIGHT COOPERATIVE

MEMBER SERVICE POLICY 9

FAIR TREATMENT BY OPALCO

9.1 FAIR TREATMENT

OPALCO strives to treat all members in a fair, equitable and consistent manner. Staff will make every effort to address member issues on a case-by-case basis. If the member feels the issue remains unresolved **there are two courses of action to address issues with the OPALCO Board:**

9.1.1 Non-Financial Issues: Members can address the OPALCO Board during the public comment period. After hearing comments, the Board may direct Staff to investigate the issue further and bring back recommendations for future consideration.

9.1.2 Financial Issues: The Board of Adjustment process is available to members who are requesting a financial adjustment associated with their OPALCO member billing. Only such financial adjustments are subject to review pursuant to this policy. The review will follow the steps outlined below. The review will proceed to the next step only if the previous steps have been completed.

9.1.2.1 Step 1

If an employee of OPALCO is unable to resolve a problem, the member shall immediately refer the problem to the department head concerned, who shall make every reasonable effort to settle the matter within ten working days.

9.1.2.2 Step 2

If the department head is unable to resolve the problem in a timely manner, the member shall write a letter to the General Manager describing the problem and requested resolution.

9.1.2.3 Step 3

If the General Manager is unable to resolve the problem within ~~seven (7)~~ **ten** working days, the member may request a formal hearing before the OPALCO Board of Adjustment. ~~The Board of Adjustment shall consist of two OPALCO Board Members appointed by the president. The Board of Adjustment shall determine the facts surrounding the problem, receive testimony from the general manager and/or his representative and the member and/or the member's representative, and prepare a written decision.~~

~~The decision shall consist of three parts:~~

~~9.1.3.1 The facts of the problem~~

~~9.1.3.2 The applicable section of the tariff~~

~~9.1.3.3 A ruling on the problem~~

Once a member requests a Board of Adjustment hearing, the process is as follows:

9.1.3.1 The Board of Adjustment shall consist of two OPALCO Board Members appointed by the President who shall determine the facts and circumstances regarding the member complaint by conducting a hearing

9.1.3.2 The Board of Adjustment shall determine the facts surrounding the problem, receive testimony from the General Manager and/or his representative and the member and/or the member's representative, and prepare a written decision.

9.1.3.3 Prior to the Board of Adjustment hearing:

9.1.3.3.1 In Executive Session, the President shall inform all the Board Members of the member's problem and the member's request for a formal hearing before a Board of Adjustment.

9.1.3.3.2 The President shall appoint two Board Members to serve as the Board of Adjustment. The President is eligible to be one of the Board of Adjustment members if the Board President chooses to do so.

9.1.3.3.3 OPALCO staff, in cooperation with the requesting member, and the Board of Adjustment members, shall determine an acceptable time and place for the Board of Adjustment to convene. A meeting via electronic conferencing is authorized.

9.1.3.3.4 Staff shall arrange for the meeting and communicate those arrangements to all parties.

9.1.3.3.5 No less than 10 business days prior to the Board of Adjustment meeting date, the Board of Adjustment members, and the requesting member shall be provided with all material to be used by all parties during the Board of Adjustment meeting. The General Manager and the requesting member shall provide any written responses to the materials provided to the Board of Adjustment no later than 5 days prior to the Board of Adjustment meeting date.

9.1.3.3.6 Prior to the Board of Adjustment meeting, one of the two members shall be designated to be the lead member. The lead member will be responsible for the orderly and timely conduct of the meeting.

9.1.3.4 The meeting shall be conducted as follows:

9.1.3.4.1 The lead Board member shall convene the proceedings and parties shall introduce themselves. If convenient to the Board of Adjustment, it may request that OPALCO's General Counsel oversee the hearing.

9.1.3.4.2 The requesting member and/or member's representative shall present their testimony.

9.1.3.4.3 The Board of Adjustment members may choose to ask questions during the testimony of the member.

9.1.3.4.4 The General Manager and/or representative shall present their testimony.

9.1.3.4.5 During the hearing the Board of Adjustment members may ask questions of the General Manager and/or the representative and the requesting member. But there will be no sworn testimony or any type of cross examination.

9.1.3.4.6 Upon conclusion of testimony, the Board of Adjustment members may ask further questions of either the requesting member and their representative, or the General Manager and their representative.

9.1.3.4.7 Testimony presented to the Board of Adjustment members shall be in the form of statements. The Board of Adjustment members **are not required** to render opinions or answer questions concerning statements from either party.

9.1.3.4.8 Upon conclusion of the testimony and any additional questioning, the Board of Adjustment members may call for a recess to consider their decision, and upon return from recess shall announce their decision, or state that their decision shall be forthcoming at a future date, but no later than 10 Business days after the date of the meeting.

9.1.3.5 The decision shall consist of three parts:

9.1.3.5.1 The facts of the problem

9.1.3.5.2 The applicable section of the tariff.

9.1.3.5.3 A ruling on the problem

9.1.4 Step 4:

9.1.4.1 Either the General Manager or the member may request the matter be placed on the agenda of the next meeting of the OPALCO's Board of Directors.

9.1.4.2 The member and/or his representative and the General Manager may appeal the determination of the board of adjustment.

9.1.4.3 This meeting will be held in Executive Session, as specific member information may be disclosed.

- 9.1.4.4 The President of the Board shall direct this Proceeding.
- 9.1.4.5 Before the meeting, each director shall be furnished with a copy of the board of adjustment's report on the matter.
- 9.1.4.6 The hearing before the full board shall be based upon the materials presented to the Board of Adjustment and the decision of the Board of Adjustment.
- 9.1.4.7 Any decision by the board of directors shall be binding to all parties.

9.1.4—Step 4

~~Either the general manager or the member may request the matter be placed on the agenda of the next meeting of the OPALCO's Board of Directors, where the member and/or his representative and the general manager may appear in person to appeal the determination of the Board of Adjustment. Before the meeting, each director shall be furnished with a copy of the Board of Adjustment's report on the matter. Any decision by the Board of Directors shall be binding on OPALCO.~~

ORCAS POWER AND LIGHT COOPERATIVE

MEMBER SERVICE POLICY 16

INFORMATION REQUESTS

1. Purpose

To establish procedures for identifying and responding to requests for routine, non-routine, member related, or emergency response information so as not to compromise the Cooperative's position in sensitive situations or interest in working cooperatively with the media and the membership.

OPALCO is a non-profit mutual corporation incorporated under the Revised Code of Washington RCW 24.06. A cooperative corporation has the same rights of confidentiality of information and obligations to furnish information as a private business corporation with regard to confidentiality of information and the obligations to furnish such information. These obligations are covered by the statutes and common law of the state and govern the access which members and others may have to request cooperative data and records. OPALCO is not subject to regulation by the Washington Utility Trade Commission. Additionally, Rock Island Communications is a wholly-owned subsidiary and as a separate entity not covered by OPALCO policies.

2. Release of Routine Information

OPALCO strives to inform and educate the members on governance, financial, and routine business of the Cooperative. OPALCO publishes extensive information on the website including the following routine documents:

- Bylaws & Articles of Incorporation
- Policies
- United States Department of Agriculture Financial and Operating Report Electric Distribution (RUS Form 7)
- Annual Budgets
- Quarterly Financial Reports
- Year-end Unaudited Financials
- Independent Annual Audit Statements
- IRS Return of Organization Exempt from Income Tax (Form 990)
- Guiding documents (Integrated Resource Plan, Mission & Values)
- Rates and Tariffs
- Monthly Board Reports
- Other reports as deemed relevant by the General Manager

~~Requests for routine documents or publications of the Cooperative including Tariffs, member policies, Articles of Incorporation, bylaws, operating statistics (RUS Form 7), newsletters and other public documents published by the Cooperative will be provided upon request.~~ Releasing information will be done in a timely manner to ensure the regulatory bodies have reviewed and approved documents before they are made public. The release timing of RUS Form 7, Form 990 Tax Report, and audit public disclosure documents will be posted on OPALCO's website once the IRS publicly discloses Form 990 tax report.

3. Release of Non-Routine Information and Documents

- 3.1 A request by a member for a document or publication that cannot be classified as routine shall be accompanied by the Cooperative's "Member Information Request Form", attached hereto and a part of this policy. The Member Information Request Form should be completed and signed by the member.
- 3.1.1 The completed form shall be submitted to the General Manager. If the Non-Routine Information and/or Documents are reasonably available, the General Manager may make them available to the requesting member. "Reasonably available" shall mean:
- 3.1.1.1 That the request is being made in good faith;
 - 3.1.1.2 That the information requested and the purpose for which it is requested are materially germane to the requesting person's needs and interests as a member of the Cooperative;
 - 3.1.1.3 That furnishing the requested information will not be adverse to the Cooperative's best interests; and

- 3.1.1.4 That compiling the requested Non-Routine Information and/or Documents will not require an inordinate amount of OPALCO Staff resources in the judgment of the General Manager.
- 3.2 A non-member who requests information that is not available under Section 2 shall submit a properly completed Member Information Request Form to the General Manager. The General Manager may release the information to the non-member only if it is determined to be in the best interest of the Cooperative, or if the information should be otherwise released under this policy.
- 3.3 Sufficient time shall be allowed to prepare the requested materials while ensuring the normal work activities of the Cooperative are being accomplished. Reimbursement for research and reproduction costs, including labor and materials, may be charged. Upon request, in writing, the requestor may receive an estimate of costs before they are incurred. If the information requested is not confidential or otherwise not reasonably available (as defined in subsection 3.1.1) and can be readily extracted from documents on file on the Cooperative's office, access to the information will be permitted upon appointment during regular office hours and by assignment of the General Manager.
- 3.4 A request determined not to be for a proper purpose shall be denied and shall be accompanied by a clear and prompt explanation.

4. Limitations on Release of Records

Any request for information which the General Manager determines should be denied in whole or in part may be referred to the Board for review and final determination. Information and documents not subject to Public Information Requests include, but are not limited to the following:

- 4.1 Documents containing matters the knowledge of which would clearly have an adverse effect on the Cooperative's finances.
- 4.2 Documents containing personnel matters, including but not limited to:
 - 4.2.1 The hourly wages or salaries and fringe benefits of any employee;
 - 4.2.2 Any employee's personnel file or records;
 - 4.2.3 Any other persons' file or record to the extent that such disclosure would violate or would otherwise be an invasion of such person's privacy.
- 4.3 Documents containing matters that tend to prejudice the reputation and character of a person.
- 4.4 Documents relating to matters discussed with an attorney for the Cooperative, the knowledge of which could have an adverse effect on the Cooperative's legal

position. The release of information related to litigation shall be done with the guidance of the attorney representing OPALCO.

- 4.5 Documents relating to matters protected by attorney-client privilege and matters subject to the attorney Work Product Doctrine.
- 4.6 Documents containing matters considered confidential under copyright or patent laws.
- 4.7 Documents referred to, prepared for or discussed during an executive session and not subsequently made public by the Cooperative.
- 4.8 Any information which constitutes a trade secret, process, program, trademark, or other legally protected confidential information or thing owned, or protected in confidentiality by contract by the Cooperative.
- 4.9 Documents which have been classified by management as confidential.

5. Release of Member Information

Information contained within a member's file will not be provided to anyone except under the following circumstances:

- 5.1 To a member requesting information in that member's file, upon receipt of proper identification;
- 5.2 To a legally authorized agent of the member, upon presentation of the Cooperative's Member Information Request Form;
- 5.3 To law enforcement personnel.
- 5.4 As otherwise provided by legal statute or regulation.

6. Appeal

Any public information request that is denied may be appealed to the Board of Directors for resolution. Any decision by the Board of Directors will be final.

7. Responsibility

- 7.1 The General Manager will be responsible for determining the content and amount of information released based on who is asking and for what purpose the information is being sought.
- 7.2 The release of information by the General Manager shall be routed through counsel where specific issues related to the request could have an adverse effect on the Cooperative's legal and/or financial position.

- 7.3 The department managers are responsible for the security of confidential information which is available to them and their departments. The department managers will determine and implement methods and procedures of security within their respective departments.
- 7.4 Each employee will accept responsibility for understanding the content and following the guidelines of this policy.
- 7.5 It is the responsibility of each employee to notify his/her supervisor of knowledge of violations of this policy.

2023 Audit Presentation (Moss Adams ~9 am)

Moss Adams LLP will present their 2023 annual audit report for Board discussion at the May 16th Board meeting (Executive Session). The audit report includes the consolidated financial statements of both OPALCO and Rock Island Communications.

Representatives of Moss Adams worked virtually with the OPALCO staff during the week of March 25th – 29th. Olga Darlington, Business Assurance Partner, will be attending (via Zoom) the meeting to review the firm’s audit findings and answer questions posed by the Board.

The 2023 year-end financial information for OPALCO was previously reviewed at the March 21, 2024, Board Meeting. Once approved by the Board, the audit report and Form 990 will be posted in OPALCO’s online resource library after Form 990 is published by the IRS.

The Consolidated Financial Statements represent both OPALCO and its subsidiary, Rock Island Communications:

Separate company financial statements were presented at the March meeting and the final consolidated audited financial statements are being presented to the Board at the May Board meeting.

Key takeaways:

- OPALCO and Rock Island received an “unmodified” opinion, which is the highest level of opinion.

Consolidation methodology:

- At the March Board meeting, OPALCO presented their separate company year-end financials and Rock Island presented their separate company year-end financials.
- As OPALCO owns 100% of Rock Island, accounting standards require that our audited financial statements be on a consolidated basis.
 - The first statements presented in the audit report (Income Statement, Balance Sheet, and Cash Flows) and the associated notes to the financial statements combine both OPALCO and Rock Island.
 - The ‘Supplementary Information’ section of the statements is the consolidation where you can see the companies broken out individually and the related consolidating entries.

- Note that for 2023 and each year, the margin to be allocated to OPALCO members via capital credits is equal to the OPALCO-only operating margin, not the consolidated amount that includes Rock Island.

Upon the conclusion of the audit review and Board discussion in executive session, staff requests that the Board return to regular session and make a motion to approve OPALCO's Independent Auditors' Report and Financial Statements for December 31, 2023, and 2022, as audited by Moss Adams LLP.

2024 Q1 Financial Report

The energy charge adjustment (ECA) collected a net \$66k from the membership through Q1 2024 which was driven by an increase in power costs in Q1 of \$346k. Overall operating revenue was higher than the budget, corresponding with higher kWh sales.

The table below presents the projection of full-year 2024 financial results using actuals from Q1 and budget projections for future months.

Income Statement Summary (in thousands)	2024 Projection (actuals for prior months)		
	Budget	Projected	Variance
Operating Revenue	\$ 37,407	\$ 38,043	\$ 636
ECA Surcharge / (Credit)*	\$ -	\$ 66	\$ 66
Revenue	\$ 37,407	\$ 38,109	\$ 702
Expenses:			
Cost of Purchased Power	\$ 9,159	\$ 9,505	\$ 346
Transmission & Distribution Expense	10,001	9,735	(266)
General & Administrative Expense	7,120	6,817	(303)
Depreciation, Tax, Interest & Other	9,316	9,368	52
Total Expenses	35,596	35,425	(171)
Operating Margin	1,811	2,684	873
Non-op margin	673	731	58
Net Margin*	2,484	\$ 3,415	931
OTIER	1.85	2.28	0.44
TIER	2.16	2.63	0.47
Equity %	40.3%	40.7%	0.4%
HDD	1,029	960	(69)
kWh Purchases	219,000	225,878	6,878
kWh Sales	208,000	215,960	7,960

* The ECA collected \$66k from members through March 2024.

For more details, please note the following key points:

- Heating Degree Days (HDD) were ~13% below budgeted levels (actual of 481 vs. budget of 550). Overall kWh sales were ~8M kWh above budget (76M vs. budget of 68M).



- 2024 power purchases were \$346k higher than budgeted due to higher overall kWh purchases. Actual kWh purchases were 6.9M kWh above budget (78.5M vs. budget of 71.6M).
- Excluding purchased power, 2024 operating expenses were approximately \$508k under budgeted amounts. See budget notable drivers within the financial packet for specific account details.
- The ECA for Q1 2024 was a net charge to members (and increase to operating revenue) of \$66k, or \$3.28 for a member using 1000 kWh/month.
- Rock Island Communications 2024 Financials included in separate packet.

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/>.

- | | |
|---|---|
| <ul style="list-style-type: none"> • OPALCO's Plan for our Energy Future • Decarbonization – 4 Part Series • Switch It Up! • WA 2021 Energy Strategy • 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 | <ul style="list-style-type: none"> • 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 • Bailer Hill Microgrid |
|---|---|



ENGINEERING, OPERATIONS, AND INFORMATION TECHNOLOGIES

WIP

As of May 10, 2024, there are 351 work orders open totaling \$14.4M. Operations has completed construction on 152 work orders, totaling \$2.9M.

Safety

Northwest Safety Service conducted Flagging training for operations and engineering staff. The total current hours worked without a loss time accident 325,732 hours.

Grants

Grant Seeking

Grant Program / partner	Funder	Project Title (\$\$)	Grant \$\$	Matching \$\$	Timeline
Grid Resilience and Innovative Partnerships Program (GRIP) - Topic 1 (grid resilience) Concept Paper / BPA partner	DOE	Energy Resilience Transmission Project: Submarine Cable (\$100M)	\$66.6M	\$33.3M	Submitted in April 2024
Waterpower Technology Office	DOE	Pilot Tidal Project – Phase 2	\$29M	\$7.25M Minimum	Dependent on Project Awarded Below

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	Rosario Strait Tidal Generation Study	\$150k	\$150k	Q1 2024
Clean Energy Fund 4 Grid Modernization	WA Dept of Commerce	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
Waterpower Technology Office	DOE	Pilot Tidal Project – Phase 1	\$3M	\$750k	Awarded – In Negotiations
Advanced Cybersecurity Technology (ACT) 1 Prize	DOE	OPALCO Cybersecurity Initiative-	\$50k	\$50k	Determination in Q1 2024



FINANCE

2024 Budget Tracking

Energy (kWh) sales were slightly higher than budgeted levels through April 2024. The table presents the full year 2024 projection with actuals for prior months where available.

Income Statement Summary		2024 Projection (actuals for prior months)		
(in thousands)		Budget	Projected	Variance
	Operating Revenue	\$ 37,407	\$ 37,864	\$ 457
	ECA Surcharge / (Credit)*	\$ -	\$ 9	\$ 9
	Revenue	\$ 37,407	\$ 37,873	\$ 466
Expenses:				
	Cost of Purchased Power	\$ 9,159	\$ 9,561	\$ 402
	Transmission & Distribution Expense	9,965	9,700	(265)
	General & Administrative Expense	7,117	6,814	(303)
	Depreciation, Tax, Interest & Other	9,316	9,367	51
	Total Expenses	35,557	35,442	(115)
	Operating Margin	1,850	2,431	581
	Non-op margin	673	731	58
	Net Margin*	2,523	\$ 3,162	639
	OTIER	1.87	2.16	0.30
	TIER	2.18	2.51	0.33
	Equity %	40.3%	40.6%	0.3%
	HDD	1,029	965	(64)
	kWh Purchases	219,000	226,739	7,739
	kWh Sales	208,000	215,317	7,317

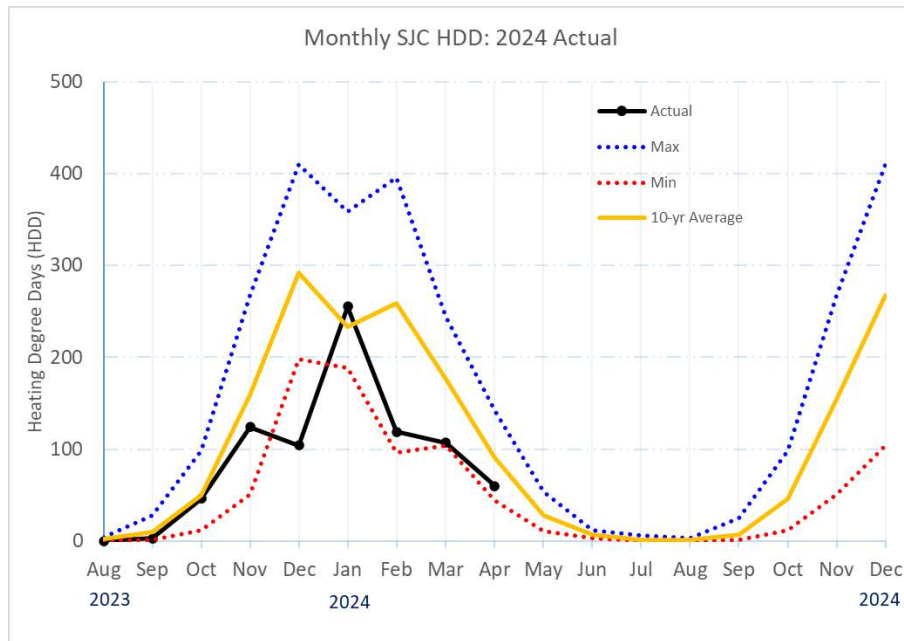
* The ECA collected a net \$9k from members through April 2024.

Monthly Energy Charge Adjustment (ECA)

The April 2024 ECA returned \$56,655 to members, or \$3.03 per 1,000 kWh. The May billing period ECA is projected to be a bill credit of (\$.002023) per kWh on member bills, or (\$2.02) 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 the year-end 2023, we experienced very warm weather, as predicted, with December HDD's coming in below the 10-year minimum. In January 2024, we transitioned back to an average (yellow line) HDD trajectory, though slipped back toward a minimum level February through April 2024. We are anticipating a warmer trend (El Niño) for the remainder of the winter months. We continue to monitor weather trends monthly.

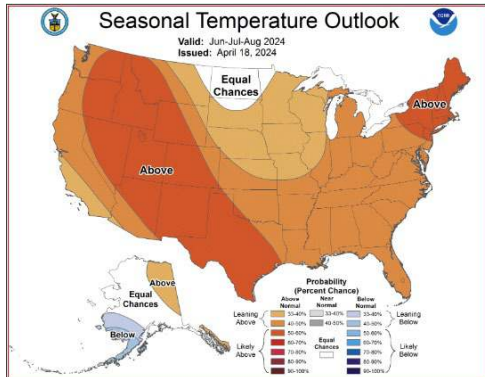


*max, min, avg is based on 10 year average

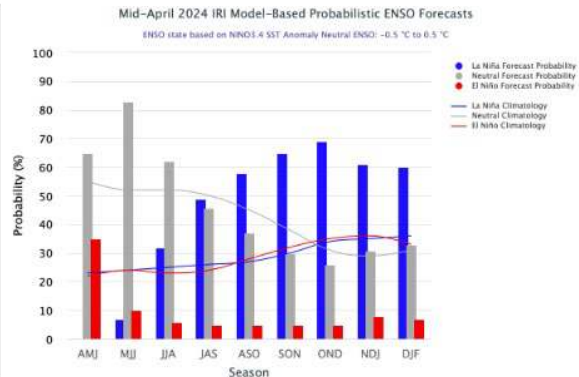
Weather Forecast

Looking ahead to the NOAA 'three-month outlook temperature probability' for Jun-Jul-Aug 2024, the outlook is currently showing strong El Niño temperature conditions in our region as we transition into the summer. This may result in an increase in our typical 'cooling' load, as the number of the number of services with ductless and ducted heat pumps has increased in recent years. Almost all the models in the International Research Institutes' (IRI) ENSO (weather) prediction forecast a continuation of the El Niño event through spring, which rapidly weakens throughout summer as La Niña becomes the most probable category for the 2024-2025 winter. We continue to monitor these predictors monthly.

2024 Jun-Jul-Aug 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	2024	Grand Total
Energy Assist Credit	# of Accounts	444	460	574	577	546	519	434	1,144
	Total Assistance	111,996	135,595	158,434	158,740	156,761	141,748	65,209	928,484
PAL	# of Accounts	212	205	329	363	297	268	140	855
	Total Assistance	45,155	53,137	80,975	104,880	82,912	80,500	35,250	482,810
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	584	462	1,482
	Total Assistance	157,151	188,732	349,283	390,659	270,018	222,248	100,459	1,678,552

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 March 2024, 396 members received ~ \$17k from the low-income Energy Assist program, compared to 387 members who received ~ \$15.6k in assistance in March 2023. During April 2024, 394 members received ~ \$16.6k from the low-income Energy Assist program, compared to 394 members who received ~ \$16.1k in assistance in April 2023.

Project Pal: During March 2024, 27 members received ~\$5k from the Project PAL Award program, compared to 40 members who received ~\$11.3 in March 2023. During April 2024, 40 members received ~\$8.5k from the Project PAL Award program, compared to 47 members who received ~\$12.3 in April 2023.

Since the Project Pal Program is now administered internally by the OPALCO Member Services team, a savings of ~\$6.7k in member dollars has been realized, which represents processing fees



that would have been paid to the Community and/or Family Resource Centers for their administration of the program.

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 716 projects completed and billing for a total of \$12.3M net outstanding (total projects less member pay-offs). There are another 40+ projects in various stages of the process. 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	2024	Grand Total
Appliance					36,112	16,150	\$ 52,262
Energy Storage				39,510	8,204		\$ 47,713
Ductless Heat Pump	648,252	620,060	641,765	1,578,522	1,771,361	598,391	\$ 5,858,351
Fiber		30,725	48,681	29,301	41,929	23,617	\$ 174,253
Ducted Heat Pump	8,119	30,000	15,000	18,127	942,682	278,245	\$ 1,292,173
Heat Pump Water Heater	13,985	9,805		5,012	15,701	4,719	\$ 49,223
Insulation				256,935	42,634	42,701	\$ 342,269
Other	14,543			92,649	188,075		\$ 295,268
Solar + Storage				480,057	288,520	150,881	\$ 919,457
Solar				1,897,659	2,301,943	430,096	\$ 4,629,698
Windows				563,557	366,053	81,356	\$ 1,010,967
Grand Total	\$684,900	\$690,589	\$705,446	\$4,961,329	\$6,003,213	\$ 1,626,156	\$14,671,634

Energy Savings

During March there were a total of 26 rebates paid out to members totaling ~\$35.9k. This includes three fuel switching ductless heat pump rebates and nine EV charging station rebates. In April, there were a total of 11 rebates paid out to members totaling ~\$9k. This includes two fuel switching ductless heat pump 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.

		2019	2020	2021	2022	2023	2024	Totals
EE Rebates*	# of Accounts	442	303	147	210	261	66	1,429
	Total Awards	\$228,418	\$167,432	\$149,886	\$227,622	\$313,945	\$74,633	\$1,161,936
	Total Energy Savings (annual kWh)	733,432	783,431	359,269	346,900	440,382	74,244	2,737,658
Switch It Up**	# of Accounts	72	87	69	188	274	85	775
	Total Financed	\$684,900	\$690,589	\$705,466	\$4,961,329	\$6,003,213	\$1,638,085	\$14,683,563

*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 March, with 15 members interconnected with solar for a total of 742. There were 16 new interconnect applications submitted in April, with 13 members interconnected with solar for a total of 755. (<https://energysavings.opalco.com/member-generated-power/>).

Community Solar

- 1) During the March 2024 billing cycle, the [Decatur Community Solar](#) array produced 21,520 kWh. A total of ~\$2,030 was distributed to 264 accounts in March.
- 2) During the April 2024 billing cycle, the [Decatur Community Solar](#) array produced 48,240 kWh. A total of ~\$4,737 was distributed to 264 accounts in April.
- 3) Bailer Hill Solar is contingent on a successful San Juan County Conditional Use Permit, in progress.

Solar Benefits Paid to Members

All values are as of first of the month reported.

		2019	2020	2021	2022	2023	2024	Totals
Decatur Comm Solar	# of Accounts		265	268	262	264	264	
	Total Payments		\$93,734	\$95,497	\$84,658	\$86,983	\$8,796	\$369,668
WA State Incentives*	# of Accounts	256	259	58	57	59	0	689
	Total Payments	\$224,766	\$218,222	\$91,461	\$84,828	\$82,717	\$0	\$701,994
MORE**	# of Accounts	144	144	140	135	0	0	563
	Total Payments	\$53,109	\$51,897	\$50,896	\$123,477	\$0	\$0	\$279,379

**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

Annual Meeting and Member Festival Press Release

On Thursday April 25, at the OPALCO Business Annual Meeting, Rick Fant of the OPALCO Election and Governance Committee announced the results of the 2024 Board Election. In District 2 (Orcas et al), Wendy Hiester ran unopposed and was elected with 1,655 votes. In District 3 (Lopez et al), Tom Osterman ran unopposed and was elected with 1,652 votes. A total of 1826 ballots were cast, which equates to ~16% of the membership.

Fant encouraged OPALCO members to step up and serve on the volunteer Elections and Governance Committee (EGC). The EGC is responsible for cultivating qualified candidates for each board election.



There are currently open positions on the EGC in every district. The time commitment is reasonable: committee members work year-round on a casual basis to identify potential candidates; meetings are concentrated November through January during the election season. OPALCO is required by the Rural Utilities Services (RUS) to hold an annual meeting each year. During the meeting, OPALCO Board President Vince Dauciunas, thanked Jeffrey Struthers for 6 years of dedicated and thoughtful service on the OPALCO board. Twenty-six members participated in the Annual Business Meeting.

The next day the Annual Member Festival was held at the Eastsound office parking lot. The festival was a huge success with over 300 Co-op members in attendance! The parking lot was transformed into a family friendly educational activity center. The whole OPALCO team was on hand to welcome attendees, give out SWAG, and help keep the event flowing.

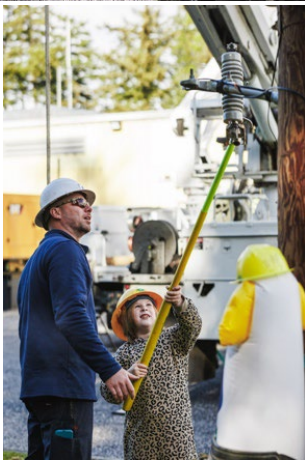
Participants got the chance to hang out with the linecrew by going up in the bucket truck, getting a lesson in electrical safety, or trying out a hotstick – which is a tool a lineworker uses to work on energized equipment so they keep their distance and stay safe. Members could also check out the inner workings of a transformer with our engineering team or learn about how to save money and electricity with OPALCO's on-bill financing program, Switch It Up. The Board and Leadership team were in attendance to answer questions and take comments.

There were seven car dealers from the mainland who brought their latest electric vehicles including an all electric boat from Pure Watercraft, Hyundai Ioniq 5, Porsche Taycan, Nissan Aria, Ford Mustang Mach E, Volkswagen ID.4 ProS, and Kia EV9. There were also electric bikes and electric household tools to try out.

There was plenty for the kids to do during the festival including snacking on hot dogs, hamburgers, and cotton candy, tossing an earthball, playing cornhole, and jumping in the giant bouncy house. Parents could swing by the educational booths to get tips on maximizing energy savings in their house, learn about the electric vehicle programs, and sign up for updates on the upcoming Community Solar project. One co-op parent said, "That was so much more fun than we anticipated. We're already excited for next year!"

OPALCO is grateful to all the community partners who came to the event and shared information including Wildlife Cycles, Orcas Island Saw & Rental, Orcas Radio, Orcas Island Historical Museums, Island Rides, Clear Result, West Mechanical, Sustainable Connections, Comfort Ready Home, and Orbis World Globes.

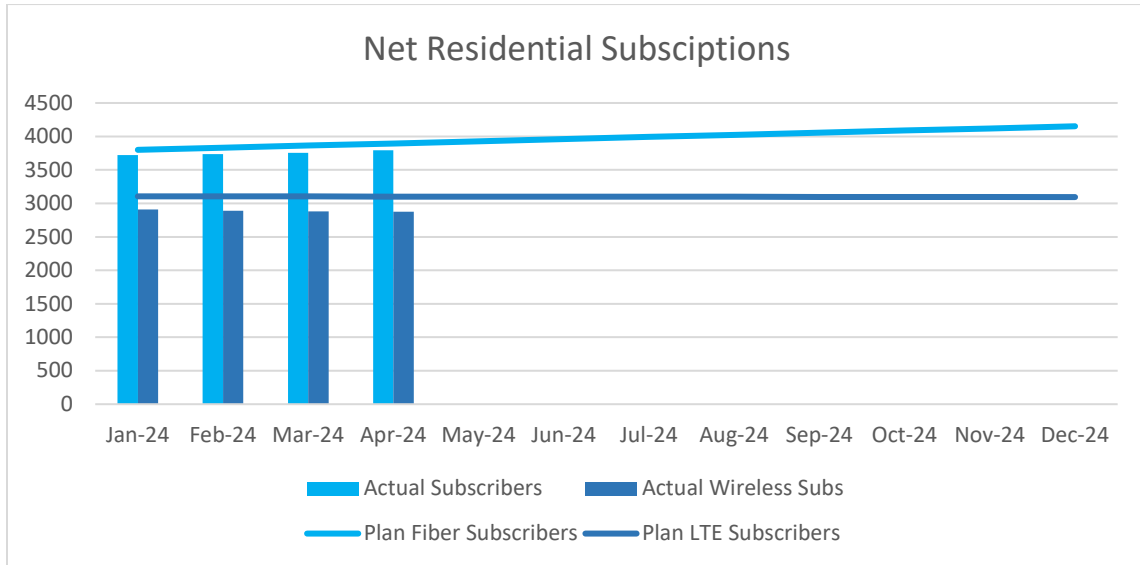
Thanks to donations from OPALCO's generous vendors and partners, there was a raffle for members who attended the event and members who voted in our annual election. Prizes included electric string trimmers, cordless vacuums, electric lawn tools, wet/dry vacuums, insulated coolers, and more. Sponsors included: Cooperative Response Center, MSF Data Services, NWPPA, Orcas Construction Company, PNGC, Olympic Electric, Westsound Utility Construction, Kemp West, Western Solar, West Mechanical, and Streamside Renewables.



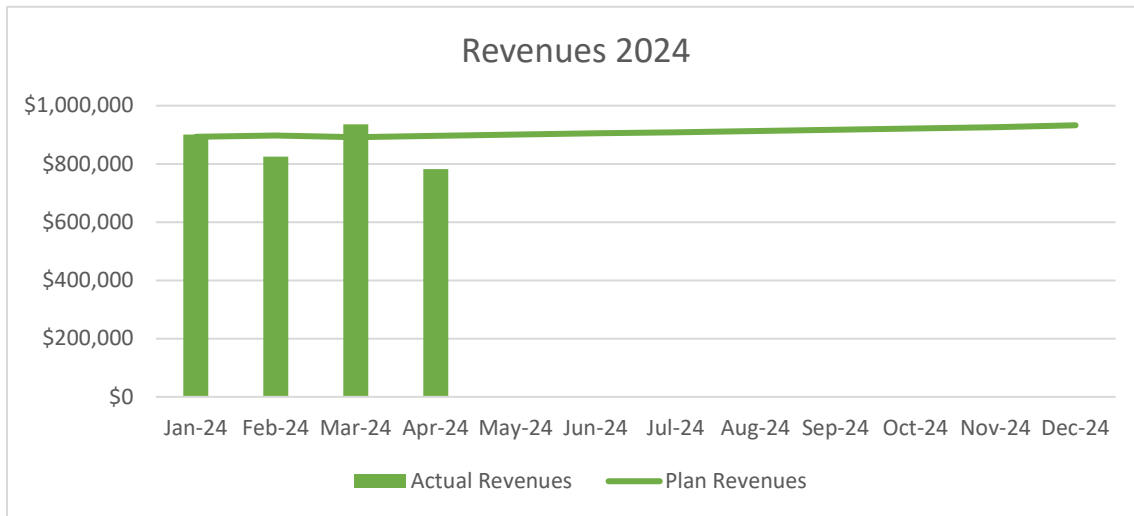
RIC Snapshot May 2024 Board Meeting

6,561 Internet Service Customers

Net Subscribers



Revenues



❖ Previous months revenues are not closed out and are subject to change. closed out and are subject to change. Major contract revenue for January will be recognized at the close of agreements with partners, which will bring January and February revenues up to forecasted levels.