

ORCAS POWER & LIGHT COOPERATIVE 2026 BUDGET REPORT



MEMORANDUM

Date: November 20, 2025

To: Board of Directors

From: Foster Hildreth, General Manager

Re: 2026 Budget Presentation

Attached please find our 2026 Budget Presentation. With a slight decrease from last year's projections, staff is recommending a 5% average rate increase for the 2026 budget year and forecasting 5% over the following four years. Staff is recommending that our 2026 budget revenue increase from \$39.9M (projected 2025) to \$43.2M to meet our financial, operational and capital project commitments. The projected figures for the years 2027 through 2030 are for reference only, as future years will be reviewed annually during our normal budgeting process. We are entering into a capital intensive 15-year period whereby major infrastructure replacements (transmission submarine cables, substations, etc.) are aging out and need to be planned for. While the 2026 budget projects a 5% rate increase annually through 2030, future year figures will need to be adjusted based on investigations to be conducted in 2026. The fundamental grid reliability statistics in our region are expected to be challenged in the next decade, please refer to the following for more information: <https://www.opalco.com/why-local-generation-is-important-part-1-of-3/2025/01/>. Future budgets need to reflect a drive towards helping prepare our membership and Cooperative for these future conditions.

OPALCO had very high statistics for power reliability throughout 2025 (99.94%) as we continue to future proof the power grid throughout the islands. Upgrading major substations like we did with the Friday Harbor Substation last year and have begun planning for the Eastsound Substation, will enable predicted load growth and increased redundancy. The first quarter of 2026 is expected to be a cold weather period. The 2026 budget load forecast is that OPALCO is expected to sell more power which will keep the rate increase at 5%.

In 2025, OPALCO did a detailed study of our rates to make sure the way we bill members is fair and follows cooperative principles. Several changes are being recommended for 2026 rates. These changes are designed to give members more transparency about where their money goes and to keep our co-op financially strong as costs continue to rise. These are changes the board approved after the cost-of-service study:

- **Fixed Charge Breakdown:** Your bill will now show how the fixed monthly service charge is used. It covers important areas like linecrew and system maintenance (34%), grid infrastructure such as submarine cables (33%), business administration costs like member services, billing, insurance and IT (33%).
- **Stability in Energy Costs:** Instead of being tied only to power costs, the "energy charge adjustment" will reflect OPALCO's overall operating margin. This change helps protect members from big swings in power prices, inflation, or other expenses.
- **Shifting How Costs Are Shared:** Right now, most of OPALCO's revenue comes from the per-kWh charge. The study showed it's fairer to spread more costs into the fixed monthly charge. Over the next few years, OPALCO will consider gradually move from about 27% of revenue coming from the service charge to closer to 39%. This means a slightly higher monthly service charge but lower per-kWh rates.
- **Peak Demand Information:** Bills will include a new line showing your highest energy use in the month (your "peak demand"). For now, this is just information—no extra charges will be added in 2026.

- **Fees for Larger Services:** Most homes won't see a change, but if you have a larger-than-standard meter, there will be a small monthly fee (\$10 for 400-amp service, \$20 for 600-amp or more).

These updates are about fairness, transparency, and helping members understand how their energy dollars are used.

The revenue required to meet our financial obligations is broken up evenly into three categories as follows:

- Power Costs: Rising by ~9% when incorporating all cost factors including TIER 2 pricing
- Labor Costs: Continual annual increases based on the union contract
- Capital & Interest Costs: High inflation and rising interest rates

Most expense categories are rising. This is driving higher power bills for OPALCO members for 2026 and into the foreseeable future. OPALCO will continue to encourage members to utilize our on-bill financing program, Switch It Up, to encourage beneficial electrification and conserve energy which will help members save money on their rising bills and save energy for the planet.

OPALCO also needs to prepare for upcoming challenges:

- Financially intensive capital projects (submarine cable replacements and substation upgrades)
- Increasing cost of power in our region due to legislative mandates
- Regional reliability challenges and carbon mandates
- Climate change driven weather volatility
- NIMBY sentiments making it difficult to get renewable energy projects completed
- Load growth due to electrification of heating and transportation

The OPALCO team is positioned to face these challenges with a strong and committed Board of Directors, leadership team, and staff.

2026 Focus

The Island Way Campaign will continue to tell the big regional story and to inspire the membership to get involved as we work towards balancing carbon mandates with reliability. Communication efforts will continue to engage members on the conservation, renewable energy, beneficial electrification, and the importance of a reliable energy future.

OPALCO has a strong internal culture, and the next generation of employees are here and ready to take the company forward. OPALCO has 4 lineworker apprentices working towards full journeyman lineworker status. Staffing levels were 46 employees through 2025 due to unexpected departures and due to the highly competitive environment for qualified line workers among electric cooperatives. OPALCO filled five open positions in 2025 and expects to fill three more vacancies in 2025 to bring the total FTE up to 49. With housing scarcity and inflationary cost of living challenges, hiring has been difficult. OPALCO has begun planning for worker housing to be developed on the back lot of the Eastsound headquarters and will continue exploring options in 2026 to address employee hiring challenges.

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

OPALCO is committed to programs that help its most vulnerable members keep up with the rising cost of power. With a \$7.50 increase to the Energy Assist bill credit amounts, the 2026 Budget once again offsets the rate increase and rate structure change for our most financially at-risk members. Additionally, OPALCO will continue to support and promote Project Pal for low-income members.

The 2026 budget continues to align our operations to the mission statement of providing safe, reliable, cost effective, and environmentally sensitive utility services. This budget prepares OPALCO to meet the marks set out in our energy road map:

TODAY: Make the most of our available resources. Incentivize transitioning to all electric homes and allowing the membership to install energy efficiency projects through the Switch it Up program. Reduce members' total energy budget through electrification of transportation and heating.

TOMORROW: Increase local resilience. Leverage the dynamic grid and encourage member participation in reliability through investing in personal back-up storage and generation. Prepare for grid parity when renewables (local and regional) will be less expensive than our mainland power provider. Explore demand response programs to reward time of use and peak shaving technologies.

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

The 2026 budget includes some key capital projects:

- Decatur Solar Project (on Decatur Island) delayed due to the San Juan County permitting process
- Eastsound substation transformer purchasing
- Eastsound substation battery project
- Continue replacement of URD distribution and transmission poles
- Right-of-way clearing continues to be top priority throughout the County to safeguard our service territory against wildfire risk

The rate increases forecast for the next four years must reposition the Co-op's equity for major capital projects on the horizon including several costly submarine cable replacement projects. The rate structure change that was approved in 2025 will continue to be phased in future years to align revenue needs with fairly allocating costs to the members.

Staff recommends the Board make a motion to approve the 2026 budget as submitted, including a 5% rate increase to be applied to the rate structure previously presented and approved by the board in August 2025, based on the Cost of Service & Rate Study. Individual tariffs would come before the Board for a second read in December with the increase applied to all tariffs for review and approval.

BUDGET NARRATIVE

Mission:

OPALCO serves our members with safe, reliable, cost-effective and environmentally sensitive utility services. Our mission drives our budget in the following ways:

✓ Safety – OPALCO has a rigorous safety program for all employees and provides safety information to members through classroom visits, demonstrations, field assistance, and the website. The right-of-way (tree trimming and brush clearing) program is key for system reliability and fire safety. OPALCO depends on member cooperation to address right-of-way issues in a timely manner. The Co-op is committed to continually improving and fortifying our safety programs. OPALCO's grid is critical for the safety of our community, wildfire prevention, and especially our crew members in the field. OPALCO's grid connects the County to real-world services for education, economic development, and quality of life.

✓ Reliability – OPALCO's system provides power 99.94% of the time to its members. This is a reliability rating to be proud of. We continue to budget for replacement of the old unjacketed underground cable (referred to as URD) system wide. This trend will continue with prioritization of replacement targeted at the areas with higher failure rates. With each URD project, where needed, we include fiber and increase the reach of our fiber network and therefore the reach of our monitoring and control system. Upgrading our critical substations that serve our population dense town centers and serves the emergency services, will continue to increase our resiliency for the next generation of islands.

✓ Cost Effective – Our capital construction plan is designed to maximize system efficiency and make best use of member resources. The continual expansion of our grid and fiber-connected devices on our system, helps to contain costs by putting control of the system in the hands of crew members wherever they are.

✓ Environmentally Sensitive – OPALCO has critical infrastructure installed throughout our beautiful and fragile island environs. Doing the right thing comes at a cost that is reflected in our cost of service and OPALCO is committed to good stewardship, working within the County's Critical Areas Ordinance, complying with all permitting requirements, and keeping as low a profile as possible to maintain island character. In every project, OPALCO's vision of sustainable island communities keeps us focused on best practices and member education to protect ocean health and do our part to mitigate the effects of climate change.

Load Forecast:

The Load Forecast is the heart of the budget and the most precarious aspect of our forecasting. The forecasting drives our power cost, which is one-third of our expenses, and our energy (kWh) sales which is two-thirds of our revenue. The energy management team of PNGC (Pacific NW Generating Cooperative) assisted us with load forecasting for this budget. They bring valuable industry expertise and resources to our Co-op to help us navigate the rapidly evolving energy market.

Forecasting is challenging. Our team uses every available tool to gauge what impact the weather may have on our Cooperative; we incorporate analysis from various sources which include BPA's climatologist, the National Oceanic and Atmospheric Administration (NOAA), the Office of the Washington State Climatologist, and other Northwest climatologists. We also consider local weather and historical data, including air temperature, water temperature, wind speed and direction, and precipitation.

Weather drives heating load. OPALCO's load peaks in the winter, in large part due to increased heating load. Predicting the weather for the year ahead is fraught with uncertainty due to variations of temperature, wind and humidity and yet we depend on weather forecasting to meet our budgetary commitments. In 2026, the forecast is for a shift to a slightly La Niña weather pattern (in Q1) with projected kilowatt hour purchases

from PNGC of 230M kWh. As a point of reference, OPALCO's load has averaged 224.5M kWh, ranging between 204M (2015) – 241M (2022) kWh. While predicting the weather beyond a few days or weeks with any certainty is not possible, we can use trends to forecast likely scenarios.

Based on the predicted weather pattern, we estimate our purchasing load to be 230M kWh. With that information, we set rates accordingly – to generate the revenue to pay for the expenses. The science of forecasting is imperfect: if it ends up being colder than we forecast, member bills are higher than budgeted and we end up with more money than needed to cover co-op expenses; if weather was warmer than forecast, member bills are lower than budgeted, and we end up with less money than needed to cover expenses. To combat this unavoidable situation, the Energy Charge Adjustment (ECA) works well to partially offset weather volatility. Modifying the ECA to be tied to the operating margin helps ensure OPALCO will achieve its equity targets, while minimizing over-collecting or under-collecting from the membership.

BUDGET ASSUMPTIONS

GENERAL:

General Inflation Rate:

The general annual inflation rate has been projected at 3% for year 2026, and slowly increasing through 2027-2030 to a level of 4%. We use the US Department of Labor, Bureau of Statistics, Seattle-Tacoma-Bellevue consumer price index as the baseline for inflation.

2026-30 Budget Basis:

The 2026-2030 budgetary figures have been forecast with the use of actual activity from January through October 2025 and adjusted 4th quarter 2025 projections.

Power Cost Projections:

- Over 90% of the power resources we depend on are sourced from our Federal Hydro System via PNGC.
- BPA operates on a two-year rate cycle. 2026 is the first year of their rate case. In 2026, we are budgeting for an overall flat rate impact in BPA kWh charges over 2025, resulting in >7% per kWh cost increase. The BPA rate also includes fish spill & oversupply surcharges, potential power cost recovery adjustment clause (CRAC) increase, demand charge volatility, residential exchange charges and TIER 2 power costs. OPALCO works closely with PNGC to identify these cost increases.
- From 2027 through 2030, we have maintained a 5% BPA cost increase for each year, with specific adjustments in years for known increases. Market indicators are showing that power costs will be escalating.
- Member rooftop solar costs are increasing at a fast rate, ~25% year over year increases. These costs are purchases of power that OPALCO makes from member generators and community solar participants vs buying the energy from the wholesale market (PNGC). The rates that OPALCO pays member generators for power average over double what OPALCO would pay for that same energy from PNGC. With the proliferation in residential solar in recent years, fueled in large part by OPALCO's Switch It Up investments in solar & battery storage of ~\$11.2M, we forecast these costs to continue to increase, increasing our net power costs per kWh. It is important

to understand the financial impact on both OPALCO and member generators so we can continue to balance OPALCO's solar rate structure with market conditions.

- We will be closely monitoring load growth which is expected to be about 1% for 2026-2030.

Labor:

- Staffing levels will be 49 full-time OPALCO employees from 2026 through 2030 depending on ability to fill all funded positions (see organization chart).
- The general wage increase is in accordance with the current estimated Collective Bargaining Agreement.
- The benefit growth assumptions are in accordance with 2026 NRECA and LineCo rate projections based on the changes to the benefits package.

Capital Projects:

- The 2025 capital projects are based on the 2021 – 2025 RUS Construction Work Plan (CWP). The CWP is derived from outage analysis, system monitoring and system modeling based on load growth projections along with current system loading. The goals are to continue to achieve our Strategic Directives including safety, voltage stability, greater system reliability and overall system efficiency.
- Planning – Engineering will complete 2026-2030 Construction Work Plan (CWP) with the supporting Environmental Report for the CWP for submittal to USDA RUS mid-year 2026. These plans follow growth and planning projections for renewable resources as anticipated in the IRP to ensure our system is built to handle electric vehicle integration, electrification of the ferries, fuel switching and remains stable with the integration of distributed resources (batteries, roof-top solar, etc.) and utility resources to include community solar, utility scale solar, utility scale battery systems, tidal generation, etc.
- Distribution System:
 - New Services are trending slower; staff expect this to return to normal ~1% growth in 2025. Please note, contributions in aid of construction (CIAC) offset new member construction expense.
 - Underground Residential Distribution (URD) replacement will continue based on the following criteria: age, cable type, neutral degradation and, most importantly, outage frequency and outage duration. There are approximately 72 miles of unjacketed URD to replace system-wide over time with problem areas mapped for priority scheduling. In 2026, 10-15 miles of URD is slated for replacement at a budgeted cost of ~\$2.7M. Staff expect an average annual spending of ~\$2.7M for the foreseeable future for replacement of unjacketed URD.
 - Conversions, Line Changes and Tie Lines - upgrading lines to carry greater capacity and increased ability to reroute power, in addition to the replacement of the Center Island submarine cable.

- Initiated meter replacement program in 2025, which has an expected completion date of 2028 to 2030.
- Sectionalizing Equipment expenses will be to automated switches on our system to improve reliability and give us greater visibility into our system.
- Grid Control Communications Infrastructure (fiber) expansion to install conduits for future fiber jointly with other projects, expanding the original fiber backbone and maintenance of active sites.
- Transmission System – Projects include the routine replacement of transmission poles and realignment of pole locations for increased reliability, reduced tree trimming and coordination with a San Juan County salmon recovery project. Engineering will be investigating the health of the Lopez to Shaw and Shaw to Orcas submarine cable installed in 1993 with projections to begin permitting the replacement in 2028 to 2030.
- Substation/Community Solar
 - Energy Storage System (ESS) – includes the Eastsound Substation Battery with offsetting funds from a WA DOC grant (50% matching funds for the battery). This storage system will be twice the size of the Decatur Microgrid Project and will provide four complementary functions that enhance grid reliability and operation, and community solar array performance, while increasing storage system “capacity factor” and saving money on our power bill from BPA.
 - Community Solar Project – This project will have offsets from member contributions in addition to the WA Department of Commerce CEF3 Solar grant funding of \$1M for the allocation of the output to OPALCOs low-income fund. Low-income solar grant funds may not be available if project permitting delays continue. Permitting, supply chain and labor availability continue to create delays in the project.
 - Eastsound Substation – Redesign of this aging substation is essential as it has reached capacity. Purchasing for this project began in 2025 though actual construction won’t start until 2027.
 - Orcas Substation Transformer – Replacement of this aging asset, increasing the capacity of the substation and updating the protection system to modern standards.
 - Future years include the replacement of aging (> 40 years old) substation transformers.
- Facilities – the 2026 capital project budget (line 1300) includes project (permitting, site preparation, design, etc.) for worker housing development on OPALCO’s Eastsound headquarters back lot with 2027 forecasted for construction.

Energy Savings:

- OPALCO continues to offer RESP funds for the on-bill financing program. Member participation has maintained a high level, and we are anticipating similar levels of participation in 2026. Given the level of member engagement in this program, OPALCO has put in another request with RUS for an additional \$75M of RESP funds to keep the program operating. RUS program funding is uncertain.
- We continue efforts towards our new Community Solar project, which will be available for member purchase as it is nears completion.

- BPA/PNGC pass-through rebates will continue for ductless heat pumps, weatherization, commercial lighting, and appliances. Members can apply for rebates online. BPA is now offering higher rebates for low-income members to incentivize beneficial electrification and conservation.
- Beneficial electrification (fuel-switching) rebates are offered again in 2026. More self-funded incentives for ductless heat pumps (60) and EV charging stations (60) will be available. These conversions bring new load (kWh usage) and revenue, and help members breach the cost barrier for these appliances. Switch it Up participants will also receive beneficial electrification incentive off the principle of their projects.

Continuing Support for Local Renewable Projects:

- Staff will continue to have conversations with the board regarding the overall impact of all forms of solar on our grid and finances.
- a. Low-Income Access to Solar Benefits
 - OPALCO's primary strategy to provide access to solar benefits for low-income households is to apply grant funding (when available) for community solar projects to fund the Energy Assistance Program (EAP) and help it keep up with the rising cost of power.
 - Subscribers to community solar are given the option to donate all or some of their solar production credits from OPALCO-owned community solar projects into the Energy Assist program to assist low-income members and provide access to the benefits of solar.
 - OPALCO will continue to pursue grant funding to provide access to the benefits of solar for low-income members.
 - b. Rooftop Solar
 - OPALCO continues to offer on-bill financing for solar installations and energy (battery) storage projects through the Switch it Up! Program. Terms and financing amount per meter to be determined.
 - c. Commercial Solar
 - OPALCO will continue to work with Sustainable Connections to provide incentives, technical assistance and access to federal grants for commercial solar projects.
 - OPALCO will pursue grant funding to offer solar workshops tailored to business/commercial members.
 - d. Community Solar
 - Decatur Community Solar expansion in permitting with projected construction in 2026.
 - Bailer Hill Community Solar projected for permitting in 2027/2028 and construction in 2029.

Capital Credits

- Capital credits pay out cash planning is based on an average 25 year pay back cycle (remaining 2000 capital credits in 2025) plus an additional "smoothing" payout amount (~49% portion of 2001 in 2025). \$1.5M in capital credits are expected to be retired in 2025

going up to \$1.6M in 2027 through 2030. The goal is to smooth out the low and high year payouts by using an average rather than strict year total.

Energy Assistance Program:

- The 2026 Budget includes a continuation of ~\$205k for low-income monthly bill credits, which will all increase by ~\$7.50 in 2026, and range from \$46.43 (single person household) to \$83.59 (six-or-more-person household) per month, and not to exceed the total bill amount. The Energy Assistance Program is funded as a line item on all member bills (approximately \$0.99 on the average residential bill). Outreach continues to encourage participation.

Communications

- Member Engagement –The Island Way member engagement campaign will focus on local efforts to maintain grid reliability and member renewable generation and storage requirements. We will offer a fresh round of workshops and events, and encourage beneficial electrification and efficiency projects (EVs, rebates, etc.). The team will strengthen the safety outreach and education program to local schools, youth programs, and fire departments.
- Website – The team will be doing an audit of the usability of the website and continue to utilize analysis tools to add additional interactive components to the website and improve the content throughout the site.
- Annual Meeting – As we did in 2025, the business portion of the meeting will a virtual format designed to meet the requirements and announce election results. The day after the business portion of the annual meeting the Annual Member Festival will be held in person on Lopez Island and will include family activities, prizes, informational booths, a BBQ lunch and EV Jamboree.

OVERALL SUMMARIZATION:

1. Revenue:

For 2026, staff recommends a rate increase of 5.0%, equating to a total revenue increase of ~8% as we continue to monitor uncertain weather patterns, especially in Q4. The Energy Charge Adjustment (ECA) will continue to be in place to alleviate the impact of uncertain weather patterns on rates. As approved by the board, the ECA will be tied to Operating Margin.

2. Operating Margins:

Per Staff recommendation, projected operating margins are as follows: \$3.8M in 2025 (projected), \$4.8M in 2026 (budget), \$4.8M in 2027 (forecast), \$4.4M in 2028 (forecast), \$4.7M in 2029 (forecast), and \$5.0M in 2030 (forecast).

3. TIER & OTIER:

Per Staff recommendation, TIER is as follows: 2.74 in 2025 (projected), 3.02 in 2026 (budget), 2.90 in 2027, 2.64 in 2028 (forecast), 2.63 in 2029 (forecast), and 2.62 in 2030 (forecast). OTIER is as follows: 2.63 in 2025 (projected), 2.68 in 2026 (budget), 2.56 in 2027, 2.31 in 2028 (forecast), 2.31 in 2029 (forecast), and 2.31 in 2030 (forecast).

4. Equity % of Total Capitalization (includes Switch It Up financing):

Per Staff recommendation, Equity % of Total Capitalization is as follows: 38.5% in 2025 (projected), 38.2% in 2026 (budget), 39.1% in 2027 (forecast), 41.0% in 2028 (forecast), 43.7% in 2029 (forecast), and 46.4% in 2030 (forecast).

It is important to note that RUS-Rural Energy Savings Program (RESP) borrowings are included in OPALCO's Equity % ratio calculation. While these borrowings do not fundamentally impact OPALCO's capitalization of assets we also review Equity % of Total Capitalization excluding RESP borrowings which are as follows: 45.3% in 2025 (projected), 45.8% in 2026 (budget), 47.5% in 2027 (forecast), 49.1% in 2028 (forecast), 50.6% in 2029 (forecast), and 51.9% in 2030 (forecast).

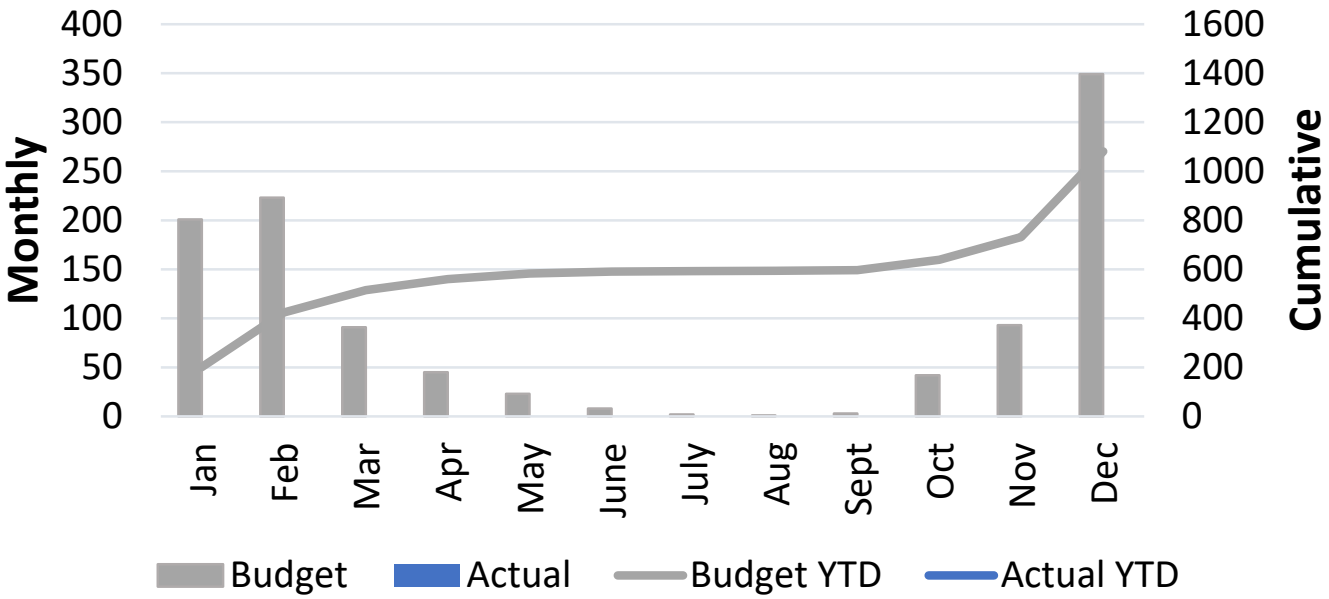
5. Debt:

We anticipate borrowing from the RUS-Treasury and/or CFC in the amounts of: \$7.7M in 2026, \$6.5M in 2027, \$5.6M in 2028, \$5.9M in 2029 and \$7.0M in 2030 for capital projects. This assumes that capital project funding in 2026-30 is approximately 55% through borrowings and 45% through member rates. We have estimated interest rates at 6% for 2026 and 5.5% for 2027 through 2030. RUS RESP funds will be borrowed at 0% over a 10-year period as member demand defines, to provide on-bill financing to members for efficiency / fuel switching measures. RESP borrowing has been projected at \$8M for the year 2026 and 2027, with a final draw of remaining RESP funds of \$3.46M in 2028, and \$0 future borrowings in 2029 & 2030 for the sake of this budget. \$19.46M in RESP funds are projected to be available for 2026 (see table below).

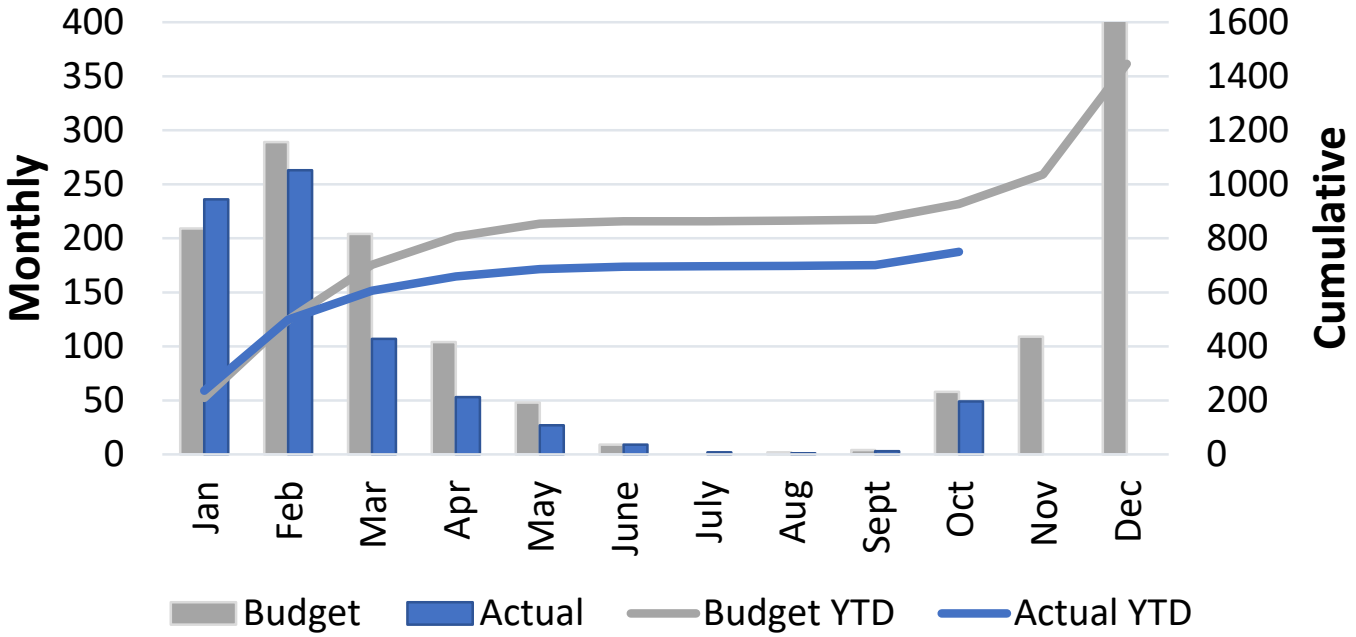
2026 Budget: Weather Trends

2026 Budget: Heating Degree Days

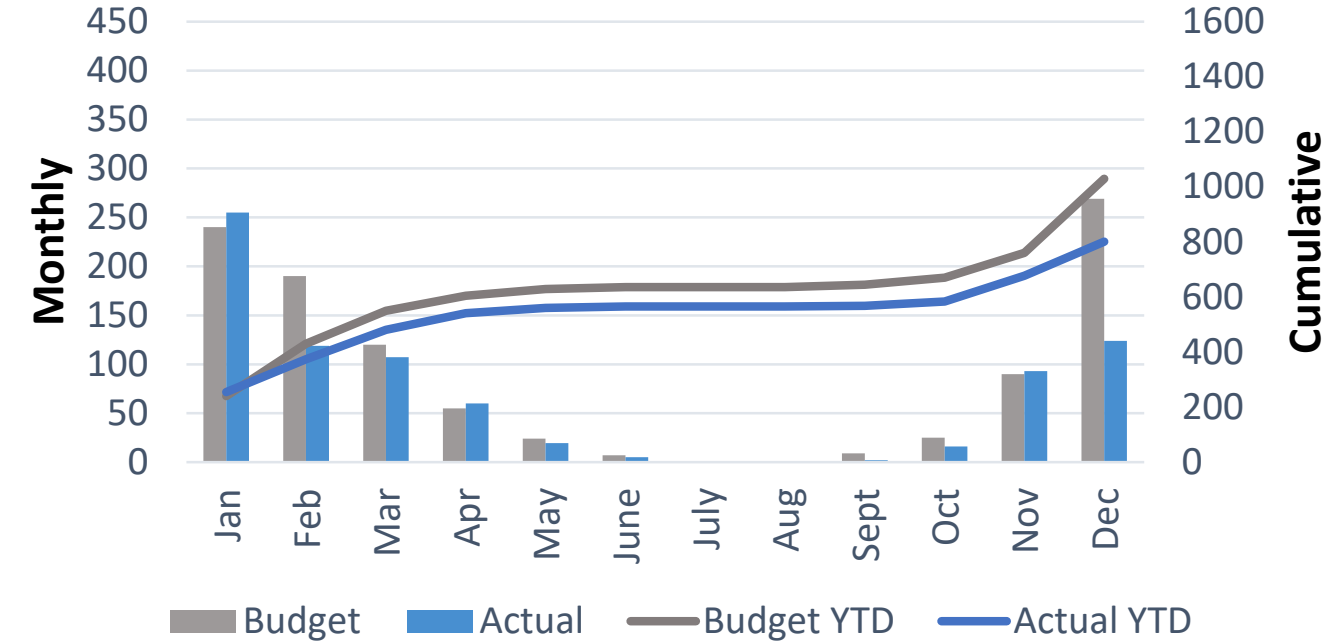
2026 HDD's



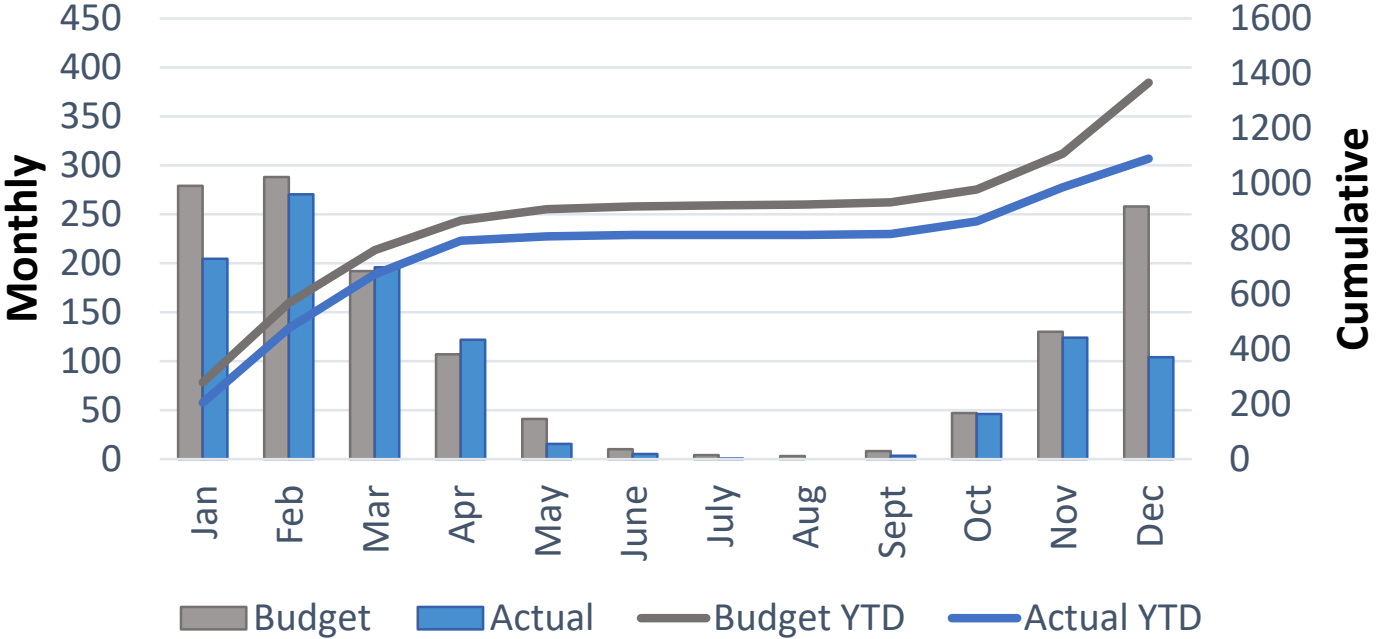
2025 HDD's



2024 HDD's

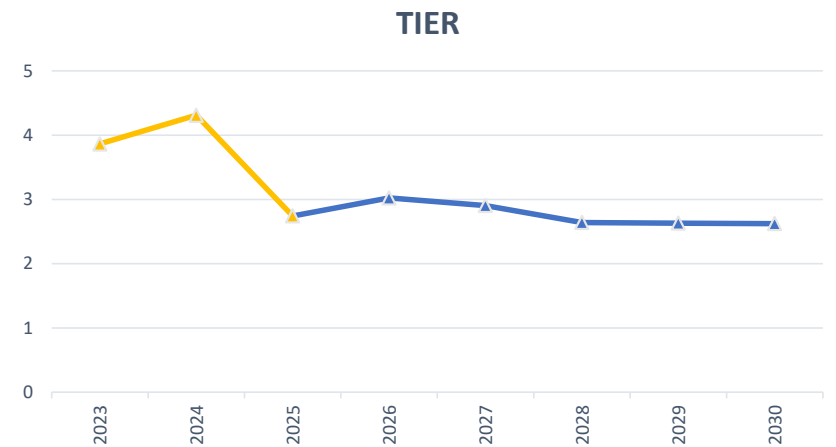
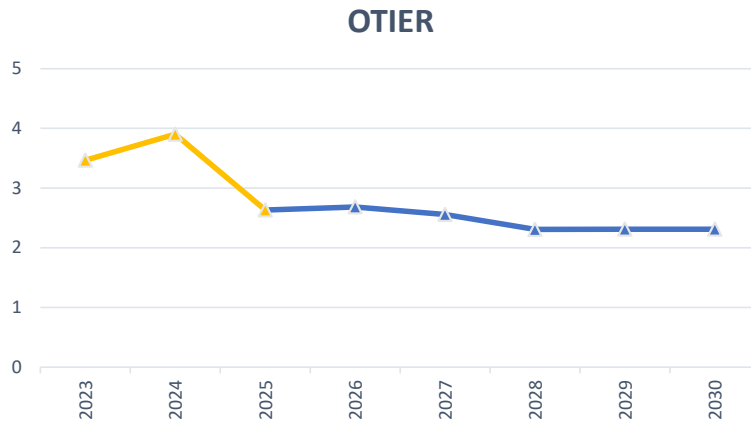
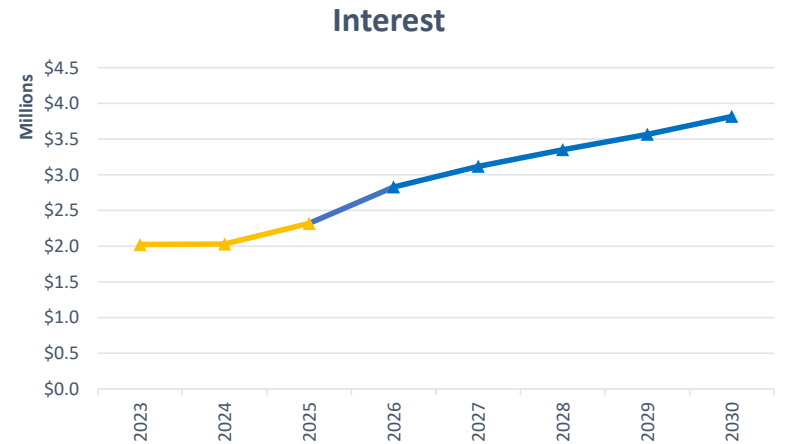
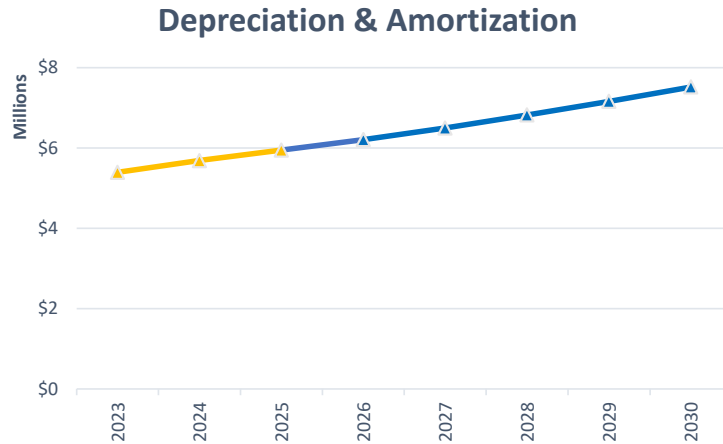


2023 HDD's

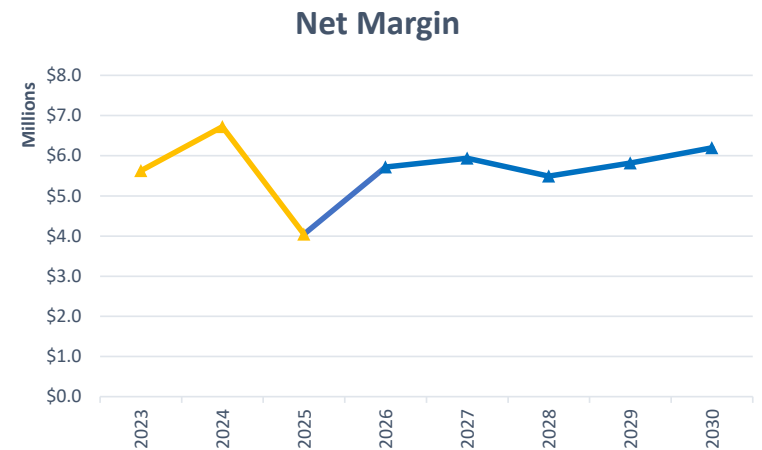
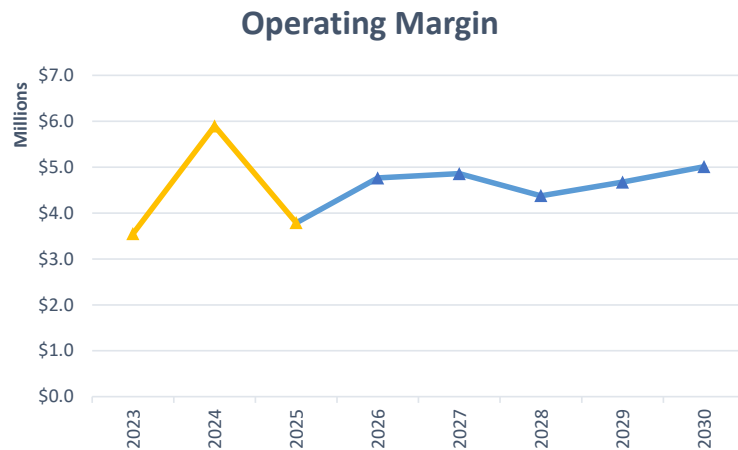
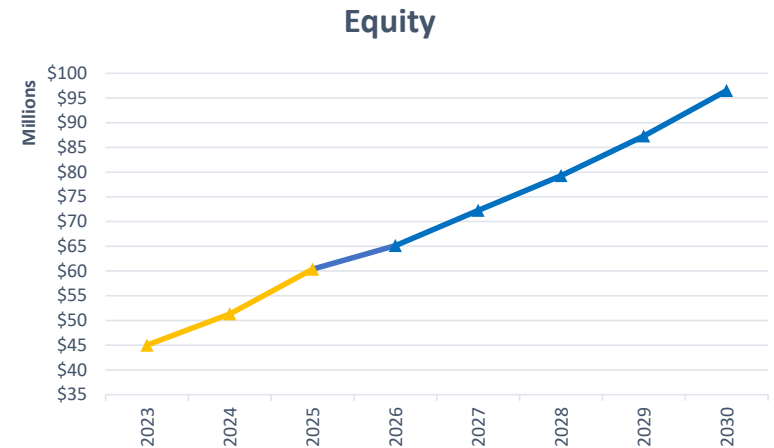
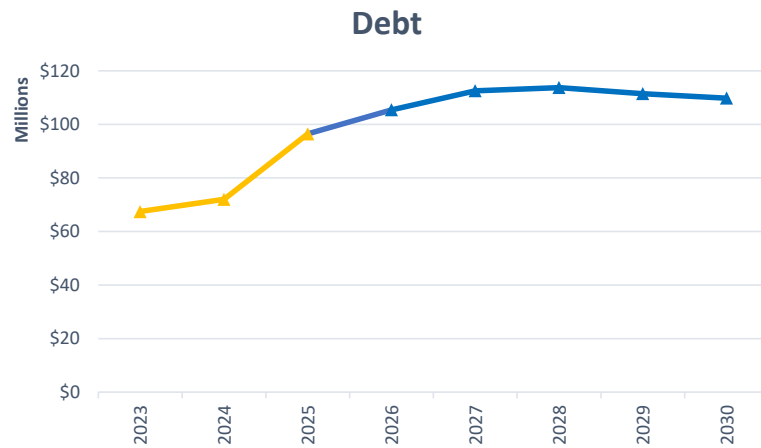


2026 Budget: Financial Highlights

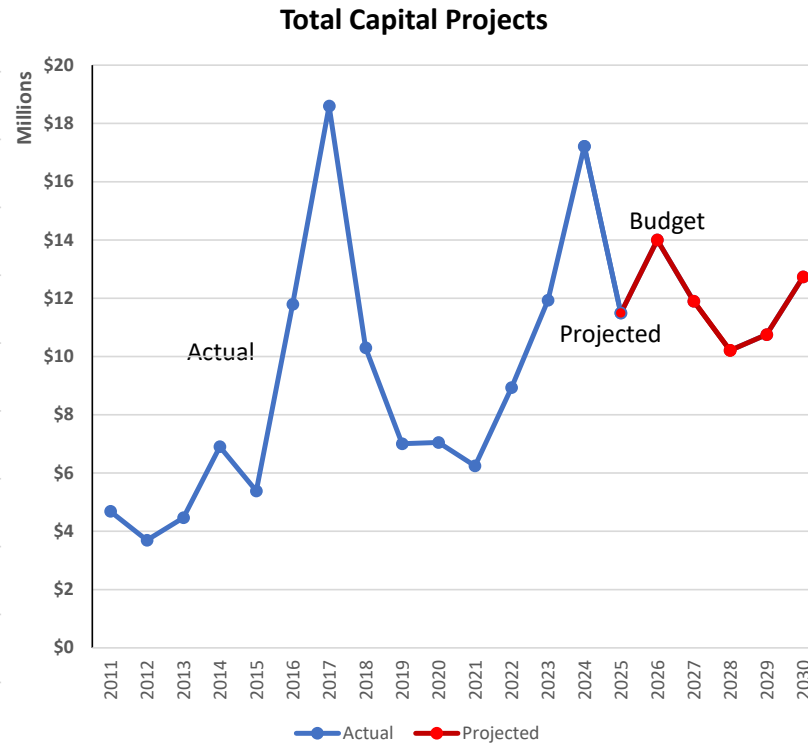
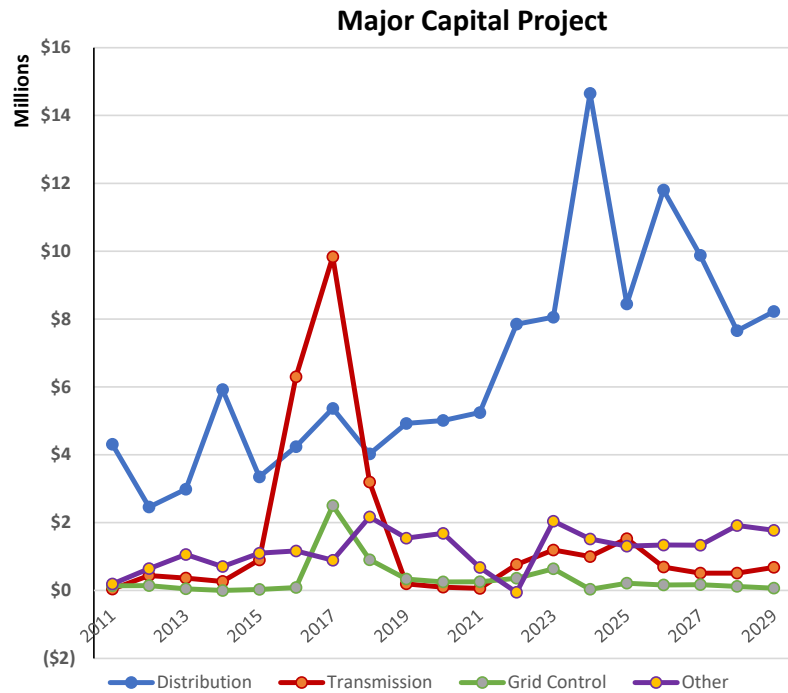
2026 Budget: Financial Metrics



2026 Budget: Financial Metrics



2026 Budget: Capital Projects



Notes:

- Transmission: 2026 – 2028 Aging Transmission Pole replacements. Lopez to Shaw Submarine Cable Replacement permitting starting in 2028
- Distribution: substation upgrades, metering, microgrid projects, and proactive pole replacements
- Grid Control Backbone: Replacement of Switches, Batteries, and aging fiber
- Other: Replacement of aging fleet vehicles & facilities. Community solar project & member participation funding

ORCAS POWER AND LIGHT COOPERATIVE

BUDGET EXECUTIVE SUMMARY

		A. Audited Year End 12/31/2024	B. Projected Year End 12/31/2025	C. Proposed Budget 12/31/2026	% Change from 2025	D. Forecast 12/31/2027	E. Forecast 12/31/2028	F. Forecast 12/31/2029	G. Forecast 12/31/2030	Comments
1	kWh Purchases	230,984,773	227,288,000	230,000,000		232,000,000	234,000,000	236,000,000	238,000,000	OPALCO estimate conservative for predicted weather conditions
2	% Rate Increase	6%	6%	5.0%		5.0%	5.0%	5.0%	5.0%	
3	% Total Revenue Increase	9%	1%	8.2%		5.7%	5.7%	5.7%	5.7%	2026 operating revenue increase from rate change & ECA reduction (\$1.1M)
4	Gross Operating Revenue	39,492,000	41,002,000	43,176,000	5.3%	45,628,000	48,220,000	50,961,000	53,858,000	Revenue necessary to meet budget and cash flow requirements
5	Energy Charge Adjustment	147,000	(1,098,000)	-		-	-	-	-	2025 is actual ECA through Oct, no budgeting for future 2026 ECA
6	Net Operating Revenue Total	39,639,000	39,904,000	43,176,000	8.2%	45,628,000	48,220,000	50,961,000	53,858,000	
7	Cost of power	9,126,000	9,984,000	10,848,000	8.7%	11,605,000	13,058,000	13,857,000	14,650,000	BPA rates & TIER 2 cost allocation (7%+), volumetric (1%+), member renewables (~1%).
8	Operations & G&A	15,232,000	16,050,000	16,713,000	4.1%	17,624,000	18,568,000	19,538,000	20,570,000	Years 2026-'30 includes union contract increases, new staff & training
9	Depr, Int & Taxes	9,386,000	10,081,000	10,850,000	7.6%	11,541,000	12,215,000	12,892,000	13,628,000	Depreciation on new assets & interest on related borrowings, taxes & other pat cap allocations
10		33,744,000	36,115,000	38,411,000	6.4%	40,770,000	43,841,000	46,287,000	48,848,000	Power, labor, depreciation and supply chain increases
11	Net Operating Margins	5,895,000	3,789,000	4,765,000	25.8%	4,858,000	4,379,000	4,674,000	5,010,000	Acceptable margin levels in order cover capital credit retirements only
12	Non-Operating Margins	829,000	254,000	954,000	275.6%	1,081,000	1,112,000	1,144,000	1,188,000	Non-operating margin retained as permanent equity
13	Net Margins	\$ 6,724,000	\$ 4,043,000	\$ 5,719,000	41.5%	\$ 5,939,000	\$ 5,491,000	\$ 5,818,000	\$ 6,198,000	Net margin - equity for future borrowings
Informational Data:										
14	OTIER	3.90	2.63	2.68		2.56	2.31	2.31	2.31	Fluctuates with changes in weather (operating revenues) & borrowing rates
15	TIER	4.31	2.74	3.02		2.90	2.64	2.63	2.62	
16	Equity % of Total Cap	40.8%	38.5%	38.2%		39.1%	41.0%	43.7%	46.4%	Continue to manage closely to ensure we accelerate trending upwards for future capital investment.
17	Equity % (excl RESP)	46.1%	45.3%	45.8%		47.5%	49.1%	50.6%	51.9%	Informational only
18	Equity	56,943,000	60,367,000	65,141,000		72,250,000	79,131,000	86,666,000	95,046,000	Equity trending upwards (gradual building for next large capital investment)
19	Capital Debt	68,984,000	77,452,000	82,565,000		86,445,000	89,269,000	92,240,000	96,051,000	Borrowings to fund new capital investment while also meeting equity growth targets (excludes RESP)
20	Rural Energy Savings Program (RESP) Debt	17,631,000	23,493,000	28,459,000		32,624,000	31,714,000	26,968,000	21,904,000	0% debt, Switch It Up! funding source, reduces Equity % ratios, increases with uptick in projects
21	Total Debt	86,615,000	100,945,000	111,024,000		119,069,000	120,983,000	119,208,000	117,955,000	
22	Capital Spending	19,996,000	11,491,000	14,001,000		11,899,000	10,208,000	10,750,000	12,731,000	Capital spending necessary for system upgrades & replacements in 2026-2030.
23	Capital Credit Retirement (net)	1,179,000	1,294,000	1,294,000		1,372,000	1,372,000	1,372,000	1,372,000	Smoothing of capital credit retirements (reduces volatility in margin, cash and equity requirements)
24	Annual HDD	801	1,269	1,081		1,190	1,200	1,210	1,221	HDD definition: Number of degrees that a day's average temperature is below 50 degrees F
25	kWh per HDD	288,371	179,108	212,766		194,958	195,000	195,041	194,922	

ORCAS POWER AND LIGHT COOPERATIVE

RATE SENSITIVITY

Proposed 2026 Budget Figures; Future Years for Reference Only

	A. Budget 12/31/2026	B. Forecast 12/31/2027	C. Forecast 12/31/2028	D. Forecast 12/31/2029	E. Forecast 12/31/2030	Comment
kWh Purchases	230,000,000	232,000,000	234,000,000	236,000,000	238,000,000	
BASE LINE: No Rate Change (Not Financially Viable Long Term)						
% Avg. Residential Rate Increase	0.0%	0.0%	0.0%	0.0%	0.0%	Baseline only to see the implication of no rate increase.
% Revenue Increase (Decrease)	3.1%	0.7%	0.7%	0.7%	0.7%	
Operating Margin	\$ 2,726,023	\$ 663,685	\$ (2,107,829)	\$ (4,252,933)	\$ (6,510,570)	
Margin	\$ 3,680,211	\$ 1,744,914	\$ (995,745)	\$ (3,109,062)	\$ (5,322,990)	
OTIER	1.96	1.21	0.37	(0.19)	(0.71)	
TIER	2.30	1.56	0.70	0.13	(0.39)	
Equity % of Total Capital	37.0%	36.2%	35.7%	35.2%	33.9%	
OPTION 1 - Recommended 5%						
% Avg. Residential Rate Increase	5.0%	5.0%	5.0%	5.0%	5.0%	Recommended rate/revenue increase. Meets internal goal for equity building, TIER, covenant compliance and covers operational costs.
% Revenue Increase	8.2%	5.7%	5.7%	5.7%	5.7%	
Operating Margin	\$ 4,764,772	\$ 4,857,799	\$ 4,379,615	\$ 4,673,805	\$ 5,009,881	
Margin	\$ 5,718,960	\$ 5,939,028	\$ 5,491,699	\$ 5,817,676	\$ 6,197,461	
OTIER	2.68	2.56	2.31	2.31	2.31	
TIER	3.02	2.90	2.64	2.63	2.62	
Equity % of Total Capital	38.2%	39.1%	41.0%	43.7%	46.4%	
OPTION 2 - 6%						
% Avg. Residential Rate Increase	6.0%	6.0%	6.0%	6.0%	6.0%	Prior years forecasted a 6% rate increase. Internal goals for equity building, TIER, covenant compliance & operational costs are covered slightly to an excess.
% Revenue Increase	8.9%	6.7%	6.7%	6.7%	6.7%	
Operating Margin	\$ 5,059,444	\$ 5,600,411	\$ 5,624,759	\$ 6,481,138	\$ 7,444,555	
Margin	\$ 6,013,632	\$ 6,681,640	\$ 6,736,843	\$ 7,625,009	\$ 8,632,135	
OTIER	2.79	2.80	2.68	2.82	2.95	
TIER	3.13	3.14	3.01	3.14	3.26	
Equity % of Total Capital	38.3%	39.4%	41.7%	44.9%	48.0%	

ORCAS POWER AND LIGHT COOPERATIVE

RATE SENSITIVITY

Proposed 2026 Budget Figures; Future Years for Reference Only

		A. Budget 12/31/2026	B. Forecast 12/31/2027	C. Forecast 12/31/2028	D. Forecast 12/31/2029	E. Forecast 12/31/2030	Comment
OPTION 3 - TIER ~2	kWh Purchases	230,000,000	232,000,000	234,000,000	236,000,000	238,000,000	
	% Avg. Residential Rate Increase	0.0%	3.5%	6.5%	3.5%	3.5%	Rate increases sufficient to maintain capital credit retirement cycle and build equity needed for future capital projects, but rate changes are more volatile than desired for short-term planning.
	% Revenue Increase	3.1%	4.2%	7.2%	4.2%	4.2%	
	Operating Margin	\$ 2,726,023	\$ 2,090,808	\$ 2,091,787	\$ 1,571,657	\$ 1,017,990	
	Margin	\$ 3,680,211	\$ 3,172,037	\$ 3,203,871	\$ 2,715,528	\$ 2,205,570	
	OTIER	1.96	1.67	1.62	1.44	1.27	
	TIER	2.30	2.02	1.96	1.76	1.58	
	Equity % of Total Capital	37.4%	37.5%	38.8%	40.7%	42.4%	

ORCAS POWER AND LIGHT COOPERATIVE
 RATE SPLIT OPTIONS

The tables below illustrate the change to 2025 rates (section A to B below) from the board approved rate structure update following the approval of the Cost of Service (COSA) & Rates Study Update at the August 2025 regular board meeting. As outlined in the final COSA, the study found that Commercial accounts were providing a slight subsidy to Residential members. The shift, while revenue neutral to OPALCO as a whole, increases the annual average residential bill by ~1%. For 2026 staff is proposing a 5% retail rate increase, which would be applied to the revised COSA rate structure (section B to C below).

The rate collection option approved by the Board will be applied to all tariffs upon a second read in December.

A. 2025 Current Rates			Revenue Neutral Change	B. Cost of Service & Rate Study Rates Update			2026 5% increase	C. 2026 Proposed Rates		
	Service Access	\$ / kWh*		Service Access	\$ / kWh*			Service Access	\$ / kWh*	
Residential	\$ 59.99	\$ 0.1351		\$ 64.36	\$ 0.1328			\$ 67.58	\$ 0.1395	
SML Commercial	\$ 83.71	\$ 0.1333		\$ 81.64	\$ 0.1300			\$ 85.73	\$ 0.1365	
LG Commercial	\$ 83.71	\$ 0.1209		\$ 79.74	\$ 0.1152			\$ 83.73	\$ 0.1210	
Pump	\$ 53.87	\$ 0.1436		\$ 54.52	\$ 0.1453			\$ 57.25	\$ 0.1526	
	* Block 1 Rates			* Block 1 Rates						
Residential - Avg Monthly Bill	\$ 195.09			\$ 197.16				\$ 207.08		
\$ change from 2025 current rates				\$ 2.07				\$ 11.99		
% change from 2025 current rates				1.05%				5.79%		

ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF OPERATIONS

	A. Audited Year End 12/31/2023	B. Audited Year End 12/31/2024	C. Approved Budget 12/31/2025	D. Projected Year End 12/31/2025	E. Proposed Budget 12/31/2026	% Change from 2025	F. Forecast 12/31/2027	G. Forecast 12/31/2028	H. Forecast 12/31/2029	I. Forecast 12/31/2030
1 OPERATING REVENUES										
2 kWh Purchases - PNGC	228,638,399	230,984,773	235,000,000	227,288,000	230,000,000		232,000,000	234,000,000	236,000,000	238,000,000
3 % Rate Increase	0%	6%	6%	6%	5.0%		5.0%	5.0%	5.0%	5.0%
4 % Operating Revenue Increase (Note 1)	2%	9%	8%	1%	8.2%		5.7%	5.7%	5.7%	5.7%
3 Residential	\$ 27,321,332	\$ 29,822,748	\$ 32,025,967	\$ 29,698,953	\$ 32,588,527	10%	\$ 34,451,282	\$ 36,420,586	\$ 38,502,535	\$ 40,703,571
4 Commercial	8,892,792	9,490,777	10,484,601	9,883,107	10,257,969	4%	10,844,158	11,463,878	12,119,045	12,811,689
5 Other	293,605	325,569	310,210	322,400	329,268	2%	332,561	335,888	339,246	342,638
6 Total operating revenue	36,507,728	39,639,094	42,820,778	39,904,460	43,175,764	8%	45,628,001	48,220,352	50,960,826	53,857,898
7										
8 OPERATING EXPENSES										
9 Cost of power	8,571,913	9,126,474	10,985,004	9,984,092	10,848,068	9%	11,605,195	13,057,882	13,857,004	14,650,312
10 Transmission	1,348,268	1,049,768	724,734	752,257	787,701	5%	826,511	857,444	893,416	930,981
11 Distribution - operations	3,796,463	3,914,167	4,793,580	4,412,161	4,210,737	-5%	4,390,825	4,653,116	4,929,157	5,224,896
12 Distribution - maintenance	3,214,269	4,077,748	3,866,737	4,022,467	4,309,074	7%	4,687,282	4,960,992	5,203,527	5,460,210
13 Consumer accounts	1,085,072	1,151,107	1,466,846	1,400,072	1,575,398	13%	1,684,768	1,755,669	1,856,572	1,964,454
14										
15 General and administration										
16 Administration G&A	4,595,125	4,747,811	5,465,625	5,088,088	5,402,551	6%	5,591,556	5,880,919	6,180,965	6,499,331
17 Energy services G&A	151,220	198,951	357,968	279,541	329,273	18%	345,019	361,339	376,094	391,849
18 Subsidiary Charges	91,979	92,028	96,629	95,324	98,184	3%	98,184	98,184	98,184	98,184
19 Total general and administration	4,838,324	5,038,790	5,920,222	5,462,953	5,830,008	7%	6,034,759	6,340,442	6,655,243	6,989,364
20										
21 Depreciation and amortization	5,396,359	5,688,475	6,088,561	5,949,670	6,207,267	4%	6,497,341	6,821,910	7,162,707	7,520,569
22 Taxes	1,610,154	1,825,621	1,784,180	1,946,686	1,960,614	1%	2,075,234	2,196,581	2,321,724	2,454,111
23										
24 Total operating expenses	29,860,821	31,872,151	35,629,864	33,930,358	35,728,867	5%	37,801,915	40,644,036	42,879,350	45,194,897
25										
26 Operating margins before fixed charges	6,646,907	7,766,943	7,190,914	5,974,102	7,446,897	25%	7,826,086	7,576,316	8,081,476	8,663,001
27										
28 FIXED CHARGES										
29 Interest on long-term debt	1,906,039	1,965,138	2,397,754	2,302,132	2,802,809	22%	3,092,955	3,325,732	3,541,863	3,792,680
30										
31 Total fixed charges	1,906,039	1,965,138	2,397,754	2,302,132	2,802,809	22%	3,092,955	3,325,732	3,541,863	3,792,680
32										
33 Operating margins after fixed charges	4,740,869	5,801,805	4,793,160	3,671,970	4,644,088	26%	4,733,131	4,250,584	4,539,613	4,870,321
34										
35 PATRONAGE CAPITAL CREDITS	107,198	93,527	99,621	117,170	120,685	3%	124,668	129,031	134,192	139,560
36										
37 Net operating margins	4,848,066	5,895,332	4,892,781	3,789,140	4,764,773	26%	4,857,799	4,379,615	4,673,805	5,009,881
38										
39 NON-OPERATING MARGINS										
40 Interest income	686,626	783,717	800,919	819,953	979,953	20%	1,106,961	1,137,779	1,169,522	1,213,116
41 Other income (expense)	90,879	45,442	(8,375)	(565,642)	(25,765)	-95%	(25,732)	(25,695)	(25,651)	(25,536)
42										
43 Net non-operating margins	777,505	829,160	792,544	254,311	954,188	275%	1,081,229	1,112,084	1,143,871	1,187,580
44										
45 NET MARGINS	\$ 5,625,571	\$ 6,724,491	\$ 5,685,325	\$ 4,043,451	\$ 5,718,961	41%	\$ 5,939,028	\$ 5,491,699	\$ 5,817,676	\$ 6,197,461
46										
47 OTIER	2.75	3.90	2.99	2.63	2.68	2%	2.56	2.31	2.31	2.31
48 TIER	3.78	4.31	3.31	2.74	3.02	10%	2.90	2.64	2.63	2.62
49 Equity % of Total Capital	40.0%	41.6%	39.7%	38.5%	38.2%	-1%	39.1%	41.0%	43.7%	46.4%
50 Equity % of Total Assets (RUS - 30%)	38.2%	39.1%	36.8%	36.5%	36.3%	-1%	37.3%	39.2%	41.9%	44.6%
51 Equity % of Total Cap (excluding RESP)	43.9%	48.5%	46.5%	45.3%	45.8%	1%	47.5%	49.1%	50.6%	51.9%
52										

53 **Note 1:** 2025 revenues are impacted by the \$1.1M revenue give-back done via the Energy Charge Adjustment tied to power cost. For budgeting purposes we do not project any ECA impact, thus 2026 revenues are
54 higher by a \$1.1M back out of the ECA as well as any retail rate increase

ORCAS POWER AND LIGHT COOPERATIVE

CAPITAL PROJECTS BUDGET

			A.	B.	C.	D.	E.	F.	G.	H.			I.	
			Budget	Budget	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Strategic			
RUS CWP DESCRIPTION			2024	2025	Year End	2026	2027	2028	2029	2030	Directives			
											Safety	Reliability	Environment	Comments
1	DISTRIBUTION													
2	100	New Services	\$ 415,000	\$ 415,000	\$ 409,046	\$ 380,000	\$ 402,000	\$ 426,000	\$ 451,000	\$ 477,000				Decrease in New Services (2024)
3	200	New Tie Lines	-	-	-	-	-	-	-	-	*			
4	300	Conversions and Line Changes	1,103,000	1,103,000	1,870,842	242,000	840,000	1,632,000	1,191,000	1,532,000	*	*		
5	400	New Substations, switching station, metering point, etc.	-	-	-	-	-	-	-	-				
6	500	Substation, Switching Station, Metering Point Changes	5,350,000	5,350,000	1,015,527	6,115,000	3,800,000	925,000	2,000,000	2,500,000	*	*		Eastsound Battery (26-27), Eastsound/Orcas Substation (25-28)
7	600	Miscellaneous Distribution Equipment												
8	601	Transformers & Meters	1,640,000	1,640,000	1,887,964	1,882,000	1,827,000	1,574,000	1,323,000	1,375,000	*	*	*	Transformer deliveries are scheduled to 2027, Metering (25-30)
9	602	Sets of Service Wires to increase Capacity	-	-	-	-	-	-	-	-				
10	603	Sectionalizing Equipment	450,000	450,000	30,253	210,000	200,000	150,000	158,000	166,000	*	*		Replacement of Switchgear
11	604	Regulators	300,000	-	-	300,000	-	-	-	-		*		
12	606	Ordinary Replacements	433,000	433,000	50,119	455,000	478,000	502,000	528,000	555,000	*	*		Projected + Proactive Pole Replacements
13	607	Overhead to Underground Conversions	355,000	355,000	543,648	111,000	117,000	123,000	130,000	137,000	*	*		
14	608	Underground Dist. Cable Replacements	3,625,000	3,625,000	3,598,530	2,757,000	2,897,000	3,044,000	3,197,000	3,359,000	*	*	*	Standard Replacements and Joint Fiber Project with ARPA Grant
15	700	Other Distribution Items												
16	701	Engineering Fees	-	-	-	-	-	-	-	-				
17	704	LMS & SCADA	-	-	-	-	-	-	-	-	*	*		
18	705	AMR Infrastructure (excludes meters)	-	-	-	-	-	-	-	-				
19	706	Communications/Fiber	260,000	260,000	144,488	166,000	174,000	122,000	70,000	18,000	*	*	*	Replacement of Switches, Batteries, and aging fiber
20		ARPA Grant Fiber Projects	7,373,972	7,373,972	7,307,147	-								APRA Fiber Grant (See Line 45) (2024-2025)
21	TRANSMISSION													
22	800	New Tie Line	-	-	-	-	-	-	-	-				
23	900	New substations, switching station, metering point, etc.	-	-	-	-	-	-	-	-		*		
24	1000	Line/Station Changes and Pole Replacements	457,000	457,000	393,477	695,000	514,000	514,000	685,000	1,457,000	*	*		Aging Transmission Pole Replacements, Submarine Cable Replacement Environ. (2028+)
25	1100	Other Transmission	-	-	-	-	-	-	-	-				
26	GENERATION													
27	1200	Generation	1,200,000	1,200,000	1,132,247	-	-	-	-	-	*	*		Tidal Energy Investigation (subject to pilot project results) and Interconnection Upgrades
28	OTHER													
29	1300	Facilities	1,755,000	1,755,000	1,742,889	2,988,000	735,000	672,000	857,000	900,000	*			Housing (2026, 2028) and Solar Buildings (2026)
30	1400	Acquisitions	-	-	278,570	-	-	-	-	-				
31	1500	All Other												
32	1501	Transportation/Equipment/Tools/Radios	617,000	617,000	628,234	852,000	432,000	1,067,000	731,000	856,000	*	*	*	Service Vehicle, Bucket/Digger Truck, and Boat Replacements
33	1502	Office Equipment/Furniture/Etc.	13,000	13,000	35,263	14,000	15,000	16,000	17,000	18,000				
34	1503	Computer/Servers/Software	177,000	177,000	171,065	144,000	151,000	159,000	167,000	175,000	*	*		
35	1504	Community Solar (member funded)	6,400,000	6,400,000	694,023	6,400,000	-	-	8,000,000	-	*	*	*	Decatur Community Solar (dependent on permitting)
36	1600	Minor Projects	142,000	142,000	114,735	150,000	158,000	166,000	175,000	184,000	*	*	*	Transclosure replacement projects
37	RUS CWP SUBTOTAL		32,065,972	31,765,972	22,048,068	23,861,000	12,740,000	11,092,000	19,680,000	13,709,000				
38	CONTRIBUTION IN AID OF CONSTRUCTION (CIAC)													
39		New Services	(332,000)	(332,000)	(597,554)	(349,000)	(367,000)	(386,000)	(406,000)	(427,000)				Offset to Line 2 - New Services
40		Meters and Transformers	(342,000)	(342,000)	(328,822)	(400,000)	(420,000)	(441,000)	(464,000)	(488,000)				Offset to Line 8 - Transformers and Meters
41		Joint Projects	(48,000)	(48,000)	(149,778)	(51,000)	(54,000)	(57,000)	(60,000)	(63,000)				Offset to Lines 3,4,13,14 - Tie Lines, Conversion, OH to UG Conv., URD
42		Grant Funding	(1,888,000)	(1,888,000)	(1,647,772)	(1,560,000)	-	-	-	-				Offset to Line 6 - San Juan Battery, Tidal
43		Community Solar Member Contributions/Grants	(9,030,000)	(9,030,000)	(597,554)	(7,500,000)	-	-	(8,000,000)	-				Offset to Line 35 - Community Solar
44		ARPA Grant Fiber Funding	(7,247,944)	(7,247,944)	(7,235,444)	-	-	-	-	-				Offset to Line 20 - ARPA Fiber Grant
45	RUS CWP NET TOTAL		13,178,028	12,878,028	11,491,144	14,001,000	11,899,000	10,208,000	10,750,000	12,731,000				
46														

ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF CASH FLOW

NON GAAP

	A.	B.	C.	D.	E.	F.
	Projected	Proposed				
	Year End	Budget	Forecast	Forecast	Forecast	Forecast
	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030
1 % Rate Increase	6%	5.0%	5.0%	5.0%	5.0%	5.0%
2 Operating Activities						
3 Margins	\$ 4,043,000	\$ 5,719,000	\$ 5,939,000	\$ 5,492,000	\$ 5,818,000	\$ 6,197,000
4 Plus Depreciation/Amortization	5,950,000	6,207,000	6,497,000	6,822,000	7,163,000	7,521,000
5 Cash Flow Operations	9,993,000	11,926,000	12,436,000	12,314,000	12,981,000	13,718,000
6						
7 Plant Investment (Net)	(12,312,000)	(14,203,000)	(12,116,000)	(10,429,000)	(10,978,000)	(12,966,000)
8 Renewable Generation (PNGC & Member) (Note 1)		(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)
9 Cash Flows from Patronage Capital	(1,294,000)	(1,294,000)	(1,372,000)	(1,372,000)	(1,372,000)	(1,372,000)
10 Net Borrowings	14,359,000	10,110,000	8,077,000	1,947,000	(1,740,000)	(1,217,000)
11 Annual Estimated Cash Increase (decrease)	\$ 10,746,000	\$ 5,439,000	\$ 5,925,000	\$ 1,360,000	\$ (2,209,000)	\$ (2,937,000)
12						
13 RUS Capital Borrowings	10,800,000	7,700,000	6,600,000	5,700,000	6,000,000	7,100,000
14 0% RESP Borrowing	8,000,000	8,000,000	8,000,000	3,460,000	-	-
15 Gross Borrowings	18,800,000	15,700,000	14,600,000	9,160,000	6,000,000	7,100,000

ORCAS POWER AND LIGHT COOPERATIVE

2026 - 2030 BUDGETED STAFFING LEVELS

	A.	B.	C.	D.	
	DEPARTMENT	ACTUAL # EMPLOYEES 2025	APPROVED BUDGET # EMPLOYEES 2026	APPROVED # EMPLOYEES 2027 - 2030	
1	Operations ¹	20.5	22.5	22.5	Journeyman Lineman Friday Harbor and 2 Apprentices
2	Engineering ¹	7.5	7.5	7.5	
3	General Management	4	4	4	
4	Technical Services	2	2	2	
5	Member Services	7	7	7	
6	Administration	5	5	5	
7	Energy Savings	1	1	1	
8	Total	47	49 ²	49	

Notes:

- 1 Engineering & Operations Manager split between departments
- 2 Vacant-funded positions not filled

OPALCO ORGANIZATIONAL CHART - 2026 BUDGET

