



# Board of Directors Regular Meeting

Thursday, December 12, 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](mailto:communications@opalco.com)

## Sequence of Events

- OPALCO Board Meeting
- Executive Session



Board of Directors  
Regular Board Meeting  
December 12, 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](mailto:communications@opalco.com) for post-meeting follow-up.*

## Contents

ACTION ITEMS.....	3
Consent Agenda .....	3
2025 Tariffs – Second Read .....	6
HomeStreet Bank Account Signers .....	26
EGC Membership .....	26
DISCUSSION ITEMS.....	27
Youth Rally Presentation – 9 am .....	27
Discussion with Friends of San Juan Islands .....	27
REPORTS.....	28
General Manager .....	28
<b>Dashboards</b> .....	<b>28</b>
<b>Quickfacts</b> .....	<b>28</b>
<b>Engineering, Operations and Information Technologies</b> .....	<b>29</b>
<b>Finance</b> .....	<b>30</b>
<b>Member Services</b> .....	<b>32</b>
<b>Communications</b> .....	<b>34</b>
Rock Island Communications .....	36
Appendix .....	37

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 – November 2024

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

ANDERSON, STEPHEN  
BERRETH, TYLER  
BISCOTTINI, ELYSE  
BROWN, JANAIYA  
BURKE, RYAN  
CARIDES, PETER  
CHAPMAN, TESS  
DAVICITO TOWNING, LLC  
FRAY, DAVID & FRAY, KATHERINE  
GOLDBERG, LILY & MULLIGAN, WILLIAM  
HILLUKKA, JASON  
HOLAND, CAMERON  
JENSEN, DITTE  
MIESCH, SUSAN & MIESCH, GLENN  
MILLER, FORREST  
MORANG, MARK  
RHOADES, VICKI  
ROBINS, D  
ROBINS, D STEPHEN  
SCSJI LLC  
STRAHM, FRANK  
SULANTAY, SHALEEA & SULANTAY, SEBASTIAN  
TATARSKY, ALEXIS  
THOMAS EDWARD MUN, SEY ESTATE  
TOTTEN, MAKAYLA & WILLIAMS, MALACHI  
WALLACE, DANICA & LOPEZ, KYLER  
WONHAM, MARJORIE

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

AVIATOR LANE LLC  
BOWERS, AMY & HAMILTON, JAMES  
COILEY, ARLEN  
DEMOURA, PHILIP  
FERNANDO AREVALO, LUIS & YANET AREVALO, LAURA  
GUESS, KAREN & GUESS, DOUG  
HECHT, EVAN  
HERNANDEZ MARTINE, DANIEL & PALO SANCHEZ  
GONZ, JOHANA  
HORIZON TITLE GROUP  
KRAFT, DANIEL & ROSENBERG, CORI  
LOVE STORY LLC  
LUCAS, ROBERT & LUCAS, WENDY  
MCCLLOUD, SKYE & BYRD, ZOE  
MCVAY, RYAN & PEARSON, KARI  
MUELLER, WESTON  
O'BRYANT, NICOLE  
ROLSTON, ADRIANNE & ROLSTON, CHAD  
STEVENS, PATRICK  
SUTTON, THOMAS  
THOMAS, HALLEY  
TORRES RODRIGUEZ, ALVARO  
ULLMANN, JOSEPH & WALKER, BLAKE

#### **District 3** (Lopez, Center, Decatur, Charles)

MILLARD, DANIEL  
NEW LIFE COMMUNIT, Y CENTER

#### **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:

None for December 2024

Staff requests a motion to approve the Consent Agenda.



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

Streaming through Zoom attendees were Board members Vince Dauciunas, Brian Silverstein, Mark Madsen, Tom Osterman, Jerry Whitfield, Chuks Onwuneme and Wendy Hiester. Staff present were General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance and Member Services Nancy Loomis; Communications Manager Krista Bouchey; Head Accountant Travis Neal; Supervisor of Member Services Joey Wyckoff; Special Projects Office Coordinator Beth Stanford (serving as recording secretary); and Communications Specialist Johanna Lange. Also present were Legal Counsel Joel Paisner, and consultant Jay Kimball.

Members in attendance: Robert Austin, Heather Nicholson, Didier Gincig, Barbara Pesola  
Meeting commenced at 8:40 AM

Member Comment Period: Didier Gincig, representing Oddfellows of Eastsound, highlighted the benefits of heat pumps and formally requested that OPALCO take steps to increase the availability of heat pumps for our low income members.

**ACTION ITEMS**

**CONSENT AGENDA**

**MOTION** was made by Osterman, to accept the consent agenda, seconded by Whitfield and passed unanimously by voice vote.

**OPALCO Budget 2025**

**MOTION** was made by Whitfield to accept the OPALCO Budget for 2025, which includes a 6% rate increase. The motion was seconded by Silverstein and passed unanimously by voice vote.

**Special Retirement of Uncollectable Accounts**

**MOTION** was made by Madsen to accept the Special Retirement to Uncollectible Accounts, seconded by Osterman and passed unanimously by voice vote.

**General Retirement of Capital Credits**

**MOTION** was made by Silverstein to accept the General Retirement of Capital Credits, seconded by Whitfield and passed unanimously by voice vote.

**Sale of Property from OPALCO to RIC**

**MOTION** was made by Whitfield to authorize General Manager Foster Hildreth to proceed with and manage the sale of the Gen Plant property. This decision follows confirmation from staff that discussions were held with Moss Adams regarding the proposed transaction, and that the transaction amount complies with the IRS's arm's length standards. The motion was seconded by Silverstein and passed unanimously by voice vote.

**DISCUSSION ITEMS**

**Q3 Financials:** Staff presented the 2024 third quarter financial report while reviewing the 2025 Budget. The quarter 3 financial are posted online, showing results consistent with the budget. Discussion ensued.

**2025 Tariffs – First Read:** Staff presented a first look at the 2025 tariffs, outlining the rates needed to meet the



revenue requirements in the budget. A discussion followed, and the second reading of the tariffs will take place at the December Board Meeting, where staff will address any questions regarding rate component allocations and alternatives. It was agreed that a more detailed rate study is necessary soon.

### **REPORTS**

Staff reviewed reports, dashboards, grant and budget tracking, ongoing cooperative-wide safety measures and training, and project updates including the delays with San Juan County involving the Bailer Hill Project.

Regular Session ended: 10:08 am

Break: 10:08-10:19 am

Executive Session: 10:19 – 11:06 am

Meeting Closed: 11:08 am

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Vince Dauciunas, President

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Tom Osterman, Secretary-Treasurer



## 2025 Tariffs – Second Read

At the November Board meeting, we had the first read of the 2025 Tariffs. The discussion included the need to review member usage profiles, frequency, and distribution. One of the more challenging efforts between now and January 1, 2025, is clearly communicating tariff adjustments.

Additionally, the Board requested the specific information listed below prior to approving the 2025 Tariffs. The presentation is under separate cover.

Staff recommends the Board make a motion approve the 2025 Tariffs as outlined and discussed in presentation.



## Tariff Summary

Residential			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$59.99
Energy Assistance Program (\$/kWh)			\$0.00094
Energy Rates (\$/kWh)			
	Summer	Winter	
Block 1	< 2,000 kWh	< 4,000 kWh	\$0.1351
Block 2	2,000 kWh to 3,000 kWh	4,000 kWh to 5,000 kWh	\$0.1531
Block 3	> 3,000 kWh	> 5,000 kWh	\$0.1762

Residential TOU			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$72.12
Energy Assistance Program (\$/kWh)			\$0.00094
Energy Rates (\$/kWh)			
TOU Period 1 (6 AM - Noon)			\$0.2238
TOU Period 2 (Noon - 6 PM)			\$0.1344
TOU Period 3 (6 PM - 8 PM)			\$0.2238
TOU Period 3 (8 PM - 6 AM)			\$0.0609

Small Commercial (<20 kW)			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$83.71
Energy Assistance Program (\$/kWh)			\$0.00094
Energy Rates (\$/kWh)			
Block 1 (< 5,000 kWh)			\$0.1333
Block 2 (> 5,000 kWh)			\$0.1476
Demand Rates (\$/kW)			
First 20 kW (Flat Rate)			\$7.97

Large Commercial (> 20kW)			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$83.71
Energy Assistance Program (\$/kWh)			\$0.00094
Energy Rates (\$/kWh)			
Block 1 (< 5,000 kWh)			\$0.1209
Block 2 (5,000-150,000 kWh)			\$0.1341
Block 3 (>150,000 kWh)			\$0.1787
Demand Rates (\$/kW)			
Block 1 (< 300 kW)			\$4.90
Block 2 (> 300 kW)			\$7.35

Pumps			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$53.87
Energy Assistance Program (\$/kWh)			\$0.00094
Energy Rates (\$/kWh)			
0 - 370 kWh			\$0.1436
370-5,000 kWh			\$0.1151
Over 5,000 kWh			\$0.1398
Demand Rates (\$/kW)			
First 20 kW (Flat Rate)			\$1.52
Over 20 kW			\$4.96

Residential Renewables			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$59.99
Energy Assistance Program (\$/kWh)			\$0.00094
Consumed Energy (from Grid) Rates (\$/kWh)			
	Summer	Winter	
Block 1	< 2,000 kWh	< 4,000 kWh	\$0.1351
Block 2	2,000 kWh to 3,000 kWh	4,000 kWh to 5,000 kWh	\$0.1531
Block 3	> 3,000 kWh	> 5,000 kWh	\$0.1762
Produced Energy (to Grid) Rates (\$/kWh)			
Renewable Generation Credit			(\$0.0990)
Grid Usage Charge			\$0.0130

Energy Assist			Charge (Credit)
Energy Assistance Program (\$/kWh)			\$0.00094
Household Size (\$ Credit/Month)			
1			(\$38.93)
2			(\$46.36)
3			(\$53.79)
4			(\$61.22)
5			(\$68.65)
6+			(\$76.09)

Private Outdoor Lighting			Charge (Credit)
Billing Charge (\$/Service/Month)			\$3.48
Fixture Charge (\$/Service/Month)			\$15.64
Energy Rates (\$/kWh)			
100 Watt Light (and LED Equivalent)			\$5.76
200 Watt Light (and LED Equivalent)			\$11.69

Line Retention			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$53.87

Deposits and Charges			Charge (Credit)
New Members			
Membership Fee			\$5.00
Deposits (Refundable):			
Residential/Residential TOU			\$250.00
Commercial (Small/Large)			TBD*
*Amount determined by OPALCO. Surety bond required in amount of deposit.			
New of Transfer Service			\$25.00
Returned Payment Charge			\$30.00
Late Payment Charge (applied to current charges)			5%
Disconnect/Reconnect Fees			
Disconnect Notice			\$10.00
Door Tag Fee			\$50.00
Reconnect (After Disconnt for Non-payment)			
During OPALCO business hours			\$75.00
Outside of OPALCO business hours			\$200.00
Seasonal Reconnect (after disconnected for two (2) or more consecutive billing periods)			
During OPALCO business hours			\$300.00
Outside of OPALCO business hours			\$400.00
Member Caused Outage			Actual Cost
Meter Seal Breakage			\$100.00
Meter Test Fee (at member's request)			
Performed by OPALCO			\$200.00
Performed by other qualified person			\$2.00
**OPALCO will refund cost of meter testing if proven in error by more than two percent (2%)			

Commercial Renewables			Charge (Credit)
Service Access Charge (\$/Service/Month)			\$83.71
Energy Assistance Program (\$/kWh)			\$0.00094
Consumed Energy (from Grid) Rates (\$/kWh)			
Block 1 (< 5,000 kWh)			\$0.1209
Block 2 (5,000-150,000 kWh)			\$0.1341
Block 3 (>150,000 kWh)			\$0.1787
Produced Energy (to Grid) Rates (\$/kWh)			
Renewable Generation Credit			(\$0.0990)
Grid Usage Charge			\$0.0130
Demand Rates (\$/kW)			
Block 1 (< 300 kW)			\$4.89
Block 2 (> 300 kW)			\$7.34

## Tariff R – Residential Service

### Availability

Available to all small farm and home members, subject to the General Provisions hereunder.

### Type of Service

Single-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

Service for home and farm uses, such as cooking, lighting, heating, private docks not used for commercial purposes, etc. Primary residential end-use shall be served under this tariff.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount			
<b>Service Access</b>	\$59.99			\$/billing period
<b>Energy</b>				
	<b>Summer Thresholds</b>	<b>Winter Thresholds</b>		
Block 1	≤ 2,000 kWh	≤ 4,000 kWh	\$0.1351	\$/kWh
Block 2	2,001 - 3,000 kWh	4,001 – 5,000 kWh	\$0.1531	\$/kWh
Block 3	> 3,000 kWh	> 5,000 kWh	\$0.1762	\$/kWh
<b>Demand</b>	\$0.00			\$/kW
<b>Energy Assistance</b>	Charges as found in EAP Tariff. See General Provision #6.			\$/kWh
<b>Energy Charge Adjustment</b>	Charges as found in ECA Tariff. See General Provision #6.			\$/kWh

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
4. Primary end-use for residential purposes shall be served under this tariff.
5. Summer Block is defined as May billing period through September billing period; Winter Block is defined as October billing period through April billing period.
6. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.





## Tariff RDR – Residential Distributed Energy Resource Service

### Availability

Available to all residential members utilizing Member Service Policy 13 for interconnection of distributed energy resource (DER) facilities, subject to the General Provisions hereunder. DER facilities include solar, wind, hydro, and battery storage.

### Type of Service

Single-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

- Primary residential interconnected DER facilities end-use shall be served under this tariff.
- Services with interconnected DER facilities with an inverter nameplate rating of less than 25 kW. [Systems above 25kW will require an independent power purchase agreement]

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount			
Service Access			\$59.99	\$/billing period
Consumed Energy (from Grid)				
	Summer Thresholds	Winter Thresholds		
Block 1	≤ 2,000 kWh	≤ 4,000 kWh	\$0.1351	\$/kWh
Block 2	2,001 - 3,000 kWh	4,001 – 5,000 kWh	\$0.1531	\$/kWh
Block 3	> 3,000 kWh	> 5,000 kWh	\$0.1762	\$/kWh
Produced Energy (to Grid)				
Renewable Generation Credit			(\$0.0990)	\$/kWh
Grid Usage Charge			\$0.0130	\$/kWh
Demand	\$0.00			\$/kW
Energy Assistance	Charges as found in EAP Tariff. See General Provision #6.			\$/kWh
Energy Charge Adjustment	Charges as found in ECA Tariff. See General Provision #6.			\$/kWh

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
4. Primary end-use for residential purposes shall be served under this tariff.
5. Summer Block is defined as May billing period through September billing period; Winter Block is defined as October billing period through April billing period.



6. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.
7. Consumed Energy (from grid) shall be charges applied to all energy (kWh) consumed at the time where consumption exceeds production. This energy shall be measured at the interconnection meter.
8. Produced Energy (to grid) shall be credits and charges applied to all energy (kWh) produced at the time where production exceeds consumption. This energy shall be measured at the interconnection meter. The sum of all credits and charges totals to a credit.
9. Services installed, commissioned, and energized prior to June 30th, 2022, may remain on the Legacy Renewable Energy Rider for interconnected DER facilities provided the cooperative has been notified on or prior to June 30th, 2022.
10. Services billed on the Legacy Renewable Energy Rider shall continue using that Legacy Renewable Energy Rider until one of the following conditions has been met:
  - the service is transferred to another member;
  - an executed agreement to be bound by this tariff;
  - requirements stipulated in related agreements; or
  - after June 30th, 2029.
11. Wholesale Purchased Power (charge or credit) is the annual blended per kWh charge for OPALCO's cost of wholesale power from the mainland suppliers.
12. Renewable Premium includes costs for reduced load on the grid, an environmental credit, and an implementation phase-in credit.
13. Services utilizing this tariff shall not revert to legacy tariff methodology.

## Tariff TOU – Residential Time of Use Service

### Availability

Available to all small farm and home members otherwise served under the standard residential rate, and subject to the General Provisions hereunder.

### Type of Service

Single-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

Service for small farms, homes, pools, greenhouses and other non-essential loads. Limited to single phase loads. Primary residential end-use shall be served under this tariff.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount	
<b>Service Access</b>	\$72.12	\$/billing period
<b>Energy</b>		
TOU Period 1	\$0.2238	\$/kWh
TOU Period 2	\$0.1344	\$/kWh
TOU Period 3	\$0.2238	\$/kWh
TOU Period 4	\$0.0609	\$/kWh
<b>Demand</b>	\$0.00	\$/kW
<b>Energy Assistance</b>	Charges as found in EAP Tariff. See General Provision #6.	\$/kWh
<b>Energy Charge Adjustment</b>	Charges as found in ECA Tariff. See General Provision #6.	\$/kWh

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. The billing demand shall be the maximum kilowatt (kW) demand established by the member for any period of fifteen (15) consecutive minutes during the period for which the bill is rendered as indicated or recorded by a demand meter.
4. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
5. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.

## Tariff LCS – Large Commercial Service

### Availability

Available to all non-residential members using more than 20 kW in any one or more of the preceding twelve (12) months, subject to the General Provisions hereunder.

### Type of Service

Single-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

General Service for heating, lighting, etc., for non-residential primary end-use.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount		
<b>Service Access</b>		\$83.71	\$/billing period
<b>Energy</b>			
Block 1	≤ 5,000 kWh	\$0.1209	\$/kWh
Block 2	5,001 - 150,000 kWh	\$0.1341	\$/kWh
Block 3	> 150,000 kWh	\$0.1787	\$/kWh
<b>Demand</b>			
Block 1	≤ 300	\$4.90	\$/kW
Block 2	> 300	\$7.35	\$/kWh
<b>Energy Assistance</b>	Charges as found in EAP Tariff. See General Provision #6.		\$/kWh
<b>Energy Charge Adjustment</b>	Charges as found in ECA Tariff. See General Provision #6.		\$/kWh+

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. The billing demand shall be the maximum kilowatt (kW) demand established by the member for any period of fifteen (15) consecutive minutes during the period for which the bill is rendered as indicated or recorded by a demand meter.
4. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
5. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.



## Tariff CDR – Commercial Distributed Energy Resource Service

### Availability

Available to all non-residential members utilizing Member Service Policy 13 for interconnection of distributed energy resource (DER), subject to the General Provisions hereunder. DER facilities include solar, wind, hydro, and battery storage.

### Type of Service

Single-phase or three-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

- Primary commercial interconnected DER facilities end-use shall be served under this tariff.
- Services with interconnected DER facilities with an inverter nameplate rating of less than 25 kW. [Systems above 25kW will require an independent power purchase agreement]

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount		
Service Access		\$83.71	\$/billing period
Consumed Energy (from Grid)			
Block 1	≤ 5,000 kWh	\$0.1209	\$/kWh
Block 2	5,001 - 150,000 kWh	\$0.1341	\$/kWh
Block 3	> 150,000 kWh	\$0.1787	\$/kWh
Produced Energy (to Grid)			
Renewable Generation Credit		(\$0.0990)	\$/kWh
Grid Usage Charge		\$0.0130	\$/kWh
Demand			
Block 1	≤ 300	\$4.89	\$/kW
Block 2	> 300	\$7.34	\$/kWh
Energy Assistance	Charges as found in EAP Tariff. See General Provision #6.		\$/kWh
Energy Charge Adjustment	Charges as found in ECA Tariff. See General Provision #6.		\$/kWh

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
4. Primary end-use for non-residential purposes shall be served under this tariff.



5. Summer Block is defined as May billing period through September billing period; Winter Block is defined as October billing period through April billing period.
6. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.
7. Consumed Energy (from grid) shall be charges applied to all energy (kWh) consumed at the time where consumption exceeds production. This energy shall be measured at the interconnection meter.
8. Produced Energy (to grid) shall be credits and charges applied to all energy (kWh) produced at the time where production exceeds consumption. This energy shall be measured at the interconnection meter. The sum of all credits and charges totals to a credit.
9. Services installed, commissioned, and energized prior to June 30th, 2022, may remain on the Legacy Renewable Energy Rider for interconnected DER facilities provided the cooperative has been notified on or prior to June 30th, 2022.
10. Services billed on the Legacy Renewable Energy Rider shall continue using that Legacy Renewable Energy Rider until one of the following conditions has been met:
  - the service is transferred to another member;
  - an executed agreement to be bound by this tariff;
  - requirements stipulated in related agreements; or
  - after June 30th, 2029.
11. Wholesale Purchased Power (charge or credit) is the annual blended per kWh charge for OPALCO's cost of wholesale power from the mainland suppliers.
12. Renewable Premium includes costs for reduced load on the grid, an environmental credit, and an implementation phase-in credit.
13. Services utilizing this tariff shall not revert to legacy tariff methodology.

## Tariff P – Pump Service

### Availability

Available to all members, subject to the General Provisions hereunder.

### Type of Service

Single-phase, at available secondary voltage, equipment subject to automatic load management controls.

### Application

Service for exclusively pumping water for domestic use and/or irrigation.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount		
<b>Service Access</b>		\$53.87	\$/billing period
<b>Energy</b>			
Block 1	≤ 370 kWh	\$0.1436	\$/kWh
Block 2	371 - 5,000 kWh	\$0.1151	\$/kWh
Block 3	> 5,000 kWh	\$0.1398	\$/kWh
<b>Demand</b>			
Block 1	First 20 kW (Flat Rate)	\$1.52	\$/billing period
Block 2	> 20 kW	\$4.96	\$/kW
<b>Energy Assistance</b>	Charges as found in EAP Tariff. See General Provision #5.		\$/kWh
<b>Energy Charge Adjustment</b>	Charges as found in ECA Tariff. See General Provision #5.		\$/kWh

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. A surcharge or credit may be applied to each billing for service under this tariff to reflect increases or decreases in cost of power subject to Member Services Policy 29 – Rate Design and Tariff ECA – Energy Charge Adjustments.
3. Member agrees to allow the cooperative, at its discretion, to install automatic load management controls.
4. All pumps served under this tariff shall be metered separately.
5. Energy Assistance Charge and Energy Charge Adjustment shall be applied to all energy (kWh) Consumed Energy in the billing period.



## Tariff LR – Line Retention

### Availability

Available for individual services where the primary and transformer only serve one member and the removal of the equipment will not affect the service to other members, and/or no service has been taken for a period of twelve (12) months.

### Type of Service

Single-phase, at available secondary voltages.

### Application

Payment of the line retention rate will ensure that the facilities remain in place for future use.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount	
Service Access	\$53.87	\$/billing period

### General Provisions

1. The minimum monthly credit, under this tariff, shall be per the Energy Assist Credit, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. OPALCO shall retire and/or remove facilities that have been idle for greater than twelve (12) months.
3. Payment of the line retention rate will ensure that the facilities remain in place while service has this tariff applied.
4. If OPALCO removes any equipment pertaining to the service while under this tariff, OPALCO shall reinstall the facilities to provide the same service at the time this tariff was applied.
5. Members who have discontinued service for a period of twelve (12) months or have made a formal request for service and have not connected to the system after a period of twelve (12) months are subject to the line retention rate, provided that OPALCO has determined that the facilities are causing ongoing expenses, such as line losses or line maintenance to the system.



## Tariff POL – Private Outdoor Lighting

### Availability

New service under this tariff is not available after March 1, 1998. Those members receiving service under this tariff prior to March 1, 1998 may continue to do so.

### Type of Service

OPALCO will own, maintain and operate suitable fixtures on brackets, with refractors and controls, and supply energy for lamps at locations agreed upon with the member, the service distance not to exceed 150 feet/2 wire, or 300 feet/3 wire.

### Application

Non-metered or metered street, yard or security lighting service.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount	
Billing	\$3.48	\$/billing period
Fixture	\$15.64	\$/billing period
Light		
100 Watt or Equivalent	\$5.76	\$/billing period
Block 2	\$11.69	\$/billing period

### General Provisions

1. The minimum monthly charge, under this tariff, shall be per the Service Access Charge, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. All lamp replacements and other maintenance will be provided by OPALCO, except that lamps and fixtures broken by vandalism will be charged to the member.
3. The member shall notify OPALCO if a lamp does not operate. OPALCO agrees to repair lamps as soon as possible, but, in any event, within five (5) working days.
4. A timing device and/or photo electric cell may be installed by OPALCO in order to limit the time interval that the lamp is turned on each night.
5. During the periods of energy shortage, lamps may be disconnected by request of either the cooperative or member, with no charge to member. The member will not be charged for the period the light has been disconnected.

## Deposits and Fees

Description	Amount
<b>New Members</b>	
Membership Fee (refundable)	\$5.00
Deposits (refundable)	
Residential/Residential TOU	\$250.00
Commercial (Small and Large)	TBD by OPALCO <sup>1</sup>
<sup>1</sup> Surety bond required in amount of deposit	
<b>Service Transfer Fee</b>	\$25.00
<b>Returned Payment Charge</b>	\$30.00
<b>Late Payment Charge</b>	5% of current balance
<b>Disconnect/Reconnect Fees</b>	
Disconnect Notice	\$10.00
Door Tag	\$50.00
Reconnect (after Disconnect for Non-payment)	
During OPALCO business hours	\$75.00
Outside of OPALCO Business hours	<b>\$200.00</b> <del>(\$150)</del>
Seasonal Reconnect <sup>2</sup>	
During OPALCO business hours	<b>\$300.00</b> <del>(\$250)</del>
Outside of OPALCO Business hours	\$400.00
<sup>2</sup> after disconnected for two (2) or more consecutive billing periods	
<b>Member Caused Outage</b>	Actual Cost
<b>Meter Seal Breakage</b>	\$100.00
<b>Meter Test Fee<sup>3</sup></b> (at members request)	
Performed by OPALCO	<b>\$200.00</b> <del>(\$100)</del>
Performed by other qualified person	Actual Cost <sup>3</sup>
<sup>3</sup> OPALCO will refund cost of meter testing if proven in error by more than two percent (2%)	

## Tariff EAP – Energy Assist Program Rider

### Availability

Energy Assist Credit is available to low-income members, subject to the General Provisions hereunder, served under the current Tariff R Residential Service, and the provisions therein.

### Type of Service

Electric service under the current Tariff R Residential Service.

### Application

Residential homes with year-round low-income occupants being served by a standard residential service.

### Charges (Credits)

Charge (Credit) Type	Charge (Credit) Amount	
<b>Energy Assistance</b>	<b>\$0.00094</b>	\$/kWh
Energy Assist		
	Household Size	
	1	(\$38.93) \$/billing period
	2	(\$46.36) \$/billing period
	3	(\$53.79) \$/billing period
	4	(\$61.22) \$/billing period
	5	(\$68.65) \$/billing period
	6+	(\$76.09) \$/billing period

### General Provisions

1. The minimum monthly credit, under this tariff, shall be per the Energy Assist Credit, as found in Charges (Credits), per billing period or prorated if service is provided for less than a full billing period.
2. The Energy Assist Credit is pending available funding through the Energy Assistance Charge in each related tariff, and other funding sources as approved by the Board of Directors.
3. Energy Assistance Charge shall be applied to all energy (kWh) Consumed Energy in the billing period under all tariffs.

## Tariff ECA – Energy Charge Adjustment Rider

A variable true-up adjustment (surcharge or credit) will appear as a line item on member bills to reflect increases or decreases in the power sales due to weather. The adjustment amount will be solely based on power costs and calculated by comparing budgeted vs. actual power cost per kWh sold. The purpose of the ECA is address the lack of predictability in weather forecasting for kWh sales and revenue as power costs. The ECA includes two adjustment mechanisms:

1. An automated monthly reoccurring true-up (surcharge or credit) to be applied to each member billing on a kWh basis, which adjusts for increases or decreases in the cost of power purchased as compared to the budgeted vs. actual cost per kWh sold (see below for calculation); and
2. On an as-needed basis and subject to board approval, a variable mechanism that balances the fluctuation in revenues to meet strategic directives, financial requirements, and emergency funding needs.

For the purposes of calculating the ECA, Total Purchase Power Cost shall mean power purchases and credits from all power suppliers; excluding credits or purchases from all suppliers that may be applied directly to particular Members; including all power supply related costs but not limited to: monthly fixed charges, electric power production costs, fuel costs, market power purchases, transmission costs, substation costs, costs for any facilities that will be billed to the Cooperative by power suppliers, power supplier surcharges for programs such as, but not limited to, energy efficiency and demand response programs, other power supply related costs.

The Budget Cost of Power shall equal the total projected future cost of power at the time the current Cooperative rates were established (power cost embedded within current rates) divided by the total projected future kWh sales at the time the current Cooperative rates were established (kWh sales used to develop current rates).

### Monthly ECA Factor

The automated monthly charges on member bills shall be increased or decreased on a uniform per-kWh basis computed monthly as follows:

$$ECA = \frac{PC_A}{kWh_A} - \frac{PC_B}{kWh_E} + \frac{\text{Uncollected}}{kWh_B} + \text{Adjustments}$$

The figures for the above variables can be found in Board approved budget and in the financial statements, and on the Sales and Usage Report.

Where:

ECA	Energy Cost Adjustment (\$/kWh) to be applied to energy sales for the billing period.
$kWh_E$	Total estimated energy annual sales.
$kWh_B$	Total estimated energy sales for the billing period the ECA will be applied.
$PC_A$	Total purchased power cost from all suppliers for the prior two months billing period. Excluding Bonneville Power Administration provision known as the Reserves Distribution Clause (RDC).
$PC_B$	Total annual estimated purchased electricity costs included in the Cooperative's base rates.
Uncollected	Difference in the total ECA revenue collected from the prior month and the total ECA calculated collection for the prior month. $Uncollected = (ECA_P * kWh_A \text{ (prior billing period only)}) - ECA_A$
$ECA_P$	Energy Cost Adjustment (\$/kWh) as applied to energy sales for the prior billing period.

$ECA_A$	Energy Cost Adjustment (\$) as collected from energy sales for the prior billing period, as found on the
	monthly sales report, net of any General Manager smoothing adjustments (below).
$kWh_A$	Total actual energy sales for the prior two months billing periods the ECA was applied. This metric is per the RUS Form 7 energy (kWh) sales.
Adjustments	<p><b>Unforeseen:</b> A Board approved \$/kWh charge to account for unpredictable costs.</p> <p><b>Smoothing:</b> The Board also approves the ability for the General Manager to make smoothing adjustments to the ECA to minimize the month-to-month financial impact to members. The General Manager will report any adjustments made at the next Board meeting.</p>



## Tariff EC – Energy Conservation Charge Rider

### Availability

Service under this Rider shall be available in all territory served by the cooperative (OPALCO) and shall be subject to OPALCO's established tariffs and policies. This Rider is an optional and voluntary tariff available to members who take service under any rate schedule for eligible energy efficiency improvements (upgrades) within the OPALCO service territory. It shall not be a requirement that the structure be all-electric. Projects that address upgrades to existing buildings deemed unlikely to be habitable or to serve their intended purpose for duration of service charges will not be approved unless other funding can affect necessary repairs.

### Application

A monthly Energy Conservation (EC) charge will be assigned to any meter located where upgrades are installed utilizing OPALCO on-bill financing program. Members occupying the location of the meter shall pay the EC charge until all OPALCO costs have been recovered. OPALCO will recover the costs of its investments, including any fees allowed, in this tariff. Charges will be set for a duration not to exceed the estimated life of the pre-approved upgrades or the length of a full parts and labor warranty, whichever is less and in no case longer than ten (10) years. The EC charge, and duration of payments will be included in the Efficiency Conservation Agreement between OPALCO and the member.

### General Provisions

#### ENERGY CONSERVATION AGREEMENT TERMS

1. No up-front payment is required by participating members. The initial cost of approved energy efficiency measures will be paid by OPALCO, up to the maximum amount established for each EC measure.
2. The repayment obligation shall be assigned to the meter at the premises and will survive changes in ownership and/or tenancy.
3. Until cost recovery for upgrades at a meter location is complete, the terms of this tariff shall be binding on the metered structure and any future member who shall receive service at that location.
4. Program costs shall be recovered through a monthly EC charge on the utility bill.
5. Without regard to any other OPALCO rules or policies, the EC charge shall be considered as an essential part of the members bill for electric service, and OPALCO may disconnect the associated electric meter for non-payment of EC charge under the same provisions as for any other electric service.
6. OPALCO may make an incentive payment for program participation that is less than or equal to the value of the upgrades to the Cooperative.
7. A member's and landlord's (if applicable) signature on the EC Agreement shall indicate acceptance of this tariff.
8. OPALCO will be responsible for estimating resource savings and developing a Conservation Plan upon which the EC charge will be based, detailed in this tariff.
9. Once OPALCO's costs for upgrades at a specified location have been recovered, the monthly charge shall no longer be billed.





### Conservation Plan

The Conservation Plan (the Plan) will be developed by OPALCO and specify measures eligible for financing. The Plan includes:

- EC Charge – The charge to be included on Member’s utility bill will be based on the actual cost of the proposed measure(s). The Cooperative will be solely responsible for calculating the EC charge utilizing standard amortization methods. To the extent applicable, OPALCO will incorporate County recording fees and OPALCO rebates or discounts into the calculation of the EC charge.
- The annual interest rate used to calculate the EC charge shall be no more than four percent (4%).
- Number of Payments – The number of monthly periods for which the EC charge will apply at the premises. Unless otherwise specified, the EC charge shall not exceed the estimated life of the measure or ten (10) years, whichever is less.
- Project Cost - the total actual cost of the energy conservation project being financed, for the purpose of calculating the EC charge. Project cost will include (1) the final amount billed by the contractor, and paid by OPALCO, subject to the terms of this policy and the EC Agreement, (2) recording fees charged by the County, and paid by OPALCO, (3) optional decommissioning of a fossil fuel system and (4) an energy audit (if applicable). Energy snapshot fees may not be included in the Project Cost.
- Estimated Resource Savings – The modeled change(s) in costs of resources consumed at the premise attributable to the efficiency measure(s) proposed. The Cooperative will be solely responsible for savings estimates.

### Approved Contractor

Should the member determine to proceed with implementing the Plan, OPALCO shall determine the appropriate monthly charge as described above. The member shall sign the EC Agreement and select a certified contractor.

### Quality Assurance

When the energy efficiency upgrades are completed, the contractor shall be paid by OPALCO, following on-site, telephone, or written report inspection and approval of the installation by the member and cooperative. OPALCO does not guarantee the performance of the upgrade appliance or the quality of work of any contractor.

### Uneconomic Measures

A member may elect to “buy down” the cost of implementing an efficiency measure so that the EC charge will be less than the average estimated monthly savings. In this case OPALCO must be notified in advance of the payment to appropriately process the payment.

### New and Existing Structures

A member may utilize this Rider to install high efficiency equipment or measures in new structures. At its sole discretion, OPALCO may determine a property is not eligible for the program and does not qualify for this Rider if:

- The structure has an expected life shorter than the payback period, or
- The structure does not meet applicable public safety or health codes.



### Responsibilities

Responsibilities, understandings, and authorizations of members, OPALCO, landlord (if applicable) and Participating Contractor shall be outlined in written agreements, notifications and disclosures/consents.

### Transition in Roles

Payments due pursuant to an Energy Conservation Agreement are based upon the meter serving each property participating under this tariff. All responsibility for outstanding EC obligations and payments belong to the member or any successor party to the member, landlord or tenant change, including any subsequent owner, tenant, or otherwise. Note, to the extent necessary, each member maintains all disclosure obligations. For example: If a person sells a home, they are required to notify the purchaser of the tariff obligation. Failure to provide such notification shall not affect the cooperative's ability to continue billing pursuant to this tariff.

### Other

1. This Rider only applies to measures permanently installed as fixtures at the premises. Portable efficiency products do not qualify under this Rider. OPALCO will solely determine eligibility of measures or products.
2. Premises in which the measures will be installed must be permanently anchored to a foundation.
3. At its sole discretion, OPALCO may determine the maximum program investment in any year.
4. OPALCO will determine the eligibility of a member based under the member's bill payment history with the cooperative, projected energy savings and program capacity. Service under this Rider shall be available in all territory served by the cooperative (OPALCO) and shall be subject to OPALCO's established tariffs and policies. This Rider is an optional and voluntary tariff available to members who take service under any rate schedule for eligible energy efficiency improvements (upgrades) within the OPALCO service territory. It shall not be a requirement that the structure be all-electric. Projects that address upgrades to existing buildings deemed unlikely to be habitable or to serve their intended purpose for duration of service charges will not be approved unless other funding can affect necessary repairs.



## Tariff LRR – Legacy Renewable Energy Rider

### Availability

Available to all services utilizing Member Service Policy 13 for interconnection of distributed energy resource (DER) facilities, subject to the General Provisions hereunder. DER facilities include solar, wind, hydro, and battery storage.

### General Provisions

1. This rider shall be applied to the primary tariff utilized for the service utilizing Member Service Policy 13.
2. Energy produced that exceeds consumption shall be used to directly offset energy consumed that exceeds production within the billing period.
3. Energy produced that exceeds the energy consumption for the billing period shall be carried to the following billing periods until either it is fully offset by consumed energy or March 31. On April 30 of each year, the produced energy that exceeds the consumed energy shall be paid at \$0.01 greater than the average wholesale cost of power (See General Provision #4).
4. The yearly average shall be determined each year on March 31 using OPALCO's year-end Rural Utilities Service (RUS) Form 7, Part K, Section (e) Average Cost.
5. The billing adjustments applies to charges for energy consumed only. A member participating in this tariff is subject to the OPALCO tariff under which the member receives service.
6. Produced energy that exceeds consumption shall be applied only to energy usage and not the service access charge. In all cases, the service access charge will apply.
7. If the service has selected the use of "Buy/Sell", general provision #1 and # 2 do not apply. All produced energy that exceeds consumption within the billing period shall be credited on a monthly basis at \$0.01 greater than the average wholesale cost of power (See General Provision #4).
8. Services installed, commissioned, and energized prior to June 30th, 2022, may remain on this tariff for interconnected DER facilities provided the cooperative has been notified on or prior to June 30th, 2022.
9. Services billed on this legacy tariff rider shall continue using this tariff rider until one of the following conditions has been met:
  - the service is transferred to another member;
  - an executed agreement to be bound by another tariff;
  - requirements stipulated in related agreements; or
  - after June 30th, 2029.

NOTE: This legacy rate applies to interconnected services prior to June 30th, 2022, all of which had the opportunity to opt into the RDRC or CDRC tariff. The services that remain on this rider exceed to capacity threshold of 4% of the 1996 peak set by RCW 80.60. The services under this rider represent >8% of the 1996 peak threshold as of June 30th, 2022.

## HomeStreet Bank Account Signers

As required by the bank, staff requests a motion to approve the addition of Travis Neal, Head Accountant, and Michelle Beal, Accountant, as signers to the HomeStreet bank account.

## EGC Membership

To be discussed in Executive Discussion.

Staff requests a motion to approve the proposed candidate to the Elections and Governance Committee for the next three years.

Staff also requests a motion to reconfirm the current EGC members for a three-year term. The current members are District 1 (San Juan): Bill Severson, Bill Appel, Doug Rowan, District 2 (Orcas): Rick Christmas, Rick Fant, current applicant, and District 3 (Lopez): Rob Thesman, Ray Glaze, VACANT.

# DISCUSSION ITEMS

## Youth Rally Presentation – 9 am

Each year OPALCO offers scholarships and attendance at a co-op leadership camp, the ICUA Youth Rally, for San Juan County students. The five participants from the 2024 program will do a short presentation on their experience at the ICUA Youth Rally.

## Discussion with Friends of San Juan Islands

The OPALCO team met on December 9<sup>th</sup> with staff from the Friends of the San Juan Islands about rooftop solar and embracing local renewable energy. See the presentation under separate cover prepared the OPALCO team titled “Local Renewable Generation.”

# 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	Member Services	Outage
<ul style="list-style-type: none"> <li>• Budget Variance</li> <li>• TIER/Margin</li> <li>• Expense</li> <li>• Cash</li> <li>• Power Cost</li> <li>• Purchased Power</li> <li>• Annual Power Metrics</li> <li>• Capital</li> <li>• Debt/Equity</li> <li>• WIP</li> <li>• Income Statement Trends</li> </ul>	<ul style="list-style-type: none"> <li>• Disconnects</li> <li>• Uncollectable Revenue</li> <li>• PAL</li> <li>• EAP</li> <li>• Membership</li> <li>• Service Additions</li> <li>• Annual Service Additions</li> <li>• Revenue Dist. By Rate</li> </ul>	<ul style="list-style-type: none"> <li>• Historical SAIDI - Graph</li> <li>• Historical SAIDI - Figures</li> <li>• Outage Stats – Rolling 12 Mo</li> <li>• Outage Stats – Monthly</li> <li>• SAIDI by Category</li> <li>• Outage Summary</li> </ul>

### Quickfacts

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

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• OPALCO's Plan for our Energy Future</li> <li>• Decarbonization – 4 Part Series</li> <li>• Switch It Up!</li> <li>• WA 2021 Energy Strategy</li> <li>• Simpson Proposal and the Northwest Energy Evolution</li> <li>• Will there be enough power?</li> <li>• OPALCO Rates</li> <li>• Energy Independence? Not entirely</li> <li>• Rock Island Communications</li> <li>• OPALCO election process</li> <li>• Wireless Services</li> <li>• Cost of Service</li> <li>• Staff Compensation</li> <li>• NRECA</li> <li>• OPALCO Debt and Capital Projects</li> <li>• Ocean Health</li> <li>• NW Resource Adequacy in a Rapidly Decarbonizing World</li> </ul> | <ul style="list-style-type: none"> <li>• Land for Renewable Energy Projects</li> <li>• Understanding the Change in Solar Rates</li> <li>• Decatur Island Battery Storage Project</li> <li>• Why Hydropower is Important to our Power Supply</li> <li>• Where does OPALCO stand on regional issues and the dams?</li> <li>• Future Power Purchase Strategy</li> <li>• Industry Association Memberships and Co-op Benefits</li> <li>• Climate Change News Review - September 2022</li> <li>• OPALCO Tidal Energy Pilot Project</li> <li>• Solar Rate for Residential Members</li> <li>• Right-of-Way Program</li> <li>• Inflation Reduction Act (IRA) Benefits</li> <li>• Wildfire Mitigation</li> <li>• Surge Protection</li> <li>• OPALCO Needs a New Submarine Cable</li> </ul> |
|--|--|

## Engineering, Operations and Information Technologies

### WIP

As of December 11, 2024, there are 313 work orders open totaling \$12.6M. Operations has completed construction on 127 work orders, totaling \$1.3M.

### Safety

Northwest Safety Service conducted Substation Bypass training in October and Mayday training in November. The total current hours worked without a loss time accident 13,658 hours. In October, there was a non-critical loss time accident resulting in a reset of hours without loss time.

### Grants

#### Grant Seeking

Grant Program / partner	Funder	Project Title (\$\$)	Grant \$\$	Matching \$\$	Timeline
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
Grid Resilience Program	WA Dept of Commerce	Eastsound Substation	\$3M	\$3.15M	TBD
RMUC Program Advanced Cybersecurity Technology ACT 2	US Dept of Energy	OPALCO Cybersecurity Initiative	\$150,000		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 2025
Remote Communities Broadband ARPA	WA State Broadband Office	Last Mile Broadband	\$15M		Construction in Process
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	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	Land Use Permitting
RMUC Program Advanced Cybersecurity Technology ACT 1	US Dept of Energy	OPALCO Cybersecurity Initiative	\$50,000		Phase 1 completed and Phase 2 application submitted Dec 5th, 2024, for second round of funds



## Finance

### 2024 Budget Tracking

Energy (kWh) sales were slightly higher than budgeted levels through November 2024. The table presents the full year 2023 projection with actuals for prior months where available.

Income Statement Summary (in thousands)	2024 Projection (actuals for prior months)		
	Budget	Projected	Variance
Operating Revenue	\$ 37,407	\$ 39,361	\$ 1,954
ECA Surcharge / (Credit)*	\$ -	\$ 236	\$ 236
Revenue	\$ 37,407	\$ 39,597	\$ 2,190
Expenses:			
Cost of Purchased Power	\$ 9,159	\$ 9,350	\$ 191
Transmission & Distribution Expense	9,704	9,255	(449)
General & Administrative Expense	7,032	6,288	(744)
Depreciation, Tax, Interest & Other	9,312	9,312	-
Total Expenses	35,207	34,205	(1,002)
Operating Margin	2,200	5,392	3,192
Non-op margin	673	797	124
Net Margin*	2,873	\$ 6,189	3,316
OTIER	2.03	3.66	1.63
TIER	2.34	4.05	1.71
Equity %	40.3%	41.7%	1.5%
HDD	1,029	946	(83)
kWh Purchases	219,000	229,725	10,725
kWh Sales	208,000	216,726	8,726

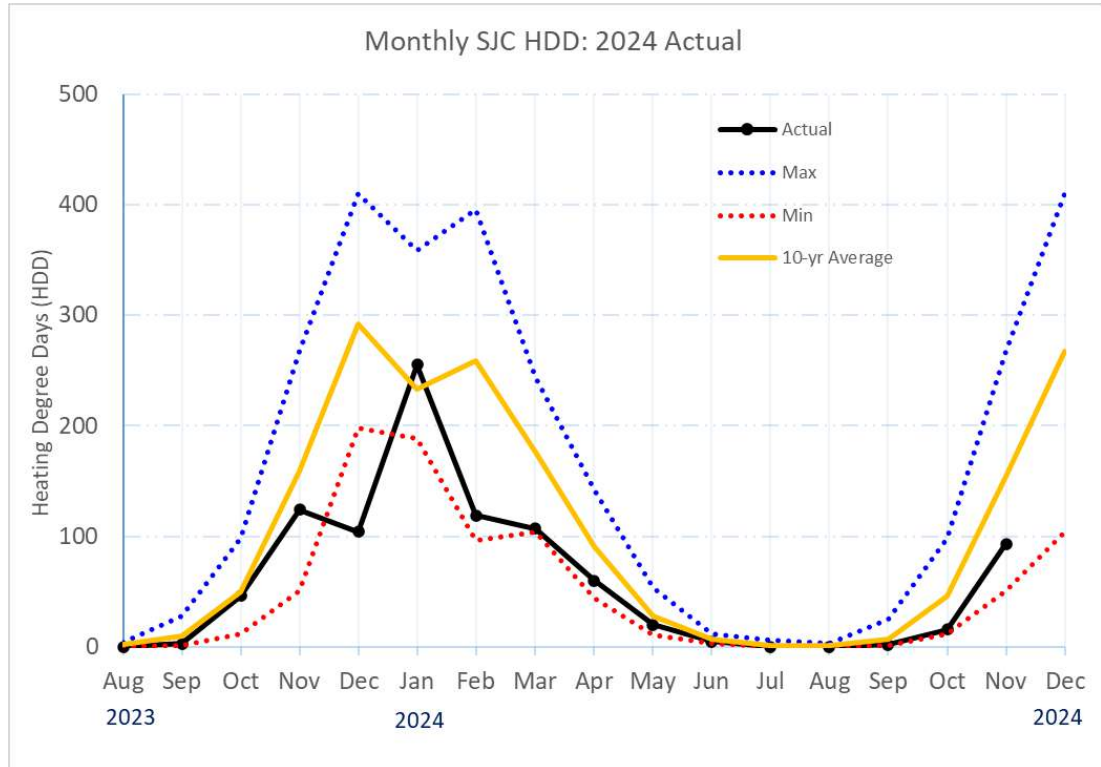
\* The ECA collected a net \$236k from members through November 2024.

### Monthly Energy Charge Adjustment (ECA)

The November 2024 ECA collected \$161,534 from members, or \$7.95 per 1,000 kWh. The December billing period ECA is unknown at the time of this report, pursuant receipt of the November power bill from PNGC. 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)

This year followed average HDD trends, and we expect fourth quarter 2024 and first quarter 2025 to be trending slightly cooler. We continue to monitor weather trends monthly.

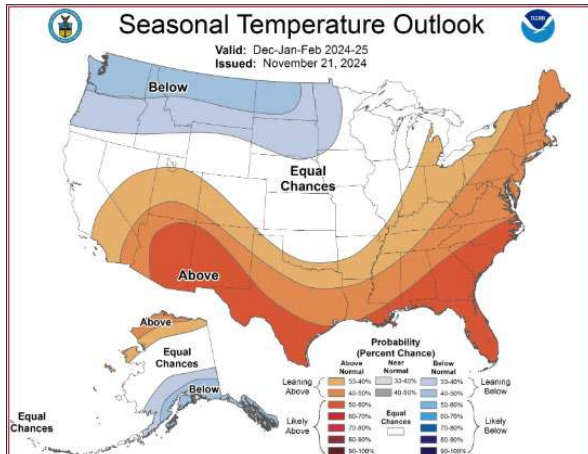


\*max, min, avg is based on 10 year average

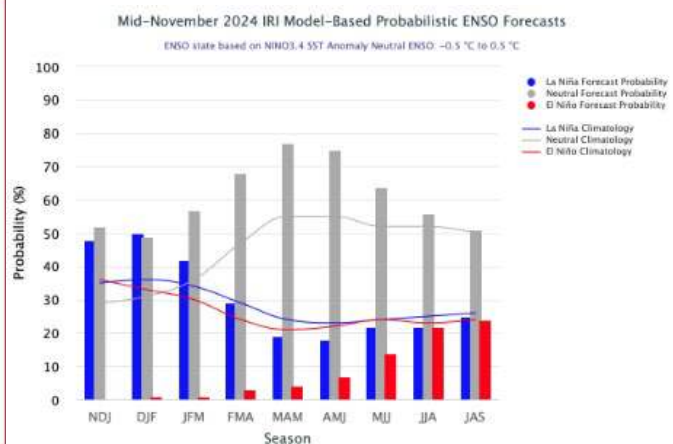
## Weather Forecast

Looking ahead to the NOAA 'three-month outlook temperature probability' for Dec-Jan-Feb '24-'25, the outlook is currently showing a neutral to slightly La Niña temperature condition in our region in the upcoming winter season. The models in the International Research Institutes' (IRI) ENSO (weather) prediction forecast a shift to a slight La Niña to neutral conditions into the fall and upcoming winter. We continue to monitor these predictors monthly.

### 2024-25 Dec-Jan-Feb Outlook



Source: NOAA National Weather Service



## Member Services

### Annual History of Energy Assistance Funding

All values are as of first of the month reported.

		2018	2019	2020	2021	2022	2023	2024	Grand Total
Energy Assist Credit	# of Accounts	444	460	574	577	546	519	512	1,185
	Total Assistance	111,996	135,595	158,434	158,740	156,761	141,748	149,069	1,012,343
PAL	# of Accounts	212	205	329	363	297	268	225	873
	Total Assistance	45,155	53,137	80,975	104,880	82,912	80,500	61,000	508,560
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	584	546	1,523
	Total Assistance	157,151	188,732	349,283	390,659	270,018	222,248	210,069	1,788,162

*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 November 2024, 332 members received ~ \$14.3k from the low-income Energy Assist program, compared to 297 members who received ~ \$11.6k in assistance in November 2023.

**Project Pal:** Project PAL Award Season began the first of November. Award responsibility has been brought back into OPALCO purview based on a streamlined process and improved technology. Award applications and notifications are processed daily.

During November 2024, 111 members received \$27.8k from the Project PAL Award program, compared to 85 members who received ~\$21.3k in November 2023.

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:** During November 2024 we started seeing a slight increase in LIHEAP awards notifications. Community and Family resource agencies will begin accepting new applications starting **December 1st**.

**S-HEAP:** The **State Home Energy Assistance Program (SHEAP)**, funded through the Cap-and-Invest Climate Commitment Act, continues to provide critical assistance to Washington State households who may not qualify for the Federal Low-Income Home Energy Assistance Program (LIHEAP) due to factors such as naturalization status. SHEAP will remain operational beyond November of this year. Currently, local San Juan agencies are referring eligible households to the Opportunity Council which in turn is directly engaging with clients to ensure they receive timely support.

## Switch It Up!

OPALCO can utilize \$46.8M in Rural Energy Savings Program (RESP) funds to provide on-bill financing for co-op members for energy efficiency measures. OPALCO is reimbursed for the funds once member measures are installed. There are now 867 projects completed and billing for a total of \$15.9M net outstanding (total projects less member pay-offs). There are another 40+ projects in various stages of the process. Current project details are as follows:

Measure	Project Origination Year						Grand Total
	2019	2020	2021	2022	2023	2024	
Appliance					36,112	51,093	\$ 87,204
Energy Storage				39,510	8,204	47,766	\$ 95,479
Ductless Heat Pump	648,252	620,060	637,599	1,571,737	1,781,049	2,225,263	\$ 7,483,960
EV Charger						32,129	\$ 32,129
Fiber		30,725	48,681	29,301	41,929	56,117	\$ 206,753
Ducted Heat Pump	8,119	30,000	15,000	18,127	956,159	404,209	\$ 1,431,615
Heat Pump Water Heater	13,985	9,805		5,012	15,701	6,022	\$ 50,525
Insulation				256,935	42,634	235,938	\$ 535,506
Other	14,543			92,649	188,075	7,878	\$ 303,146
Solar + Storage				480,057	425,011	328,258	\$ 1,233,325
Solar				1,897,659	2,927,875	1,593,661	\$ 6,419,195
Windows				563,557	437,569	402,727	\$ 1,403,853
<b>Grand Total</b>	<b>\$ 684,900</b>	<b>\$ 690,589</b>	<b>\$ 701,280</b>	<b>\$ 4,954,544</b>	<b>\$ 6,860,317</b>	<b>\$ 5,391,060</b>	<b>\$ 19,282,690</b>

The following table shows the utilization of the RUS Rural Energy Savings Program (RESP) loan funds, used to fund the Switch It Up program. These funds are available for use through 2031.

	Total (in millions)	Remaining Available
RESP 1.0	5.80	-
RESP 2.0	15.00	4.00
RESP 3.0	26.00	23.46
<b>\$</b>	<b>46.80</b>	<b>\$ 27.46</b>

## Energy Savings

During November there were a total of 18 rebates paid out to members totaling ~\$21.9k. This includes three fuel switching ductless heat pump rebates and one EV charging station rebates.

## Member Benefits from Energy Efficiency and Fuel Switching Programs:

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

		2014-2019	2020	2021	2022	2023	2024	Totals
EE Rebates*	# of Accounts	2,141	303	147	210	261	191	3,253
	Total Awards	\$1,348,477	\$167,432	\$149,886	\$227,622	\$313,945	\$236,391	\$2,443,753
	Total Energy Savings (annual kWh)	5,960,711	783,431	359,269	346,900	440,382	233,625	8,124,318

\*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.

## Solar Programs

### Interconnects

There were 15 new interconnect applications submitted in November, with eight members interconnected with solar for a total of 829 (<https://energysavings.opalco.com/member-generated-power/>). There are an additional 37 pending connections.

### Community Solar

- 1) During the month of November 2024 billing cycles, the [Decatur Community Solar](#) array produced 19,680 kWh. A total of ~\$2,030 was distributed to 263 accounts.
- 2) 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	Table Total
Comm Solar*	# of Accounts		265	268	262	264	263	
	Total Payments		\$93,734	\$95,497	\$84,658	\$86,983	\$49,361	<b>\$410,233</b>
WA State Incentives*	# of Accounts	256	259	325	319	323	316	
	Total Payments	\$224,766	\$218,222	\$174,149	\$158,831	\$158,890	\$150,684	<b>\$1,085,542</b>
MORE**	# of Accounts	144	144	140	135	0	0	
	Total Payments	\$53,109	\$51,897	\$50,896	\$123,477	\$0	\$0	<b>\$279,379</b>

\*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. Includes State incentives paid to community solar participants.

\*\*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

### Upcoming Member Events

We're excited to host several events in the coming months to discuss our plans and hear your input. Mark your calendars for:

- Town Hall – OPALCO Tidal Energy Pilot Project
  - Jan. 21 at 4 pm., San Juan Island
  - Jan. 22 at 5 pm., Orcas Island
  - Jan. 23 at 5 pm., Lopez Island
- Island Way Workshop: Our Energy Future
  - Feb. 12 at 5 pm., via Zoom
- OPALCO Board Candidate Forum
  - Mar. 5 at 5 pm., via Zoom
- Annual Business Meeting
  - Apr. 24 at 8:30 am., via Zoom
- Annual Member Festival
  - Apr. 25 from 3-5 pm., San Juan Island

These events provide opportunities to learn more and give feedback about OPALCO's initiatives, from our tidal energy pilot project to discussions on our long-term energy future.

### Election Timeline

Event	Date
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Legal Notice for Election (RUS requires minimum 30 days prior to nominating process)	12/14/24 (extra time to avoid holidays)
Member Initiated Bylaw Amendment	12/25/24-1/23/25
Director Applications due to EGC	01/21/25
Nominations posted - (80 days prior to meeting)	02/03/25
Nominations by petition due to office	02/15/25
Nominations by petition posted - (55 days prior to meeting)	02/28/25
Candidate Forum (virtual)	03/05/25
Notice to members/Ballots mailed - (21-50 days prior to meeting)	03/05/24-04/03/25
Election closes - (3 days prior to meeting)	04/21/25
Annual Meeting	04/24/25

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

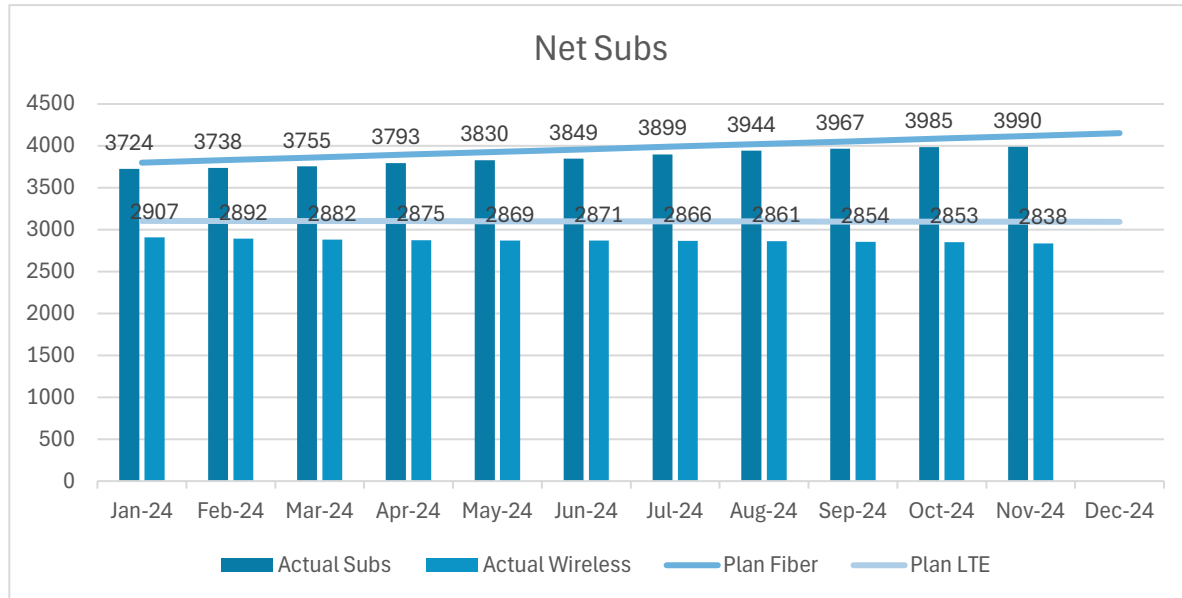
Election Year	District 1 San Juan	District 2 Orcas	District 3 Lopez/Decatur	District 4 Shaw
<b>2025</b>	<b>1B - Madsen</b>		<b>3A - Silverstein</b>	<b>4 - Whitfield</b>
2026	1A - Daucinas	2B - Onwuneme		
2027		2A - Hiester	3B - Osterman	

\* All terms are 3-year terms

## Rock Island Communications

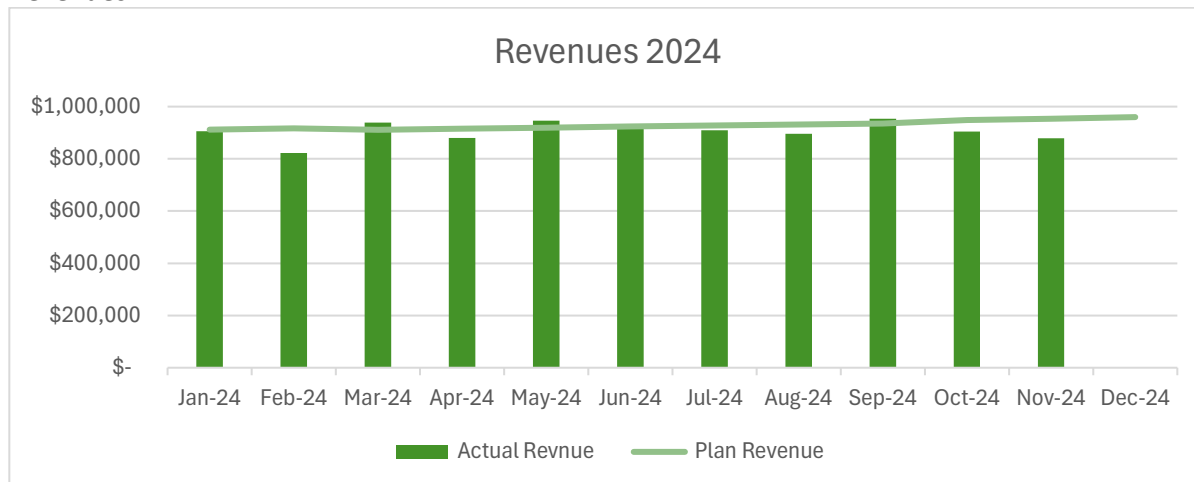
**6,650 Rock Island Service Customers**

### Net Subscribers



### 481 Fiber Adds to Date

### Revenues



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



# Appendix

Letter from Board President to San Juan County Council about Docket Requests (12/9/24)

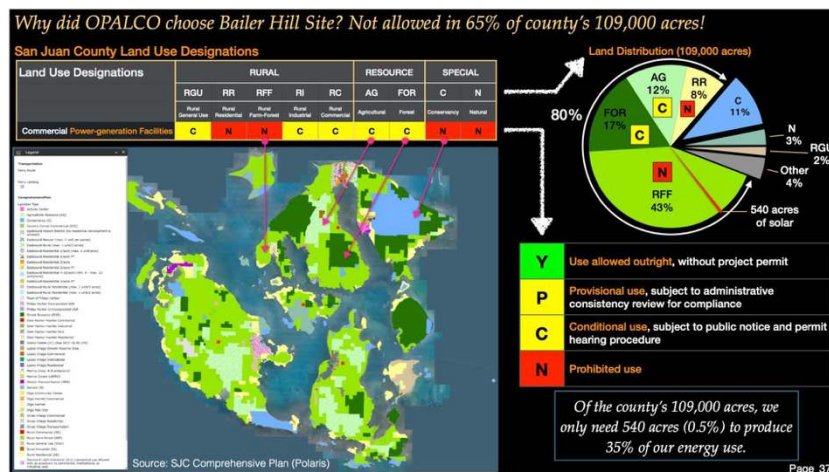


San Juan County Council  
Attn: Jane Fuller, Cindy Wolfe, Christine Minney  
Council Elect: Justin Paulsen and Kari McVeigh  
55 2nd St N #1  
Friday Harbor, WA 98250

December 9, 2025

Dear San Juan County Council,

On June 21, 2024, OPALCO submitted two “docket change requests” requesting essential passive renewable generation projects be allowed in the permitting land use tables (see attached). At the November 12, 2024, San Juan Council meeting, the County discussed whether to add many of the docket requests, including OPALCO’s, be put on the Department of Community Development’s (DCD) work plan. The Council was concerned that staff did not have the capacity to address these issues. For your December 10<sup>th</sup> hearing, **OPALCO strongly encourages that our two docket requests be put on the DCD’s work plan as a priority for 2025 as these changes are needed in providing essential services to San Juan County residents. We cannot afford to wait to make these changes.** The San Juan County land use tables are out of date, do not contemplate passive solar generation (in lieu of historical electrical generation via diesel fuel), and results in solar generation not being allowed in 65% of San Juan County. The other 35% requires an arduous Conditional Use Permit process. Please see the table below:





The Comprehensive Plan calls for energy independence. It is important for OPALCO to have permitting certainty to be able to implement utility scale renewable energy projects and leverage current grants funds. **It is critical that staff time is dedicated to reviewing these changes and for San Juan County to make changes to allow for renewable energy generation.**

OPALCO has been working for close to 4 years to permit the Bailer Hill Microgrid and is on the verge of losing \$1M in grants funds for low-income island residents because of the extended timeline. This is unacceptable and does not match up with the goals of the Comp Plan. OPALCO cannot accomplish these projects without San Juan County as a partner. Without some local generation the whole of our community loses reliability and encourages fossil fuel usage contributing more to the climate crisis.

Here is a summary of the two requests that OPALCO made:

1. Add a new land use to the "Agricultural" and "Forestry Use" designations to include "Agri-Solar generation". This would encourage increased local renewable energy and diversify farm income to improve the stressed economics of local food productions. It would allow permitting for agri-solar generation in rural areas & AG Resource Lands and it would allow conditional use in Forest Resource Lands.
2. Add a land use to "Utilities Uses" and would be called "Utility Renewable power-generation facilities" for modern renewable energy systems that are clean and quiet, unlike legacy non-renewable power generation systems that may be deployed in the code's current "Commercial power-generation facilities." The current land use designations exclude utility scale solar projects from 65% of land in San Juan County – which makes agricultural dedicated land as one of the only options for these projects. It would allow for provisional/conditional use permitting for utility renewable-power generation facilities in all rural designated areas and "AG Resource lands", and conditional use in "Forest Resource Lands".

Here is the summary of why OPALCO is requesting the changes to the docket:

- Washington plans to cut greenhouse gas emissions in half over the next six years.
- While essential to slow climate disruption, experts forecast a supply-demand shortfall of over 25 GW by 2035.
- Summer and winter mainland rolling blackouts are imminent and will increase as the supply/demand shortfall accelerates.
- The county Comp Plan calls for "energy independence." OPALCO estimates we can achieve that in summer and power essential services in winter with just 135 acres of microgrid on each ferry-served island.
- Just as we did with the broadband crisis, OPALCO will move mountains to get the job done. We just need the county to commit.

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Eastsound Headquarters  
183 Mount Baker Road  
Eastsound, WA 98245-9413

[www.opalco.com](http://www.opalco.com)  
(360) 376-3500

Friday Harbor Office  
1034 Guard Street

Friday Harbor, WA 98250-9240

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- We urge the Planning Commission and County leadership to send a clear signal to islanders that when the first rolling blackouts hit, the county gave reliable local energy resilience their highest priority.
- Gov. Inslee has said the state needs to permit more green energy projects and can't be deterred by local opposition.
- Funding for local renewable energy projects is available now.
- Agri-solar represents a financial lifeline for farmers to diversify incomes, keep farms in the family, and farmers on the land as stewards. The shade agri-solar offers help grazing animals and crops thrive in a climate-changed world.
- Community solar expands access, especially among multifamily building occupants, renters, and low-and moderate-income households, extending solar adoption to communities that would have otherwise struggled to adopt rooftop solar.
- Rooftop solar doesn't work during outages and will only provide a small fraction of what is needed.
- The Comp Plan Vision and Challenges highlights the need for energy independence.

Sincerely yours,

*Vince Dauciunas*

Vince Dauciunas  
OPALCO Board President

Eastsound Headquarters  
183 Mount Baker Road  
Eastsound, WA 98245-9413

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(360) 376-3500

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Friday Harbor, WA 98250-9240

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