

**EUGENE WATER & ELECTRIC BOARD
EXECUTIVE SESSION
4200 ROOSEVELT BOULEVARD / VIRTUAL
July 11, 2023**

Commissioners Present: Sonya Carlson, President; John Barofsky, Vice President; Mindy Schlossberg and John Brown, Commissioners

Commissioners Absent: Commissioner Matt McRae recused himself.

Others present: Frank Lawson, General Manager; Rod Price, Assistant General Manager; Sarah Gorseger, Business Continuity Manager; Deborah Hart, Chief Financial Officer; Julie McGaughey, Chief Customer Officer; Laura Cuccia-Nilsen, IT Support Specialist; Travis Knabe, Chief Information Officer; Holly Shugart, Administrative Assistant; Aaron Orłowski, Communications Specialist; Jeannine Parisi, Resiliency Program Manager; Lena Kostopulos, Chief Workforces Officer; Thomas Grim and Kevin Kiely of Cable Huston

EXECUTIVE SESSION

The Executive Session was called to order at 5:00 p.m.

Pursuant to ORS 192.660(2)(h)

To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

President Carlson adjourned the Executive Session meeting at 5:32 p.m.

Assistant Secretary

President

EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
July 11, 2023
5:45 PM

Commissioners Present: Sonya Carlson, President; John Barofsky, Vice President; John Brown, Commissioner; Matt McRae, Commissioner; Mindy Schlossberg, Commissioner.

Others Present: Frank Lawson, EWEB General Manager; Greg Cullen, Vice President of Energy Services & Development for Energy NW; Brian Booth, Chief Energy Resources Officer; Megan Capper, Energy Resources Manager; and Ben Ulrich, Senior Resource Analyst; Jeannine Parisi, Strategic Program Manager and Tyler Nice, Electric Operations Manager; Rod Price, Assistant General Manager; Karen Kelley, Chief Operations Officer; and Deborah Hart, Chief Financial Officer.

CALL TO ORDER

President Carlson called the Regular Session to order at 5:45 PM.

Agenda Check

There were no changes to the agenda.

Items from Board Members and General Manager [1:23]

Correspondence [3:35]

Mr. Lawson summarized the following items:

Annual Enterprise Risk Management (ERM) Update (Board Policy SD20) - Price/Gorsegner (Information) – EWEB continued to research mitigation. There was an ongoing assessment of that risk.

Lead & Copper Rule Revisions Compliance Plan – Masters/Kelley (Information) – Mr. Lawson gave an update on federal legislation that drove amendments to the Oregon Administrative Rules relative to Lead & Copper Rule Revisions. This extended to the EWEB side and the customer side of the meter for which EWEB must have an inventory. EWEB is in process of meeting the inventory compliance requirements.

State Legislative Update (Board Policy GP13 & Resolution 2230) – Heuser (Information) – Mr. Lawson referenced the passage of recent bills in the last few days in Salem. They continue to digest those, along with climate resiliency packages that passed.

Strategic Plan Revision - Lawson (Information/Confirmation of Board Action) – Since the last meeting, there were revisions to the Strategic Plan that the Board voted on. Mr. Lawson reiterated back to the Board based on the interpretation of two changes that were involved in that.

Vice President John Barofsky thanked staff for the thorough risk memo they received. He said the lead and copper rule memo was timely. He noted EWEB's program is robust to ensure customers' water is safe.

Public Input [6:45]

Cathryn Chudy spoke on behalf of the Oregon Conservancy Foundation, which opposed inclusion of SMNRs in EWEB's Integrated Resource Plan (IRP). She also submitted written testimony to explain why.

Vincent McClellan spoke against nuclear power in the proposed IRP and said it would be more expensive for customers. He was concerned about nuclear waste storage that could be damaged by seismic activity. He also submitted written testimony.

Dane Palmer from Leaburg spoke against EWEB's decision to decommission the Leaburg Dam. He was concerned about EWEB's abandonment of its assets in that area, the increased cost to customers, and the impacts to the environment and local economy.

Eva Edelman from Eugene spoke against funding initial study of a small nuclear reactor for EWEB.

Victor Odlivak from Eugene spoke against nuclear power. He spoke in support of solar power and wind power.

Stephen Fuller-Rowell from Eugene spoke against Item 8 (Advanced Nuclear) and made comments about Item 9 (2023 IRP Results Publication & Action Plan). He also opposed producing energy using timber energy biomass, which was included in the IRP.

Sandy Saunders from Eugene spoke against nuclear power. He recommended investing in solar power instead.

Debra Higbee from Eugene spoke against the IRP and nuclear energy. She cited a report that concluded solar and wind power were better.

Sid Baum from Eugene spoke against SMNRs. She described the problems of the Trojan Nuclear Power Plant in Portland when she used to live nearby it. Sid also submitted written testimony.

Peter Dragovich from Eugene gave suggestions to improve the IRP. He said drilling technology had improved to make geothermal more feasible and encouraged EWEB to research it more. He also opposed SMNRs.

Mark Robinowitz gave comments against nuclear power. He talked about his experience learning how to use solar energy. He also submitted written testimony.

Jim Neu spoke in opposition of SMNRs, and he cited examples of its dangers all over the world. He supported green hydrogen, virtual power plants, and other renewable energy sources, and locally controlled power sources.

Mark Steven Baker from Eugene spoke in opposition of EWEB investing in potential nuclear electricity. He supported wind power, solar power, and hydroelectric power. His written testimony cited information about the Hanford Nuclear site in Washington.

Elliot Grey from Eugene spoke against EWEB investing in a nuclear power study. He said Oregon voters had voted against nuclear energy. He cited reports that the Hanford Site in Washington leaked nuclear waste. He also wanted EWEB to update its billing system.

Kathy Ging from Eugene spoke against including nuclear in EWEB's portfolio or IRP plan. She suggested staff research plant-based batteries. She also submitted written testimony.

Daniel Noonan of Eugene spoke of shortcomings in the IRP. He said he lived in a rental property that was not energy efficient and needed insulation and a heat pump system to make his residence use less energy to heat it in the winter. He said the IRP did not include plans to develop these solutions further from what was currently available. He supported electrification and heat pumps.

Craig Patterson spoke of flaws in EWEB's IRP. He said conservation must take precedence.

Arun Toke from Eugene wrote in opposition to EWEB purchasing nuclear power. Arun said EWEB should promote conservation over use of nuclear for the foreseeable future.

Laura M. Ohanian from Eugene wrote in opposition of nuclear power and biomass and gave an example of bad air quality created by the Seneca plant.

Madronna Holden from Eugene wrote in opposition of nuclear power.

Dr. Theodora Tsongas, PhD, MS submitted written testimony in concern for Small Modular Nuclear Reactors (SMNRs) as an energy resource to address climate disruption. Dr. Tsongas included a statement titled "Nuclear Power Is Not A Climate Solution."

David Zupan from Eugene wrote in opposition to EWEB's use of nuclear and biomass to generate energy.

Ingrid Edstrom, FNP, M.Ed from Eugene wrote against nuclear plants in Eugene.

Commissioners Carlson and Brown thanked the public who gave comments. Commissioner McRae said all forms of electric generation had a downside and it was important to consider multiple options to fit EWEB's needs. He agreed with the need to research conservation. He encouraged EWEB to consider the costs and alternatives before it added more nuclear power to its portfolio.

Commissioner Carlson noted nuclear was mentioned in the plan as a possible option in 2042.

Commissioner Schlossberg mentioned that the next board meeting would include a presentation on energy efficiency programs for renters.

Mr. Lawson noted the reason nuclear power was included in the portfolio as an option was because it gave EWEB more options in the future. He said the importance of the IRP was for EWEB to look at a long-term view as it made near-term actions.

BOARD ACTION AND GENERAL BUSINESS ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [1:11:45]

MINUTES

1. a. May 16, 2023 Upriver Presentation
b. June 6, 2023 Regular Session
c. June 14, 2023 Work Session

CONTRACTS

2. **Eugene Backflow Testing** – for Commercial Backflow Assembly Testing Services. \$250,000 (over 5 years) based on Formal Request for Proposals.
3. **Ferguson Enterprises, LLC** - for Resilient Wedge & Butterfly Gate Valves. \$1,036,000 (over 5 years) based on Formal Invitation to Bid.
4. **Inter-Fluve, Inc.** – for an increase to the contract for Environmental Engineering Services. \$560,000 (original contract amount \$1,630,000, resulting cumulative total \$2,190,000 (over 10 years)) based on Formal Request for Proposals – Qualifications Based Selection (QBS).

MOTION: Vice President Brown moved to adopt Consent Calendar A. The motion passed unanimously, 5:0.

Approval of Consent Calendar – B, Non-routine Contracts and Other Consent Items [1:12:05]

CONTRACTS

5. **Altec Industries, Inc.** – for the use of a cooperative contract for the purchase of Digger Derricks. \$1,400,000 (one-time).

6. **Century Link** – for 2021 – 2023 purchases and a continuation of services with CenturyLink. \$594,000 (Years 2021 – 2023) based on Direct Negotiation.

7. **David Evans and Associates, Inc.** - for Environmental Permitting Services related to the Permitting of Willamette River Treatment Plant and Intake. \$1,600,000 (over 7 years) based on Formal Request for Proposals.

8. **Moss Adams LLP** – for Audit Services. \$900,000 (over 5 years) based on Direct Negotiation.

9. **Wildish Construction, Co.** – for a construction contract for the Hayden Bridge Filtration Plant Canopy Replacement. \$150,000 based on Formal Invitation to Bid.

RESOLUTIONS

10. **Resolution No. 2314** - Updates to EWEB Property Use Board Policies (SD4 and SD5); Removing references to River Edge Public Plaza following sale to City of Eugene.

Commissioner Barofsky asked to pull Item 7, David Evans and Associates, Inc.

MOTION: Commissioner Brown moved to adopt Consent Calendar B, minus Item 7. The motion passed unanimously, 5:0.

Items Removed from Consent Calendar [1:12:26]

Commissioner Barofsky said Item 7 was \$1.6 billion over seven years for environmental services related to second source treatment plant. He asked staff if a previous Board had committed to a second source plant.

Mr. Lawson answered that a couple of years prior to Commissioner Barofsky joining the Board, staff brought a timeline and scope of the second source to the Board, and the Board supported it. He said staff was doing preliminary work to understand its scope, design, and impact on customer-owner rates.

Commissioner Barofsky expressed concern about the cost of the plan.

MOTION: Commissioner Barofsky moved to approve Consent Calendar B's Item 7. The motion passed unanimously, 5:0.

GENERAL BUSINESS ITEMS

Advanced Nuclear [1:15:48]

Greg Cullen, Vice President of Energy Services & Development for Energy NW, provided a PowerPoint presentation titled New Nuclear and answered questions from the Board. Mr. Cullen's presentation focused on Energy NW's portfolio in Washington, its future projects, and why it was studying nuclear energy. Its goal was to have 100 percent clean energy by 2045, which included wind and solar power with storage, hydro power, existing nuclear power, and new nuclear power. Mr. Cullen summarized new nuclear technologies that were funded by the federal government and examples of those throughout the world.

Break [2:04:11]

President Carlson called for a 10-minute break.

2023 IRP Results Publication & Action Plan [2:13:44]

Brian Booth, Chief Energy Resources Officer; Megan Capper, Energy Resources Manager; and Ben Ulrich, Senior Resource Analyst gave a PowerPoint presentation describing EWEB's Integrated Resource Plan (IRP). The presentation explained the IRP's importance, the timeline and process, strategy updates, and recommended action plan. The 2023 IRP Report indicated that EWEB could need new resources by 2026. They answered questions and received feedback on staff's recommended action from the Board.

Wildfire Mitigation Compliance Plan Approval, including Annual Update [2:58:00]

Jeannine Parisi, Strategic Program Manager and Tyler Nice, Electric Operations Manager, provided a PowerPoint presentation that recapped EWEB's 2022 wildfire mitigation plan. It focused on which areas were at highest risk of wildfire, preventative maintenance, improved awareness, and engaged community partners. They described how EWEB planned for the 2023 wildfire season. The plan prioritized operational readiness, situational and public awareness, and how to support vulnerable customers. They answered questions and received feedback from the Board.

MOTION: Commissioner McRae moved to adopt the 2023-24 Wildfire Mitigation Plan. The motion passed unanimously, 5:0.

Electric & Water Long-Term Financial Plan Update & Upcoming Year (2024) Budget and Capital Improvement Plan Assumptions [3:17:46]

Frank Lawson, General Manager; Rod Price, Assistant General Manager; Karen Kelley, Chief Operations Officer; and Deborah Hart, Chief Financial Officer gave a PowerPoint presentation describing EWEB's long-term financial planning process for water and electric service, investment priorities, Capital Improvement Plan goals, and financial impacts. They answered questions and received feedback from the Board.

Future Board Agendas [3:51:47]

Mr. Lawson said the Board would receive a correspondence item in August about the College Hill project. There would also be guest speakers over the next several months

about various subjects such as energy and conservation, forecasts for the region, an update on hydro challenges, and the proposed DEI policy (scheduled for August 2023).

President Carlson recommended that staff schedule the next quarterly occurrence of the meeting with City of Eugene and EWEB Leadership.

Board Wrap Up [3:57:09]

No information was presented.

Adjournment

President Carlson adjourned the Regular Session at 9:27 PM.

Recorded by Laura Campbell, LCOG

Assistant Secretary

President