MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital

FROM: Cathy Bloom, Finance Manager; Sue Fahey, Fiscal Services Supervisor; Edward Yan, Senior Financial Analyst; Tom Williams, Key Account Manager

DATE: July 3, 2013

SUBJECT: Comparative Rate Analysis

OBJECTIVE: Information only

Issue
This comparative rate analysis is provided to assist the Board in strategic decision making.

Background
The last comparative rate analysis was presented to the Board in June 2012.

Discussion
The report provides a comparison of 13 electric utilities and 16 water providers in sixteen Northwest communities, including Eugene. It displays the rankings of EWEB in five customer profiles in comparison to the other communities.

Oregon		Washington
Beaverton	Coburg	Bellevue
Corvallis	Cottage Grove	Everett
Creswell	Eugene	Seattle
Junction City	Portland	Tacoma
Salem	Springfield	Vancouver
Veneta		

The communities were selected due to their common characteristics. They are served by a mix of public and private electric providers and typically receive municipal water service. They all participate, to varying extents, in the federal power system and have similar weather patterns.

Customer Profiles
In order to account for tiered rates and summer/winter differentials, monthly bills for each profile were calculated in this analysis.

Residential Apartment – This profile assumes that a residential apartment will use a total of 570 kWh of electricity and 3 kgal of water per month. It should be noted that, in most cases, water is included in the rent of an apartment and not billed separately.

Residential House – This profile is a weatherized residential home of a family of four, with an electric heat pump as the primary heating source. Although there are many heating configurations in the community, this is a relatively common design. It has an average consumption of 1,600 kWh of electricity and 7 kgal of water per month.

Small General Service – Based on a campus area restaurant, this profile assumes the usage of just above 8,000 kWh of energy plus 21 kW of demand and 14 kgal of water per month.

Medium General Service – Represented by a major grocery store with an electric consumption of 164,000 kWh of energy with 290 kW demand and 250 kgal of water per month.

Large General Service – Based on the sample of a forest product processor and reseller. Average electric consumption of 630,000 kWh with 1,140 kW of demand and 800 kgal of water per month.

Summary
Results of EWEB's ranking are summarized in the table below. (1st = lowest)

Customer Profile	ELECTRIC (Out of 13)	WATER (Out of 16)	COMBINED (Out of 16)
Residential Apartment	9th	10th	8th
Residential House	10th	4th	7th
Small General Service	8th	4th	6th
Medium General Service	9th	7th	10th
Large General Service	6th	7th	5th

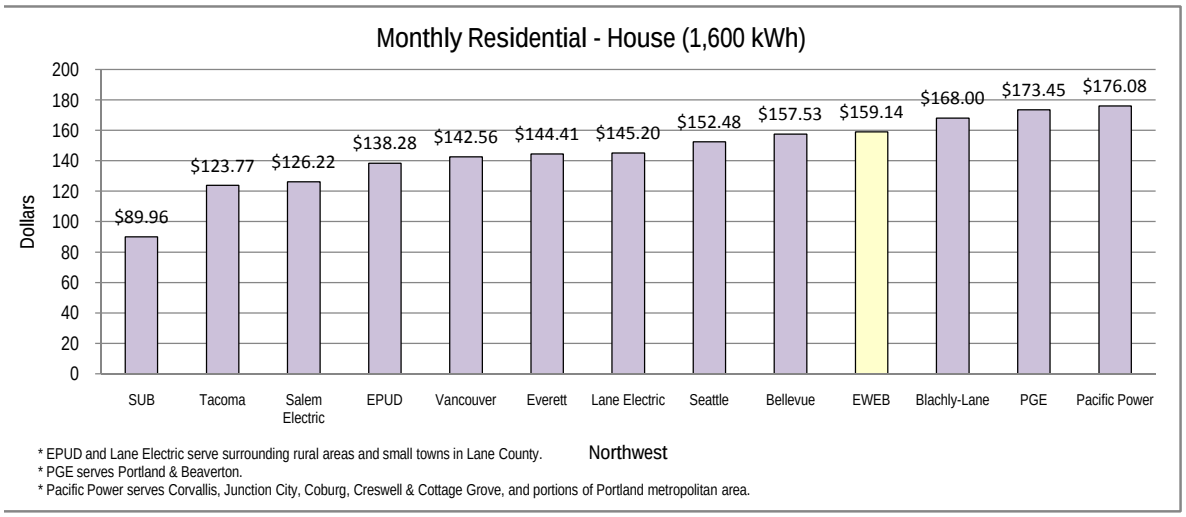
For the typical residential home customer, electric ranked tenth out of thirteen communities this year compared to ninth out of thirteen in 2012. On the water side, even after the 2013 20% rate increase EWEB is still in the bottom quartile of comparators and maintained its 2012 ranking. For combined electric and water services, the typical residential home ranked seventh in 2013, one slot above its 2012 position. The combined ranking is not directly comparable to the individual electric and water ranking due to the fact that certain electric utilities service more than one community.

It is important to note that this analysis is a snapshot in time and that periodic rate revisions will change the results.

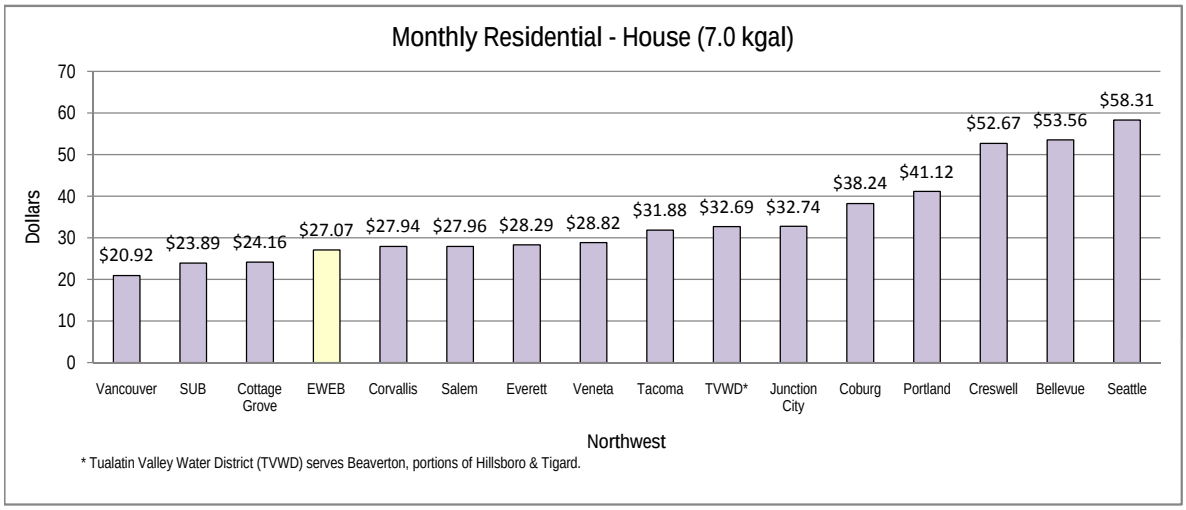
Recommendation / Board Action
This memo is for informational purposes. No board action is requested.

If you have any questions, please contact us at Edward.Yan@EWEB.org (541-685-7390) or Tom.Williams@EWEB.org (541-685-7160).

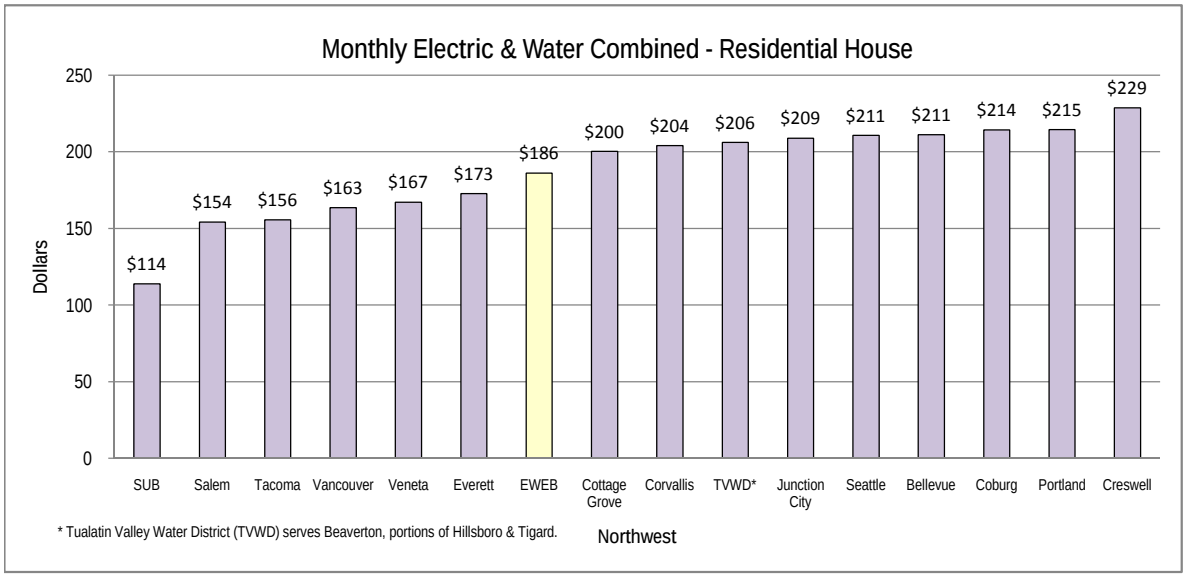
Attachment: Comparator Information



* EPUD and Lane Electric serve surrounding rural areas and small towns in Lane County.
* PGE serves Portland & Beaverton.
* Pacific Power serves Corvallis, Junction City, Coburg, Creswell & Cottage Grove, and portions of Portland metropolitan area.



* Tualatin Valley Water District (TVWD) serves Beaverton, portions of Hillsboro & Tigard.



* Tualatin Valley Water District (TVWD) serves Beaverton, portions of Hillsboro & Tigard.

MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital

FROM: Steve Newcomb, Environmental Management Department Manager
Karl Morgenstern, Environmental Management Supervisor
Tim O'Dell, Property Management

DATE: July 2, 2013

SUBJECT: Disposition of EWEB property

OBJECTIVE: Information Only - clarifies and establishes a transparent procedure for the identification and disposition of EWEB surplus property.

Issue
This memo addresses a request for information from Commissioner Brown to provide information regarding EWEB's procedure for disposition of surplus property. This is provided to outline a proposed procedure and obtain input prior to vetting the process with internal EWEB stakeholders who are planning for future uses of some of these properties.

Background
EWEB owns 236 tax lots in Lane County. Those tax lots contain 1472 acres of land. Of the 246 tax lots 209 are actively used, 27 are held for future use.

Electric Generation has 40 tax lots totaling 897 acres. This includes the Leaburg and Walterville power canals, islands in the McKenzie River, Walterville Pond, Lloyd Knox Waterboard Park, fish screens and powerhouses.

The Water Utility has 50 tax lots, 37 active and 13 held or future use, totaling 207 acres. Our reservoirs sit on 28 tax lots, totaling 50.48 acres. While most of our pump stations sit on reservoir sites, we have six pump stations on their own tax lots. The Hayden Bridge Filtration Plant is on one tax lot and the intake structure is on a separate tax lot.

EWEB does not pay property taxes on these vacant parcels. However there are costs associated with vacant properties. These costs include fees for the Eastern and Western Lane Fire Protection Agencies, costs for vegetation management and costs associated with managing these properties including, responses to trespassing, illegal camping/dumping, neighbor and community complaints, fencing/fencing repairs and encroachments onto EWEB property.

Discussion
The following discussion provides an outline of draft procedures for the identification and disposition of surplus property. Staff will review all EWEB parcels to determine which are vacant

and not necessary to address current or future needs. The review process will include all EWEB Sections and Departments that have an interest in these properties.

Step 1: Create List of Surplus Properties

The Surplus Property Team will develop a list of currently unused properties. After inquiries are made about future planned use and timing of that use, recommendations will be made for sale of certain properties.

Step 2: Make Declaration of Surplus Parcels for Sale

Property Management will declare the identified parcels surplus as required (details below).

1) An appraisal of the property is ordered and delivered. The appraisal identifies market value and highest and best use.
2) The City of Eugene will be notified of EWEB's intent to sell and the appraised value of the land to be sold. This will trigger the 30 day countdown for City first right of refusal.
3) In the event that the City is interested in the property, negotiations would proceed with EWEB maintaining interest in receiving compensation that reflects true market value.
4) Once the city's first right of refusal has expired, resolutions can be brought to the EWEB Board to designate surplus properties as available for marketing and sale.

Step 3: Develop Marketing Strategies for Sale of Surplus Parcels

In order to maximize value, some parcels may require a planning action such as;

1) Re-Zoning
2) Reservation of an Easement
3) Formal Partition
4) Subdivision
5) Verification of Unit of Land/Legal Lot Status
6) Septic Approval
7) Installation of adequate water supply
8) Use of conservation easement or CCR to protect social and/or environmental values important to EWEB and/or the community.

Where necessary, the Surplus Property Team will consult with Appraisers, Land Use Experts and Brokers regarding the cost/benefit of any given strategy. Though it is not EWEB's intent to become land speculators, it may be possible to maximize the value of these assets, while protecting EWEB's interests and other important social and/or environmental values.

Step 4: Marketing and Sale of Surplus Parcels

There may be two ways of marketing surplus properties. EWEB may employ a local Real Estate Broker with expertise regarding the type of property to be sold, or EWEB could list and sell the property in house through EWEB's Right of Way Agent who has Real Estate Broker credentials. The latter will determination if there is a potential conflict of interest. If EWEB chooses to market and sell property in-house, properties will not be listed through the Regional Multiple Listing Service but rather marketed via signage and postings through web services such as LoopNet and HOTLINKS. Direct contact with adjacent owners and developers will also be made.

TBL Assessment

- Improves EWEB asset and resource utilization
- Supports efficient management of EWEB's property and provides greater benefit to rate payers.
- Advances the local economy by encouraging development as in-fill in developed areas that EWEB has maintained these vacant properties.
- Protects important social and environmental values that these properties may provide the community.
- Increases net revenue while retaining future flexibility with respect to location and efficiency of our existing and future built facilities.

Recommendation

This information is provided to clarify and establish a transparent procedure for identification and disposition of EWEB surplus property.

Requested Board Action

Provide feedback to Property Team on this proposal.

MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning, and Mital

FROM: Cathy Bloom, Finance Manager; Sue Fahey, Fiscal Services Supervisor

DATE: July 3, 2013

SUBJECT: Large Projects and Unfunded Liabilities

OBJECTIVE: Update of Financial Initiatives and Projects requiring funding

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Issue

In the past the Board has requested a list of future projects and unfunded actuarial liabilities to provide background for the summer financial session. Below is a list of the major projects and unfunded actuarial liabilities associated with our strategic plan and ongoing operations.

Discussion

Below is a summary of large projects and unfunded liabilities the Board has based on ongoing operations and future projects. The funding of these projects and liabilities are from either future borrowings and/or cash funds or reserves.

1. **Carmen-Smith Relicensing project** – Funding currently available for the Carmen-Smith project consists of 1) $14.5 million of construction funds from bond financing in 2012 and 2) $20 million in the Carmen-Smith Fund. The Carmen-Smith Fund was created based on funds received through borrowing from the reimbursement of reserves spent on the project. Included in the long-term financial plan is an additional $125 million in revenue bonds to be issued in 2018 and 2020.

2. **Advanced Metering Infrastructure (AMI) project** - this project is funded by revenue bonds, $12 million from Electric in 2017 and $10 million from Water in 2015 which is included in the long-term financial plans.

3. **Water Reliability Initiatives** - $50 million is included in the long-term financial plan in revenue bonds to be issued in 2019.

4. **Unfunded Actuarial Liabilities (UAL)** – currently EWEB has three forms of UAL's and they are as follows, A) Oregon Public Employees Retirement System (OPERS), B) Supplemental Retirement Plan, and C) Other Post Employment Benefits (OPEB).

A) The OPERS UAL is currently $94 million as of December 31, 2011 and EWEB's share of the plan is 69% funded. In the future, Management will be recommending depositing excess reserves in 2015 to pay down the UAL and ensure the funded status is in excess of 70% as required by the Financial Policies. Based on the current Electric long-term financial plan, if we were to deposit funds from excess reserves in 2015 (Unallocated Power Fund and Carmen-Smith Fund), we could deposit $40 million into the PERS fund bringing it to approximately an 82% funded status. Deposits from the Water Utility would also be available based on future rate changes.

B) The Supplemental Retirement Plan has a UAL of $1.7 million. Funds are set aside in the Pension & Post Retirement Medical Fund to fund this UAL.

C) As of January 1, 2012, the OPEB UAL is $22.8 million. However, in May 2013 the Board deposited $7 million into the OPEB Trust which will result in a higher funded status and a lower annual payment into the Trust to fund benefits.

5. **Steam Plant Shutdown** – Amounts in the Steam Transition Fund are expected to fully fund asbestos abatement of the building and other costs of preparing the property for sale. Those activities are expected to be substantially completed this year.

6. **Power Risk Management** – As mentioned last year, there continues to be risk in regard to counterparty credit which we are proposing to mitigate through a third party margining (clearing) account. Funds would be needed to set up the clearing account. As trades are entered into, funds are needed in the form of posting collateral. Funds would be requested by the use of the Unallocated Power Fund. The projected amount needed for this fund would range from $6 to $10 million depending on the trade activity. Management is currently reviewing the legal issues relating to this process and will be making recommendations to the Board in the next six months regarding mitigating risks in this area and the use of funds from the Unallocated Power Fund.

Recommendation

No recommendation requested at this time.

Requested Board Action

No Board action requested.

MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital

FROM: Erin Erben, Power Resources Manager; Monica Shovlin, Marketing and Creative Services Program Supervisor; Mark Tuffo, R-TOU Project Manager

DATE: July 3, 2013

SUBJECT: Residential Time of Use (R-TOU) Rate Pilot Update

OBJECTIVE: Information Only

Issue

The purpose of this Board Memo is to provide a status update on the Residential Time of Use (R-TOU) Rate Pilot. The cross-sectional team working on this pilot includes staff members from Power Planning, Public Affairs, Meter Reading, Meter Shop, Customer Service, Information Technology, and Systems Engineering.

Background

On September 4, 2012 the EWEB Board unanimously approved Resolution No. 1215 which authorized the General Manager to implement the proposed pilot (R-TOU) electric rate, defined in Exhibit A of the resolution. As outlined in Exhibit A, the rates are subject to annual rate adjustments and other applicable terms and conditions. The terms of the pilot were established to: 1) expire after three years and 2) be applicable for up to two hundred customer-accounts, consistent with management's request. At the time, the expectation was that this pilot would be conducted through a series of manual work-arounds, such as excel-based customer billing and a special meter reading route to download the data from the individual meters 6-12 times per year.

Discussion

Given the potential for the TOU pilot and the AMI project to rely upon much of the same infrastructure, and the learning and efficiencies that could be achieved through a modest investment in automation, a decision was made early on to try and use meter technology that would be compatible with AMI and seek to align with standard meter reading and billing practices where possible. This was thought to minimize rework should the pilot become a regular customer rate offering and enhance our learning about operations in a post-AMI world. Due in part to the ongoing uncertainty around AMI and due in part to the added scope to minimize manual work-arounds for meter reading and billing, the launch of the pilot as a customer offering has taken longer than initially expected. The team, however, has been diligently working toward a summer recruitment period and a Fall 2013 launch (going into the heating season, the time of largest possible customer savings).

However, we were recently informed from our meter vendors, Sensus and Landis+Gyr (L+G), that there are now significant delays with meter acquisition, due in part to the rebuilding effort on the East Coast post Hurricane Sandy. According to our vendor, meter stock is on backorder across the nation. Because

we want to thoroughly test any technology before putting it in the field, and because the proposed automated solution for meter reading included cell-based data retrieval as a customer installation to the test meters, this reality has resulted in a several month delay to our official customer recruitment and launch. We now anticipate a Spring 2014 launch date.

What the added time has done is allowed for a significant amount of research, planning and learning, all of which we believe will ultimately result in a more successful pilot for our customers. As part of our membership with the Electric Power Research Institute (EPRI), we have entered into an agreement to work together to conduct robust pilot design and evaluation to substantiate actual versus expected savings and make projections about likely customer subscription rates under a mature TOU program within EWEB service territory. In addition, we have been able to leverage the data obtained from the first AMI pilot to refine our knowledge about our residential customer class consumption patterns hour by hour. This has resulted in some updates to previous assumptions about on-peak usage that fed into the pilot rate design. Since we have the time prior to program launch, staff will be proposing, at a future Board meeting, minor adjustments to the rate differentials and summer hours in order to enhance participating customers' ability to save on the rate, while still maintaining revenue neutrality for the average customer – a basic tenant of most rate design approaches. What this means is that the average customer would have to actually modify usage patterns to save on the rate, which is what we want to see happen.

While we have begun to engage the employee base about the program to ensure they can be conversant with customers on the topic, we have not yet begun to advertise the program to customers, such that the delay in anticipated launch date can be readily managed with little more than an internal inconvenience. However, staff will need to seek an extension to the sunset date on the rate in order to run the pilot for the full two years envisioned, which will be requested at the time the modified rate is proposed. In addition, we believe it may be prudent to put additional meters in the field in order to ensure we can gain the most insight from our pilot by creating a stratified load research sample from the control group in year one.

Load research is an area of study for the utility whereby it can define base usage profiles by customer classes for use in rate design and load forecasting efforts that feed into our revenue projections and resource plans. EWEB's data was last updated in the 1990s and there is currently no load research sample in the field. We are long overdue for refresh. Since the biggest cost of a load research sample refresh is installing the meters, we are able to leverage the TOU pilot for very low incremental cost in order to achieve both ends.

R-TOU Efforts to Date

Pilot Design

EWEB's R-TOU pilot team has partnered with EPRI in developing a robust pilot design to establish credible estimates of how residential customers modify their electricity consumption patterns and levels under TOU pricing in order to quantify its effect on EWEB's system peak. In addition, the pilot is designed to help understand the effect of the rate on overall usage and customer bills, study the effects of different recruitment and engagement strategies on customer engagement, and identify the reasons why customers may choose not to participate. Since recruitment will be done through a random sample, required to extend conclusions to the wider customer base, the pilot will also serve to collect valuable data for load research in the process. After considering several experimental design options, EPRI recommends a "recruit and delay" approach; this design includes a control group which would remain

on the existing tiered rate for the first year of the pilot and treatment group which would begin on the TOU rate in year one. In year two, both groups would be on the TOU rate.

EPRI will provide evaluation, measurement and verification (EM&V) support to EWEB throughout the duration of the TOU pilot. EPRI will conduct an impact analysis at the end of each season and at the end of the pilot. EWEB staff will conduct a process evaluation to better understand how the program worked for both customers and employees. These learnings will be exceptionally valuable in making the decision about whether to roll-out the R-TOU rate to the entire customer base as a voluntary, alternative residential rate schedule.

Pilot Communications Strategy

Working in parallel with EPRI's pilot design process, the internal R-TOU pilot team completed a review of secondary research, including the results of TOU pilots and programs at other utilities, to gauge the potential applicability of their communication strategies to EWEB's pilot, and developed criteria for a statistically-valid EWEB customer sample for pilot recruitment. A communication plan has been drafted and materials are being developed for both internal and external audiences. Staff are very conscious of the significance of this first pilot in terms of organizational readiness for a more customer-focused business model, so internal communications and process evaluation are given special consideration in the plan.

Highlights of work to date include:

- Completed internal presentations to frontline staff in Customer Service and Energy Management, the Sustainability Action Team and Public Affairs;
- Published Daily News article that, like the internal presentations, explained the purpose of this pilot in context of AMI and full rate portfolio of the future;
- Developed a working brand name, tagline and seasonal engagement strategies for message testing purposes with the treatment group;
- Drafted recruitment script based on best practices and pilot design;
- Collected proposals from third-party research firms for recruiting and survey administration;
- Working on a value calculator for customers in the treatment group;
- Explored closed online community tools for customer engagement; and
- Engaged with several vendors to research available customer-facing and data acquisition and cleansing technologies.

Next steps include pilot participant survey development, recruiting, and communications for customers from meter installation through to the official program launch.

Other notable successes

The R-TOU Project Team has made some notable progress on several key fronts, including:

- The development of a detailed functional performance specification for TOU metering and infrastructure requirements to achieve the pilot objectives;
- A successful update to existing bill calculation and presentment, which includes a break out of on-peak and off-peak consumption (in kWh and dollars); and
- This pilot is helping to engage various internal work groups, cross-functionally, to address some of the questions regarding the accessibility and usefulness of "big data" to our utility, an

inevitable reality of our future.

Next Steps

Remaining work prior to program launch includes determining and testing the final metering solution; determining whether to insource or outsource the collection, storage and management of the meter interval data (aka "big data"); and fine-tuning what we consider the optimal customer engagement strategies and information feedback options.

In summary, due to additional analysis conducted and opportunities and delays that have come to pass since the original Board approval, there are some parameters of the pilot design that need to be adjusted prior to the Spring 2014 "go live" date for the R-TOU rate. At this time, the Project Team is not asking for approval for these changes, but rather is providing a preview of the changes it is likely to request at a later date. Here is a summary of the five anticipated changes:

1. Adjustments of the on-peak and off-peak rates to account for more accurate information on the typical residential customer's percentage of usage on peak;
2. A possible increase in the number of customer participants, in order to provide a better statistical representation of the residential customer class and accommodate the dual purpose of creating a load research sample from the pilot;
3. Inclusion of standard NERC holidays as off-peak for our customers;
4. A possible reduction in the number of summer on-peak hours to reflect the lower ability to save money in those months; and
5. An extension of the pilot rate's sunset date to accommodate the full two years of study post-launch.

TBL Assessment

While a formal TBL assessment has not been written for the pilot project as a whole, TOU was considered in the AMI Business Case as part of the potential program offerings that could result from implementation. In addition, the Project Team is using TBL assessment tools throughout all phases of this pilot. One example of how this assessment is being incorporated into critical planning decisions is regarding the collection and management of the potentially large amounts of data being generated by the interval meters used in this pilot. Specifically, a manual data collection option would include at least one full-time employee and extensive vehicle usage in order to retrieve the data from each meter. The R-TOU Project Team is exploring automated options that would streamline the data collection process and avoid additional CO2 emissions.

Recommendation

The R-TOU Project Team is continuing to work on the pilot design and anticipates beginning the pilot implementation phase in Q1 2014 (i.e. customer recruitment, meter installation, and "go live"). As a result of ongoing research, any remaining open questions will be answered by the Fall, when the Project Team anticipates coming back to Board for the additional considerations mentioned above.

Requested Board Action

The R-TOU Project Team is requesting no action from the Board at this time.

RESOLUTION NO. 1215
September 2012

EUGENE WATER & ELECTRIC BOARD
Residential Time of Use (TOU) Pilot Rates

WHEREAS, the Eugene Water & Electric Board (EWEB) has exclusive jurisdiction to establish electric rates;

WHEREAS, a pilot time of use rate program will provide EWEB the opportunity to gain insight into customer responsiveness and acceptance of TOU rates, test internal systems, and integrate TOU rates with other programs;

WHEREAS, the proposed TOU rates are derived from the detailed cost of service analysis was performed for calendar year 2012;

THEREFORE, BE IT RESOLVED that the Eugene Water & Electric Board hereby authorizes the General Manager to adjust residential electric rates for the TOU pilot as recommended in Exhibit A.

Dated this 4th day of September 2012.

THE CITY OF EUGENE, OREGON Acting by
and through the
Eugene Water & Electric Board

_____
President

I, DEBRA J. SMITH, the duly appointed, qualified, and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its September 4, 2012 Regular Board Meeting.

_____
Assistant Secretary

V. ELECTRIC SERVICE CHARGES AND RATES

For charges specific to Water; see Water Service Charges and Rates. For all other charges; see All Utilities Charges and Rates

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N. Residential Service – Schedule Pilot Time of Use

Resolution No. 1215

1. Applicability

The pilot rate is available for up to 200 customers. Participation is at the sole discretion of EWEB and may be applied to either sub-metered customer load, such as EV or water heater end use devices, or to whole house loads. This rate will sunset as of September 20, 2015 without further Board action. Customers will be allowed to return to the standard Residential Service – Schedule R-6 rate at any time, but EWEB will not allow customers to return to the Pilot Time of Use rate once opted out of the rate.

To underground or overhead electric services for separately metered single-family residences, duplexes, triplexes, quads, townhouses, multifamily structures with less than four living units, and mobile homes, except as may be other otherwise specified by prior contract. Boarding, lodging, rooming houses, or group care facilities shall also be considered residential services if not more than five private sleeping rooms are used by members of the customer's family.

When a major portion of a dwelling is regularly used for the conduct of business, the customer may separate the wiring so that the residential portion may be metered separately and billed on the Residential Schedule, otherwise the entire dwelling shall be billed on a General Service Schedule.

Rate schedules apply to the sale of electrical energy for the sole and exclusive use of the customer. The customer shall not resell electrical energy supplied by EWEB.

2. Character of Service

Single-phase, 60-cycle, nominal 120, 208Y/120 or 240/120 volts, subject to voltage classification available and compatibility with geographic area.

3. Monthly Rate
(Resolution No. 1223)

Basic Charge.....$10.85 per month

On-Peak Energy Charge .....$0.15760 per kWh

Off-Peak Energy Charge.....$0.06845 per kWh

On and Off Peak Hours

Winter (beginning November 1st of each year)			
On-Peak	7:00 a.m. to	11:00 a.m.	Monday - Friday
	5:00 p.m. to	9:00 p.m.	Monday - Friday
Off-Peak	9:00 p.m. to	7:00 a.m.	Monday - Friday
	11:00 a.m. to	5:00 p.m.	Monday - Friday
		All hours	Saturday - Sunday
Summer (beginning May 1st of each year)			
On-Peak	12:00 p.m. to	8:00 p.m.	Monday - Friday
Off-Peak	8:00 p.m. to	12:00 p.m.	Monday - Friday
		All hours	Saturday - Sunday

4. Minimum Charge

The minimum charge per month shall be the applicable basic charge.

5. Annual Rate Adjustments

As established in Board Policy SD9, the EWEB Board has exclusive jurisdiction to approve annual operating budgets and establish rates for electric service. The rates established under this schedule (Schedule Pilot TOU R) will be adjusted annually to reflect the overall change for the Residential Service – Schedule R-6 rates.

6. Power Cost Recovery Adjustment

At the discretion of the Board, the rate may be adjusted for 12 months beginning with April bills to reflect the variance between budgeted and actual power cost for the previous calendar year. The adjustment is determined by dividing the amount to be rebated or recovered by the projected annual kilowatt-hour sales in that calendar year, and then decreasing or increasing the energy or power component of the rate accordingly.

7. BPA Power Cost Adjustment

   At the discretion of the Board, the rate may be adjusted for 6 months beginning in either April and/or October to reflect the variance in projected power costs due to changes in Bonneville Power Administration (BPA) wholesale rates. The adjustment is determined by dividing the amount to be rebated or recovered by the projected kilowatt-hour sales in the six-month period, and then decreasing or increasing the energy or power component of the rate accordingly.

8. Special Provisions

   Individual single-phase motors larger than 7.5 horsepower may be connected only with the written permission of EWEB.

9. General Terms and Conditions

   Service under this schedule is subject to the policies and procedures of EWEB.

FRIENDS of TREES

May 21, 2013

Eugene Water & Electric Board
500 East 4th Avenue
Eugene, OR 97440

Dear EWEB Friends:

Friends of Trees is entering a very exciting time of growth and are grateful to be sharing it with friends like you. Thank you so much for your April 25, 2015 donation of $2,500. Your support means a great deal to us.

Your donation this year is helping us plant more trees than ever before in Portland, Vancouver, Beaverton, Eugene, Springfield, Salem and many other communities. We're making cleaner air and cleaner water for everyone, improving neighborhood livability and introducing neighbors to each other. We're restoring stream-sides, planting along bike paths, and helping to make new parks throughout the region. Thanks to volunteers and donors like you, we're making a difference where we live.

Our 2012-2013 Eugene Planting Season ended with great success and thanks to volunteers and donors like you the Eugene branch of Friends of Trees has planted 235 street and yard trees and 397 native trees and shrubs! Add this to the 450,000 trees and shrubs we've planted in our 24 year history and you can see that we're making a real transformation in the urban forest around us. We know there is great empowerment when people come together to make their neighborhoods greener and we are honored to be a part of that process.

Thank you again for your dedication and commitment to our work. Your involvement is making a direct difference in your community. Please know that we will always strive to make sure that your investment in us is something that makes you feel proud.

Sincerely,

Scott Fogarty
Executive Director
Friends of Trees

Lance, thanks so much for EWEB's support! Looking forward to future collaborations. Best,
Erik Burke

Erik Burke
Eugene Director
Friends of Trees

We affirm that no goods or services were provided in return for this contribution.
Please keep this letter for your tax records.

3117 NE ML King Jr Blvd - Portland, OR 97212 Tel 503-282-8846 Fax 503-282-9471 FriendsofTrees.org

VIDA-MCKENZIE NEIGHBORHOOD WATCH

PO BOX 24, Vida Oregon 97488

February 14, 2013

Mr. Lance Robertson
Public Affairs Manage
EWEB
PO Box 10148
Eugene, OR 97440

Dear Lance,

Our Neighborhood Watch is grateful for the generous donation from EWEB that you sent to our group. It turns out to be very timely.

As I mentioned in our request letter, we carry a red box of emergency items on all our patrols to provide emergency assistance, or assist therein, when it is needed. We are currently using standard red burning flares for traffic control. These are considered dangerous in many cases because of the likelihood of igniting gasoline that may have spilled. They are also not that easy to light, and may cause burns to the person lighting them up.

We will use your donation to pay for the units we order in the near future. Our only other source of income at present is recycling newspapers through the Eugene Mission for 1.25 cents/pound.

Thanks for your support of our community service organization.

Truly yours,

Vern Blumhagen

Vern Blumhagen, President
VMNW

MCKENZIE RIVER TRUST

May 20, 2013

Joe Harwood
EWEB
PO Box 10148
Eugene, OR 97440-2148

Dear Joe and Lance,

The Board and staff of the McKenzie River Trust thank you for being a **Presenting Sponsor** ($3,000) for our 2013 *Living River Celebration – 10 Years on Green Island.*

It has been such a pleasure working with you and the rest of the EWEB family over the past few years as we work together to protect and restore the inspiring and vital natural lands and waters that surround the community we share. I personally want to thank you for your support.

We look forward to partnering and to celebrating with you on **Saturday, June 29th on Green Island.** We also look forward to many, many more opportunities to partner in the years, decades and centuries to come.

Sincerely,

Brandi Ferguson

Brandi Ferguson
Development Manager