

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
500 E 4th AVENUE
August 4, 2020
5:30 P.M.**

Commissioners may pose questions to staff prior to the scheduled board meeting. To view Commissioners' pre-meeting questions and staff responses, visit <http://www.eweb.org/about-us/board-of-commissioners/2020board-agendas-and-minutes>.

Commissioners Present: Steve Mital, President; Mindy Schlossberg, Vice President; John Brown, Sonya Carlson, Dick Helgeson, Commissioners

Others Present: Frank Lawson, General Manager, Susan Ackerman, Chief Energy Officer; Megan Capper, Power Planning Supervisor; Deborah Hart, Chief Financial Officer; Joe Harwood, Communications Specialist; Mike McCann, Generation Manager; Tyler Nice, Electric Operations Manager; Rod Price, Chief Engineering & Operations Officer; Adam Rue, Fiscal Services Supervisor; Alicia Voorhees, Senior Financial Analyst

President Mital called the Regular Session to order at 5:30 p.m.

Agenda Check

There were no changes or additions to the agenda.

Public Input

Linda Perrine of Eugene thanked EWEB and Commissioners for a well-done Electrification and Impact Analysis Report, although, she offered there was a glaring omission. She said EWEB failed to include the potential impact of local residential, commercial, and community solar on EWEB's future planning; Ms. Perrine said the Report should be amended to include the potential low, medium, and high adoption rates for solar photovoltaic (PV) technology over the same 30-year period from the original Report.

Written testimony provided by Mr. Richard Weinman, Mr. Jim Ball, and Mr. Jim Neu was read into the record by Mr. Harwood:

Mr. Weinman wrote that he appreciated EWEB's service to the area, and asked the utility to expand into the business of being an Internet service provider for that area. He cited that those who cannot afford Internet service, are often those who need it the most, and added, during the COVID-19 pandemic, working from home has become the main source of income for many, but without Internet service, telecommuting is impossible.

Mr. Ball stated if EWEB had access to more low-carbon hydropower than it currently used, then Eugene could electrify cars, buildings, and lower its greenhouse gas (GHG) emissions. He wondered if such reductions would be canceled out by increased GHG emissions in other cities; he asked if Eugene's possible electrification would translate to increased fossil fuel need in other places. Mr. Ball requested EWEB address these questions in the Electrification Impact Analysis Report (EIAR) coming up later in the agenda.

Mr. Neu thanked EWEB staff—specifically Ms. Ackerman, and Ms. Capper—for the informative EIAR. He added it was well-written, and answered many questions. Mr. Neu expressed disappointment in the lack of information about internal combustion engine GHG emission reductions (when replaced with an Electric Vehicle [EV]), when the EV would be charged using rooftop PV solar arrays. He added it was concerning that solar was only addressed once in the EIAR, when EWEB was aware of projected snowpack levels to be nonexistent by 2040, challenging hydropower sourcing. Mr. Neu concluded that promoting rooftop solar installations in the utility's service area should also be part of the EIAR, and EWEB's future energy sourcing. Commissioner Carlson thanked those who submitted public testimony during this strange, trying time.

Commissioner Helgeson appreciated the testimony concerning solar PV options to meet future demand. He said they had on the agenda tonight a report on electrification that would elucidate points raised by public testimony, but that solar PV was not currently a component of Phase 1 of the Electrification Impact Analysis.

President Mital offered the Electrification Impact Analysis was commissioned for the explicit purpose of answering questions such as those raised by tonight's public input.

Items from Commissioners and General Manager/COVID-19 Update

Vice President Schlossberg reported she, President Mital, and Mr. Lawson had recently met with the City of Eugene (COE), and there were three major points of discussion at said meeting:

- Working with COE to help landlords incentivize energy efficiency from their tenants
- Making sure EWEB is consulted by COE when the latter talks publicly about things concerning the utility
- Expanding fiber networks in Eugene

Commissioner Helgeson reported the Northwest Public Power Association (NWPPA), like so many other entities, were experiencing many challenges because of the pandemic, and that organization would be drawing on its reserves to continue providing the services they provide in the region.

President Mital thanked Vice President Schlossberg for filling in for him during the July Board meeting. He said that he had sat in on the last COE Work Session, where the COE Climate Action Plan (CAP) was passed.

Commissioner Brown thanked Mr. Lawson and staff for addressing concerns raised by his constituents. He also reported that he, along with Mr. Lawson and Mr. Price, met with the Springfield Mayor and new City Manager regarding the Glenwood issue and it is moving in a positive direction, additionally he believes General Manager Lawson and the Springfield Utility Board (SUB) General Manager have worked out an agreement, and he thanked Mr. Lawson and staff again, for their work on that issue.

Mr. Lawson offered the Board a COVID-19 update and a Power Point presentation on the subject.

Commissioner Brown wondered how the 1,900 bill delinquencies EWEB saw in July related to a “normal” month.

Mr. Lawson replied that last year at this time, the utility was registering only 300 delinquencies.

Approval of Consent Calendar - A MINUTES AND ROUTINE CONTRACTS

- 1. a. June 16, 2020 Work Session Minutes**
b. July 7, 2020 Regular Session Minutes

2. Pacific Excavation - for a water main replacement on Willagillespie Road. \$530,000.

3. WESCO Distribution Inc. - for underground separable connectors. \$680,000 (estimated over 5-year period).

Commissioner Brown moved to approve Consent Calendar – A. The motion passed unanimously 5:0.

Approval of Consent Calendar – B NON-ROUTINE CONTRACTS AND OTHER CONSENT ITEMS

CONTRACTS

4. Murray Smith Associates - for engineering design services for E. 40th Ave storage tank project. \$400,000 (over 2.5 years).

INTERGOVERNMENTAL AGREEMENTS

5. City of Eugene - for construction project coordination. \$5,000,000 (estimated over 5-years)

RESOLUTIONS

6. Resolution No. 2022 - Revisions to Customer Service Policy.

Commissioner Brown moved to approve Consent Calendar. The motion passed unanimously 5:0.

Items removed from the Consent Calendar

There were no items removed from the Consent Calendar

Electrification Impact Analysis Report (EIAR) Draft Review

Ms. Ackerman and Ms. Capper offered the Board a report and Power Point presentation on the draft review of the Electrification Impact Analysis Report (EIAR).

Commissioner Brown asked if they had considered the decommissioning of coal plants in Montana and Wyoming and the effect that will have on the regional resource mix.

Ms. Ackerman said that had not yet been included in the study, but it certainly would during Phase 2 of the analysis.

Commissioner Helgeson asked if the analysis would look at what resources EWEB would use and what costs would be accrued in serving the discussed load.

Ms. Ackerman said that would be a focus of Phase 2.

Vice President Schlossberg wondered if the utility was in a position to be able to successfully and realistically complete the work as laid out in the EIAR.

Ms. Ackerman said yes, although there was still much deeper work to be done vis-à-vis peak load impacts.

Finally, Vice President Schlossberg said she would like to see COE work more closely with EWEB on realistically reducing carbon in the area.

EWEB Headquarters Building

Mr. Lawson offered the Board a report on the status of the EWEB headquarters building.

Vice President Schlossberg wondered if EWEB's hands were not tied so to speak, pending COE decision(s).

Mr. Lawson said there were a couple of options: The Board could direct him to negotiate with COE in an attempt to shorten the waiting period, or the Board could look at leasing options.

Commissioner Brown asked if, legally speaking, COE could only acquire the EWEB headquarters building for municipal purposes, would EWEB leasing the building to a private entity prevent COE from acquiring it. He said it did not make sense for the building to sit mostly empty at EWEB's expense, while COE took as long as it could to make a decision concerning it.

Mr. Lawson replied EWEB was the owner of the building, and as such, could make any decisions the utility saw fit. He added COE would be beholden to the terms of the lease in place at such time as COE purchases the headquarters building.

President Mital asked if Mr. Lawson had the authority needed to explore all discussed options on the headquarters building.

Mr. Lawson said he believed he had the necessary authority to explore options. He added that if he needed anything further, he would bring it to the Board for their direction and/or approval.

Break

President Mital called for a five-minute break at 7:08 p.m. The meeting resumed at 7:13 p.m.

Quarterly Strategic & Operational Report for Q2 2020

Mr. Lawson offered the Board a quarterly strategic and operational report for Q2 2020, with an accompanying PowerPoint presentation.

Commissioner Helgeson wondered if there were any possible amendments to the budget moving toward the end of the year.

Mr. Lawson said he did not foresee any amendments, but he admitted it was too early in the fiscal year to make that prediction accurately.

Annual Strategic Plan Review

Mr. Lawson offered the Board the annual Strategic Plan review, with a PowerPoint presentation.

Commissioner Carlson said she appreciated EWEB's work around emergency preparedness vis-a-vis resiliency, but she suggested EWEB take that work a step further, focusing on how the utility can become more flexible for the community's sake.

Vice President Schlossberg said to her, the biggest challenge was quantifying EWEB's work as far as community values were concerned. She offered that safety, reliability, and responsibility were easy to measure, and perhaps in 2021, when there are new EWEB Board members, the utility could look into quantifying EWEB's more abstract goals.

Mr. Lawson offered the goal of any strategic plan was the ongoing and sustained success of the organization. He added the EWEB Board of Commissioners was beholden to the community, and the community could elect new Board members, if current ones were not living up to the community's standards.

President Mital said he was not sure he was in support of a substitute resiliency plan for disaster recovery. He offered EWEB was already doing things to ensure the utility could weather any financial storm, including a natural disaster.

Correspondence & Board Agendas

Mr. Lawson offered the Board a report on correspondence and Board agendas.

President Mital asked if a private business or residence outside of the Downtown Fiber Network (DFN) wanted to connect to the DFN, would they be able to do so.

Mr. Lawson said generally there was not a mechanism for that at this time. EWEB has offered spare dark fibers to public entities first and foremost.

President Mital acknowledged desire from members of the community for better internet service. He indicated that effort could be led by EWEB or by the City and felt that EWEB owes it to the community and to ourselves to think about expended internet service.

Vice President Schlossberg added it would be a good idea to include the local school districts in this conversation.

Commissioner Carlson asked if the DFN went out into other parts of the community, or if it was confined to the downtown area.

Mr. Lawson replied there was fiber running throughout the city of Eugene, and not just downtown.

Commissioner Carlson offered that, in the future, it would be crucial to partner with COE, Lane Council of Governments (LCOG), and other such local agencies; she said she could take this conversation to LCOG if the EWEB Board deemed it necessary in the future.

Board Wrap Up

Mr. Lawson offered there were many conversations concerning the upriver community coming up on both Regular Session, and Work Session agendas.

Adjourn

President Mital adjourned the Regular Session at 8:20 p.m.

Assistant Secretary

President