

We currently enjoy 90% renewable 100% carbon free energy - what is OPALCO doing?

**Subject: OPALCO Leadership, Years of Financial
Mismanagement, and Entrenched Tenure**

I am writing as a concerned OPALCO member to directly question the Board President, the entire Board of Directors, and the General Manager regarding the co-op's persistent pursuit of costly and questionable initiatives, including microgrid installations and other eccentricities such as a tidal power project and the purchase and operation of a broadband communications company.

OPALCO stated justifications for the energy projects—enhanced resilience and decarbonization—do not withstand close scrutiny. OPALCO has experienced no submarine power cable interruption since 1965, and recent outages have stemmed from mainland transmission issues or storms, not local cable failures. Even if a disruption occurred, the paused Bailer Hill microgrid is

designed only for short-term (hours-long) backup to a limited set of critical facilities: PeaceHealth Peace Island Medical Center, the main San Juan Island fire station, the Friday Harbor Airport, and water treatment plant—most of which already have reliable diesel generators. The existing Decatur Island microgrid has been criticized by many members as visually intrusive and, at best, capable of supplying less than 1/2 the island homes for only a few hours! It has no payback - ever*!

Furthermore, OPALCO claims of pursuing carbon-free energy ring hollow when **OPALCO's primary supplier, Bonneville Power Administration, delivers power that is already overwhelmingly renewable (90%) and 100% carbon-free (90% hydro-based and 10% nuclear)****. Pouring member funds into local solar microgrids and exploratory tidal pilots will not reduce emissions beyond what we already achieve, yet it drives up rates in an already expensive island grid. **(We pay roughly double what our neighbors pay*)**.

This pattern of questionable spending traces directly to the 2015 acquisition of Rock Island Communications, which coincides with nine consecutive years of operational losses* on the electric side and substantial rate increases for kilowatt-hours—placing ever-heavier financial pressure on members.

Meanwhile, the **General Manager (in the role since 2014, over 11 years)** has received inordinately high total compensation **(\$792,000 in 2024 per OPALCO's own IRS Form 990)***, far exceeding norms. And **several directors (including representatives from Districts 3 and 4) exceeding a decade, and others with 5–8 years or more**—this entrenched leadership has created persistent financial challenges and prioritized ventures that have not delivered benefits to members. (Note there are only 7 total board members)

- **Current Makeup**
- General Manager 11 years (since 2014)
- President 15 years (since 2011)
- District 3 13 years (since 2013)
- District 4 13 years (since 2013)
- District 1 8 years (since 2018)
- District 3 5 years (since 2021)
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- These ventures—past and present—raise serious questions about stewardship and priorities. Grants may offset some costs, but ratepayers ultimately bear the risks, maintenance, and long-term consequences. I respectfully request that the Board President, the Board of Directors, and the General Manager immediately cease advancement of microgrid and similar projects, conduct a full independent financial and strategic review (including the ongoing impact of the broadband subsidiary), and hold a member referendum before committing further resources to any non-essential spending.

OPALCO is a cooperative—owned by us, the members—not a platform for unchecked spending or experimentation. We deserve transparent, prudent leadership that prioritizes affordability and core reliability over costly ventures that have coincided with years of losses* and rate hikes*. Kindly explain yourselves fully in direct member communications, or make way for fresh leadership that truly serves the membership.

Sincerely, rikki swin OPALCO Member

*Accounting terms (mumbo jumbo) allows them to cleverly disguise terms they use for reporting - thus creating frequent misconceptions by non-accounting aware everyday people (us) . It's legal but it's misleading (intentional?)

**** Percentages rounded**