



Board of Directors Regular Meeting

Thursday, January 16, 2025 Virtual
Meeting via Zoom

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

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

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

Sequence of Events

- OPALCO Board Meeting
- Executive Session



Board of Directors
Regular Board Meeting
January 16, 2025, 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 – attached.
- **Approval of New Members** – attached {as required by Bylaws Article I Section 2 (d)}

NEW MEMBERS – December 2024

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

ANCHOR MANAGEMENT SERVICES INC
BLIND TIGER BAR S, ERVICES LLC
CAMARGO, EDGAR & YANES TREJO, SHIRLEY
DESHON, LOREN
EVERITT, DONNA & EVERITT, RANDELL
HOLMGREN, TERRA
HUYETTE, MARTHA
KUHN, MICHAEL
LAMANNA, JACEY
LEARNED, DEREK
MADDAGE, SRIYA
NEWMAN, RON
NOZAKI, KIRK
PATTEN, SARA
PEACOCK, JILL
PLAZA GARCIA, MINERVA & PLAZA SANTOYO, ADRIAN
REDMOND, DAWN & REDMOND, TYLER
SCHWARTZ, DICK & SCHWARTZ, SUSAN
SMITH, LUCIAN & SMITH, KELLY
WALKER, JENNY
WILSON, JOE
WINTERFELD, STEVEN
ZOSSO, JOE

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

ALLGAIER, THOMAS & MURRAY, BAYLEY
BERGLUND, JEREMY & FACTOR, RACHEL
COLEMAN, TAE
GERRY, SERENA & THATCHER, GAVIN
HEIMERICH, JANINE
JOHNSON, NOLAN & JOHNSON, DORA
LAWLESS, MICHAEL
ORCAS ISLAND HOLD, INGS LLC
PRISCO, ALYCE & PRISCO, VINCENTE
RODRIGUEZ CABEZAS, MANUEL
SAWYER, NATHAN
STRANDBERG, NELS
STULTS, MATTHEW
WINSLOW, EMILY & WINSLOW, ELI

District 3 (Lopez, Center, Decatur, Charles)

ASCENT BUILDING COMPANY LLC
BROCK, VERN & BROCK, ADAM
ERIKSEN, CHARLES & GARRETT, ALDEN
HOPIUS, PHILIP
SIMMONS, DOUGLAS
ZEEMER, JENNIFER & PEDERSEN, LOLLIE

District 4 (Shaw, Crane, Canoe, Bell)

DIANICH, ANNA & DIANICH, GREGORY
SUNSHINE, ANNA

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:

January	
Customer #	Amount
21380	994.35
91572	560.24
77157	540.94
66715	819.17
Total	\$ 2,914.70



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
202411	\$6,726,820.88	Inventory of Work Orders
Total	\$6,726,820.88	

Staff requests a motion to approve the Consent Agenda.



Orcas Power & Light Cooperative

Rev: 202303050744

12/18/2024 4:14:21 pm

RUS Form 219 Inventory Of Work Orders
Period: NOV 2024

Page: 1

System Designation: WA 09

Inventory: 202411

Loan		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)
Project	Year	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)		
519	2023 3758	3758		1	6,868,967.14	34,423.87	0.00	0.00	0.00	6,726,820.88
							AFUDC: 176,570.13			
					6,868,967.14	34,423.87	0.00	0.00	0.00	6,726,820.88
Grand Totals:					\$ 6,868,967.14	\$ 34,423.87	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,726,820.88

Orcas Power & Light Cooperative

Rev: 202303050744

12/18/2024 4:14:21 pm

RUS Form 219 Inventory Of Work Orders
Period: NOV 2024

Page: 3

System Designation: WA 09

Inventory : 202411

Budget		Amount
Loan	Project	
1	519	6,726,820.88
Total:		6,726,820.88

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



Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, December 12, 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; Communications Specialist Johanna Lange; Staking Technician Matthew Helms and Special Projects Office Coordinator Beth Stanford (serving as recording secretary). Also present were Legal Counsel Joel Paisner, and consultant Jay Kimball.

Members in attendance: Rob Memmott, Michael Riordan, Ray Glaze, Gary Greene, Sharon Abreu, Barbara Pesola, Heather Nicholson, and Marty Vowels.

Meeting commenced at 8:43 AM

Member Comment Period:

Rob Memmott inquired about an update on the Jackson Beach project and was advised that the kickoff would be the beginning of 2025; Michael Riordan made comments about his Opinion piece in the Seattle Times and mentioned rates; Gary Greene commented to show support of OPALCO moving forward with alternative energy sources.

ACTION ITEMS

CONSENT AGENDA

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

2025 Tariffs

MOTION was made by Madsen to approve the 2025 Tariffs. The motion was seconded by Whitfield and passed unanimously by voice vote.

HomeStreet Bank Account Signers

MOTION was made by Madsen to approve the addition of Travis Neal and Michelle Beal as signers to the HomeStreet Bank account, seconded by Whitfield and passed unanimously by voice vote.

EGC Membership

MOTION was made by Madsen to approve the proposed candidate to the Elections and Governance Committee for the next three years, seconded by Hiester and passed unanimously by voice vote.

MOTION was made by Osterman to reconfirm the current EGC members for a three-year term, seconded by Silverstein and passed unanimously by voice vote.

Cost Of Service Analysis

After review of the proposals, the OPALCO Board consensus was to move forward with the Energy + Environmental Economics, Inc (E3) Consultants.

DISCUSSION ITEMS

Youth Rally Presentation: The five participants gave a presentation to the Board and members on their experience at the 2024 ICUA Youth Rally

Discussion with Friends of the San Juan Islands: Staff shared the details of their meeting with the Friends of the San Juan Islands on December 9, 2024. Discussion ensued.

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: 8:43 -10:40 & 11:46-11:52 am

Break: 10:40-10:55 am

Executive Session: 10:55- 11:46am

Meeting Closed: 11:52 am

Vince Dauciunas, President

Tom Osterman, Secretary-Treasurer

DISCUSSION ITEMS

San Juan County Council Talking Points

OPALCO is looking forward to working with the 2025 County Council and we expect the efforts to be collaborative and productive for the essential services OPALCO provides (power and internet). Staff have conducted individual meetings with the newly elected County Council members, Justin Paulsen and Kari McVeigh (presentation about San Juan County Power Reliability under separate cover). We also plan to meet with Jane Fuller and County Manager, Jessica Hudson, soon. We discussed the following topics:

1. Governmental mandates (Clean Energy Transformation Act) are pushing regional demand for power to outpace supply. Load growth for electrification of heating, transportation and data centers is happening quickly. Coal Plants are being shut down as planned, BPA hydropower is at capacity and building new renewable energy projects is delayed by permitting agencies and public opposition (NIMBYism). Energy shortfalls (blackouts) are predicted in the near term.
2. With about 540 acres of the total 190k acres in San Juan County OPALCO could build ~30 new generation projects to offset about 30% expected load growth in electricity and maintain a reliable 24/7 grid.
3. The “silver-bullet” concept of putting a solar array on every roof is a fallacy and will only provide a small fraction of the energy required to ensure a reliable grid.
4. OPALCO has been attempting to obtain a permit to build the second micro-grid on our Bailer Hill site.
5. Growth Management Act (GMA) protocols are unfairly limiting OPALCO’s ability to provide essential electrical services to San Juan County.
6. Normally larger city and counties opt-in to GMA provisions where the city/county directly controls both providing essential services as well as permitting.
7. In the case of OPALCO, we provide essential power, however, SJC independently controls restrictive land-use and permitting protocols.
8. Further, SJC’s existing land-use tables have not been updated for decades and remain overly restrictive of non-carbon emitting and passive generation.
9. OPALCO has been experiencing permitting resistance from SJC Community Development and a small portion of our members living on San Juan Island.
10. The Friends of San Juan have also voiced permit opposition for using land zoned as agriculture, even though, SJC permitting does not allow commercial generation in Rural Farm Forest areas and the Agricultural zoning is one of only a few land-use options left.
11. SJC’s latest permitting request will require us to provide additional information that will take 9 to 12 months to complete. This request will put us past the deadline schedule for the Low-Income Solar Grant that we tentatively received from the WA Department of Commerce. OPALCO is working with the WA Department of Commerce to see if we can obtain another schedule extension and develop alternative site locations.
12. Rather than continue to struggle with project delays and permitting opposition, OPALCO has decided to pause our permitting efforts on Bailer Hill. In the coming months, OPALCO will be checking in with our membership (via a membership survey) to determine if we have the support from the majority of our members to continue permitting/building local renewable energy projects in San Juan County or not.
13. OPALCO will be formally proposing an alternative site location for our low-income solar grant portion of our Bailer Hill project to SJ County. SJC may have an alternative “joint project” site for us to consider located on Decatur Island for just the low -income solar grant portion of our Bailer Hill project. SJC’s site is directly adjacent to OPALCO’s current micro-grid project on Decatur. While our Bailer Hill site is ~19 acres, the SJC Decatur parcel is ~5 acres with a portion of the site used as a gravel staging area for road work. OPALCO



has proposed this alternative site location to the 2 new incoming SJ County Council members. OPALCO staff will be reaching out to SJC's public works staff to investigate the merits of our proposal. We will provide further updates as the discussion progresses.

Rate Discussion

During the December meeting, the OPALCO Board approved staff initiating the cost of service and the rate analysis using the consultants Energy + Environmental Economics, Inc (E3). Staff held the kickoff meeting with E3 to outline our 2025 Cost of Service Analysis (COSA) and Rate Design RFI. An addition to the initial scope of work OPALCO will have E3 work with us on some data analysis for San Juan County power sources.

This consultation will include the following analysis:

- Updated COSA
- Develop Rate Proposals
 - Notable proposal analysis: Demand, TOU/TOG, breakout of income statement components, large services analysis, power cost tiered breakout, assured sales collection, additional of a fixed cost adjuster
- Customer Bill Impacts
 - Residential – High Usage
 - Residential – Low Usage
 - Residential – Electric Heat
 - Residential – Non-electric Heat
 - Residential – Low income
 - Residential – Seasonal
 - Residential – Interconnected
 - Small Commercial
- Transition Plan and Communications Support

Included are some optional tasks to include Time of Use Period Identification, New Rate Class Exploration, and Electric Vehicle Rate Analysis.

Christmas Outage (North Lopez)

Start: 12/25/2024 2:27pm

End: 12/26/2024 7:07am

Total Services effected: 1,396

A tree on Lopez, located on Center Road across from the transmission line, fell and struck the transmission line before landing on the underbuilt distribution lines. This caused damage to the transmission line feeding Shaw and Orcas, though the line remained operable. The impact also resulted in broken distribution lines and crossarms. Crews de-energized the transmission line at 7:32 PM to repair the damaged insulator, and the line was re-energized at 7:53 PM following completion of the repairs. A total of 3,951 services were affected. While repairs were ongoing, crews were able to partially restore a section of the affected distribution circuit.

In addition to this outage, crews in all districts worked on smaller outages throughout the event.





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/>.

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

Engineering, Operations and Information Technologies

WIP

As of January 8, 2025, there are 318 work orders open totaling \$13.7M. Operations has completed construction on 131 work orders, totaling \$1.4M.

Meter Update

As mentioned in the tariff increase discussions in late 2024, staff is continuing to work with our vendors to increase the quality control of the hourly data from our meters. This data set is to be used in the future if the Board decides to implement a demand or time-of-use/time-of-generation rate mechanism. Be assured, the daily billing data is a separate data set and has a rigorous quality control process.

OPALCO is working with our vendors to test a meter with increased bandwidth. This demonstration has been delayed until Q2 due to vendor software development and hardware delays.

Safety

Northwest Safety Service conducted Lockout Tagout training in December. The total current hours worked without a loss time accident is 19,969 hours.

Grants

Given the unknowns in the new federal Administration, grants funds are expected to be less available. OPALCO will curtail our pursuit of grants funds accordingly.

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	Determination 01/2025
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

Wildfire Prevention

OPALCO is committed to being diligent with our right-of-way program as the first line of defense from power line ignition started wildfires and to safeguard our electrical system. November through January are key months for right-of-way clearing and OPALCO has had crews trimming and clearing on all three islands throughout this season. Find the details on this critical program here: <https://www.opalco.com/quick-fact-wildfire-mitigation/2023/08/>

Finance

2024 Budget Tracking

Energy (kWh) sales were slightly higher than budgeted levels through December 2024. The table presents the full year 2024 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	\$ 39,484	\$ 2,077
ECA Surcharge / (Credit)*	\$ -	\$ 147	\$ 147
Revenue	\$ 37,407	\$ 39,631	\$ 2,224
Expenses:			
Cost of Purchased Power	\$ 9,159	\$ 9,081	\$ (78)
Transmission & Distribution Expense	9,343	8,970	(373)
General & Administrative Expense	7,054	6,220	(834)
Depreciation, Tax, Interest & Other	9,316	9,328	12
Total Expenses	34,872	33,599	(1,273)
Operating Margin	2,535	6,032	3,497
Non-op margin	673	806	133
Net Margin*	3,208	\$ 6,838	3,630
OTIER	2.19	3.97	1.79
TIER	2.50	4.37	1.87
Equity %	40.3%	41.9%	1.6%
HDD	1,029	801	(228)
kWh Purchases	219,000	230,985	11,985
kWh Sales	208,000	219,209	11,209

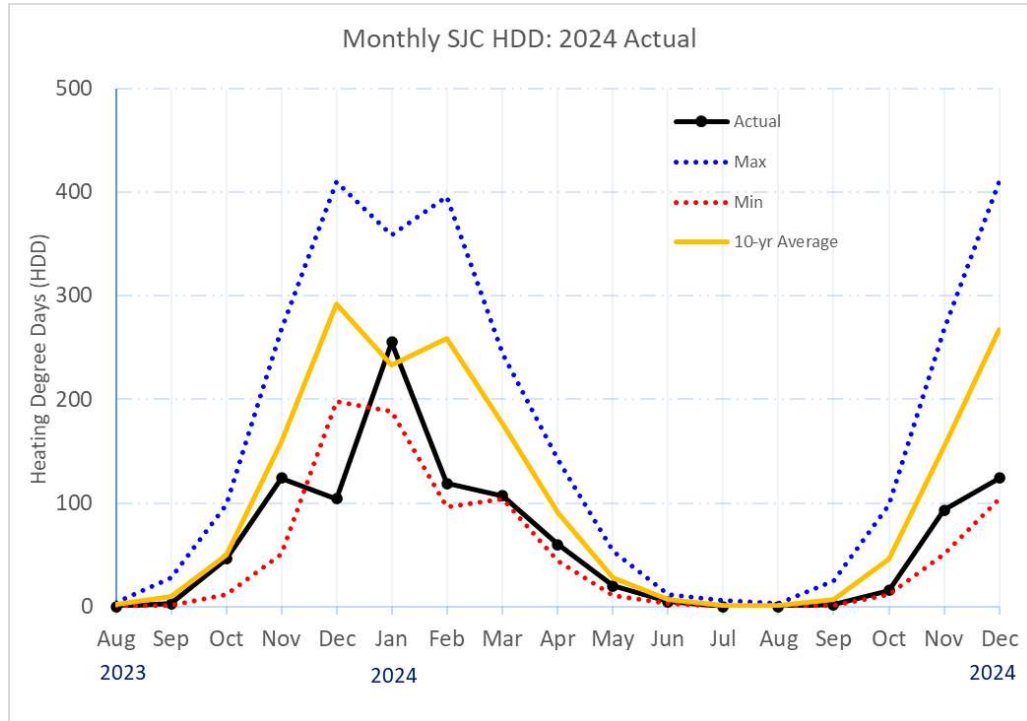
* The ECA collected a net \$147k from members through December 2024.

Monthly Energy Charge Adjustment (ECA)

The December 2024 ECA returned \$88,458 from members, or \$7.94 per 1,000 kWh. The January billing period ECA is unknown at the time of this report, pursuant receipt of the December 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 the first quarter 2025 to be trending slightly cooler. We continue to monitor weather trends monthly.

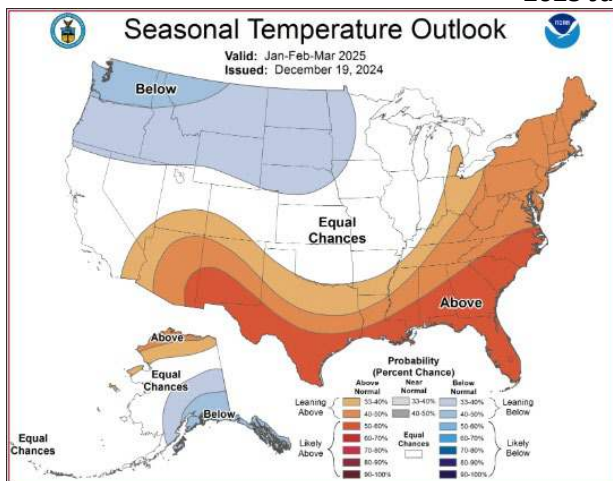


*max, min, avg is based on 10 year average

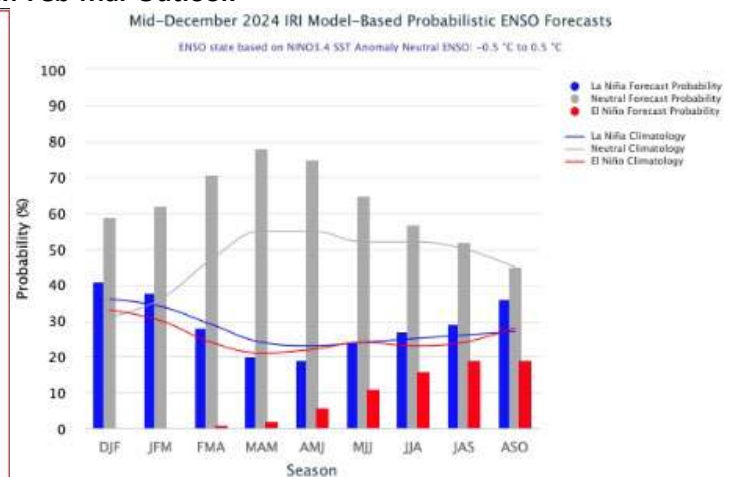
Weather Forecast

Looking ahead to the NOAA 'three-month outlook temperature probability' for Jan-Feb-Mar '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.

2025 Jan-Feb-Mar 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	524	1,194
	Total Assistance	111,996	135,595	158,434	158,740	156,761	141,748	164,175	1,027,449
PAL	# of Accounts	212	205	329	363	297	268	264	894
	Total Assistance	45,155	53,137	80,975	104,880	82,912	80,500	74,750	522,310
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	566	1,536
	Total Assistance	157,151	188,732	349,283	390,659	270,018	222,248	238,925	1,817,018

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.

Project PAL

During December 2024, 58 Members received ~ \$14.5 K in Project PAL Awards, compared to 51 Members who received ~\$12.8K in Project PAL Awards in December 2023.

Energy Assistance

EAP: During December 2024 353 members received ~ \$15.1 K from the low-income Energy Assist program, compared to 324 members who received ~ \$13.1K in assistance in December 2023.

LIHEAP and State Home Energy Assistance Program (S-HEAP)

During December 2024 we started seeing the average amount of LIHEAP awards in addition to a few S-Heap awards in \$1000 amounts.

The State Home Energy Assistance Program (S-HEAP), 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 2024. 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.

Energy Savings

During December there were a total of 19 rebates paid out to members totaling ~\$23k. This includes four fuel switching ductless heat pump rebates and two EV charging station rebates.

Member Benefits from Energy Efficiency and Fuel Switching Programs:

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

		2014-2019	2020	2021	2022	2023	2024	Totals
EE Rebates*	# of Accounts	2,141	303	147	210	261	210	3,272
	Total Awards	\$1,348,477	\$167,432	\$149,886	\$227,622	\$313,945	\$259,445	2,466,807
	Total Energy Savings (annual kWh)	5,960,711	783,431	359,269	346,900	440,382	253,675	8,144,368

*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.

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 886 projects completed and billing for a total of \$16.5M 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	27,159	47,766	\$ 114,435
Ductless Heat Pump	648,252	620,060	637,599	1,571,737	1,788,412	2,365,162	\$ 7,631,221
EV Charger						32,129	\$ 32,129
Fiber		30,725	48,681	29,301	41,929	85,080	\$ 235,715
Ducted Heat Pump	8,119	30,000	15,000	18,127	956,159	425,411	\$ 1,452,817
Heat Pump Water Heater	13,985	9,805		5,012	15,701	6,022	\$ 50,525
Insulation				256,935	42,634	240,729	\$ 540,298
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	3,006,771	1,924,316	\$ 6,828,746
Windows				563,557	437,569	509,139	\$ 1,510,266
Grand Total	\$ 684,900	\$ 690,589	\$ 701,280	\$ 4,954,544	\$ 6,965,532	\$ 6,022,982	\$ 20,019,827

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
	\$ 46.80	\$ 27.46

Solar Programs

Interconnects

There were 12 new interconnect applications submitted in December, with four members interconnected with solar for a total of 833. (<https://energysavings.opalco.com/member-generated-power/>). There are an additional 40 pending connections.

Community Solar

- 1) During the month of December 2024 billing cycles, the [Decatur Community Solar](#) array produced 7,200 kWh. A total of ~\$676 was distributed to 263 accounts.
- 2) Bailer Hill Status: Based on Board concurrence, OPALCO may decide to pause our permitting efforts on Bailer Hill. In the coming months, OPALCO will be checking in with our membership (via a membership survey) to determine if we have the support from the majority of our members to continue permitting/building local renewable energy projects in San Juan County or not.

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	265	268	262	264	263	
	Total Payments	\$50,567	\$50,688	\$52,009	\$46,825	\$46,708	\$50,037	\$296,834
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	\$1,085,542
MORE**	# of Accounts	144	144	140	135	0	0	
	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. 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

Local, Renewable Power Communications

OPALCO will be doing several updates on local, renewable power generation this month which includes a three-part series outlining our supply and demand issues, why local power is so important, why we chose Bailer Hill, and next steps for our community. These articles will be released to the local media outlets, promoted on social media, published on the blog, and the first part will be in the February edition of Ruralite. We also have an accompanying Quick Fact with more information and data sources linked called ["Why Local Renewable Projects? Mainland Power Demand Will Soon Exceed Supply."](#)

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 (IN PERSON)
 - Jan. 21 at 4 pm, San Juan Island Grange
 - Jan. 22 at 5 pm, Orcas Island Firehall
 - Jan. 23 at 12 pm, Lopez Island Firehall
- 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
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:

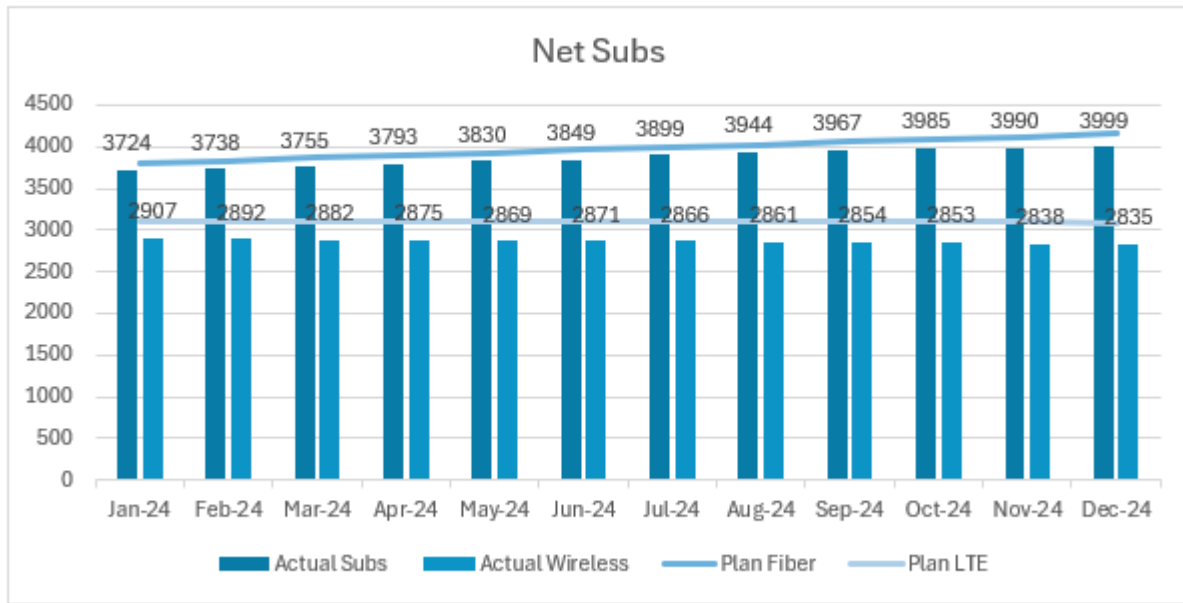
Election Year	District 1 San Juan	District 2 Orcas	District 3 Lopez/Decatur	District 4 Shaw
2025	1B - Madsen		3A - Silverstein	4 - Whitfield
2026	1A - Dauciunas	2B - Onwuneme		
2027		2A - Hiester	3B - Osterman	

* All terms are 3-year terms

Rock Island Communications

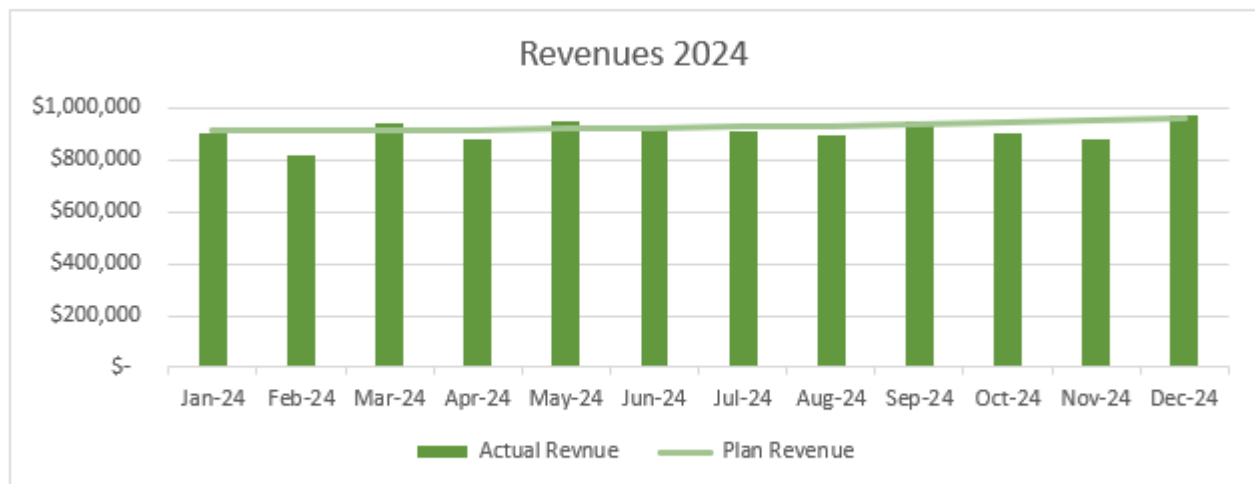
6,659 Rock Island Service Customers

Net Subscribers



515 Fiber Adds to Date

Revenues



ⓘ [Previous months revenues](#), not closed out, and are subject to change.



APPENDIX



January 15, 2025

Dear Mr. Cowan,

Thank you for the recent statement on wildfire risk in the islands in the wake of the devastating Southern California Fires. We appreciate your attention to these important matters and your commitment to improving safety in our community.

OPALCO fully supports the ideas and strategies you've outlined. We'd like to request that OPALCO be included in the list of recommended precautions. Given the significant role that OPALCO plays in maintaining essential island services, we want to highlight the importance of supporting OPALCO's right-of-way maintenance efforts.

Right-of-way maintenance is essential not only on personal property but also around key infrastructure, including meter bases and other OPALCO facilities. Here is our suggested additional item on your list of things to know:

#5. We encourage support for OPALCO's critical right-of-way trimming efforts, which play a key preventative role in reducing fire risks and ensuring reliable power service. OPALCO follows national standards for clearing vegetation along power lines, and these efforts help maintain both fire safety and system integrity. We recognize the importance of including OPALCO's vegetation clearing in fire prevention plans to protect our community. Community support in identifying risky trees, maintaining clearance around the power equipment on personal property, and understanding of clearing projects will help ensure fire safety throughout the San Juan Islands. Here is the link to more information on OPALCO's right-of-way program: <https://www.opalco.com/quick-fact-opalcos-right-of-way-row-program/2023/03/>

Ensuring that right-of-way clearing is part of a coordinated approach to fire prevention will benefit all of us in the long run. We look forward to working together to keep our community safe and resilient.


Foster Hildreth
General Manager

Cc: Paul Andersson; Adam Bigby; Chad Kimple; Noel Monin; Jon Shannon

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Posted on: January 13, 2025 | Last Modified on: January 13, 2025

Reflecting on Wildfire Risk in the Islands in the Wake of the Devastating Southern California Fires

The following is a letter from San Juan County's fire chiefs, Fire Marshal, Director of Emergency Management, and Conservation District Manager:

Fellow Islanders,

The news of the catastrophic fires near Los Angeles is heart-wrenching. As we witness from afar the magnitude of the loss, the relentless winds, and the extreme fire behavior, it prompts us to revisit our community's vulnerability to fire and what we can do to prepare.

The most important things to know are:

1. **Our wildfire risk in the islands is significantly less than Southern California.** Maui, Eastern Washington, and many other places that have experienced major fires in recent years. Even during summer, our high relative humidities keep risk and spread rates comparatively low in the islands. Visit www.wildfirerisk.org to learn more.
2. That said, fire is still a risk. Every summer, we experience a relatively narrow weather window when it is dry enough for a fire to ignite and spread. It is even more rare, every 20 years or so, that a time of actual extreme fire danger could occur. **Preparing your home and the immediate area around your home is the single most important thing you can do.** The best place to start is to go to <https://wildfireready.dnr.wa.gov/> and request a home inspection. These are FREE, completed by your island fire department or the San Juan Islands Conservation District, and they help to identify and address potential hazards.
3. Managing our forests and landscapes to minimize fire risk is also important, but **fire ecology here is much different than in drier climates.** It's important to recognize that our native understory vegetation can help retain moisture in the summer and reduce fire spread and severity. Minimizing risk is not as simple as clearing brush and thinning forests, and some well-intentioned efforts may lead to an increase of invasive weeds and/or drier site conditions. Forest property owners are encouraged to visit <https://www.sanjuanislandscd.org/forest-stewardship> for help and info. For those who maintain pasture or fields (which can burn easily anytime during the summer), keeping grass mowed and also cleared from around structures is vital during drier months.
4. **EXERCISE EXTREME CAUTION DURING TIMES OF HIGH FIRE DANGER.** Preventing ignitions is a critical component of reducing threat in the islands. Refrain from operating tools with metal blades, building campfires, lighting fireworks, and engaging in other risky behaviors during fire season. Pay attention to summertime fire danger on the San Juan County Fire Marshal's website at <https://www.sanjuancountywa.gov/1088/Fire-Marshall>. The vast majority of wildfires in the islands are started by island residents.





Want to learn more: take a look at these frequently asked questions from 2022

(<https://www.sanjuancountywa.gov/DocumentCenter/View/28732/230822-Wildland-Fire-Risk>), or contact any of us listed below.

Sincerely,

Brendan Cowan

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