WATER · POWER · PEOPLE

News for our business customers

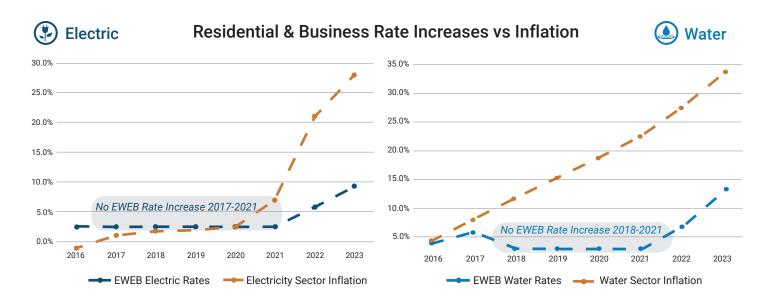


To cover rising costs and to modernize infrastructure, rate increases will be needed in 2025

At their July 9 public meeting, elected EWEB Commissioners wrestled with the weighty issue of ensuring the long-term reliability of critical electricity and drinking water services while minimizing the financial burden on utility customers.

Between now and December, EWEB commissioners will consider rate increases of around 15% for electricity and 9% for water across all customer rate classes effective February 2025. Increases in the cost of energy that EWEB buys from the Bonneville Power Administration (BPA) account for 5.25% of the anticipated electric rate hike. Actual rate changes will depend on a customer's classification, such as large, medium, or small business, and will be decided in December after multiple public meetings. Learn more about public meetings and how to participate at eweb.org/Board.

EWEB is a cost-based community-owned utility. There are no profit margins built into the rates that customers pay. Rates are based on the costs to serve our community with safe, clean, reliable water and electricity. Those costs have increased significantly in the past few years and customer rates have not kept up.



Electricity and water sector inflation has outpaced general inflation, and is driven by the cost of energy production, global supply chain issues for equipment and raw materials, tight labor market conditions, and rising interest rates. Learn more about your rates at eweb.org/RateInfo.

Why have EWEB rate increases not matched the pace of inflation?

We closely monitor and adjust to general inflation, but economic trends are inherently unpredictable. Utility-related inflation following the COVID-19 pandemic has proven to be higher and more persistent than anticipated.

How will rate increases be used?

Rate increases will be used to cover increasing costs to run the utility, including generating and purchasing electricity, and treating and distributing water. In addition, rate increases will fund major projects, which are becoming more and more expensive. EWEB plans to invest nearly \$120 million in electric and drinking water infrastructure in 2025 and about \$1 billion over the next decade to address aging infrastructure and increased risks of storms and other natural disasters.

Why is there so much emphasis on infrastructure projects?

Like utilities across the country, most of our community's electric grid was built in the 1960s and 70s and is reaching end of life. Water storage reservoirs and pipes built in previous generations are also aging and do not meet modern seismic standards. Your rates fund necessary investments in rebuilding and modernizing the facilities and technology needed to deliver your power and water even as infrastructure ages and new challenges arise.

What is EWEB doing to manage costs?

We know that affordability is a top concern for our customers, especially in challenging economic times. We carefully plan major projects and scrutinize spending. In addition, we have strategies in place to control costs and operate as efficiently as possible, such as relying heavily on low-cost hydropower, actively buying and selling electricity on the wholesale market, and using debt wisely to minimize borrowing costs. When possible, we secure state and federal funding for projects.

How can I get help with my utility bill?

EWEB rebate programs can lower your operating costs and utility bills. In 2023, business customers took advantage of EWEB rebates to collectively reduce energy usage by more than 11,000 megawatt hours. This energy savings translates to approximately \$1 million in cost reductions for local businesses. More information at eweb.org/business-rebates.

Your Board of Commissioners

Wards 1 & 8 Matt McRae (President)

Wards 2 & 3 John Barofsky (Vice President)

Wards 4 & 5 John Brown

Wards 6 & 7 Sonya Carlson

At-large Mindy Schlossberg

The citizens of Eugene elect five commissioners to four-year terms. They dedicate their service to the utility as volunteers without pay. Commissioners hold regularly scheduled public meetings on the first Tuesday of each month, typically at 5:30 p.m. Our customer-owners are welcome and encouraged to participate. Meetings are streamed live and archived on eweb.org/Board.







