Board of Directors
Special Meeting

Tuesday, April 21, 2026 Virtual
Meeting via Zoom

This meeting is open to the public, however it is reserved for Board Members to discuss and vote on the project. Member comment period regarding this action item concluded on April 16, 2026.

Board of Directors
Special Board Meeting
April 21, 2026, 10:00 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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ADJOURNMENT

ACTION ITEMS

Consent Agenda

Staff request approval of the mintes from the prior meeting upon review.

Orcas Power & Light Cooperative
Minutes of the Board of Directors Meeting
Thursday, April 16, 2026

Streaming through Zoom attendees were Board members Vince Dauciunas, Mark Madsen, Tom Osterman, Jerry Whitfield, Chuks Onwuneme, Brian Silverstein and Wendy Hiester. Staff present were General Manager Foster Hildreth; Manager of Engineering and Operations Russell Guerry; Manager of Finance Travis Neal; Communications Manager Krista Bouchey; Communications Specialist Johanna Lange; Manager of Member Services Joey Wyckoff; and Special Projects Office Coordinator Beth Stanford (serving as recording secretary). Also present were Legal Counsel Joel Paisner and Clara Park, consultant Jay Kimball; Alan Smith from Rock Island Communications, and from Environmental Science Associates: Vanessa Rogers and Stacy Bumback.

Members in attendance: AG, Alan Mizuta, Angela Krisinger, Barbara Pesola, Charlie Conway, Darrell Kirk, Debbie, Dennis Jenkins, Sarah J, Jill Rullkoetter, Jo Ann Pierson, John Pierre van Dongen, Kim Ferree, Laura Derevensky, Lili, Michelle Thomas Harden, Nancy Loomis, Norris Palmer, Rich Goodhart, Rob Grant, Roz Solomon, Sean Campbell, Sophia, Su,anne Haggard, Susan Paxman, William Hurley, Elizabeth Guerry, Kendra Lamb, David Groff, Kay Wieben,

Meeting commenced at 8:33 AM

Member Comment Period: No member comments.

ACTION ITEMS

CONSENT AGENDA

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

DISCUSSION ITEMS

Local Renewable Generation

Staff reviewed in what way electricity demand is projected to grow significantly at both national and local levels, while baseload generation retires without firm replacement, creating an urgent supply gap. Utility scale solar is the lowest-cost generation option available, outperforming all alternatives on cost, efficiency and siting flexibility and local generation reduces our exposure to mainland price volatility while delivering rate stability and energy security for co-op members. Discussion ensued.

Decatur Island Solar Project

Staff and Directors discussed the Decatur Island Solar Expansion Project with the Project Team.

Decatur Community Comments – open comment period

Bill Hurley, Dawni Cunnington, Alan Mizuta, Charlie Conway, Jo Ann Pierson, Darrell Kirk, Kendra Lamb, Debbie Warren, Rob Grant, Karen Pearson, Dennis Jenkins, Sean Campbell (on behalf of San Juan County Road Crew), and Norris Palmer spoke in opposition to the project ranging from: premature decision, violation of cooperative values, county and community lack of support, financial risk, lack or risk assessment, environmental areas, tribal engagement, pending Hearing Examiner decision, new board members not seated, to better siting options. For the full member comment, please see the video recording of the

meeting.

REPORTS

Staff reviewed reports, dashboards, grant and budget tracking, ongoing cooperative-wide safety measures and training, and projects.

Regular Session ended: 10:27 AM
Meeting Closed: 10:27 AM

Vince Dauciunas, President

Tom Osterman, Secretary-Treasurer

Decatur Island Solar Project

Sequence of Events

1. This special OPALCO Board Meeting is being held via Zoom on April 21, 2026, at 10:00 A.M. This meeting is open to the public; however, it is reserved for Board Members to discuss and clarify project direction based on current conditions for permitting, member input and financial implications.
2. The member comment period closed on April 16, 2026, at the conclusion of the Regular Board Meeting. There is no member comment period at this meeting.
3. The Board President will call on each Board Member individually to comment on their position regarding the Decatur Island Solar Expansion Project.
4. Following board member comments and deliberation, Board members will give staff direction on how to proceed.
5. Any decisions moving forward will be subject to SJC Land Use and permitting processes.

Observations by the Board President

Community Solar Projects are rooted in OPALCO's guiding documents. The Board has made many past decisions on local renewable generation including land purchasing, annual budgeting, permitting, legal matters, the Integrated Resource Plan (IRP), grant seeking, and individual board meetings. These types of projects evolve and the board makes decisions on the projects throughout the life of the project. Factors that influence these types of projects include permitting, member engagement, contracting, and financing.

The Decatur Solar Expansion project continues to evolve. The Decatur Solar Expansion Project has had a vast amount of information put forth at public meetings, board meetings, County meetings, and the Conditional Use Permit hearing. The OPALCO Board has stayed informed throughout the project including information shared from co-op members. At the April 16 meeting, staff provided a detailed project update based on current conditions and requested the Board give clear direction for moving forward. The current Board is the appropriate governing body to engage on this project as they have been reviewing all of the information on this project for several years and have a deep understanding of the many benefits and constraints.

As designs, permitting, and construction costs become solidified, staff will continue to refine and present the proposed financials for the Community Solar credit rate. Community Solar pricing structures may require further investigation that ties community solar member credit to expected changes in BPA Tier 2 power costs over the 25-year term of the project. Staff will come back at a later date to review with the Board the financials of the project; the rate structure could be tied to escalating market costs.

The options presented will move forward based on the conditions of Conditional Use Permit and the building permit requirements. Staff is requesting the Board make a motion to allow staff to adjust the scope of work for the Decatur Solar Expansion Project based on the selected preferred option. Options include:

Option 1 – Permit & construct full project in Areas A & B. This includes the modifications of both the Native Growth Area (NGA) and the open space restrictions.

Option 2 – Permit & contruct Area A & partial Area B, without modifying existing NGA. This includes the modifications of the open space restrictions but leaves the NGA covenant as exisiting.

Option 3 – Full Area A only. This area satisfies the array system size requirements for the low income grant.

Option 4 – Full area B only. The area *does not* satisfy the array system size requirement for the low income grant and requires modification of the NGA covenant.

Option 5 – Area B only without modifying NGA restrictions. The area *does not* satisfy the array system size requirement for the low income grant.

	Decatur Options	# of Panels	DC Size (kW)	AC Size (kW)	Annual Production (kWh)
1	As Designed (Area A&B)	4,450	2,581	1,936	2,883,091
2	Area A&B with Existing NGA Restrictions	4,140	2,401	1,801	2,682,049
3	Area A Only Proposed	3,100	1,798	1,349	2,008,931
4	Area B Only Proposed*	1,350	783	587	874,160
5	Area B Only with Existing NGA Restrictions*	1,040	603	452	673,118

Information reviewed at April 16 Board Meeting include:

OPALCO
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Decatur Island Solar Expansion

Agenda

- Energy World Overview
- Project Stats/Overview
- Conditional Use Hearing Status
- Environmental Reports
- Economics
- Recommendation

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Regional Energy Supply

Why Local Renewable Energy?

SHRINKING SUPPLY

- Hydropower at capacity — no room to grow
- Regional coal plants scheduled for shutdown
- Natural gas carries carbon financial penalties

RISING DEMAND

- EV adoption driving higher electricity consumption
- Electrification of home heating adds load
- Coal replacements are intermittent (solar & wind)

Project Stats

$1M of the project is funded through Department of Commerce to support low-income energy assistance programs

Area A
- ~1.8 MW DC (~1.3 MW AC) solar array
- ~5.56 acres
- ~2,009 MWh AC annual solar production
- ~3,100 panels (580 watt panels)

Area B
- ~0.8 MW DC (~0.6 MW AC) solar array
- ~2.2 acres
- ~777 MWh AC annual solar production
- ~1350 panels (580 watt panels)

Conditional Use Hearing

Conditional Use Hearing - Awaiting Outcome (by end of April)

- Hearing Dates: February 25 (CUP and opening of SEPA appeals) and March 6, 2026 (continued SEPA appeals)
- County Staff Recommendation: Issuance of CUP and denial of SEPA appeals
- County SEPA review concluded all potential impacts are avoided, minimized, or mitigated through conditions
- SEPA Determination of Non-significance based on:
  - SEPA checklist and supporting technical documents (Critical Areas Report, Geotechnical Report, Cultural Resources Report, Stormwater Report, Site Plans)
  - Full avoidance of all wetlands and buffers
  - Compliance with SJCC 18.60 (clearing/grading, stormwater)
  - Detention, dispersion, and BMPs designed under the Stormwater Management Manual Western Washington
  - Managed low-growing vegetation, no lighting, low profile arrays
  - Unmanned operation with minimal noise or traffic
  - Archeological report with DAHP concurrence

Open Space Restriction

Simple Land Division - 2012

Staff working with surveyor to propose a Short Plat to amend the open space set in the 2012 Simple Land Division.

Figure E
Proposed 30% Open Space

Native Growth Area

2010 Condition for Construction of Buildings

Existing:
Area: 3.82 Acres

Proposed:
Area: 4.07 Acres

Environmental

A variety of environmental surveys, assessments and reports have been conducted and completed for the project for compliance with applicable environmental regulations, including:

- Critical Areas and Wetland Delineation Assessment and Report
- Cultural Resources Assessment
- Forest Health Assessment
- Geotechnical Study
- NEPA (National Environmental Policy Act) Compliance
- SEPA (State Environmental Policy Act) Determination
- Clearing and Grading
- Stormwater Plan
- Landscaping Plan
- Fire Mitigation

Environmental

Critical Areas and Wetland Delineation Assessment and Report

- A Critical Areas and Wetland Delineation Assessment was conducted and Report prepared.
- ESA wetland scientists mapped nine wetlands.
- Using local, state and federal methods, each was classified and given a buffer.
- The project was designed to **fully avoid** all wetlands and their buffers.

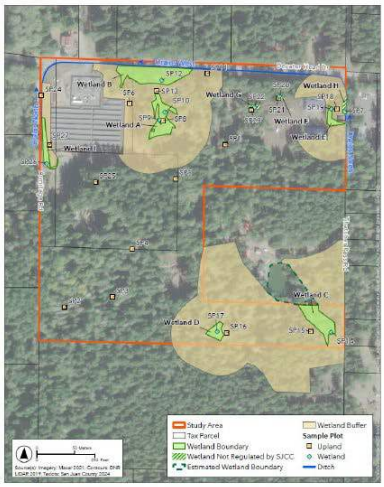
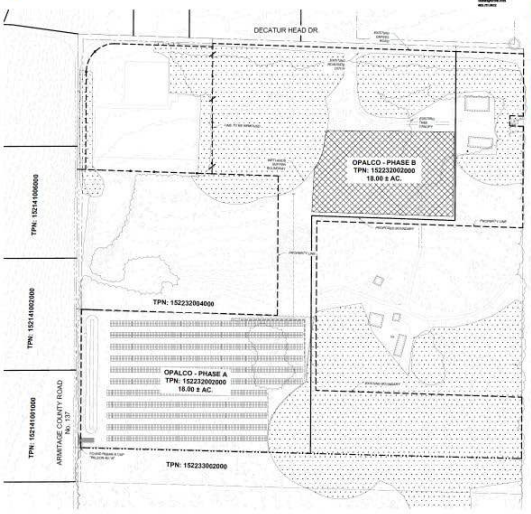


Figure B1
Wetlands

NOTE: Wetlands F, G, and H are <1,000 square feet and are not regulated by San Juan County but are regulated by the Department of Ecology. The entire site if considered a PWHCS because of the potential occurrence of Townsend's big-eared bat.

ESA

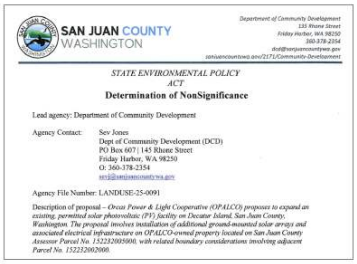


Environmental

Other studies that were conducted include a Forest Health Assessment and a Geotechnical Study.

NEPA (National Environmental Policy Act) Compliance review has been completed.

SEPA (State Environmental Policy Act) Determination of Nonsignificance has been issued. Two appeals were filed. Waiting for Hearing Examiner to issue his decision.



SAN JUAN COUNTY
WASHINGTON

Department of Community Development
135 Rhone Street
Friday Harbor, WA 98250
360-378-2354
dcd@sanjuancountywa.gov
sanjuancountywa.gov/217/Community-Development

STATE ENVIRONMENTAL POLICY ACT

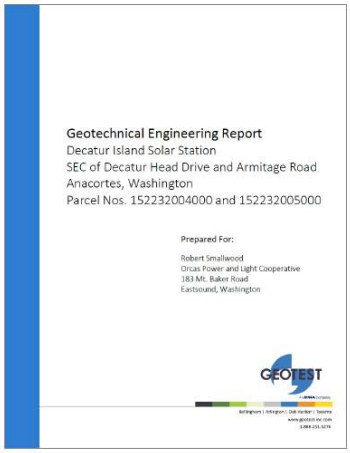
Determination of NonSignificance

Lead agency: Department of Community Development

Agency Contact: Sev Jones
Dept of Community Development (DCD)
PO Box 607 | 145 Rhone Street
Friday Harbor, WA 98250
O: 360-378-2354
sev@sanjuancountywa.gov

Agency File Number: LANDUSE-25-0091

Description of proposal – *Orcas Power & Light Cooperative (OPALCO) proposes to expand an existing, permitted solar photovoltaic (PV) facility on Decatur Island, San Juan County, Washington. The proposal involves installation of additional ground-mounted solar arrays and associated electrical infrastructure on OPALCO-owned property located on San Juan County Assessor Parcel No. 152232005000, with related boundary considerations involving adjacent Parcel No. 152232002000.*



Geotechnical Engineering Report
Decatur Island Solar Station
SEC of Decatur Head Drive and Armitage Road
Anacortes, Washington
Parcel Nos. 152232004000 and 152232005000

Prepared For:

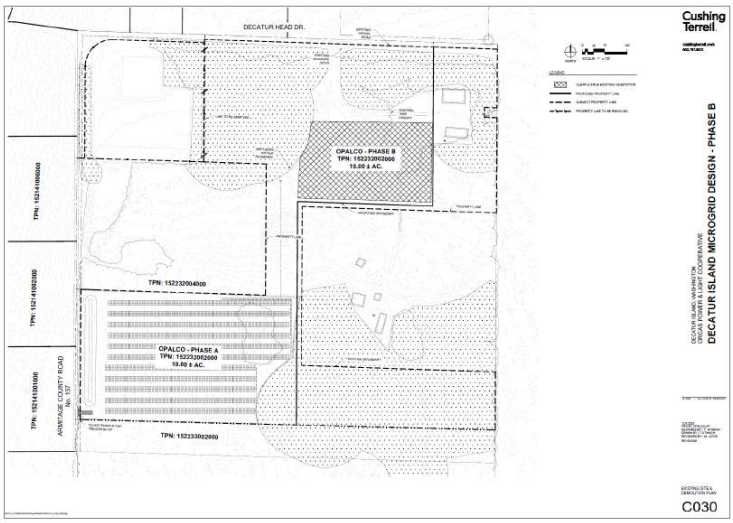
Robert Smallwood
Orcas Power and Light Cooperative
183 Mt. Baker Road
Eastsound, Washington

GEOTEST

Environmental

Clearing and Grading

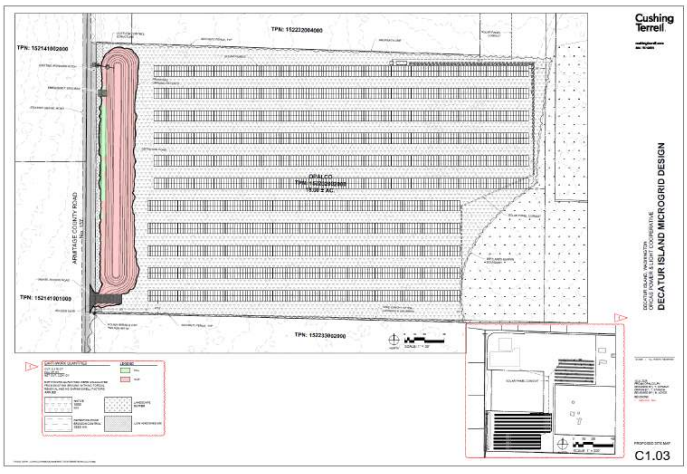
- Clearing and grading plans have been developed.
- The design maintains existing drainage patterns, incorporates a detention pond and erosion control measures, and includes site restoration with native revegetation.



Environmental

Stormwater Plan

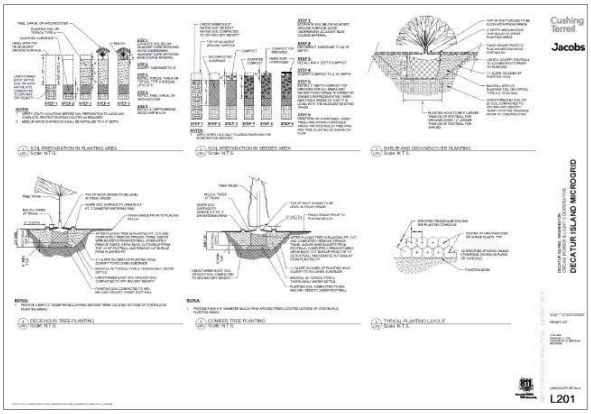
- Stormwater plan has been completed in compliance with the Stormwater Management Manual for Western Washington (SWMMWW) and County Code.
- Subsurface groundwater flow, evapotranspiration, and soil infiltration, are addressed in the underpinning modelling assumptions informing the SWMMWW and hydrology modeling.
- Runoff managed on-site with no adverse off-site impacts.

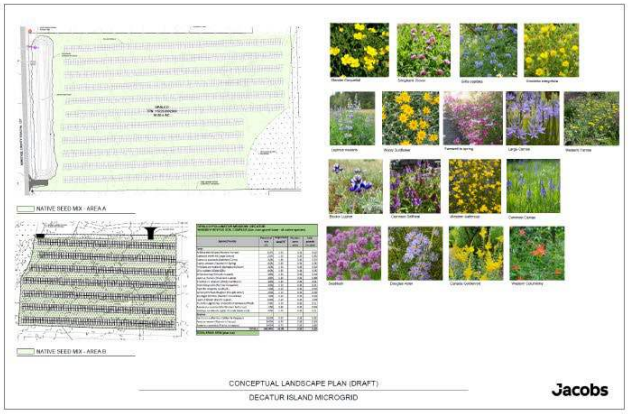


Environmental

Landscaping Plan

A Landscape Plan has been produced and includes a minimum 10-footwide landscape buffer planted on the southwest side of the project along Armitage Road to reduce visual impact and application of a native meadow seed mix to be applied under and between the solar panels.





Environmental

Fire Mitigation

- Fire risk is very low.
- The project incorporates Class A fire-rated materials, noncombustible panel design, and elevated electrical components to reduce interaction with vegetation.
- The site currently employs early warning technology like automated thermal cameras, which immediately detects an increase in temperature characteristic of a fire, and starts the fire management response in motion.
- No fire incidents have been associated with existing operations.

Archaeology & Tribal

ESA conducted a cultural resources and tribal resources assessment and Determined No Archaeology or Tribal Resources were Present

- Included extensive research, fieldwork, and tribal consultation
- Tribal Consultation
  - ESA contacted the Chairpersons and Technical Staff (i.e, Tribal Historic Preservation Officers-THPO) at the 6 Tribes
  - Follow-up correspondence with the Suquamish Tribe's THPO confirming agreement with the Area of Potential Effects and Field/Report Findings
- Department of Archaeology and Historic Preservation confirmed the *Finding of No Historic Properties Affected* following review of report and tribal consultation
  - Most archaeological evidence of indigenous use/habitation is found near water
  - Archaeological sites can be found in upland areas; the presence of glacial deposits at shallower depths combined with extensive ground disturbance indicated a limited potential for resources
- Commitment to follow Inadvertent Discovery Plan during construction

Community Commitments

Response to Decatur Island Community Feedback:

- ✓ Proving why utility-scale solar is needed in San Juan County. See the following documents:
  - Reliable Energy in San Juan County
  - Why Local Renewable Energy
  - Local Energy Forecast
- ✓ New power generation required to meet expected Decatur Island load growth (depending on final project size)
- ✓ Abandon plans for developing the San Juan County Public Works Parcel
- ✓ Opt-out of future battery storage
- ✓ Alternate Site Feasibility Study
- ✓ Let the community use the available water for fire mitigation
- ✓ Avoiding wetlands and wetland buffers
- ✓ Decommissioning Plan will be made public as available
- ✓ Stormwater Management Plan that meets County Code
- ✓ Archeological and Cultural Resources Report
- ✓ Removal of derelict vehicles
- ✓ Fire Mitigation Plan
- ✓ Construction sequencing plan
- ✓ Landscape buffers
- ✓ Dedicated area for this information on the OPALCO website

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Financials

	Decatur Options	AC Size (kW)	Net Cost	Net $/W	# of Units	Straight Line Payback
1	As Designed (Area A&B)	1,936	$5,534,000	$2.14	16,367	23.1
2	Area A&B with Existing NGA Restrictions	1,801	$5,166,000	$2.15	15,125	23.1
3	Area A Only Proposed	1,349	$3,836,000	$2.13	10,967	24.6
4	Area B Only Proposed	587	$1,746,000	$2.23	3,967	23.8
5	Area B Only with Existing NGA Restrictions	452	$1,378,000	$2.29	2,725	24.6

Assumptions:
- ITC: 40% (equipment purchased to date is compliant)
- Unit Cost: $300
- Watt/Unit: 145
- LMI Units: 1433 (except for Option 4 and 5 since total DC rating is below 1.1MW
- Credit rate is fixed to 2026 Commercial/Residential Distributed Resource Credit

Staff intents to apply for USDA and other available grants, e.g.USDA REAP for up to $1M.

Board Materials:
The Decatur Island Solar Expansion is awaiting the Conditional Use Permit. Staff and consultants presented the various options along with details of the project on April 16 so that the Board can deliberate today on the version of the project they want staff to move forward on.

The energy world is changing dramatically due to climate impacts, carbon reduction legislation, and the transition toward renewable power. The goal of our state and nation is to transition away from fossil fuels and heat our homes and fuel our cars, trucks and ferries using clean electricity. This lofty goal is proving to be highly challenging.

The hydropower systems that have historically supplied most of the Pacific Northwest's electricity are at capacity, coal plants in the region are being shut down and natural gas generation comes with a carbon-based financial penalty. Our dilemma is figuring out how to satisfy increased demand for electricity while our supply of carbon-free firm power is shrinking. As more coal plants shut down and are replaced with intermittent resources (solar and wind), energy shortfalls are increasingly predicted. Given our remote location, our best bet for clean and affordable firm power is to build renewable generation projects locally.

The two submarine cables serving San Juan Islands are reaching their useful lives and are at capacity. While OPALCO can cover the current electrical demand, any load growth is going to be difficult to serve. Local generation will be essential to keep a safe and reliable grid.

OPALCO is looking at expanding its Community Solar on Decatur Island. In March 2025, OPALCO acquired 19-acres adjacent to its current property on Decatur Island. The project will expand the solar site with additional Community Solar shares that members can purchase and benefit from the solar

energy. OPALCO will be able to utilize Department of Commerce grants funds to install solar that will directly benefit low-income community members throughout San Juan County. OPALCO held community meetings with Decatur residents throughout 2025 to include a virtual meeting in February, in person meeting in May and October.

OPALCO is a non-profit cooperative, and we rely on the members to ensure we can fulfill our mission to provide reliable power to everyone in San Juan County. We abide by the 7 cooperative principles and remain committed to serving all of the membership.

Observations by the Board President
The strategic decisions to move forward with community solar projects are rooted in our guiding documents. The Board has made many past decisions on solar generation including land purchasing, annual budgeting, permitting, legal matters, IRP documentation, etc. Individual projects evolve during many stages including permitting, member engagement, contracting, and financing. Staff reviews project evolution with the board to solidify directional changes in scope and action. On the April 16 meeting staff requested the Board to fine tune our direction based on permitting and member input. This is not an initial or final decision, but an evolution in direction moving forward.

Conditional Use Hearing
The Conditional Use Hearing commenced on February 25 with follow up on March 6 and closing written comments on March 13. The hearing examiner will review all the materials, project information, and determine the conditions for the permit. The team expects a decision for the Conditional Use Permit any time. The Hearing Examiner reviewed detailed criteria and rationale for the project plan. Issues brought forward include concerns such as stormwater management, wetland protections, fire mitigation, cultural resources and other details. Staff encourages the Board to review the hearing materials:

- CUP Hearing and SEPA Appeal Opening Remarks: https://sanjuancowa.portal.civicclerk.com/event/3775/media
- Continued SEPA Appeal Hearing Part 1: https://sanjuancowa.portal.civicclerk.com/event/4130/media
- Continued SEPA Appeal Hearing Part 2: https://sanjuancowa.portal.civicclerk.com/event/4161/media

Decatur Load Growth Rationale
The Decatur Solar project will help address the approximately 30% projected load growth on Decatur Island, reducing reliance on mainland power imports. Developing local renewable generation improves energy resilience, reduces dependence on transmission from the mainland, and positions OPALCO to better manage future load growth across the island system.

As regional energy supply challenges continue to grow, projects like Decatur Solar represent an important step toward responsibly developing local energy resources while maintaining the cooperative's commitment to thoughtful planning and community engagement.

Project Evolution
As the Decatur Solar project has moved forward, OPALCO has worked closely with San Juan County and the Decatur community to reduce impacts and incorporate local feedback. The project has evolved significantly from the original concept as outlined below.

Project Footprint

The original concept considered maximized the ~23 acres (plus 3 acres on San Juan County parcel) for solar development to account for environmental constraints. The current proposal has been significantly scaled back to approximately 8.5 acres, with the County parcel removed from the project entirely. This redesign represents a meaningful effort to respond to community concerns while maintaining the project's core purpose of providing local renewable energy.

Environmental Protections

The project has undergone comprehensive environmental review through the San Juan County Conditional Use Permit process, as well as SEPA and NEPA environmental review. Studies and plans include a Critical Areas and Wetland Delineation Report, a Stormwater Management Plan addressing site drainage and runoff, a Cultural Resources Assessment, a Landscaping Plan to buffer the project and improve visual integration and fire mitigation planning in coordination with local fire response needs. These studies ensure the project is designed to meet applicable environmental protections and regulatory requirements.

Community Benefits for Decatur Island

OPALCO is dedicated to protecting the local environment, responding to community concerns, and coverage of future load growth. OPALCO held several community meetings with the Decatur Island community and incorporated feedback into the project planning. In response to feedback from the Decatur community, OPALCO has incorporated several improvements that directly benefit the island. Including:

- ✓ Proving why utility-scale solar is needed in San Juan County. See the following documents:
  - Reliable Energy in San Juan County
  - Why Local Renewable Energy
  - Local Energy Forecast
- ✓ New power generation required to meet expected Decatur Island load growth (depending on final project size)
- ✓ Abandon plans for developing the San Juan County Public Works Parcel
- ✓ Opt-out of future battery storage
- ✓ Alternate Site Feasibility Study
- ✓ Let the community use the available water for fire mitigation
- ✓ Avoiding wetlands and wetland buffers
- ✓ Decommissioning Plan will be made public as available
- ✓ Stormwater Management Plan that meets County Code
- ✓ Archeological and Cultural Resources Report
- ✓ Removal of derelict vehicles
- ✓ Fire Mitigation Plan
- ✓ Construction sequencing plan
- ✓ Landscape buffers
- ✓ Dedicated area for this information on the OPALCO website

Project Options

Within OPALCO's 23.47 acres parcel, the following existing site areas exist:

- Wetland and wetland buffers: 1.48 acres
- Storage Buildings: 0.13 acres
- Substation and existing solar: 2.12 acres
- Solar development: ~8.5 acres

	Decatur Options	# of Panels	DC Size (kW)	AC Size (kW)	Annual Production (kWh)
1	As Designed (Area A&B)	4,450	2,581	1,936	2,883,091
2	Area A&B with Existing NGA Restrictions	4,140	2,401	1,801	2,682,049
3	Area A Only Proposed	3,100	1,798	1,349	2,008,931
4	Area B Only Proposed*	1,350	783	587	874,160
5	Area B Only with Existing NGA Restrictions*	1,040	603	452	673,118

*WA Commerce Grant requires the array to exceed 1.1 MW.

Area A – As Proposed

Panels: 3,100
Peak Output: 1.35 MW (AC)/1.8 MW (DC)
Est. Annual Production: 2,009 MWh
Total Project Area: 5.56 Acres
Previously Cleared Area: 0.38 Acres

Area B – As Proposed

Panels: 1,350
Peak Output: 0.59 MW (AC)/0.78 MW (DC)
Est. Annual Production: 777 MWh
Total Project Area: 2.23 Acres
Previously Cleared Area: 0.62 Acres

Restrictions

Area A: Open Space

Staff had a pre-application meeting with County Staff for submittal of a Short Plat to manage this restriction and keep a clean legal record of the parcel. This application will be submitted as soon as the surveyors complete the draft Plat. This mechanism will allow for the proposed Area A while maintaining the a 30% "Open Space" as defined in San Juan County code.

Area B: Native Growth Area (NGA)

Around 2010, San Juan County Planning allowed landowners to utilize "Native Growth Area Covenants" so they did not have to construct any stormwater mitigation. There are varies other instances of this mechanism used in San Juan County; each with the same language.

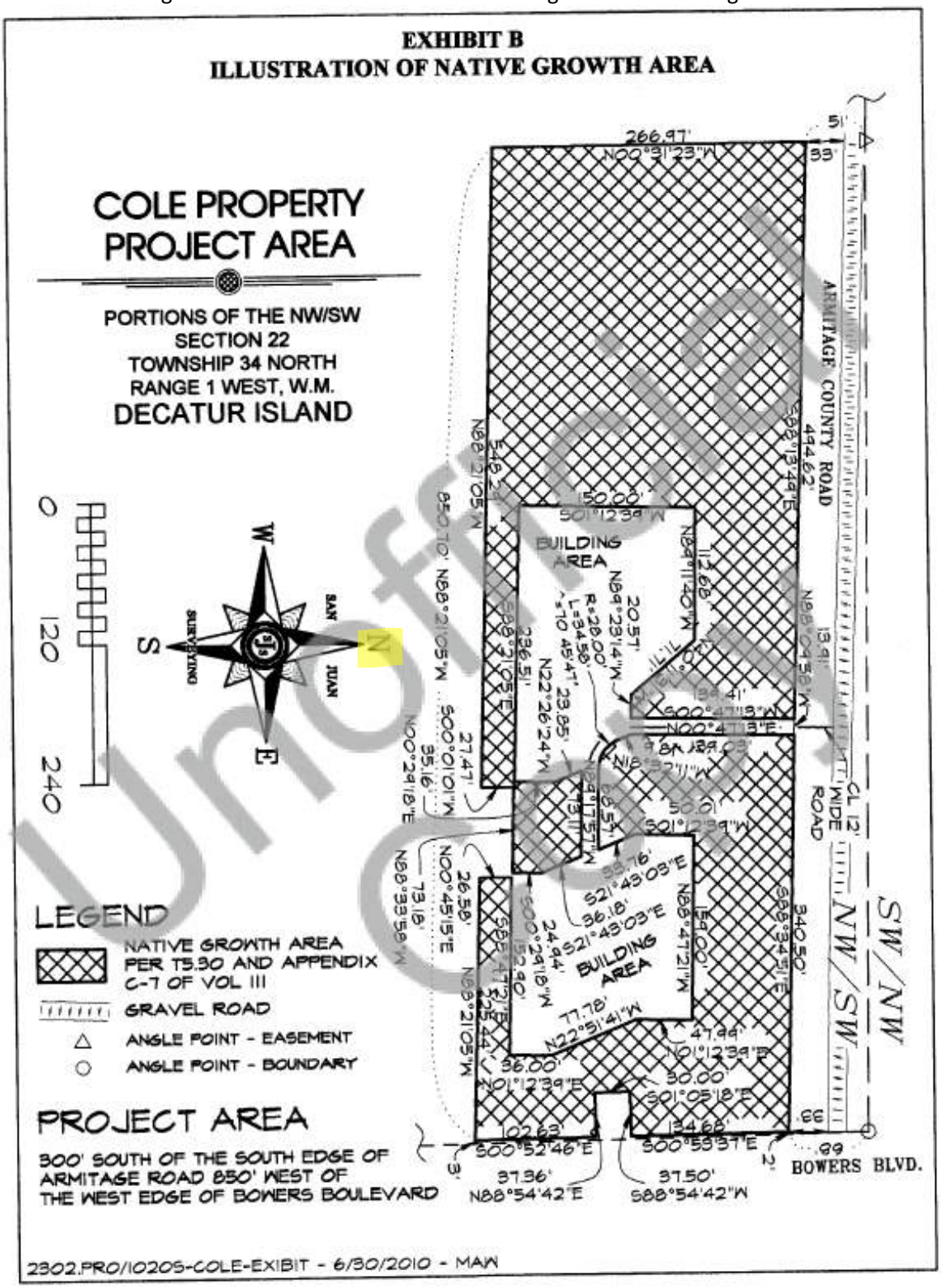
For this parcel, the native growth area was instituted at 3.82 acres based on the percentage needed (13.52% of parcel size in 2010) to meet the requirements of the 2005 Stormwater Management Manual (Appendix C, page C-7, section 7.2.2 of Volume 3). As seen below, the Covenant allows for the owner to revise or eliminate the NGA. OPALCO staff is working the County Staff to do so.

Section 3. Servitude on Land; Term.

This instrument creates a servitude on the **Cole** Property that runs with the land and binds all successors and assigns. In the event the instrument is deemed unenforceable as a servitude, it shall be deemed an easement in gross (both negative and affirmative) for the purpose of enforcement.

This Covenant shall be of unlimited duration, provided, however, that if the laws and regulations upon which it is based are ever lessened or revised such that a 13.52% Native Growth Area covenant containing the terms and conditions hereof would no longer be required as a condition of obtaining a building permit for a commercial building on the **Cole** Property, the then-owners of the **Cole** Property may apply to San Juan County to revise or eliminate this Covenant, and San Juan County shall grant or deny such application based upon the then-state of applicable law and regulation. San Juan County's decision on such application shall be subject to an open-record administrative appeal or, if no such appeal procedure is provided for by the laws of San Juan County, then it shall be subject to appeal to San Juan County Superior Court.

Illustration from original Covenant. Note that North is the right side of the image.



Existing NGA: 3.82 Acres

Proposed NGA: 4.07 Acres

Increase area to the west to the prior property line. Removed the area that overlapped Project Area B. Revised the access road area.

Financials

	Decatur Options	AC Size (kW)	Net Cost	Net $/W	# of Units	Straight Line Payback
1	As Designed (Area A&B)	1,936	$5,534,000	$2.14	17,800	23.1
2	Area A&B with Existing NGA Restrictions	1,801	$5,166,000	$2.15	16,558	23.1
3	Area A Only Proposed	1,349	$3,836,000	$2.13	12,400	24.6
4	Area B Only Proposed	587	$1,746,000	$2.23	5,400	23.8
5	Area B Only with Existing NGA Restrictions	452	$1,378,000	$2.29	4,158	24.6

Assumptions:

- ITC: 40% (equipment purchased to date is compliant)
- Unit Cost: $300
- Watt/Unit: $145
- LMI Units: 1433 (except for Option 4 and 5 since total DC rating is below 1.1MW)
- Credit Rate is equivalent to Commercial/Residential Distributed Resource Credit & locked in for term.

Staff intents to apply for USDA and other available grants, e.g.USDA REAP for up to $1M.

APPENDIX

Decatur Island Solar Project – Overview

Find out about the Decatur Island Solar Project here.

Decatur Island Solar Project – Site Plans

Visual Site Plan

Detailed Site Design

Alternate Sites Reviewed

Decatur Island Solar Project – Permit Plans & Reports

Critical Areas and Wetland Delineation Report

NEPA (National Environmental Policy Act) Compliance Documentation for Area A

NEPA (National Environmental Policy Act) Compliance Documentation for Area B

SEPA (State Environmental Policy Act) Checklist

SEPA Determination

Site Plan

Clearing and Grading Checklist

Stormwater Plan for Area A

Stormwater Plan for Area B

Landscaping Plan

Arborist Report

Land Use Checklist

Decatur Island Solar Project – Project Timeline

Review the project timeline here.

Decatur Island Solar Project – Public Engagement

February 2025 Zoom Meeting Introducing the Project Idea

May 2025 Town Hall Meeting on Decatur Island

Comment Log

Presentation Materials May 10

Press Release May 2025

October 2025 Community Meeting on Decatur Island

Questions and Answers with Table of Contents

Information Boards from October Meeting

Conditional Use Permit Legal Notice

Decatur Island Solar Project – Community Commitments

Review community commitments here.

Decatur Island Solar Project – Informational Slides

The following slides are from the presentation given by staff and the project team during the April 16 Regular Board Meeting. They provide a high-level overview of the Decatur Island Solar Project and are intended as supplementary reference material for the content linked above.

OPALCO

Overview

Proposed Project Overview

Orcas Power & Light Cooperative (OPALCO) is exploring local power generation solutions to strengthen energy resilience and reliability for San Juan County.

The project is a proposed expansion of an existing utility-scale solar site.

The new solar panels would be installed on OPALCO-owned land next to the current solar site, allowing for a direct connection to the existing infrastructure–such as the substation and transformer.

Based on community feedback, OPALCO is no longer proposing any work on the adjacent County-owned parcel.

Where We Are in the Process

Different parts of the proposed project are at different stages. Initial site studies–including geotechnical, wetlands and cultural resource surveys–are complete. We use the findings from these studies to inform the engineering design, which is currently in development. This helps ensure the design reflects the realities and constraints of the site.

The site plans and design details you hear about today are not final. They will be refined and improved based on feedback from agencies, technical specialists, partners, and the public.

Once design is complete and permits are approved, OPALCO will be required to follow the approved plans.

Fast Facts

	solar array		annual solar production	(580-watt panels)	
Area A	~1.5 MW	~6 acres	2,275 MWh	~3,000 panels	**$1M** of the project is funded through Department of Commerce to support low-income energy assistance programs
Area B	.55 MW solar array	2.5 acres	840 MWh annual solar production	~1,100 panels (580-watt panels)	

Design	Status
Geotechnical Study	☑
Site Plan with Avoidance of all Wetlands	📋
Clearing and Grading Plan	📋
Stormwater Plan	📋
Landscaping Plan	📋
Community Benefits Assessment	📋
Land Use & Building Permit Application	◎
Decommissioning Plan	▶

Environmental	Status
Wetland Delineation and Critical Areas Report	☑
Archaeological/Cultural Resources Assessment and Report	☑
Consultation with Tribal Nations	☑
Inadvertent Archaeological Discovery Plan	☑
NEPA (National Environmental Policy Act) Compliance Documentation	◎
SEPA (State Environmental Policy Act) Compliance Documentation	◎
Washington State Department of Natural Resources (DNR) Forest Practices Permit Application	📋
NPDES (National Pollutant Discharge Elimination System) Construction Stormwater General Permit Application (Section 402)	▶

☑ Complete 📋 In Preparation ▶ Not Yet Started ◎ In Progress

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Landscape

Existing Site Conditions

The proposed project site is mostly second-growth forest, meaning it has naturally regrown after past logging activity. The area is about 85% forested and contains a mix of common island tree species, including Douglas-fir, grand fir, western hemlock, western redcedar, and red alder.

Under the tree canopy, the native understory includes plants like salal, oceanspray, Nootka rose, and ferns. These species are typical of forested areas in the San Juan Islands. There are no documented rare plant species present.

Forest Health & Management Summary

The forest on the site has been logged several times, and many trees are still young or moderate in size. There is also a mix of fallen trees from wind damage (blowdowns) and signs of tree root disease in some areas. The tree density is high, and the underbrush is thick, which provides habitat function but also increases the risk of wildfire. This is a common forest type for the islands.

Key Takeaways

- The forest here is not old-growth and has been disturbed by past logging and storms.
- There are no rare plant species in the area.
- The site is typical of many logged areas in the islands, with dense brush and high fuel loads.

Landscape Restoration Plan Highlights

Our plan includes:

- **Landscape Buffer:** A minimum 10-foot-wide landscape buffer will be planted on the southwest side of the project along Armitage Road to reduce visual impact.
- **Native Seed Mix:** After construction, a specially selected native seed mix will be applied under and between the solar panels to help restore ground cover and support habitat.
- **Screening Techniques:** A 6-foot-tall fence (with 1 foot of barbed wire for security) will surround the solar array.
- **Habitat Restoration:** Temporarily disturbed areas will be revegetated, and sensitive features like wetlands and their regulatory buffers will be completely avoided and protected.
- **Color & Material Choices**: Materials will be selected to be low-reflective and muted, helping the project blend in visually with the natural setting.

Review & Approvals

This project is going through the proper agency review and permitting process with local and state agencies to ensure it meets environmental and land use standards.

State-level Review

We are applying for a Forest Practices Permit from the Washington Department of Natural Resources (DNR) to allow tree removal where needed. The DNR does not require tree mitigation for this project due to the type and condition of the forest.

County-level Review

Before any work begins, the Landscape Plan submitted to San Juan County as part of the project application will be reviewed and approved by the County. The Plan must meet the standards in San Juan County Code 18.60.160. Once approved, OPALCO is required to follow the Landscape Plan for the duration of the project.

Preliminary designs for Area A

Site Map

OPALCO

Environmental and Archaeological Resources

Wetland and Critical Areas

Wetland biologists from Environmental Science Associates (ESA) visited the Project Area in February and March 2025. Over five days on-site, they mapped a total of nine wetlands.

Using local, state, and federal guidelines–along with two wetland delineation manuals adopted by the Washington Administrative Code and San Juan County Code–the biologists assessed vegetation, soil, and hydrologic characteristics. Based on their observations, they marked wetland boundaries, categorizing them according to regulations with buffer zones of either 150 feet or 300 feet.

Before visiting the site, the biologists conducted a desktop study, compiling and analyzing eleven datasets related to the site's environmental conditions. These datasets included the latest national and local maps of wetlands, soils, species and habitats, critical habitats, threatened and endangered species, fish species, forest practices, rare plant species, and historic imagery.

The site development plans were intentionally designed to ensure all Project activities avoid wetlands and their designated buffers.

Wetland Biologist In the Process of Delineating Wetland

Wildlife

All of Decatur Island is mapped as potential habitat for the Townsend's big-eared bat. These are nocturnal mammals and are typically hidden during the day. Although no bats were observed, potential suitable habitat occurs in the Project Area and the wetlands habitat buffers were increased to account for this. No other priority habitats or species were identified.

The species is mapped at the Township level, which means all of Decatur Island is mapped as potential habitat.

Archaeological and Tribal Resources

Archaeologists from ESA conducted an archaeological investigation and observed the excavation of geotechnical test pits in March and April 2025. Before visiting the site, archaeologists conducted extensive research and consulted with the Tribal Nations.

No archaeological or Tribal resources were identified. Most of the archaeological evidence of Indigenous occupation of the San Juan Islands is found around the shoreline in shell midden deposits dating within the last 3,500 years, containing physical evidence of economies heavily dependent on marine resources. While archaeological sites can be found in upland environments in the San Juan Islands, the presence of glacial deposits at shallower depths combined with the extensive ground disturbance from logging in the 1930s indicates limited potential for sites to be present.

Key Takeaways

- Wetlands and Wetland Buffers will be Avoided.
- No Archaeological or Tribal Resources have been Identified.
- OPALCO has worked with the Tribal Nations and DAHP on the study and on an IDP.

Archaeological Monitoring of Geotechnical Test Pits

A copy of the report was provided to the Tribal Nations and the Department of Archaeology & Historic Preservation (DAHP) who concurred with the findings.

OPALCO has an Inadvertent Discovery Plan with procedures and commitments to follow if archaeological or Tribal Resources are identified during construction. This process was developed with DAHP and the Tribal Nations and allows for artifacts, if discovered, to be offered to the Tribal Nations or local museums.

Our Commitments

OPALCO is committed to responsible land stewardship and long-term care of the site. Here's what we're promising:

- **Protect Wetlands**
  Wetlands will be avoided and protected throughout construction and long-term use, with the required regulatory buffers in place.
- **Follow the Inadvertent Discovery Plan**
  If archaeological or Tribal resources are encountered, OPALCO will follow the IDP and will offer the return of artifacts to the Tribal Nations.

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Project Design

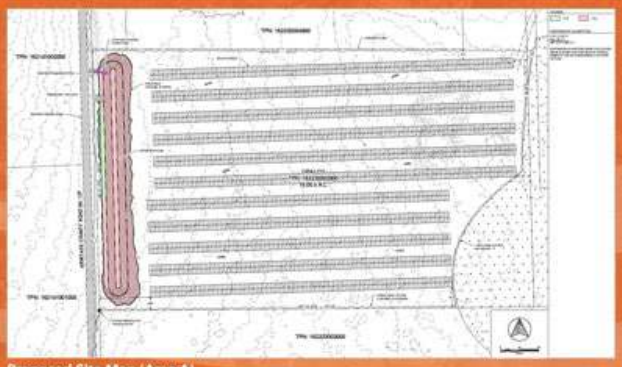
The Design drawings provided here are in development and are draft only.

Expansion of the Existing Utility-Scale Solar Site

The proposed expansion would occur in proximity to the existing utility-scale solar on site. The new solar panels would be installed on the southwest and northeastern corners of the OPALCO-owned property (San Juan County tax assessor parcel 152232002000), allowing for a direct connection to the existing infrastructure.

Based on community feedback, OPALCO is no longer proposing any work on the adjacent County-owned parcel. All project activities would occur on private property owned by OPALCO, so no county, state, or federal lands would be impacted.

There are no plans for additional battery storage for this project.



Proposed Site Map (Area A)

Clearing and Installation of Solar Panels

To complete project activities in Area A, approximately 5.8 acres of the southwest corner would be cleared of existing trees and shrubs. No clearing would occur in wetlands or wetland buffers.

The new approximately 3,100 panel solar array project would then be installed within the approximately 6.4 acres of the project site and be connected to the existing microgrid on the northwest corner of the parcel through a transmission cable. The resulting expansion in this area would create a community solar array of at least 1.2 megawatts (MW).

Area B site design is in progress, so exact figures are still being determined. Some of this area is already cleared but likely there will be additional clearing on this 2.5-acre portion of the site. An additional 0.55 megawatt of solar panels (~1,100 panels) will be added in this area.

Stormwater Treatment

Stormwater Treatment is in design and development. A stormwater detention pond would be installed along the west edge of the project area to treat stormwater on the project site. The minimum bottom area of the pond would be at least 2,400 square feet. Treated stormwater from the pond would outflow into an existing roadside ditch with outfall protection.

Security and Landscape Screening

A 7-foot-tall fence would be installed around the perimeter of the solar array, and a minimum 10-foot-wide landscape buffer (per San Juan County Code [SJCC] 18.60.160) would be installed on the southwest side of the project parcel along Armitage Road.

Disturbed ground would be reseeded (using a native meadow seed mix) or revegetated following construction activities.

Area B screening, fencing, and landscaping requirements are in progress.

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Construction Best Management Practices

Construction and Stormwater Pollution Prevention Best Management Practices (BMPs) will be developed and implemented prior to construction. Typical BMPs for projects of this type and scale are being shared today and we welcome questions and feedback.

San Juan County is responsible for maintaining the roadways on Decatur Island and we will be in communication with them regarding BMPs.

Mobilization/De-Mobilization

OPALCO anticipates using San Juan County boat/barge ramp on Decatur Island to transport construction equipment to and from the island. We anticipate a similar level of equipment use as was required during construction of the existing solar array. Barge operators will work with the contractor and the contractor will adapt to the conditions and requirements of the barge operators.

Roadways

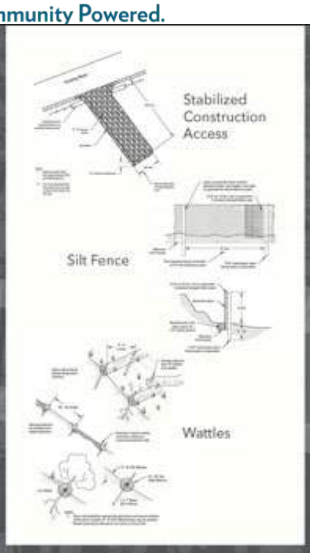
To help prevent road damage and minimize sediment tracking from truck haul routes during construction, the following best management practices (BMPs) may be implemented:

- Adhere to speed limits to reduce wear and tear on haul routes.
- Install and maintain a Stabilized Construction Entrance (BMP C105) as defined in the Stormwater Management Manual for Western Washington (SMMWW) to retain sediment onsite and prevent tracking onto roadways.

Dust

Our understanding is that San Juan County regularly treats the roadways to minimize dust. We anticipate working with San Juan County to coordinate timing for this. BMPs could include:

1. Reduced speeds will help to minimize dust.
2. Anticipate using dust control measures found in BMP C140: Dust Control per Ecology's SMMWW, as soon as final grade is achieved for site.



Noise

Construction noise will comply with San Juan County Code (SJCC) 9.06 Noise Ordinance.

Noise BMPs could include:

- Comply with working hours (7am-10pm) outlined in the county code SJCC 9.06.040A.
- Contractor shall ensure proper maintenance and lubrication of equipment to prevent unnecessary noise.

Onsite BMPs

On-site BMPs could include:

- Excavated soils will be spread on site eliminating offsite impacts. Dry season work will minimize rutting. Sandy loam nature of soils will minimize dust and minimize stormwater runoff.
- Solar panel supports will be with pin piles which will minimize soil disturbance required for construction.
- Mark clearing limits during construction by using protection measures installed (hi-visibility construction fencing likely) to create avoidance areas, to protect wetlands and buffers during construction (BMP C103: High Visibility Fence).
- BMP C233: Silt Fence could be used along Armitage Road or BMP C235 Straw Wattles could be live staked with willows to begin vegetative screening process.
- Pre-seed and/or mulch to minimize erosion during construction of the array (BMP C120: Temporary and Permanent Seeding).
- Create and implement a Construction Stormwater Prevention and Pollution Plan (SWPPP).
- Proper disposal and recycling of construction waste.
- Placement of spill kit on site per BMP C153: Material Delivery, Storage, and Containment.

Our Commitments

OPALCO is committed to responsible land stewardship and long-term care of the site. Here's what we're promising:

- **Avoid or Minimize Community Impacts**
  Implement best management practices (BMPs) during construction to minimize effects from construction.
- **Share BMPs once Developed**
  Proposed BMPs will be developed following completion of the site design and once a contractor has been brought on board, and shared with the community via the project website.

Key Takeaways

- Temporary BMPs will be used to avoid or minimize construction impacts.
- Project Specific BMPs will be developed after construction plans are finalized and a contractor is on board.
- Stormwater Pollution Prevention Plan is a requirement and will be prepared once design plans are complete (based on Department of Ecology and San Juan County requirements).

OPALCO

Community Commitments

OPALCO is committed to serving OPALCO members with reliable power while maintaining high environmental standards throughout the life of this project. Per discussions with San Juan County, the proposed project is required to undergo a Conditional Use Permit process. This entails an administrative review of application of San Juan County Code and State Environmental Protection Act (SEPA) review. Additionally, the project will undergo a National Environmental Protection Act (NEPA) review. We have outlined the extensive environmental reports OPALCO will provide during this process on the Decatur Solar website (//www.opalco.com/decatur). The Decatur community has made several requests in how this project can benefit Decatur Island. Based on that feedback OPALCO is committing to:

- Site evaluations of alternate areas on Decatur Island
- Landscaping around the Decatur Substation and proposed construction areas on the road front
- Removal of Derelict Vehicles - 16 vehicles total include 3 boats and further site cleanup
- Water access for fire suppression and miscellaneous site purposes and continued use by the Decatur Fire Brigade of the structures on property.
- Removal of County Parcel Proposed Solar from Plans
- Provide environmental, permit and mitigation plans:
  - Site design
  - Critical Area and Wetland Delineation Report
  - NEPA Compliance Documentation
  - SEPA Checklist
  - Clearing and Grading Plan
  - Landscaping Plan
  - Forest Health Report
  - Stormwater Plan
  - Construction plan & timeline
  - Fire Mitigation Plan
- Cover the 30% Load Growth for Decatur Island


Before


After

OPALCO

Aesthetics

Design Intent / What the Site May Look Like

The goal of the landscape plan is to minimize visual impacts of the proposed solar site expansion by creating a natural buffer that blends into the surrounding environment. Using locally appropriate, native plant species, the design aims to reflect the existing landscape character while providing screening from the adjacent roads. Over time, the restored vegetation will grow to form a resilient and low-maintenance buffer that supports both visual quality and some habitat function.

Visual simulations of what the site is expected to look like after the plant establishment period.

Our Commitments

As part of this project, OPALCO is committed to responsible land stewardship and long-term care of the site. Here's what we're promising:

- **Protect Wetlands**
  Wetlands will be avoided and protected throughout construction and long-term use, with the required regulatory buffers in place.
- **Maintain and Beautify Landscapes**
  We will plant native vegetation to blend with the surrounding environment and maintain the site to reduce visual impacts and support habitat.
- **Remove Abandoned Vehicles to Clean Up the Site**
  Old vehicles and debris will be removed to restore and improve the condition of the property.
- **Follow a Decommissioning Plan**
  At the end of the project's life, we will remove infrastructure and restore the site according to a formal, approved decommissioning plan.