# Strategic and Operational Report

# Q4 & FY2020

# Eugene Water & Electric Board

February 24, 2021

# Table of Contents


Organization ..... 3
General Information ..... 4
Executive Summary ..... 4
EWEB Strategy and Annual Goals ..... 6
Quarterly Update – Utility Operations (Annual Goal #1) ..... 7
- Electric Utility Financial Report ..... 8
- Water Utility Financial Report ..... 11
- Customer Programs & Services Report ..... 13
- Capital Investments & Projects ..... 19
- Water Quality & Reliability (Price, Kelley) ..... 26
- Energy Operations Report ..... 38
- Electric Reliability Report ..... 41
- Workforce Report ..... 44
- Other Operational Updates ..... 56

Quarterly Update – Customer Confidence – Advanced Metering (Annual Goal #2) ..... 61
Quarterly Update – Customer Confidence – Customer Interactions (Annual Goal #3) ..... 64
Quarterly Update – Emergency Preparedness (Annual Goal #4) ..... 65
Quarterly Update – Emergency Preparedness – Cooperative Water Approach (Annual Goal #5) ..... 67
Quarterly Update – Electric Resource Decisions – Electrification Analysis (Annual Goal #6) ..... 68
Quarterly Update – Electric Resource Decisions – Lower McKenzie Hydro (Annual Goal #7) ..... 69
Quarterly Update – Community – Climate Change/Carbon Mitigation (Annual Goal #8) ..... 70
Glossary ..... 73
Appendices ..... 74

# Organization

***The following individuals are responsible for the content of this report.***

**Executives**

Frank Lawson (Chief Executive Officer & General Manager)
Susan Ackerman (Chief Energy Officer)
Deborah Hart (Chief Financial Officer)
Travis Knabe (Chief Information Officer)
Lena Kostopulos (Chief Workforce Officer)
Julie McGaughey (Chief Customer Officer)
Rodney Price (Chief Operating Officer)

**Managers**

Bruce Debysingh (Information Services Manager)
Karen Kelley (Water Operations Manager)
Lisa Krentz and Nate Wahto/AIC (Support Services Operations Manager)
Daniele McCallum (Information Services Operations Manager)
Michael McCann (Electric Generation Manager)
Marianne McElroy (Billing Operations Manager)
Tyler Nice (Electric Operations Manager)

## General Information

| | | Electric | Water |
|---|---|---|---|
| Service territory | 236 square miles | | |
| Miles of line or pipe | | 1,300 | 800 |
| Substations/Pump Stations | | 38 | 27 |
| Water Storage | | - | 22 reservoirs (88.35 MGal, Capacity) |
| Number of accounts (200,000 population served) | | 94,000 | 62,000 |
| Annual Operating Budget | | $220,962,000 | $20,676,000 |
| Annual Capital Budget | | $49,147,000 | $18,021,000 |
| FTE Actual (Year-End 2020) | 488 | | |

## Executive Summary

The Management of Eugene Water & Electric Board (EWEB) is pleased to provide this quarterly and 2020 annual report, including preliminary unaudited financial results, operational performance measures, and the status of strategic initiatives and annual goals.

Notwithstanding a pandemic, economic pressures, workforce challenges including school changes impacting working parents, a major wildfire, social pressures, and a national election, EWEB's workforce and Board performed admirably in 2020. Of the almost eleven (11) years I've been with EWEB, I am most proud of EWEB's people in 2020 and encouraged about our future!

Despite the circumstances, and in some cases because of them, EWEB fully achieved four (4) and partially accomplished the other four (4) of our original eight (8) annual organizational goals. EWEB also shifted to address dynamic changes in circumstances. Emergent responses and opportunities drove EWEB to expand our Customer Care funding, temporarily suspend disconnections for non-payment until new payment and credit programs were established, and forgive balances of McKenzie Valley customers impacted by the Holiday Farm Fire. Overall, throughout 2020 EWEB delivered nearly $1.8M in bill assistance ($1.513M to 5820 recipients through Customer Care and $270k to 1696 recipients through Energy Share).

EWEB's years of working to create financial resiliency became useful in 2020. Financially the electric utility absorbed a $10.2 million retail revenue decline, much due to COVID and the shuttering of a large customer, to still post $6.4 million of net income. The water utility had a strong year financially with the year ended December 31, 2020 net income of $8.2 million, $1.2 million favorable compared to budget. Additionally, the Board approved $1 million in emergency watershed recovery funding in October. In 2020, EWEB invested more than $18 million back into the community, consisting of board-directed education grants, energy efficiency incentives, limited income assistance and Contributions in Lieu of Taxes (CILT) to the cities of Eugene and Springfield.

In 2020, EWEB reliably and safely treated and delivered just under 8 billion gallons of drinking water and 2.35 billion kilo-watt-hours (kWhs) of electricity to our customer-owners, with another 1.45 billion kWhs sold to other utilities. Finished water quality continued to significantly surpass all standards despite source-water impacts of the Holiday Farm Fire in our watershed, and the electric utility continued to favorably track reliability statistics associated with the frequency and duration of outages.

Along with detailed discussions of each organizational goal, EWEB completed some noteworthy projects in 2020, including an important electrical tie-switch linking our downtown underground electricity networks (north and south) helping grid resiliency and operational flexibility. Although the turbine runner replacement and generator rewind for Unit 2 was delayed as part of Carmen-Smith Relicensing, the fish passage 90% design has been completed as required in the Aquatics Management Plan. With the submission of the Carmen-Smith Water Quality Management Plan in November 2020, all 10 License-required, high level resource management plans have been completed.

EWEB's Water Quality Lab received cyanotoxin testing accreditation and renewed microbiology accreditation by the Oregon Laboratory Accreditation Program, allowing us to provide faster results on toxin testing at a lower cost, thereby ensuring a quicker response to any necessary treatment changes. Additionally, EWEB's new laboratory facility was approved for occupancy in late December 2020. Staff were heavily involved in the planning of this laboratory and are excited to move in and begin work in 2021.

EWEB continued to demonstrate our commitment to safety in 2020. Along with creating specific pandemic response policies and protocols, and responding to several federal and state changes, EWEB's safety record remained good in 2020 with results yielding a decrease in SAIF insurance premiums, a dividend payment, and the preservation of EWEB's position in SAIF's lowest premium rate tier. Participation in the Safety Good Catch Program, a leading indicator for safety incident trends, was up dramatically (five-fold) over previous years.

Overall, EWEB continues to work on building organizational and customer confidence through the transparent communication of our results, including those discussed herein. We appreciate your ongoing support.

**Frank Lawson, General Manager**

## EWEB Strategy and Annual Goals

The *Eugene Water & Electric Board Strategic Plan (2017-2020)* was approved August 2, 2017, revised July 10, 2018, and provides the basis for policies, decisions, and the annual goals established for the organization. This Quarterly Report is organized to provide status and progress information based on those annual goals. On February 4, 2020 the EWEB Commissioners approved the annual goals for the organization, including:

### Utility Operations

***Goal #1*** *– Keep our "day-to-day" performance on track by managing utility operations consistent with Board direction including policies, strategic initiatives, and organizational values with a focus in 2020 on maintaining reliability, enhancing cyber security, and fostering productive workforce engagement.*

### Foster Customer Confidence

***Goal #2*** *– Using continuous improvement and good utility practice, standardize and scale the integration of advanced metering infrastructure (AMI) and existing metering technology for the purpose of effective (accurate, timely, secure) and efficient revenue billing, and move-in/out processing.*

***Goal #3*** *– Streamline and simplify our most common customer interactions, including new self-service options, easy-to-understand bills, and secure ways to pay.*

### Emergency Preparedness

***Goal #4*** *– Enhance emergency management programs by improving partnerships and public awareness of neighborhood emergency sites, improving electric system resiliency and outage management, and adopting a wildfire mitigation plan.*

***Goal #5*** *– Work with Springfield Utility Board to explore a more robust and cooperative water resiliency plan, including potential backup treatment options, interties, and sharing of water resources.*

### Electric Resource Decisions

***Goal #6*** *– (Revised, March 3, 2020) As part of electricity supply planning, develop and publish an Electrification Impact Analysis Report that assesses the effects of electrification, and related ordinances/legislation, on EWEB's loads, generation mix, reliability, costs, compliance, energy/efficiency efforts, and community GHGs.*

***Goal #7*** *– Work with the EWEB Commissioners, FERC, and the McKenzie Valley community to develop a TBL-based plan for the lower McKenzie River Hydroelectric Projects by the end of 2020.*

### Community

***Goal #8*** *– Pursuant to SD15 Climate Change Policy, execute Resolution 1938 supporting State carbon pricing policy, reduce operational GHGs to 40% below 2009 levels, and achieve conservation/energy efficiency and peak-energy reductions in combination with smart electrification to equitably and cost-effectively facilitate the reduction of community carbon emissions by 8,500 MTCO2e.*

## Quarterly Update – Utility Operations (Annual Goal #1)

***Goal #1 – Keep our "day-to-day" performance on track by managing utility operations consistent with Board direction including policies, strategic initiatives, and organizational values with a focus in 2020 on maintaining reliability, enhancing cyber security, and fostering productive workforce engagement.***

***Q4 Overall Status:*** **Fully Achieved**

| *Key Indicators & Measurements* | |
|---|---|
| **Financial** | Financial Metrics – Governed by Board Policy (including Cash position)<br>Revenue/Contribution Margin/Net Income<br>Budget Controls (Revenue/Rate/Affordability) |
| **Customer Services & Programs** | Customer Operations Response & Effectiveness<br>Energy Efficiency/Conservation Program Results (incl. Limited-Income)<br>Communications Effectiveness<br>Building & Renovations Project Response |
| **Capital Investments & Projects** | Type I – General Program Results v. Scope, Schedule, Budget<br>Type II – Project Results v. Scope, Schedule, Budget<br>Type III – Project Results v. Scope, Schedule, Budget |
| **Energy Operations & Planning** | EWEB Power Supply Performance (Availability)<br>Power Trading Performance<br>Power Planning Activity |
| **Electric System Reliability** | Outage Frequency & Duration vs. 5-Year Averages<br>Significant Outages, Causes, Mitigation<br>Preventative Operations & Maintenance (e.g. Vegetation Management) |
| **Water Quality & Reliability** | Water Quality Monitoring v. Target (incl. cyanotoxins, PFAS/PFOS, DBPs)<br>Drinking Water Source Protection Results/Activities<br>Treatment Effectiveness<br>Delivery/System Reliability Metrics v. AWWA Benchmarks<br>Preventative Operations & Maintenance |
| **Workforce** | Health & Safety Metrics & Activities<br>"Good Catch" Reporting/Preventative Actions<br>Workforce Management (incl. Recruitment)<br>Labor Relations |
| **Security (Physical & Cyber) & Compliance** | Intrusions Prevented<br>Preventative Projects & Activities/Results<br>Compliance & Transparency Culture (only self-reporting with mitigation) |

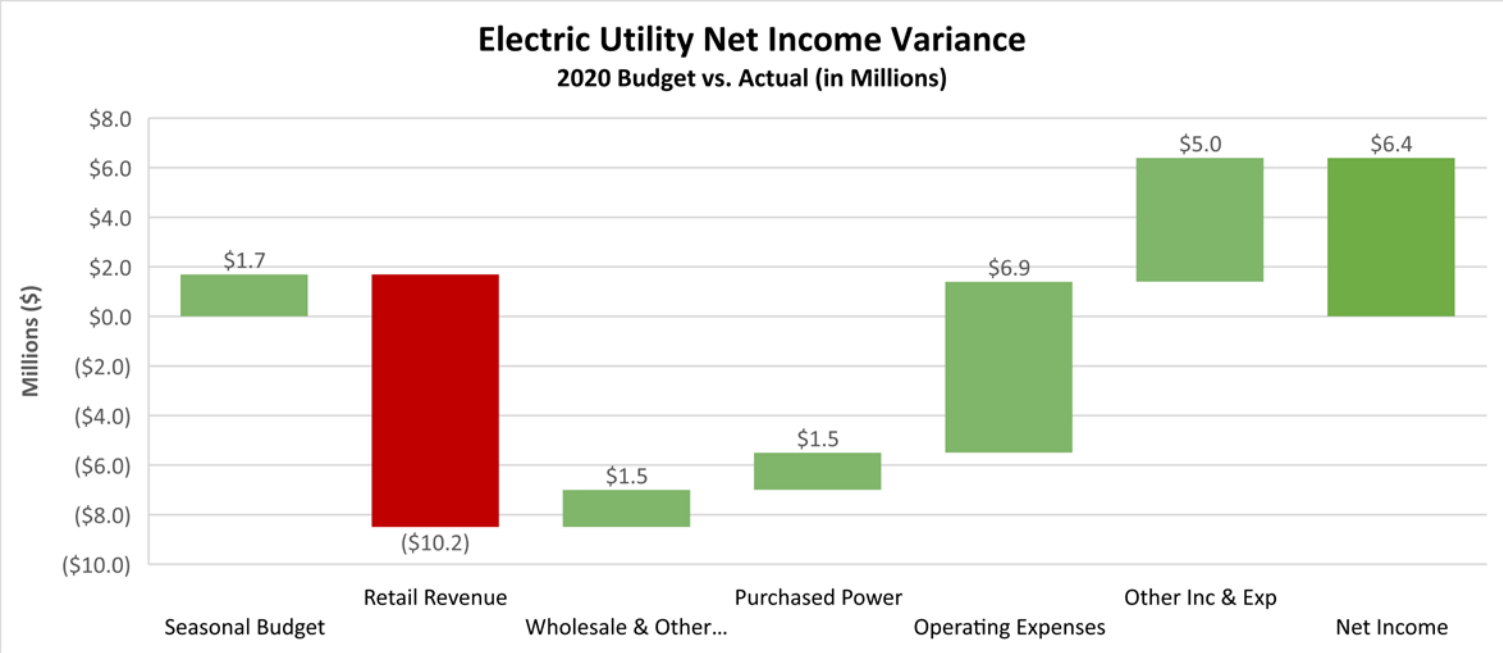
## Electric Utility Financial Report

*(Deborah Hart)*

**See Appendix A – Electric Utility Financial Statements.*

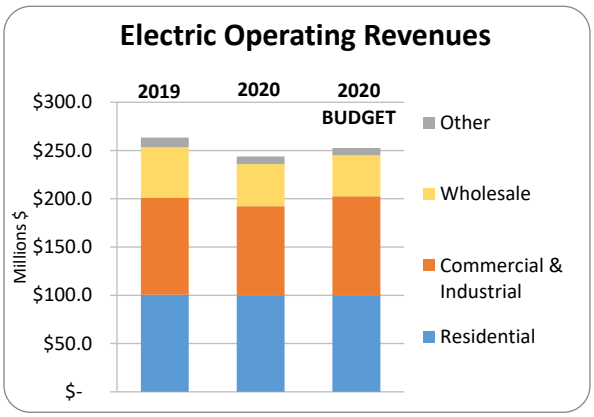
Net Income

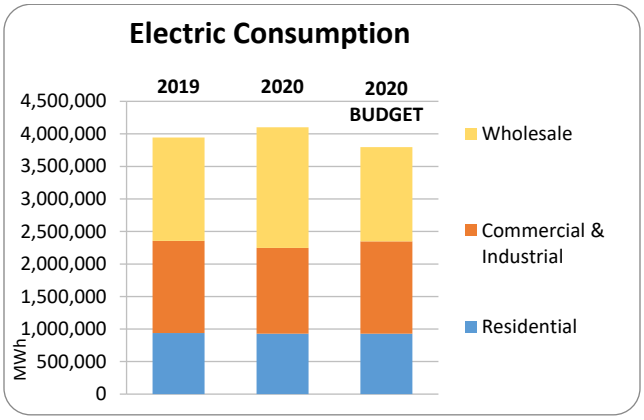
For the year ended December 31, 2020, net income for the Electric Utility was $6.4 million.




Electric Operating Revenues and Consumption

Retail revenue was unfavorable by $10.2 million when compared to budget assumptions. The unfavorable variance was driven by lower demand due to COVID-19 economic impacts and overall, above average temperatures year to date (especially during January). Additionally, the second largest electric customer closed in May. The closure was announced prior to COVID-19 impacts and was not anticipated in the budget. Overall retail consumption was 4.3% lower than budget. Wholesale and other revenues were greater than budget by $1.5 million. Lower retail demand and portfolio balancing activity increased sales to wholesale markets. Although volumes have been higher, year-to-date wholesale prices have been lower due to increased generation in the Columbia River Basin.

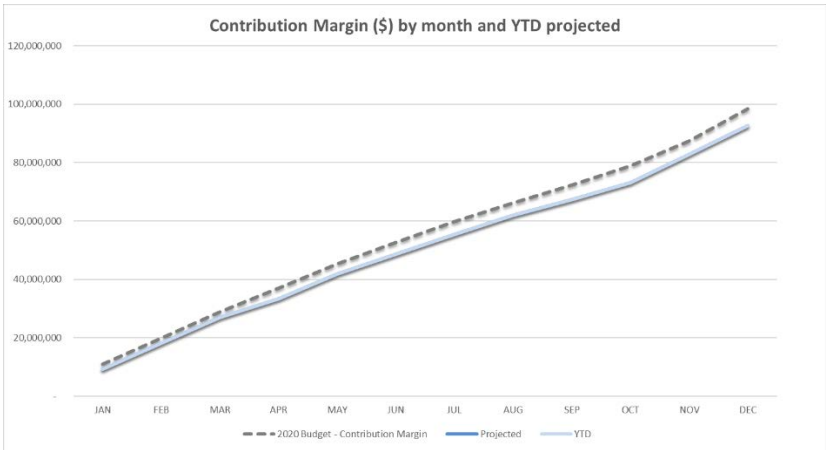


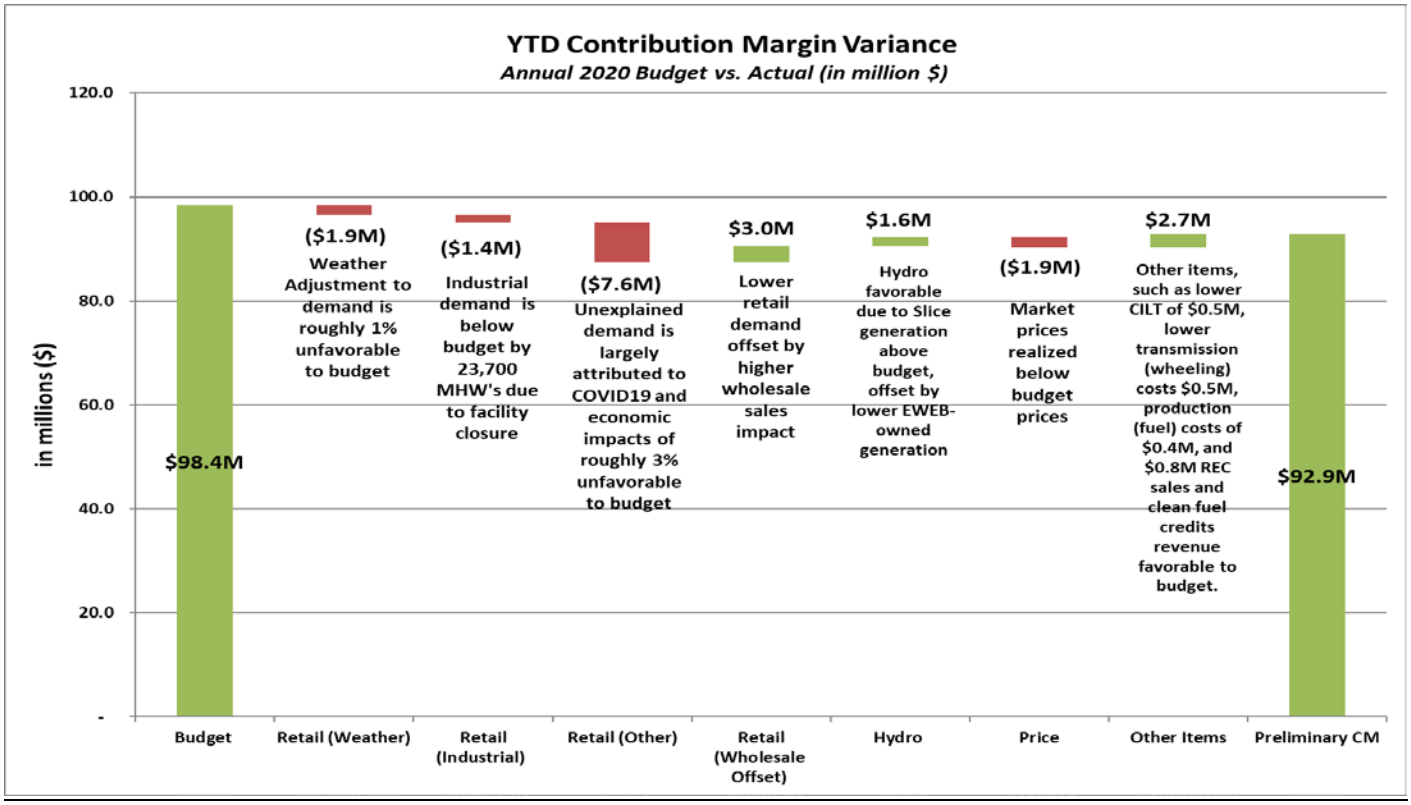
Contribution Margin

At the end of 2020 the contribution margin was unfavorable to the approved budget primarily due to lower retail demand.

The Electric Utility contribution margin represents power sales (retail and wholesale) less power costs. The contribution margin based on 1) retail sales, which are dependent on both weather and economic conditions, 2) hydroelectric production and generating resource availability which is dependent on weather conditions and spill requirements, and 3) power prices, which are market driven. The risks and volatility associated with these factors are managed through a variety of mechanisms including conservative budget assumptions, a power hedging program, and power reserves.




The year-end contribution margin variance was $5.5 million unfavorable to the approved budget due to several factors, including a) lower demand related to weather conditions, COVID-19 impacts and economic downturn, and closure of large industrial customer in the second quarter; b) lower production of McKenzie River projects was partially offset by higher BPA Slice production; and c) low wholesale market prices.



Electric Capital

2020 capital spending was $40.5 million or 87.3% of the $46.4 million annual budget. See Appendix C – Electric Utility EL1 Report.

Electric Operating and Non-Operating Expense

The 2020 Operating and Non-Operating Expense was $249 million or 97% of the $259 million annual budget.

Revenue Requirement

The 2020 budget was developed without an increase in the overall revenue requirement.

Reserve Levels

Reserves are at or above Board targets. The Board discusses the use of reserves above target each spring after the year-end audit. Year-end balances are presented below:

| Reserve/Fund | Target | Balance 12/31/2020 | In excess of Target |
|---|---|---|---|
| Working Cash | $ 36,000,000 | $ 41,534,696 | $ 5,534,696 |
| Operating Reserve | 4,000,000 | 4,082,704 | 82,704 |
| Self-Insurance Reserve | 1,720,000 | 1,773,975 | 53,975 |
| Power Reserve | 17,000,000 | 17,000,000 | - |
| Capital Improvement Reserve | 22,000,000 | 23,900,771 | 1,900,771 |
| Rate Stabilization Fund [1] | 5,000,000 | 24,468,927 | 19,468,927 |
| Pension Fund | - | 974,000 | 974,000 |
| **Working Cash & Designated Funds Total** | **$ 85,720,000** | **$ 113,735,073** | **$ 28,015,073** |

(1) The Rate Stabilization Fund includes $21.5 million designated to reduce future borrowing.

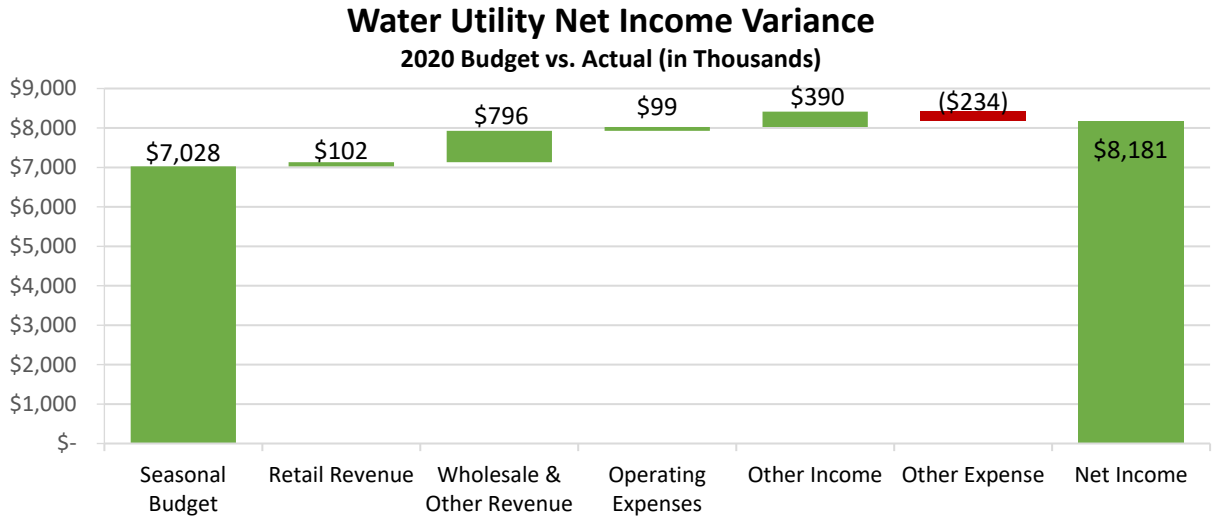
## Water Utility Financial Report

*(Deborah Hart)*

**See Appendix B – Water Utility Financial Statements.*

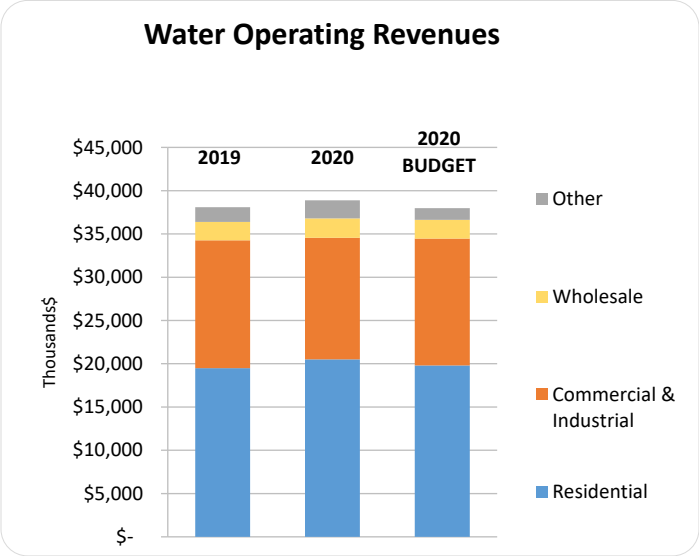
Net Income

For the year ended December 31, 2020 net income for the Water Utility was $8.2 million. Compared to the year-to-date seasonal budget, this was favorable by $1.2 million. The favorable position results from operating revenue and other income that exceeded the budgeted amounts. Within the Water Utility, revenue and maintenance activities peak in the summer months, while production and delivery costs remain fairly constant throughout the year.

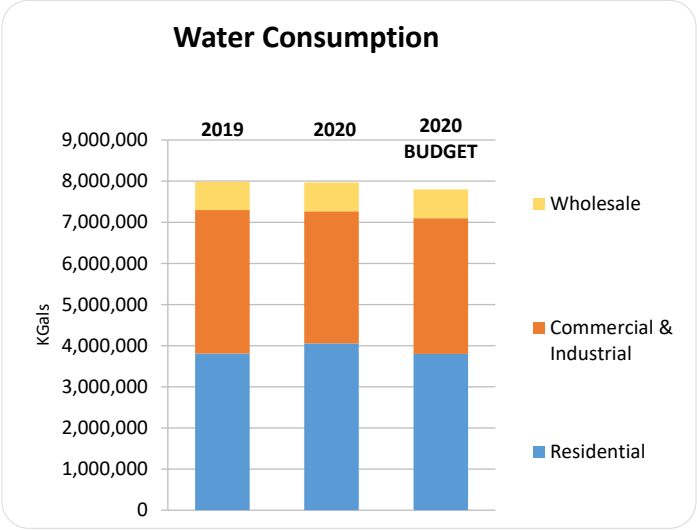



Water Operating Revenues and Consumption

Operating revenues were 2.4% ($0.9 million) higher than the budget. Wholesale and other revenue was 22.6% ($0.8 million) above budget. This variance was primarily the result of billable work for the water districts including meter installations for water district customers. Wholesale sales included sales to the Water Districts, City of Veneta, and the Willamette Water Company.



Overall consumption year-to-date was 2% above budget, driven by strong residential demand. The Water System has not yet seen a decline in overall demand in comparison to budget due to COVID-19 economic impacts. The consumption budget was set using conservative assumptions of 95% of the prior five year's average. Consumption peaks during summer.




Water Capital

For the year, capital spending was $17.6 million of the total $17.7 million approved budget. See Appendix D – Water Utility EL1 Report.

Water Operating and Non-Operating Expenses

Water operating and non-operating expense was $31.7 million or 100.4% of the $31.5 million operating budgets due to higher non-operating interest and other expenses than budget. These were offset by higher than budget non-operating revenue.

Revenue Requirement

The 2020 budget was developed without an increase in the overall revenue requirement.

Reserve Levels

Reserves are at or above Board targets. The Board discusses the use of reserves above target each spring after the year-end audit. Year end balances are presented below:

| | Target | Balance 12/31/2020 | In excess of Target |
|---|---|---|---|
| Working Cash | $ 3,400,000 | $ 19,544,518 | $ 16,144,518 |
| Operating Reserve | 1,000,000 | 1,012,184 | 12,184 |
| Self-Insurance Reserve | 280,000 | 288,712 | 8,712 |
| Capital Improvement Reserve | 7,000,000 | 12,148,755 | 5,148,755 |
| Rate Stabilization Fund | 1,000,000 | 1,000,000 | - |
| Water Stewardship Fund- Septic Repairs | - | 73,922 | 73,922 |
| Alternate Water Supply Fund | - | 5,449,521 | 5,449,521 |
| Pension Fund | - | 393,000 | 393,000 |
| **Working Cash & Designated Funds Total** | **$ 12,680,000** | **$ 39,910,611** | **$ 27,230,611** |

# Customer Programs & Services Report

## Customer Operations

In 2020, Customer Service assisted 194,000 customers, down 11% from 2019. This decline can be attributed to both the lobby remaining closed to walk-in customers and the moratorium on disconnection of service for non-payment that ran from mid-March to mid-August. Because of this decrease in inbound customer activity, staff was able to spend more time making outbound calls to customers who may need extra help with setting up a payment plan, applying for new bill assistance programs, or learning about other EWEB or community resources.

We continue to see approximately 70 customers visit the HQ building each day to use the dropbox. About 15% of those payments are cash – the remaining are checks or other correspondence.

Table: Customer Response Performance - 2020

| Performance Metric | Result | Comment(s) |
|---|---|---|
| Calls Serviced | 137,000 | Down 7% YoY |
| In-person Visits (incl. dropbox) | 40,500 | Down 28% YoY |
| Emails Answered | 16,500 | Up 25% YoY |
| Satisfaction Rating | 96% | Rated Satisfied or Very Satisfied |
| First Call Resolution | 94% | Based on 810 surveys |
| Call Center Time to Answer | 117 seconds avg | Not including ECC 1st of month |
| Call Abandonment Rate | 11% | Not including ECC 1st of month |

## Customer Aid and Assistance

Throughout 2020 EWEB delivered nearly $1.8M in bill assistance ($1.513M to 5820 customers through Customer Care and $270k to 1696 customers through Energy Share).

Table: EWEB Customer Care (ECC) Program Results

| | Q1 | Q2 | Q3 | Q4 | YTD |
|---|---|---|---|---|---|
| 2019 Actual | $254,000 | $157,000 | $ 177,000 | $456,000 | $1,044,000 |
| 2020 Orig. | $270,000 | $270,000 | $270,000 | $270,000 | $1,080,000 |
| 2020 Actual | $462,000 | $547,000 | $255,000 | $249,000 | $1,513,000 |
| 2019 Recipients | 1,260 | 760 | 860 | 1,110 | 3,990 |
| 2020 Recipients | 1,780 | 2,100 | 980 | 960 | 5,820 |

Customer Care activity slowed later in the year, which is a normal trend, and EWEB was able to keep the program open continuously through the summer and fall until mid-December. Even though bill assistance year to date has exceeded original pre-Covid-19 budget, actual third-party administrative fees are under 70% of budget, totaling $72k for the year. This is relative to a budget assumption of approximately $105k, as deemed eligibility has remained high

In addition to ECC and Energy Share, EWEB developed, implemented, and delivered two new assistance programs using CARES ACT funding allocated to the City of Eugene. The first component of the Eugene Community Recovery program offered a $200 credit to residential customers facing financial hardship due to the pandemic. The second provided bill assistance to local non-profits and childcare providers providing vital services to the community throughout the pandemic. Eligible non-profit and childcare agencies were awarded one-months' average utility charges up to a maximum of $4,000.

EWEB issued $150,000 in residential assistance and $100,000 to over 100 non-profit and childcare agencies under the Eugene Community Recovery program.

Table: Limited Income Energy Efficiency Results

| Performance Metric | Result | Comment(s) |
|---|---|---|
| Total Residential EE Projects | 1,340 | |
| Income-Qualifying EE Projects | 230 (17.2%) | 44 projects supplemented grants with loans |
| Residential Rental EE Projects | 156 (11.6%) | 28 projects are Income-Qualifying rental properties |
| Total Residential YTD Savings (MWh) | 2,363 | |
| Income-Qualifying YTD Savings (MWh) | 481 | |
| Residential Rental YTD Savings (MWh) | 412 | |
| Total Home Audits | 124 | To protect staff and customer health and safety, physical site visits were suspended in March 2020. |
| Income-Qualifying electric repair grants | 6 | Typically related to heating system upgrades |
| Income-Qualifying water leak repair grants | 29 | To replace water lines or repair leaks inside homes |

## Community Involvement

EWEB invested more than $18 million back into the community in 2020. The bulk of these investments consisted of board-directed education grants, energy efficiency incentives, limited income assistance and Contributions in Lieu of Taxes (CILT) to the cities of Eugene and Springfield.

Following the Holiday Farm Fire in September, EWEB provided bill and loan relief to customers who experienced the loss of their homes, as well as provided other mutual aid and logistical assistance to agencies working on restoration and clean-up efforts.

Through contributions in aid and system development waivers (SDCS), EWEB supported two projects in Q4 aimed at providing homes and shelters for the housing insecure by providing electric and water services. EWEB supported a total of three limited income development projects with SDC offsets totaling just under $50,000 for the year.

Also in Q4, the 14th Annual Run to Stay Warm event was held virtually due to the COVID-19 pandemic. In addition to supporting EWEB's Customer Care Program, the Run to Stay Warm Fire Relief Partner Program was created as a way to provide needed donations to those impacted by the fires in Oregon and throughout the Northwest in 2020. The Run to Stay Warm and Jerry's Home Improvement Center each contributed $5 to the United Way for every registration.

*Appendix F* lists contributions through Q4 2020, categorized by type of giving.

## Communications

In Q4 2020, the Communications & Marketing team continued to support EWEB's mission and priorities by informing the public about important utility issues, promoting programs of value to customers and the community, and telling EWEB's story in a way that creates trust and confidence.

The key strategic issues in Q4 were:

### 1. Holiday Farm Fire recovery and restoration

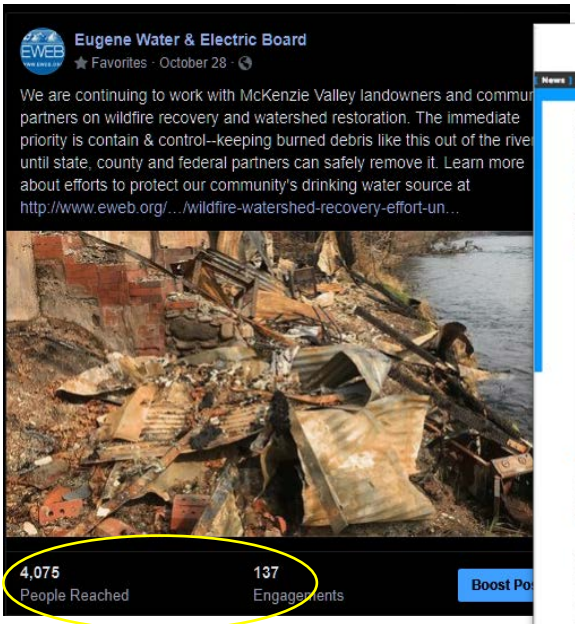
We leveraged direct, targeted communication to hundreds of McKenzie Valley residents affected by Holiday Farm Fire with messages about service restoration, bill assistance and other utility support programs. In addition, we promoted watershed restoration efforts community-wide through social media, website, earned media and email, focusing on the value of clean water and the urgency of short-term hazardous material stabilization and erosion control to keep fire-related pollution from entering the river.

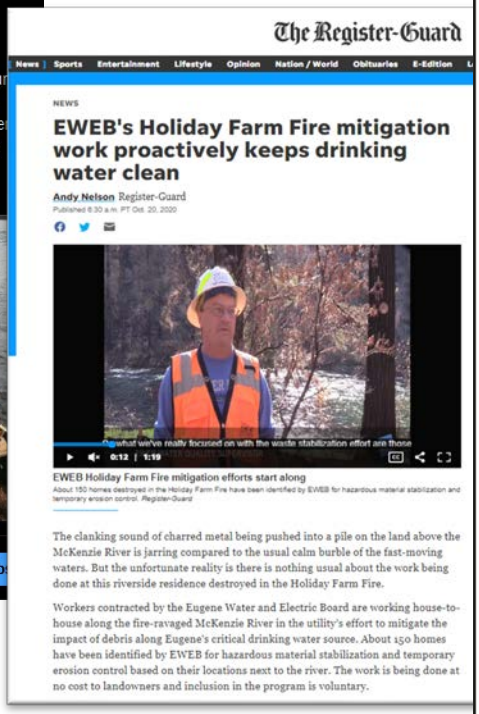
**2. Water storage improvement projects**

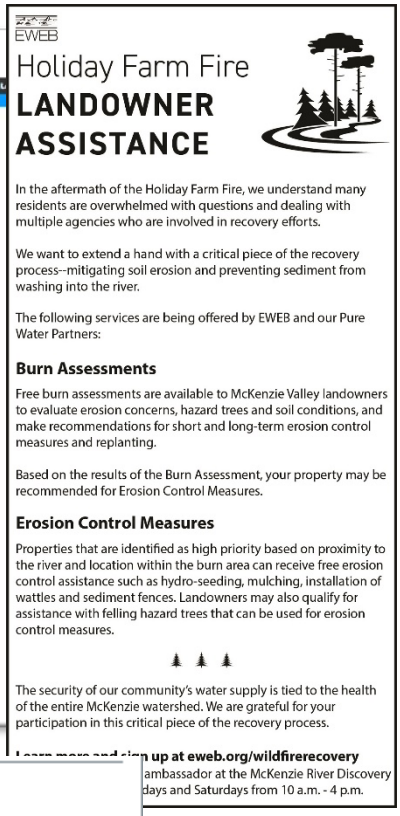
We continued a public engagement effort with a focus on neighbors who live adjacent to the E. 40th site. This included monthly project updates delivered to approximately 40 households, up-to-date project website, call for neighbor input to ecological study, and prompt, transparent responses to dozens of public inquires.

**3. Bill assistance programs**

In Q4 we enhanced our outreach of COVID-19 recovery assistance to include CARES funding collaboration with City of Eugene. Working with City partners, EWEB lead the communication effort to promote the new assistance program to residential customers as well as non-profits and childcare providers.


Eugene Water & Electric Board
Favorites · October 28 ·
We are continuing to work with McKenzie Valley landowners and commun
partners on wildfire recovery and watershed restoration. The immediate
priority is contain & control--keeping burned debris like this out of the rive
until state, county and federal partners can safely remove it. Learn more
about efforts to protect our community's drinking water source at
http://www.eweb.org/.../wildfire-watershed-recovery-effort-un...
4,075
People Reached
137
Engagements
Boost Po


The Register-Guard
News
Sports
Entertainment
Lifestyle
Opinion
Nation / World
Obituaries
E-Edition
NEWS
EWEB's Holiday Farm Fire mitigation work proactively keeps drinking water clean
Andy Nelson Register-Guard
EWEB Holiday Farm Fire mitigation efforts start along
The clanking sound of charred metal being pushed into a pile on the land above the McKenzie River is jarring compared to the usual calm burble of the fast-moving waters. But the unfortunate reality is there is nothing usual about the work being done at this riverside residence destroyed in the Holiday Farm Fire.
Workers contracted by the Eugene Water and Electric Board are working house-to-house along the fire-ravaged McKenzie River in the utility's effort to mitigate the impact of debris along Eugene's critical drinking water source. About 150 homes have been identified by EWEB for hazardous material stabilization and temporary erosion control based on their locations next to the river. The work is being done at no cost to landowners and inclusion in the program is voluntary.


EWEB
Holiday Farm Fire
LANDOWNER ASSISTANCE
In the aftermath of the Holiday Farm Fire, we understand many residents are overwhelmed with questions and dealing with multiple agencies who are involved in recovery efforts.
We want to extend a hand with a critical piece of the recovery process--mitigating soil erosion and preventing sediment from washing into the river.
The following services are being offered by EWEB and our Pure Water Partners:
Burn Assessments
Free burn assessments are available to McKenzie Valley landowners to evaluate erosion concerns, hazard trees and soil conditions, and make recommendations for short and long-term erosion control measures and replanting.
Based on the results of the Burn Assessment, your property may be recommended for Erosion Control Measures.
Erosion Control Measures
Properties that are identified as high priority based on proximity to the river and location within the burn area can receive free erosion control assistance such as hydro-seeding, mulching, installation of wattles and sediment fences. Landowners may also qualify for assistance with felling hazard trees that can be used for erosion control measures.
The security of our community's water supply is tied to the health of the entire McKenzie watershed. We are grateful for your participation in this critical piece of the recovery process.
up at eweb.org/wildfirerecovery
ambassador at the McKenzie River Discovery
days and Saturdays from 10 a.m. - 4 p.m.


Utility Assistance
For Income-Qualified Residents
EUGENE COMMUNITY
RECOVERY
EWEB


Dear East 40th Neighbors,
E. 40TH AVE
In this email, you'll find:
Year-end project status report
Frequently Asked Questions & Answers
Year in Review
Public Communication
11
45
2
8
45%
3
2
1
Work Completed
Work Started, Still in Process


Utility Assistance
For Non-profits & Childcare Providers
EUGENE COMMUNITY
RECOVERY
EWEB

## Building & Renovations

EWEB continued to work on customer-driven construction projects throughout the quarter, including special projects addressed such as servicing our customers upriver affected by the fire as well as assisting local governments and non-profits to ensure electricity was available for emergent shelter needs.

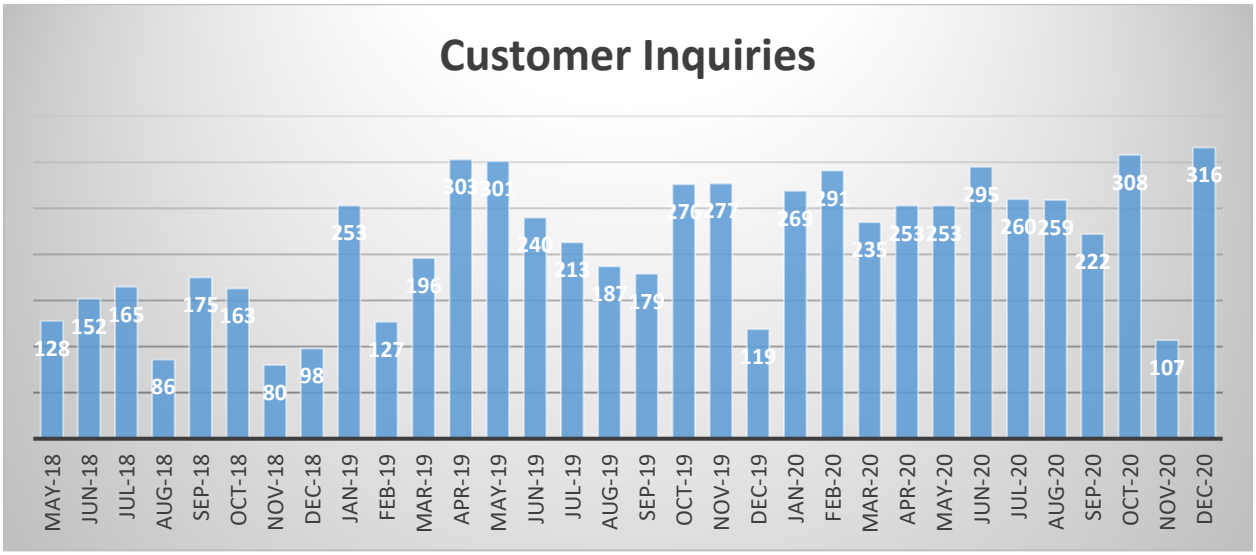
The following bullets speak to the statistics within the table below.

- Customer inquiries have increased compared to this time last year, indicating continued potential customer construction projects (small and large).
- Projects released for construction had decreased due design staffing constraints (-25%), as well as incremental output reduction due to adjustment to COVID related operational changes and onboarding of new staff.
- Average wait time at end of Q4 was on target at 4 weeks, however, the wait time has increased to 5 weeks at the time of this report. New staff and the process of recruitment and re-prioritization of work is being completed to try and mitigate the lead time to target.

Distribution Engineering Customer Performance Metrics

| Performance Categories (Customer-Driven) | Year to date Q4 2019 | Year to date Q4 2020 | Percentage (+/-) |
|---|---|---|---|
| Customer Inquiries | 2732 | 3124 | +14.4% |
| Projects Release for Construction | 355 | 244 | -31.3% |
| Design Queue Wait Time (time from customer inquiry to start) | 5 weeks | 4 weeks | -20% |

The below graphs show a 2-year trend from 2019 to end of 2020 for Customer Inquiries, an indicator of Customer driven workflow. These graphs exhibit slight increasing customer work inflow from the community, even though the COVID pandemic and fire restricted environments. Staff have prioritized customer work as a result by deferring internal capital work and PUC related maintenance work temporarily. Customer inquiries are the first step in Electric Distribution project works, with some of these inquiries moving forward to the high-level estimate stage.



## Customer Programs & Services – Water

The Water Utility has started to track information related to the timeliness of its response to customer new service requests. This information will primarily be used to verify that resources are allocated correctly in our work. If our timeliness slips, then we may shift additional resources into this area and vice versa.

The information we are tracking includes:

- Design Time – the time it takes EWEB to complete the design of a new service once the customer makes an official service request.
- Time Waiting on Customers – the time EWEB spends waiting for customers to pay or complete the required paperwork for a new service.
- Construction Time – the time after which a new service is paid for to when construction starts on the service.

The table below shows this information for completed services for the fourth quarter of 2020. Going forward as more data is gathered trendlines will be established to show any increases or decreases in the timeliness of our customer service requests.

| | |
|---|---|
| Number of New Service Requests | 19 |
| Design Time (Avg) | 5 Days |
| Time Waiting on Customer (Avg) | 16 Days |
| Construction Time (Avg) | 16 Days |

# Capital Investments & Projects

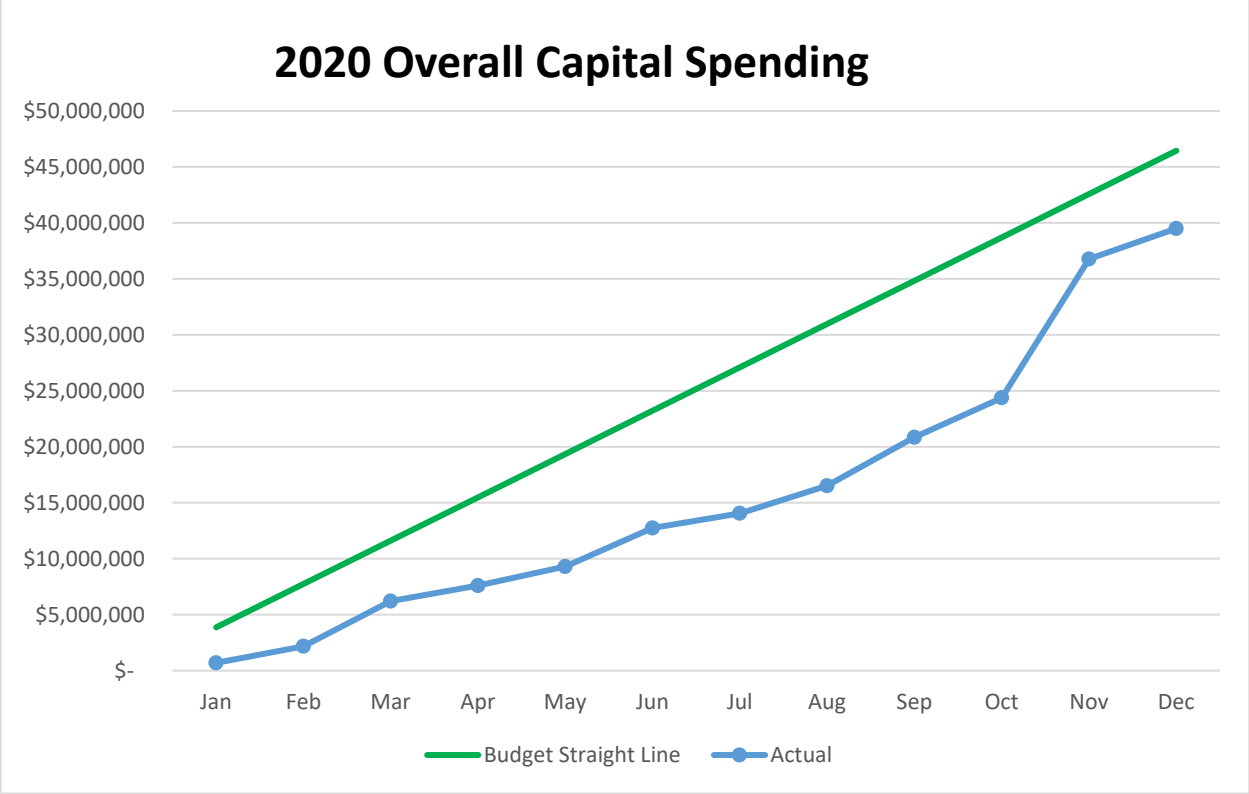
## Electric Utility and Shared Services Capital Spending Summary & Project Updates

**See Appendix C – Electric Utility EL-1 Capital Report. Shared Services project updates are provided within the Electric Utility Capital section, but the project budget and costs are split between Electric and Water in the appendices.*

**Summary**

The Electric Capital Improvement plan (including Support Services and IS) ended 2020 close to 90% of budget overall. Please reference the EL-1 report to see actual values by category. This is excellent performance compared to EWEB's historical average of capital spending. This achievement by Staff amongst all the challenges of 2020 deserves recognition and is a result of individual and team dedication to EWEB and the Community. Staff were able to maintain safety, focus, and work plans throughout the year. They were also able to adapt in real time to emergent work due to failures and multiple operational changes due to COVID. This flexibility was due to an overall high skill of professional and labor employees which allowed challenges to be addressed quickly, safely, and efficiently. Below is a summary of some of the major project variances that occurred within the 2020 year.

- Holiday Farm Fire Restoration: Accounted for approximately $1.25M additional capital spending. Additional costs will occur in 2021 as residents rebuild homes, and EWEB completes service work
- Leaburg Canal: Approximately $1M of work associated with the Leaburg Hydroelectric project was deferred due to uncertainty around the Leaburg Canal Path forward. This includes deferred Holden Creek and Leaburg Substation work at the generation plant.
- Substation: An additional approximately $1M was spent in 2020 due to two emergent transformer failures that resulted in replacement work (IP and Willow Creek).
- IT: Due to a shifting of funds between O&M and Capital and some accelerated projects in 2020 to accommodate COVID needs, IT budget saw a variance of over $2.5M.
- AMI: Due to the need to install communications infrastructure, transfer deployment method to plug and play and procure a deployment contractor, most of this work was deferred to 2021 with an underspend of approximately $4.7M. Please see AMI section for additional details.
- Carmen Relicensing: Underspend of approximately $6M due to deferral of Turbine-Generator work and other future improvements. Upgrade work scheduled for 2021 and other plant controls work accelerated from future years to reduce underspend.




**TYPE 1 – General Capital Projects (Electric and Shared Services)**

*Type 1 General Capital is budgeted year-by-year for routine capital expenditures totaling less than $1 million and is funded with rates and customer contributions. Typical examples include "pole replacements" as part of Transmission & Distribution.*

**Substation Infrastructure (Risk Based Improvement)**

Planned work for 2020 included:

- IP Substation Transformer Replacement – This transformer has been replaced and is successfully carrying load. (Risk Based)
- Willow Creek Substation Upgrades – New Transformer installed to replace failed unit. Additional substation improvements included as an opportunity. The commissioning of this unit was delayed due to emergent Weyco 3 transformer replacement work but is expected to be complete 2021 Q1. (Compulsory/Risk Based)

**Transmission & Distribution Infrastructure (Risk Based Improvement and Compulsory)**

Work includes transmission and distribution system replacement, renewals, and enhancements as well as compulsory (PUC compliance) required corrective efforts. Some work delays have resulted in a project backlog due to the Holiday Farm Fire Response and COVID Shutdowns. Below is a summary of key internal work completed*:

- Live Front Switch Replacements – Safety
- Downtown Network maintenance and network protectors – Risk-Based/Reliability
- Upriver distribution transformer replacements – Strategic/Risk-Based/Reliability
- Capital PUC & Pole Test & Treat – Compulsory

* *See Building Renovations in the Customer Operations Section of this report for trends related to customer driven work.*

**TYPE 2 – Rehabilitation & Expansion (Electric and Shared Services)**

*Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over $1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds. A summary of significant projects follows:*

**Downtown Distribution Network (Risk Based Improvement) (Tom Ossowski)**

| | | | |
|---|---|---|---|
| Project Initiation: | Sept-2010 | Initial Scope Budget: | $ 15,000,000 |
| Initial Planned Completion: | Dec-2015 | Actual Project Costs To-Date: | $ 10,168,200 |
| Projected Completion: | Dec-2028 | Total Final Cost Projection: | $20,000,000 |

Summary of work for 2020:

- Installed the four 15kV manual tie switches for downtown network feeders & upgraded all 8 feeder cables. This project substantially increases resiliency of the Downtown Network and will allow for reduced switching time from days to hours in the event of a source substation equipment or line failure (Resiliency).
- Continuation of additional Network Infrastructure planned replacement (Network Protectors and Transformers). (Risk Based)

**Transmission & Distribution - Master Plan (Strategic and Risk Based Improvement) JOSH & LINDA**

| | | | |
|---|---|---|---|
| Project Initiation: | Mar-2017 | Initial Scope Budget: | $ 1,250,000 |
| Initial Planned Completion: | Dec-2018 | Actual Project Costs To-Date: | $1,235,400 |
| Projected Completion: | Dec-2020 | Total Final Cost Projection: | $1,250,000 |

This work is part of the Resilient Spine initiative and captured the purchase of property for the Thurston Substation Expansion. Costs shown are preliminary design and preparations for scoping (i.e.: property procurement, neighboring utility agreements). When initial design activities are completed, an updated estimate including this work will be included in future EL-1 submittals and as part of the normal budget approval process.

**Distribution Resiliency Upgrades**

**Refer to the Emergency Preparedness and Recovery Report for a comprehensive update [Goal #4 – Enhance Emergency Management Programs]*

There are 15 FEMA 406-Funded projects for the Distribution Resiliency Upgrade Project: **(Rich Fatooh)**

- Twelve (12) were completed at end of 2019.
- Two (2) were completed in 2020
- One (1) will be completed in 2021, Q1
- There is one FEMA 404 project yet to be approved by FEMA

**Upriver Re-Configuration/Holden Creek Substation (Strategic and Risk Based Improvement) JOSH & LINDA**

| | | | |
|---|---|---|---|
| Project Initiation: | Jan-2014 | Initial Scope Budget: | $3,000,000 |
| Initial Planned Completion: | Oct-2015 | Actual Project Costs To-Date: | $8,744,000 |
| Projected Completion: | Dec-2026 | Total Final Cost Projection: | $9,300,000 |

* The $3 million initial budget was a preliminary placeholder as explained in October 20, 2015 memo to the Board when the value was updated to $5.7 million. Additional budget amount approved in 2019 to allow for an additional transformer installation to provide redundancy to upriver.

Construction at Leaburg Substation to reduce existing footprint and connect Leaburg to Holden Creek was completed in November 2019. The final phase of the Leaburg Substation reduction (design and construction at a cost of $600k) has been put on hold pending completion of EWEB's internal investigation regarding the future of the Leaburg generation facility and approval of a path forward from FERC regarding the canal. Updates will be excluded from this report until Leaburg Canal outcomes are finalized.

**Advanced Metering Projects (Electric and Shared Services)**
**Refer to the Advanced Metering Report for a comprehensive update [Goal #2 - Advanced Metering]*

**Customer Experience Improvement Project (Shared)**
**Refer to the Customer Experience Improvement Project section for a comprehensive update (Goal #3 – Streamline and simplify our most common customer interactions, including new self-service options, easy-to-understand bills, and secure ways to pay.)*

**TYPE 3 – Strategic Projects & Programs (Electric and Shared Services)**
*Type 3 projects are large strategic programs with long term impacts and are generally bond-funded.*

**Carmen-Smith Powerhouse Improvements and License Deployment**

| | | | |
|---|---|---|---|
| Project Initiation: | Sept-2010 | Initial Scope Budget: | $ 135,000,000 |
| Initial Planned Completion: | Dec-2015 | Actual Project Costs To-Date: | $ 89,769,400 |
| Projected Completion: | Dec-2028 | Total Final Cost Projection: | $ 129,500,000 |

Summary of work for 2020:

- Turbine Runner replacement and Generator Rewind for Unit 2 – Project delayed due to COVID-19 issues and contractor performance delays. Staff expects the project to restart in Q2/2021. During the 2020 gap year, EWEB successfully completed digital governor conversions for both generating units and an exciter upgrade for one unit. The second exciter upgrade was completed in January 2021. These projects originally planned for 2022 and early completion of this work will ease implementation of the delayed generating unit overhauls.
- Aquatics Management Plan: Fish passage 90% design has been completed as required in the Aquatics Management Plan and regulatory review began in January 2021. Passage construction may start as early as the summer of 2021, providing the necessary approvals arrive in a timely manner, and could be completed as early as 2024. While design is nearly complete, the combination of regulatory review, acquisition of long lead items and contractor performance and availability contribute to schedule uncertainty. Staff are working closely with the regulatory agencies to shorten the design and construction durations so that this important aquatic improvement is completed as soon as possible.
- Other Management Plans: With the submission of the Carmen-Smith Water Quality Management Plan in November 2020, all 10 License-required, high level resource management plans have been completed. Deployment activities for the resource management plans will begin in 2021 and continue through the 40-year term of the license.
- Additional license-related projects underway in 2021 include major modifications to the spawning channel below Trail Bridge Dam, installation of bird flight diverting devices on overwater transmission line spans, completion of the relocation of the section of transmission line that lies within Deer Creek, and initial phases of rehabilitation of the Trail Bridge Campground.

## Water Utility Capital Spending Summary and Project Updates

**See Appendix D – Water Utility EL-1 Capital Report. Shared Services project updates are provided within the Electric Utility Capital section, but the project budget and costs are split between Electric and Water in the appendices.*

The Water Capital Improvement Plan ended the year with expenditures essentially matching the amended budget and at approximately 98% of the original approved budget.

In the second and third quarters, expenditures were anticipated to be below budget due to effects from the pandemic. As such a budget amendment was approved in October shifting $900,00 of water capital to O&M to help fund wildfire restoration efforts. After this amendment, EWEB made several investments in core computing infrastructure for which the Water Utility had a shared cost. This led to a second budget amendment in December, adding back $600,000 to cover

these costs. The net effect of the two budget amendments was a capital budget reduction of $300,000 from what was originally approved for 2020.

Last year was a difficult year for our smaller Type 1 projects. Much of this work is completed by EWEB staff and there were numerous slowdowns due to the pandemic and later the shift of some resources to assist with the wildfire restoration efforts. The cumulative effect of these issues was Type 1 expenditures being approximately 70% of budget. The one exception in the Type 1 work was the service work which ended the year matching budget projections.
Expenditures for water's larger Type 2 projects on the other hand, exceeded the budget by about 13% as we completed the water quality lab/backup services building at Hayden Bridge and the first phase of the Headquarters to Knickerbocker transmission main along with initiating design work for the first new base level reservoir.


**TYPE 1 – GENERAL CAPITAL PROJECTS**
Type 1 General Capital is budgeted year-by-year for routine capital expenditures totaling less than $1 million and is funded with rates and customer contributions. Typical examples include "main replacements" as part of Distribution & Pipe Services. A summary on two areas of Type 1 Work follows:

**Source – Water Intakes & Filtration Plant (Risk Based Improvement and Compulsory)**
Numerous smaller projects were completed at Hayden Bridge in 2020 as we wrap up our larger resiliency efforts at the filtration plant. These included some pipe improvements to the 'house water system', replacement of a variable frequency drive at the finish water pump station, and an upgrade of the filter control system. In addition, source water quality equipment was purchased under the capital budget for this area. This equipment will help with watershed monitoring going forward. Also, several projects are underway to help the plant cope with potential source quality issues this spring and summer. These include improvements to the sodium hydroxide and powder activated carbon (PAC) systems.

**Distribution Pipe and Services (Risk Based Improvements and Compulsory)**
Water main replacements and improvements are the largest component of the Type 1 work with respect to expenditures. The work slowdown in the first two quarters affected this work. While we contracted out several large projects in the second half of the year which, we still only achieved 70% of budget spent at year end. Some of the large projects completed include a main replacement on Saratoga Ave which was completed in conjunction with the Electric Utility and a large main replacement in the Willagillespie area in North Eugene.

**TYPE 2 – REHABILITATION & EXPANSION PROJECTS**
Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over $1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds. A summary of two significant projects follows:

**Hayden Bridge Lab and Back-Up Services Building (Risk Based Improvement)**

| | | | |
|---|---|---|---|
| Project Initiation: | 2011 | Initial Scope Budget: | $1,500,000 |
| Initial Planned Completion: | Q4 2020 | Actual Project Costs To-Date: | $2,523,000 |
| Projected Completion: | Q4 2020 | Total Final Cost Projection: | $2,700,000 |

The replacement of the water quality lab at Hayden Bridge has been a planned project for almost ten years. The issues with the existing lab, the need for replacement, and initial plan were documented in a Lab Master Plan completed in 2011. During the subsequent planning for the second source Willamette Treatment plant, the new lab was incorporated in that plant as the location would facilitate sampling efforts. With the deferment of the second plant, in 2017 planning began for the new lab to be constructed at Hayden Bridge. Design was completed in 2019 and the Board approved a contract for the construction of the lab in early 2020. The Contractor broke ground on the new lab building the first week in April and the new building was approved for occupancy in late December. Finish site work remains.

Note that the above costs reflect costs for the Water Utility which is 68 percent of the project costs. Additional space was added in the building to accommodate back up services for the Electric Utility. As such, the Electric Utility is paying 38% of the cost for the building.

The difference in cost from the initial scope budget and the total final cost projection can be attributed to the following:
1. Inflation from the project initiation to construction.
2. The addition of office space for lab staff not anticipated in the original scope.
3. The addition of a paved parking area/drive not anticipated in the original scope.

**Base Level Reservoirs (Compulsory)**

| | | | |
|---|---|---|---|
| Project Initiation: | 2018 | Initial Scope Budget: | $10,250,000 |
| Initial Planned Completion: | Dec-2021 | Actual Project Costs To-Date: | $467,000 |
| Projected Completion: | Dec-2022 | Total Final Cost Projection: | $12,000,000 |

In 2018 staff began planning work on the replacement of three of EWEB's base level reservoirs, College Hill, Hawkins Hill, and Santa Clara. These will be replaced with more resilient smaller reservoirs designed to current seismic standards. This work was derived from the Distributed Storage approach presented in the 2015 Water System Master Plan. Planning and conceptual design work is occurring for placement of new reservoirs at three locations; East 40th Ave. (the Elliot Site), College Hill, and Hawkins Hill. While planning and public outreach is occurring for all three sites, the first reservoir to be constructed will be at East 40$^{th}$ Ave. In the second quarter staff received concurrence from the City of Eugene that non-elevated water storage reservoirs are an allowed use and are exempt from the PUD process which allowed staff to prepare and advertise a request for proposals for detailed design. In early Q3, the Board approved a contract for the design of this facility. In Q4, design work and public outreach (much of it virtual) continued. Construction is planned to start in Mid-2021 and be completed by the end of 2022.

Note that the cost projection shown in the table above is the estimated cost to complete the design and construction of just the storage tank at E. 40th Ave with some earthwork completed for a future second reservoir at that site. This estimated amount will be verified as design is completed and more accurate cost estimates are prepared. The Ten-Year Water Capital Plan includes approximately $57 Million to construct four base level reservoirs, including the first one at E. 40th.

**Advanced Meter Upgrade (Water)**
**Refer to the Advanced Metering Report for a comprehensive update [Goal #2 - Advanced Metering]*

**TYPE 3 – STRATEGIC PROJECTS & PROGRAMS**
Type 3 projects are large strategic programs with long term impacts and are generally bond funded.

**Emergency Water Supply**
**Refer to the Emergency Preparedness and Recovery Report for a comprehensive update [Goal #4 – Improve Resiliency]*

## Water Quality & Reliability (Price, Kelley)

### Water Operations

The Water Operations Section uses the Multiple Barrier Approach to Safe Drinking Water, an integrated system of procedures, processes and tools that collectively prevent or reduce the contamination of drinking water from source to tap. The purpose of this approach is to provide safe, reliable drinking water to customers 24/7/365 and to reduce the operational risks to public health while being good stewards of our customer/owner's infrastructure and funding resources.

### Drinking Water Source Protection

The purpose of the Source Water Protection Program is to minimize adverse impacts on the source of our community's drinking water. Specifically, the program aims to reduce the risk of pathogens and pollutants entering the treatment plant to in turn manage or reduce the degree of treatment required.

***Q4 Project Updates***

The Holiday Farm fire (HFF) response dominated the Drinking Water Source Protection work in the 4th quarter 2020. EWEB was requested to lead the Watershed Recovery Task Force as part of the Lane Emergency Operations and used existing partnerships and programmatic infrastructure associated with the Pure Water Partners (PWP) program to pivot from conducting riparian health assessments to burn assessments and designing erosion control best management practices (BMPs) with help from City of Eugene erosion control experts. The initial response was focused on stabilizing the over 150 high priority destroyed homes along the river to prevent toxic ash and debris from washing into the river during rain events. By Thanksgiving over 90% of these homes were stabilized with erosion control installed. The next phase of response was to conduct burn assessments at the request of landowners and design erosion control BMPs for high priority burn areas that included wattles, silt fencing, hydroseeding, check dams, jute matting, mulching, and other practices. By end of December over 200 burn assessments were completed and erosion control BMPs were installed at over 70 properties out of a total of 96 properties identified as needing erosion control for high severity burn areas.

The last phase of the response before moving into longer-term restoration efforts is to revegetate approximately 100 acres of high priority areas identified during the burn assessments. The PWP has native plant materials that were acquired, as soon as the HFF started, knowing that there would be a shortage of seedling stock. Revegetation efforts will start in February/March 2021 after landowners sign a 7-year agreement and management plan to ensure plants grow and become established.

The Watershed Recovery Task Force restructured to shift from emergency response mode to longer-term restoration. The following is a summary of the activities each task force team completed in the 4th quarter 2020:

- **Incident Response Team –** With the onset of winter storms the GIS team developed a phone application using Quick Capture that allows nearly 20 different agencies and organizations working in the McKenzie to identify and report observed hazards that sends email and text notification to over 50 individuals who can self-select if response is necessary (see figure below). The reported hazards populate an online map and dashboard available to all participants.
- **Landowner Programs Team –** maintaining the website and portal for landowners to sign-up for burn assessments as well as developing landowner incentive programs to support smarter rebuilding by moving homes back further from waterways and upgrading septic systems.
- **Restoration Team –** inspecting and repairing erosion control already in place, conducting burn assessments as landowner requests come in, designing erosion control BMPs and using contractors to implement, and planning for revegetation this winter on 100 acres of high priority burn areas.
- **GIS & Data Management Team –** Conducted GIS analysis to identify the number of destroyed homes in the floodway (over 40 homes) and the number of destroyed home footprints that have enough space within the tax lot to rebuild further back from the river (over 120 footprints). Continue supporting and upgrading as needed various GIS-based field tools, including: hazards reporting; burn assessment; erosion control BMP implementation; and start development of the revegetation tracking. The public facing watershed recovery

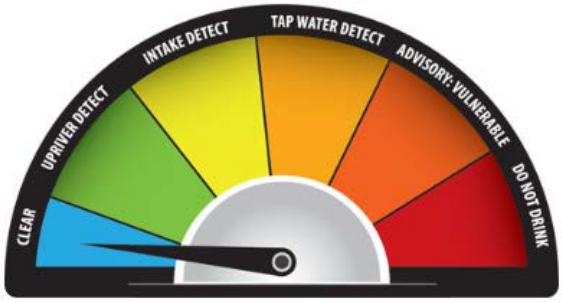
dashboard is now automatically updated as these field tools enter data, see: https://lcog.maps.arcgis.com/apps/opsdashboard/index.html#/4d4d7b5d84d74245b6078c523aaa33a9

- **Water Quality Team –** work with the USGS to maintain and calibrate seven real-time water quality stations that are operating in the watershed as an early warning system for the Hayden Bridge filtration plant and source protection. Conduct storm event and baseline monitoring to better understand the impacts from the HFF. Water quality data indicates storm events mobilize sediment, organic carbon, metals, nutrients, and bacteria at higher levels than seen historically, but still well below any health-based criteria. After the storm event water quality returns to pre-fire levels.
- **Funding Management Team –** focus is on various FEMA funding opportunities, including Public Assistance reimbursement for emergency response expenses, hazard mitigation grants, and technical cooperative assistance grant. In addition, this team is tracking other grant opportunities (OWEB, BLM RAC, ODF, Firewise, Lane Workforce, USGS, etc.) and coordinating development and submittal of proposals.


**Phone Application for watershed hazard reporting and notification**

***Cyanotoxins -***

EWEB began monitoring for harmful algal blooms (HABs) and cyanotoxins in mid-March 2020. HAB monitoring efforts were put on hold in September during the Holiday Farm Fire area closure but were resumed in October and November. In early fall Blue River Reservoir had a noticeable late season *Gloeotrichia* bloom and Cougar Reservoir had elevated *Dolichospermum* concentrations. However, cyanotoxin concentrations remained very low in both reservoirs throughout the year and the few detections were well below health advisory levels (HALs). No other cyanotoxins have been detected elsewhere in the watershed. EWEB's website is updated whenever new test data becomes available. The current status is "Clear" and no cyanotoxins have been detected in the reservoirs, river, or intake in recent sampling. For more information see: http://www.eweb.org/outages-and-safety/water-safety-in-your-home-or-business/drinking-water-quality/harmful-algae-blooms.




**Cyanotoxin Detection Status**

***Pure Water Partners Program***

The Pure Water Partners (PWP) program is an incentive-based strategy that aims to protect existing healthy riparian and floodplain areas and restore degraded riparian forests along the McKenzie River through voluntary actions with landowners. The PWP program was initially rolled out to McKenzie landowners in mid-2018. Landowner engagement workshops were cancelled due to Covid-19, but a webinar was organized and about a dozen landowners participated. The HFF pushed the PWP into doing burn assessments and designing erosion control BMPs on over 200 properties, which put regular PWP activities on hold. The following landowner participation statistics reflect program activity in 2020 (not including the HFF efforts).

| Landowners in PWP Program | Cumulative Totals | 2020 Totals | 2020 Goal |
|---|---|---|---|
| Initial PWP Intake Phase | 14 | 1 | -- |
| PWP Riparian Assessment Phase | 19 | 5 | -- |
| PWP Management Plan Phase | 8 | 2 | -- |
| Signed PWP Agreements | 11 | 2 | 10 |
| PWP Naturescaping Landowners | 36 | -- | -- |
| PWP Naturescaping Agreements | 17 | 3 | -- |
| Total Landowners in PWP | 89 | 13 | 20 |
| Total Riparian Acres in PWP Program | 515 | 180 | -- |
| Total Riparian Acres Under PWP Agreements | 163 | 78 | 100 |

## Water Treatment

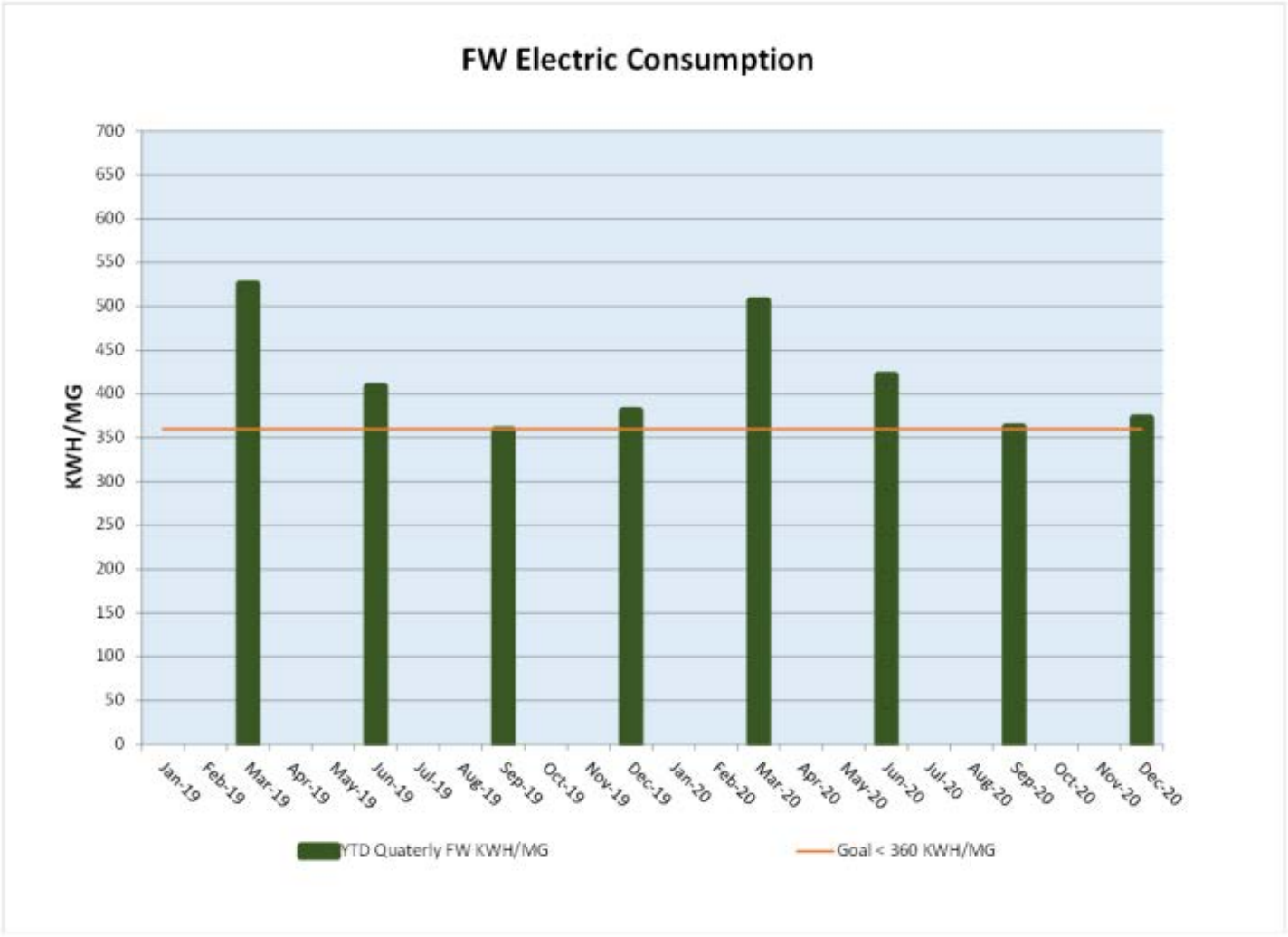
McKenzie River water is treated to drinking water standards using conventional treatment trains that include redundancy to protect from treatment failures. The treatment process is closely monitored and constantly adjusted to ensure production of safe drinking water prior to delivery to customers.

***Q4 Project Updates***

Early warning monitoring devices installed on the river helped mitigate the first flashy water quality events post fire. The first large event provided 120 NTU of turbidity. Subsequent events diminished in severity with respect to organics and other elevated constituents that were initially identified in post fire analysis. Operations was able to respond to incoming changes without incurring overtime.

Production equipment upgrades are still being pursued for fire impacts. Short term improvements include upsized caustic metering pumps that will allow necessary higher feed rates based on our post-fire experience. The anticipated completion is February 2021. PAC system upsizing will also be incorporated to provide a safer option for operators to add PAC. Anticipate completion for PAC upgrades I May 2021.

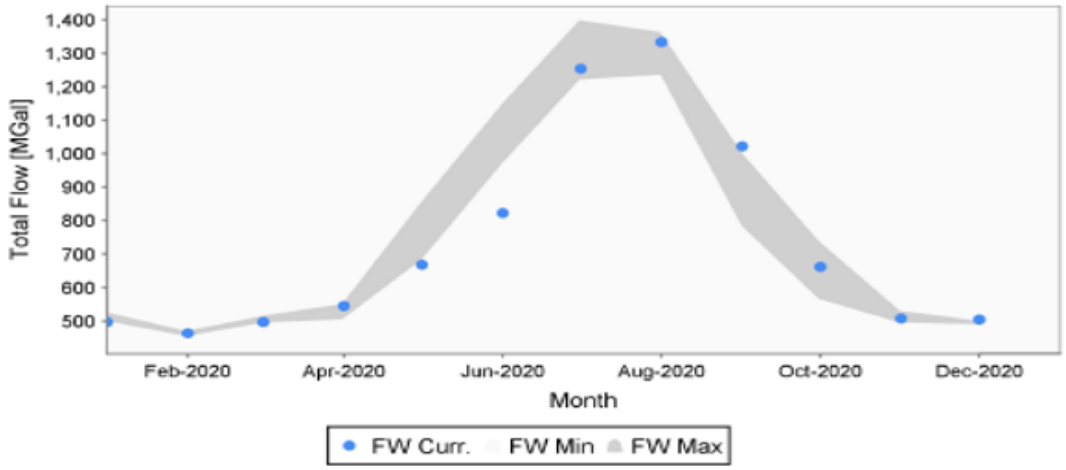
2020 was the first full year of utilizing the new sodium hypochlorite on-site generation (OSG) system. As such, water production had a goal to decrease finished water pumping power consumption to offset expected increases from the OSG. OSG consumption was based on the theoretical cost of 3 KWH per pound of chlorine generated that was provided by the manufacturer. When EWEB electricians measured the actual power consumed it was established at 1.8 KWH per pound of chlorine generated. Although the consumption goal was narrowly missed the results in combination with the actual power findings did offset the increase power consumption of the OSG system. Current process can maintain a net zero O&M cost increase for chlorine when compared to the abandoned chlorine gas system. Additional benefits identified with the OSG include a slight decrease in chlorine use from producing a chlorine residual that has proven more stable in the distribution system.




***Production***

Production levels for the fourth quarter were normal. The total production was nearly identical to 2019, however it was the lowest production since 2013. Increased cost of chemical usage for 2020 due to fire impacts was approximately $16,000. Production was still able to meet budget projections.

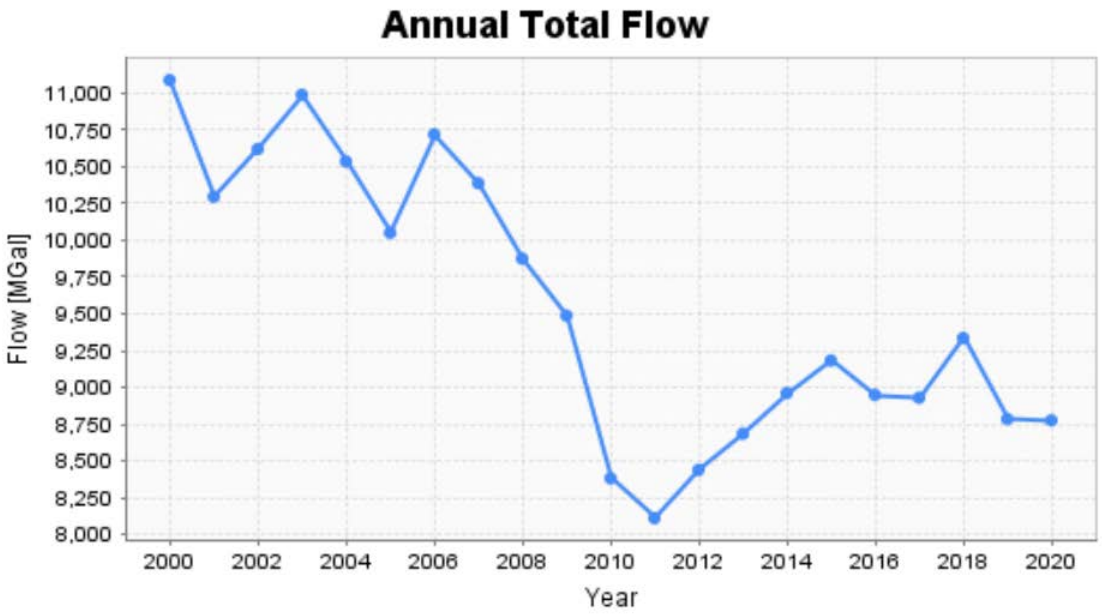
## Finished Water Production




| YEAR | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2015 | 502.2 | 452.7 | 501.0 | 533.5 | 743.4 | 1149.9 | 1373.3 | 1254.9 | 919.5 | 737.5 | 517.1 | 496.8 |
| 2016 | 508.8 | 465.5 | 501.4 | 546.6 | 742.0 | 1070.1 | 1218.1 | 1342.1 | 973.2 | 598.0 | 493.6 | 488.2 |
| 2017 | 521.8 | 450.2 | 495.4 | 500.7 | 682.2 | 969.7 | 1338.1 | 1360.6 | 966.3 | 636.3 | 511.0 | 495.9 |
| 2018 | 497.4 | 457.3 | 501.8 | 521.9 | 778.1 | 1066.7 | 1393.7 | 1355.5 | 1001.1 | 734.6 | 529.1 | 498.6 |
| 2019 | 511.0 | 456.7 | 513.3 | 532.8 | 851.9 | 1100.4 | 1242.8 | 1232.5 | 779.6 | 563.9 | 504.7 | 494.1 |
| MAX | 521.8 | 465.5 | 513.3 | 546.6 | 851.9 | 1149.9 | 1393.7 | 1360.6 | 1001.1 | 737.5 | 529.1 | 498.6 |
| MIN | 497.4 | 450.2 | 495.4 | 500.7 | 682.2 | 969.7 | 1218.1 | 1232.5 | 779.6 | 563.9 | 493.6 | 488.2 |
| CUR | 497.2 | 463.3 | 497.0 | 545.0 | 667.9 | 822.6 | 1253.1 | 1333.1 | 1021.8 | 661.8 | 507.5 | 504.4 |

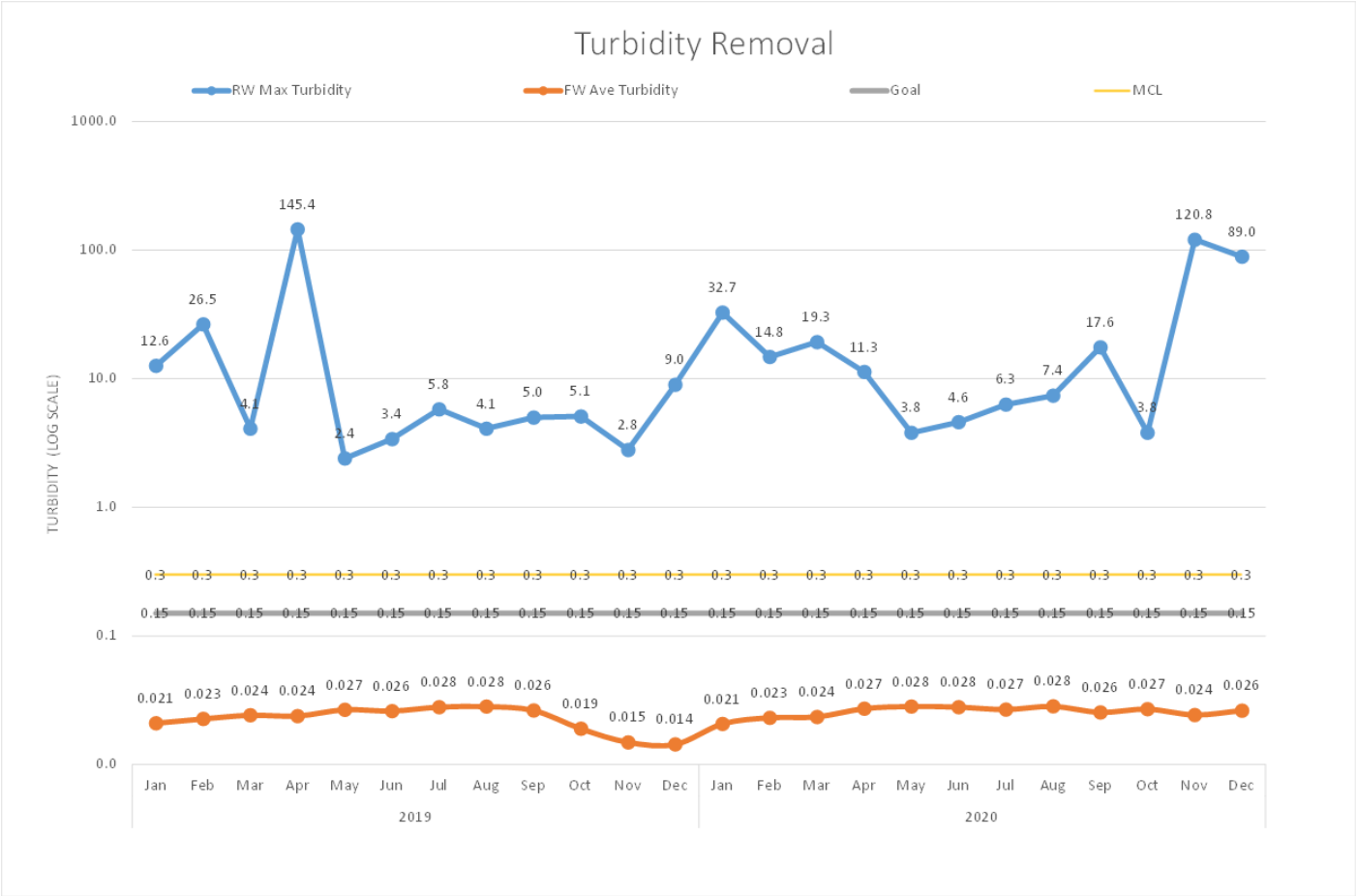
| | Yearly Total | Daily Average | Peek Daily Flow |
|---|---|---|---|
| 5 Year Max | 9335.8 | 25.6 | 52.1 |
| 5 Year Min | 8783.7 | 24.1 | 46.0 |
| Year to Date for 2020 | 8774.8 | 24.0 | 47.7 |

| 3 Day Consecutive Max Date | Total Flow |
|---|---|
| Jul 27 | 47.7 |
| Jul 28 | 45.4 |
| Jul 29 | 47.5 |
| 3-Day Average | 46.9 |




***Filtration Performance***

Turbidity is a measurement of the clarity of water, which is an important indicator of filter performance that tells us if we are effectively removing microorganisms in the water. The Maximum Contaminant Level (MCL) for turbidity in drinking water is 0.3 NTU in 95% of the samples. The national performance optimization goal for turbidity in drinking water is 0.15 NTU in 95% of the samples. Filtration performance continues to show our filtration process is optimized.



## Water Supply System Reliability

Once the water is adequately treated, the quality must be maintained as it is delivered to EWEB customers. Replacing aging infrastructure, repairing leaks, flushing, maintaining a disinfectant residual and positive pressure, and protecting against cross-connections are critical aspects of the program to ensure water quality, reliability, and adequate fire flow.

***Significant Outages and EWEB Caused Boil Notices***

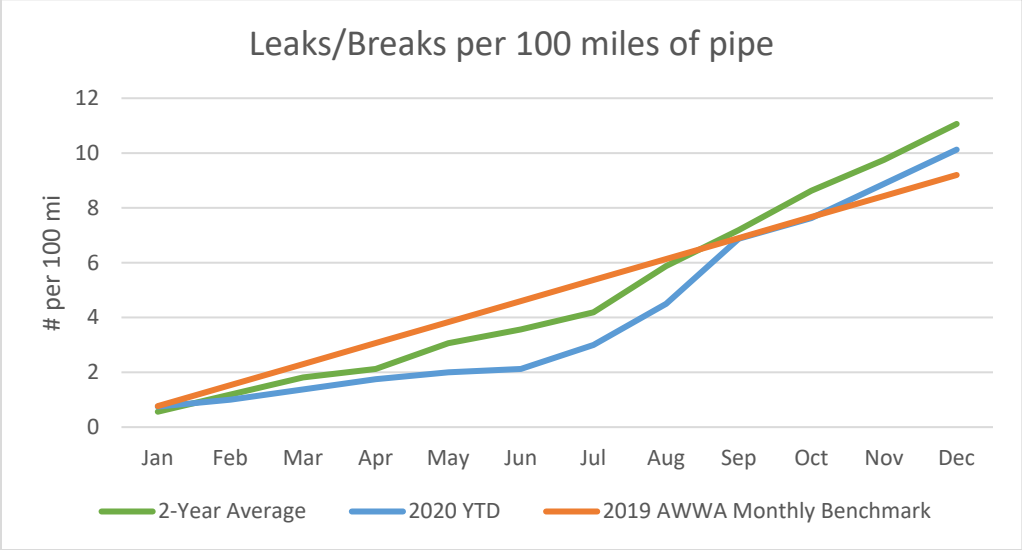
EWEB Water Division had no significant outages or EWEB caused boil notices during Q4.

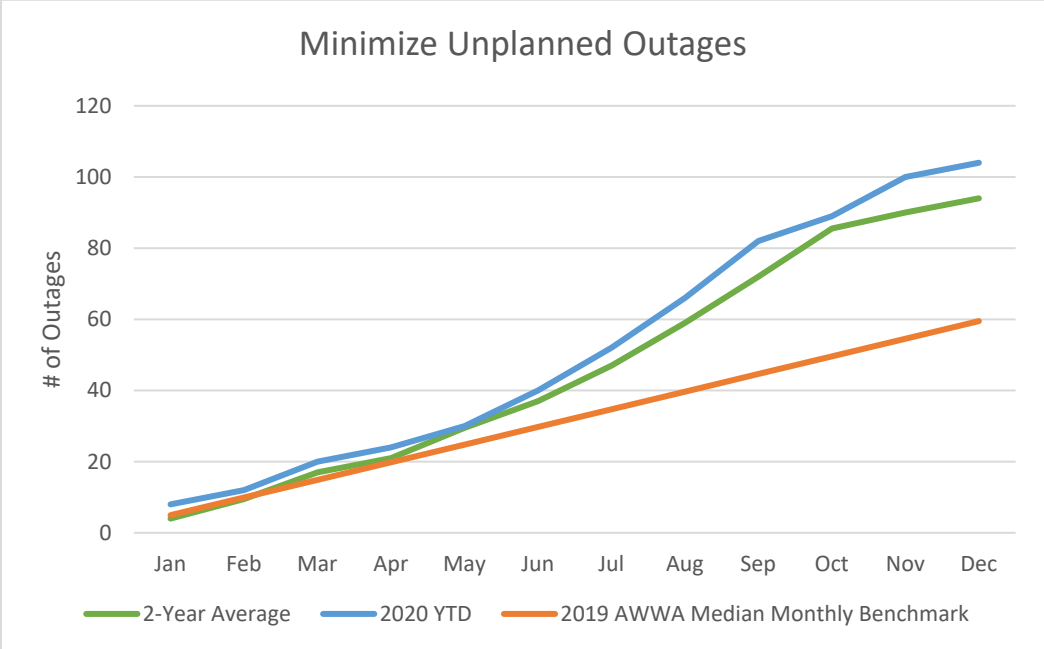
***Leaks/breaks per mile & unplanned outages***

The two graphs below compare EWEB Leaks/Breaks per 100 miles of pipe and number of unplanned outages to the American Water Works Association (AWWA) benchmarks. These benchmarks represent the 'national average' amongst utilities for these two parameters.

Water is watching these metrics to see if the trend continues. Any action (i.e. increased investment in main replacements) will take a long time to have any real effect on the results shown below. There is a plan to increase investments in main replacements once the upgrade of water's Resilient Spine (Base Level Reservoirs/Transmission) is complete. If the below EWEB metrics change much for the worse, we may look to increase our investments in main replacements sooner.

| Ensuring Reliability | Unit | AWWA Median Benchmark | YTD Results |
|---|---|---|---|
| Leaks and Breaks per 100 Miles of Pipe | # | 9.2 | 10.13 |
| Minimize Frequency of Unplanned Outages | # | 59.5 | 104 |
| Average Duration of Unplanned Outages | Minutes | 150 | 112 |
| Percentage of Customers who Experience a Planned or Unplanned Water Outage | % | N/A | 1.24 |
| Boil Water Notices | # of Notices | None caused by EWEB | 0 |



## Water Quality Monitoring

Monitoring the quality of our raw, treated, and distributed drinking water is essential to ensuring safe water for EWEB's customer/owners. Monitoring data gives water operations staff the ability to adjust treatment and system operation to safeguard quality for human consumption.

***Q4 Project Updates***

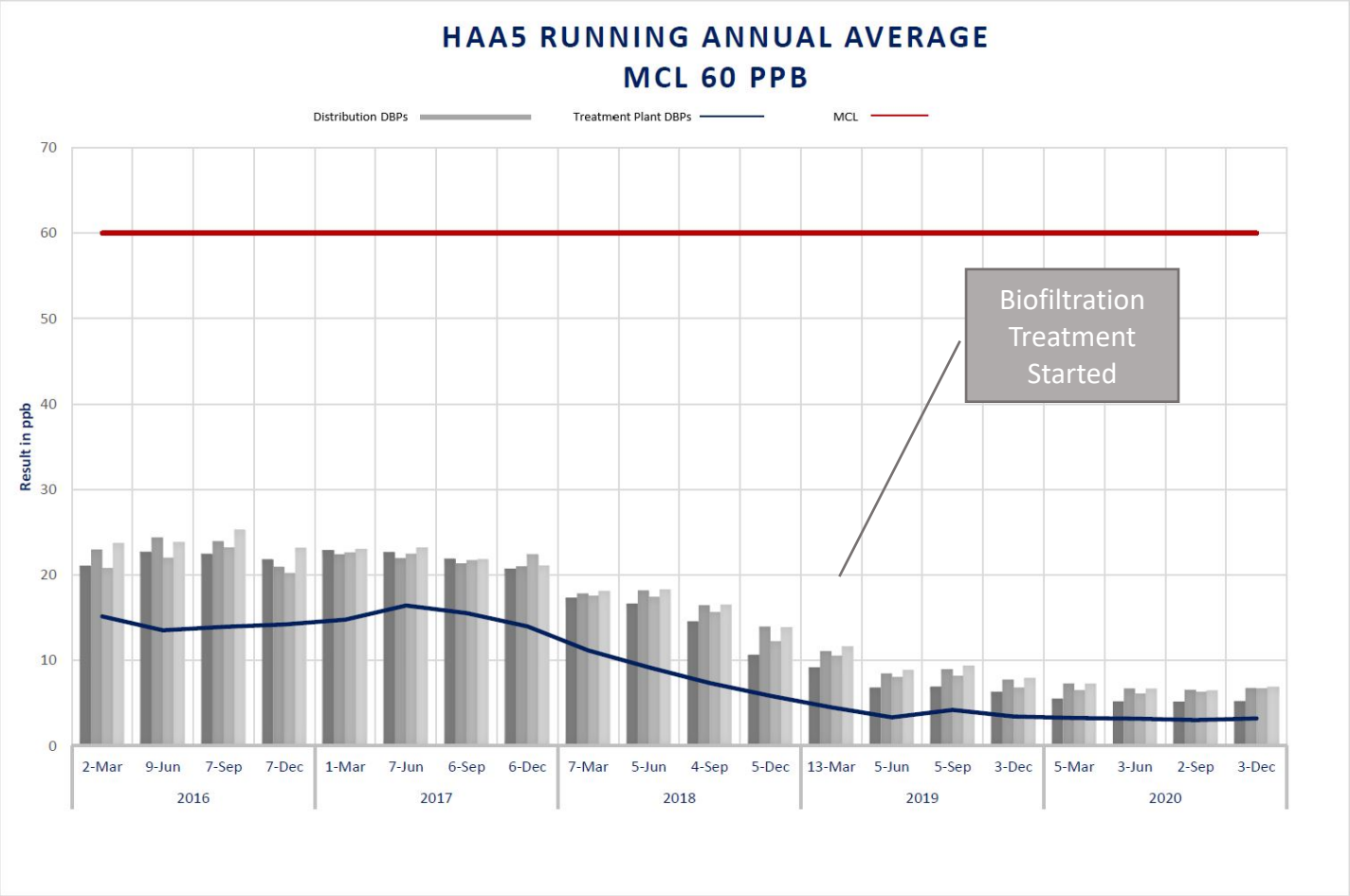
With ongoing concerns about water quality impacts from the Holiday Farm Fire, staff continued to monitor both the raw water coming into the intake and the finished water leaving the plant following each significant rainfall event in Q4 for contaminants associated with the fire. The finished water test results are shown on our website, which is publicly available. While significant increases above baseline data in aluminum, barium, nitrate, and total organic carbon have been identified in the raw water, no contaminants have been found at levels of public health concern in the treated drinking water. Public information campaigns continued to ensure the public is aware of our actions to ensure water quality.

Our Water Quality Lab underwent an inspection by the Oregon Laboratory Accreditation Program for cyanotoxin testing accreditation and to renew their microbiology accreditation in September. Accreditation was received in December which will allow us to provide faster results on toxin testing at a lower cost, thereby ensuring a quicker response to any necessary treatment changes. As mentioned in the Water Capital section, the new laboratory was approved for occupancy in late December 2020. Staff were heavily involved in the planning of this laboratory and are thrilled to move in and begin work in January 2021.

**Disinfection By-Products (DBPs)**

Disinfection by-products are formed when chlorine is added to disinfect water supplies and reacts with organic matter producing haloacetic acids (HAAs) and total trihalomethanes (TTHMs) in the finished water. DBPs can increase with higher levels of organic matter, longer residence time in the system (water age), and higher water temperatures. Therefore, adequate water treatment and management of the distribution system flow and residence time can reduce DBP formation.

DBPs significantly decreased with the introduction of the biofiltration project at the water treatment plant which further removes organic matter before chlorination. DBP levels have stabilized over the last six months. The running annual average DBP graph below compares finished water DBP levels leaving the treatment plant with DBP levels found in the distribution system. All DBP levels are well below the EPA Maximum Contaminant Level (MCL) for Haloacetic Acids (60 ug/L), which is the lower of the two DBP MCLs (MCL for total trihalomethanes is 80 ug/L). In addition, the data shows the plant is able to reduce the organic matter from the HFF to keep DBP levels stable.




**Customer Complaints**

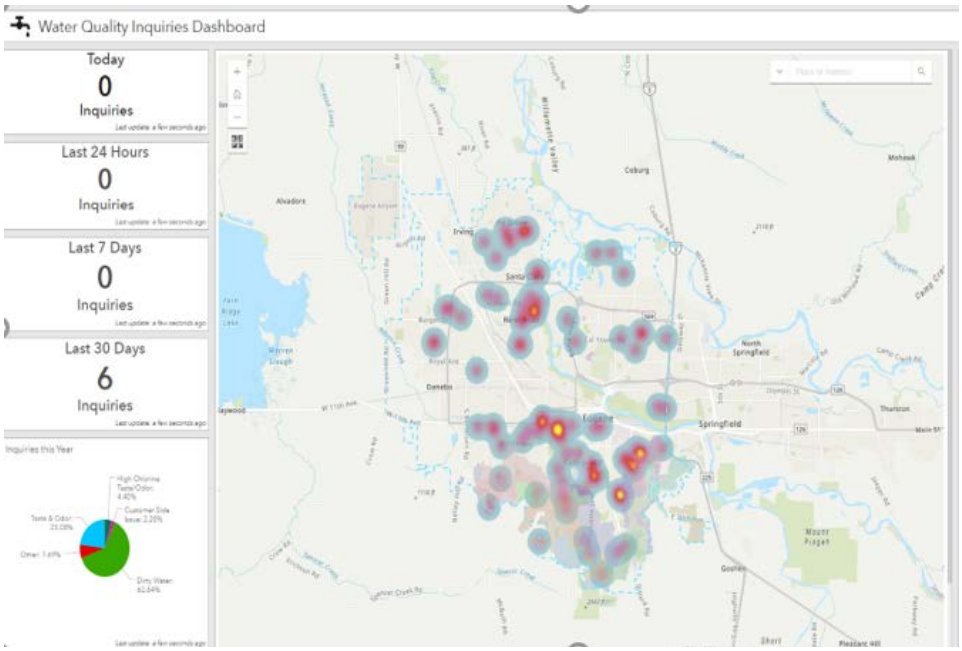
Our new Customer Inquiry GIS mapping capability allows us both real-time data and long-term trending (see Water Quality Inquiries Dashboard below). Real time data is used during the customer call. We can immediately look up an address and determine whether there have been other complaints in the area and when those complaints were received. A decision can then be made about whether an EWEB site visit would be helpful.

Long-term trending can be used to help us determine whether a certain area has regularly occurring issues. For example, a certain neighborhood may have taste and odor issues each spring. This information can be used to come up with ways to mitigate the problem before it happens.

In 2020 64% of our calls were dirty water complaints. Naturally dissolved minerals in the water can settle in the piping system over time. When there is high flow or system maintenance (such as hydrant flushing or valve turning) the sediment lying on the bottom of the pipes can get stirred up and cause the water to become discolored. This is most often described as brown water and causes the majority of our dirty water complaints. Occasionally the water will be described as orange, that is typically in areas of older cast iron piping.

22% of our calls are Taste & Odor while 4% are High Chlorine. Although we separate out High Chlorine for specialized trending purposes these 2 categories account for our Taste & Odor complaints. We take all Taste & Odor complaints seriously and always go through a list of questions to assist our customers in trying to determine where the issue might be coming from. If it is determined to be a system issue, then an EWEB site visit is initiated.

In 2020 the “Other” category generally represents customer side issues where water discoloration existed in isolated faucets. 0.14% of customers submitted a Water Quality Complaint in 2020.





## Water Resiliency Progress

Natural hazard and security response mitigation plans along with resiliency plans are a final barrier in place to protect the public if harmful contaminants should make it through the other water system barriers (source water protection, water treatment, water supply system reliability, and water quality monitoring). Refer to Emergency Preparedness Goal #4 – Enhance Emergency Management.

# Energy Operations Report

## EWEB Power Supply Performance

Several of EWEB's owned hydroelectric assets were impacted by the September wildfires, although actual impacts to the plants were minimal. The Carmen-Smith project was offline from the evening of September 7 until the third week of October due to impacts from the Holiday Farm Fire. Portions of the BPA McKenzie transmission line and EWEB's Mt Hagen communication site were damaged in the fire and repairs to those systems were needed before a return to service for Carmen-Smith was possible. EWEB's Stone Creek project was impacted in the Riverside Fire in the Clackamas River basin. The fire burned through and damaged portions of EWEB's 115-kV transmission line but did not damage the power plant. PGE's Oak Grove to Faraday transmission line suffered significant damage in the fire, however, and repairs to the various transmission segments were not completed until early December. EWEB's Walterville project also tripped offline due to the September 7 windstorm and related debris in the river, and it remained out of service until staff completed a previously planned maintenance outage in late September. Finally, while the Holiday Farm Fire burned through Leaburg park and down to the Leaburg canal, the only fire-related damage to generation infrastructure was to a restroom in the park and several recreation signs at the Goodpasture Boat Landing and in the park. By the end of the year, all of EWEB's owned generating stations had been returned to service and were operational except for Leaburg.

Following system restoration activities related to the fires, the Walterville, Carmen-Smith and Stone Creek facilities were generally available and producing power for the remainder of the fourth quarter of 2020. We took advantage of an opportunity to complete governor and exciter replacement work at the Carmen Plant and that work affected availability and production somewhat. EWEB's two steam co-generation facilities (WGA and IP-Springfield) were operational and producing power during Q4, as well. Our utility-owned wind project, Harvest Wind, was available and producing power throughout the fourth quarter of 2020. Harvest Wind finished 2020 with its best production number ever, with availability and energy production far exceeding planned metrics for the year.

Calendar year 2020 was warmer and dryer than normal in Oregon and as a result, while our hydroelectric units were generally been available, overall energy production was down due to a lack of fuel/water. Flows in both the McKenzie and Clackamas basins remained below normal for much of the year. The Walterville Project once again operated in "low flow" mode, leaving more water in the river than we put through the turbines from June through October. The Trail Bridge power plant was offline due to a lack of water (fuel) from late August until late October.

***Q4 2020 Generation Reliability by Fuel Type***

| Generation Type | Availability Factor (AF) | Forced Outage Factor (FOF) | Notes |
|---|---|---|---|
| **Target** | **>90%** | **<3.00%** | |
| Wind | 95.45% | N/A | The Harvest Wind Project turbines were available and operating during the quarter. |
| Hydro | 50.13% | 36.01% | The Carmen-Smith and Stone Creek projects were offline for the first part of Q4 due to fire impacts to the transmission system. All hydro resources were available and operating at the end of the year except for Leaburg. |
| Thermal | 94.27% | 0.28% | Both units were available and operating. Minor mill outages affected overall availability. |

# Generation 2020 Performance Report

| Unit | AF | FOF | GCF | GOF |
|---|---|---|---|---|
| Carmen #1 | 78.72 | 14.36 | 9.67 | 47.04 |
| Carmen #2 | 71.93 | 15.32 | 18.98 | 53.55 |
| Trail Bridge | 63.06 | 21.55 | 33.20 | 52.66 |
| Leaburg #1 | 0.00 | 100.00 | 0.00 | 0.00 |
| Leaburg #2 | 0.00 | 100.00 | 0.00 | 0.00 |
| Walterville | 88.15 | 8.01 | 64.28 | 72.92 |
| Stone Creek | 71.83 | 27.34 | 30.27 | 42.14 |
| EWEB Hydro | 67.16 | 24.76 | 18.45 | 53.33 |
| | | | | |
| Harvest Wind | 96.12 | n/a | n/a | n/a |
| EWEB Wind | 96.12 | n/a | n/a | n/a |
| | | | | |
| International Paper | 82.94 | 8.71 | 64.68 | 77.94 |
| Wauna Generation | 92.19 | 1.81 | 51.07 | 55.40 |
| EWEB Thermal | 88.35 | 4.68 | 56.72 | 64.19 |
| | | | | |

**AF:** Availability Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were available for operation.
**FOF:** Forced Outage Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were forced offline due to an unplanned event.
**GCF:** Gross Capacity Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating continuously at full capacity.
**GOF:** Gross Output Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating at full capacity when available to generate.

## Power Trading

**EWEB system loads**: During Q4 2020, the Trading Floor monitored system loads as the COVID-19 pandemic continued to keep most people home and away from their normal places of employment. Also, through the end of Q4 schools continued to do remote learning, keeping children home. This created a load shape that was not normal for this time of year. The shape of EWEB's daily energy consumption has stayed relatively constant over the last 3 months.

**Fish Spill**: River levels continued to be low the early part of Q4 2020, so the spill that happened was not for fish passage but rather was due to low flows that could not be passed through the Trail Bridge unit. These reduced inflows required us to keep the Trail Bridge unit offline until the flows increased and the Carmen-Smith Transmission line was repaired after the Holiday Fire.

**Monitoring**: Power Trading will continue to monitor load shapes and power consumption in Q1 2021, as temperatures continue to change and there is the possibility of relaxed pandemic restrictions. This will continue to keep EWEB's portfolio in compliance during ongoing uncertainty of COVID-19 on power consumption.

## Power Planning

**Regional Policy Update**: All in-person regional policy discussions have been converted to virtual formats. Regional staff are primarily telecommuting.

**BPA Rate Case & 2028 Contract**: Engagement in Bonneville's ongoing rate cases (TC-22, BP-22), and Energy Imbalance Market Initiative (EIM Phase III) Workshops continues, with the BP-22 and TC-22 Initial Proposals published this past November. A Final Record of Decision is expected by the end of July. BPA's decision on whether to join the EIM is expected at the conclusion of the TC-22 and BP-22 Rate Case proceedings.

In early October, BPA published it's "Provider of Choice: Post-2028" paper summarizing its post-2028 customer engagement to date. BPA continues to engage with customers to refine its conclusions and will pivot in the coming fall toward the development of a Concept Paper that attempts to align the high-level Provider of Choice contract principles, rate structure, products, and policy direction. EWEB staff continues to engage with BPA and our regional stakeholder organizations to develop a set of principles to guide our engagement going forward. Additionally, EWEB continues to work internally to educate management and staff as to the post-2028 process, the impacts of various potential BPA product and service solution sets, and to drive internal alignment in the run up to policy development.

**NWPP Resource Adequacy**: The NWPP Resource Adequacy development substantially completed Phase 2B at year end 2020. This means that the detailed design is close to done, including (1) a forward showing program (how load serving entities like EWEB demonstrate in advance that they are resource adequate), and (2) an operational program (how to share capacity resources in real time during capacity critical hours). Work continues on developing a governance structure for the program and modeling the NWPP footprint to understand where the region stands regarding chosen reliability metrics.

**Columbia River Treaty**: Members seek a renegotiation of the Columbia River Treaty to achieve better value for power customers of BPA from the Treaty. Members agreed to seek a Notice of Intent to Terminate the Power Provision of the Columbia River Treaty in 2021. Power members believe a notice to terminate to Canada is required because without it, Canada has no incentive to negotiate replacement provisions associated with power. In December, it appeared that there were two plausible scenarios for renegotiation. 1) The Trump Administration issues a legally binding Notice of Intent between now and Inauguration Day; or 2) The Biden Administration begins in mid-January with no Notice of Intent issued by the Trump Administration.

# Electric Reliability Report

## Electric Delivery Reliability

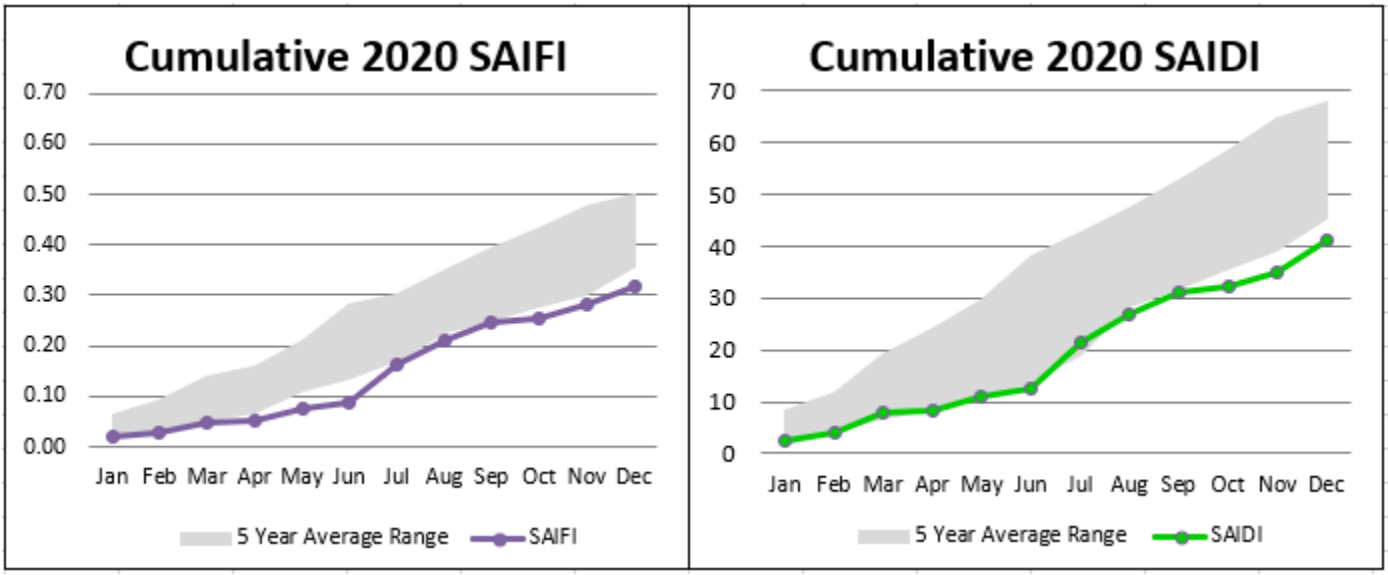
EWEB tracks electric system reliability using Institute of Electrical Electronic Engineers (IEEE) metrics, including System Average Interruption Frequency Index (SAIFI) & System Average Interruption Duration Index (SAIDI).

Reliability indexes are below the 5-year average. One factor that has led to lower reliability numbers is an operational change through COVID to keep a dedicated crew on call to allow for crew segregation instead of a random call out of staff. This has decreased the normal response time of crews by approximately 30 minutes per outage, which translates to a sooner customer restoration. Finally, numbers were also held low in the spring due to EWEB's choice to limit planned work outages to customers to a minimum (all outages greater than 2 hours were cancelled). This work has since resumed and is included in these indices. Mild weather has also been a driver.

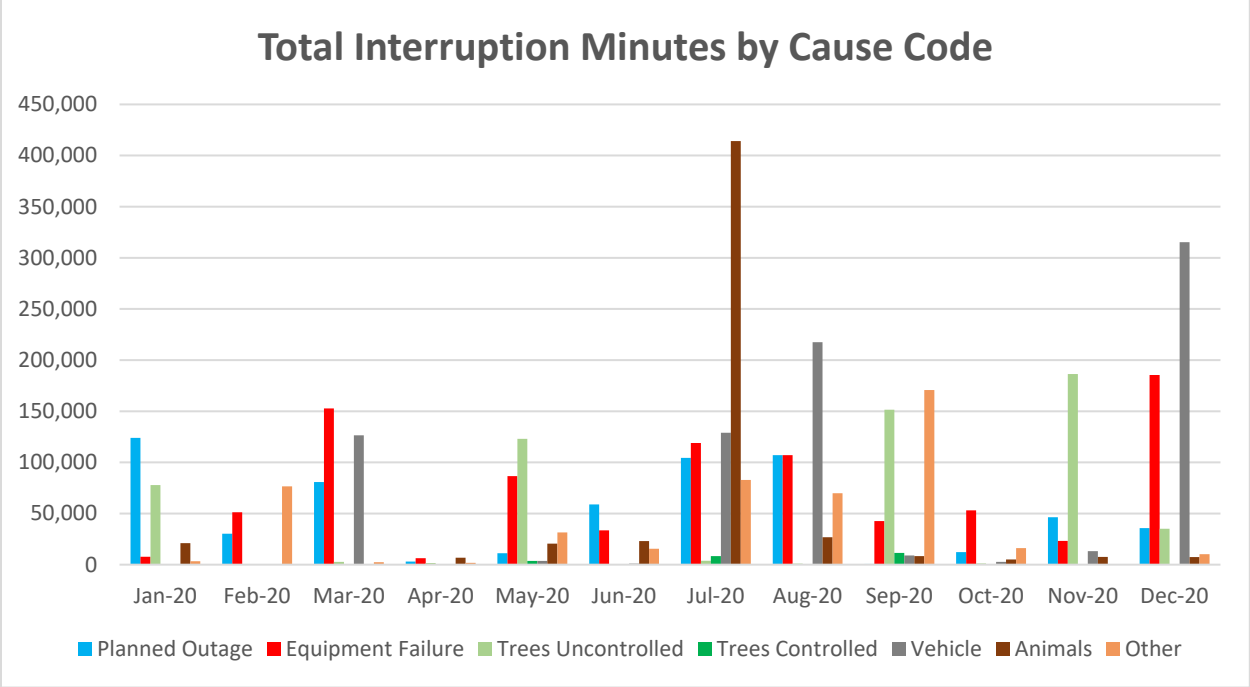
The largest event this year was the Holiday Farm Fire, but since all of the outages began on Labor Day which was determined to be a "Major Event Day" per the IEEE standard they are not included in the reliability numbers.

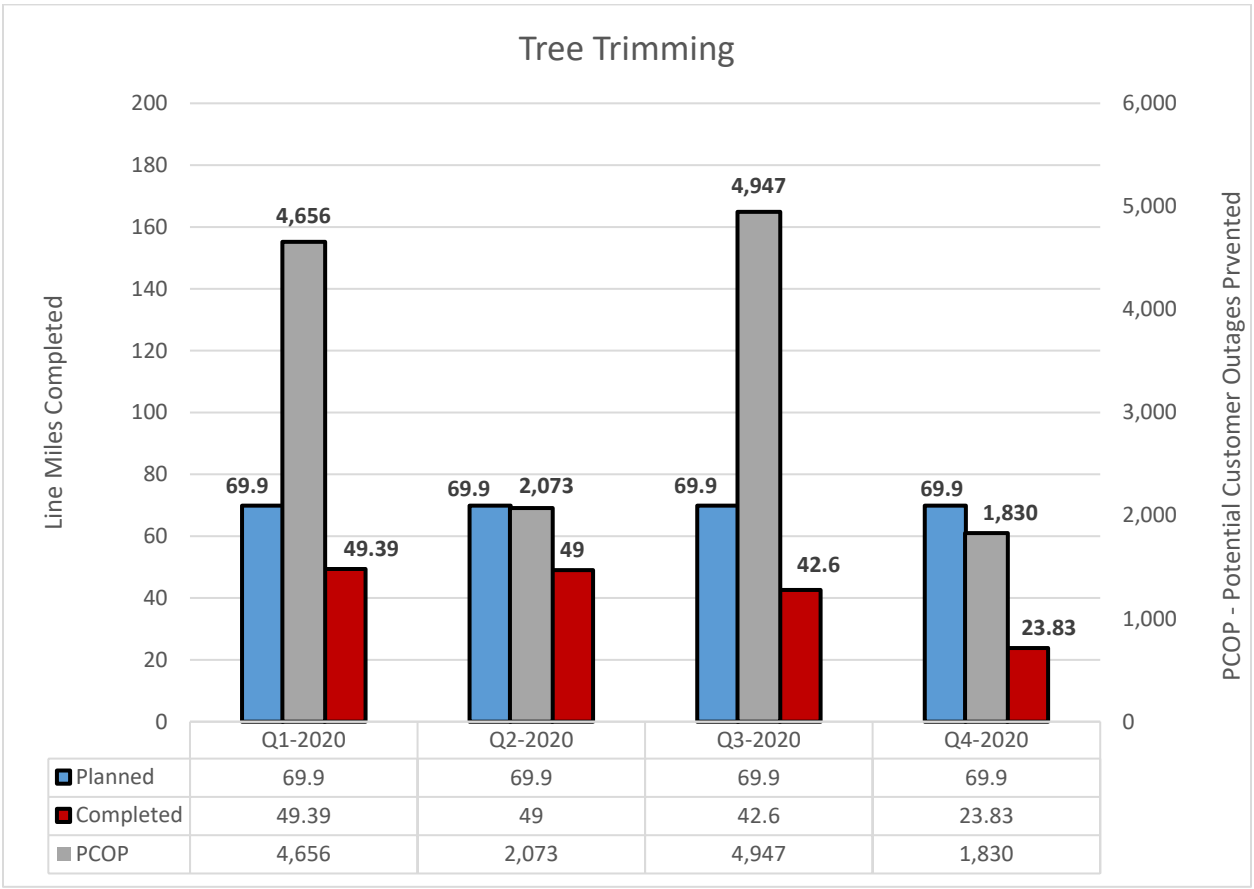
Below are the highest contributing events in Q4 to these metrics:

- Holden Creek Substation Feeder resulting in an outage to 786 customers for about 2 hours
- Bethel Substation Feeder resulting in an outage to 1,090 customers for about 1 hour.
- A semi-truck hit a pole east of the town of Leaburg which knocked conductors down onto the road resulting in an outage to 786 customers on a Holden Creek feeder for 8 hours.
- On Christmas day, a live front pad mount switch failed and caused an outage to 486 customers on a feeder out of Westmoreland substation for over 9 hours.
- A tree limb fell onto the overhead conductors of a Laurel Substation feeder causing a 45-minute outage to 591 customers.




Below is a chart that shows the breakdown of the outages into the major causes of the outages. The outages are categorized by the interruption minutes, which is calculated as the (outage duration in minutes) x (number of customers interrupted).




In Q4, the Vegetation program focus was on trimming upriver to mitigate outages of burned trees in the Holiday Farm Fire Boundary. Crews completed two phases of Holiday Farm Fire work resulting in an additional 1,400 trees removed following the initial restoration efforts. Crews are now working on regular maintenance routines.

Due to the focus upriver, in town vegetation work is approximately 4 months behind. Additionally, the COVID Pandemic is still affecting staffing availability in a minor fashion. Do to these two factors, the 2020 plan was not able to be completed. All foresters are inspecting daily in the field and the tree crew contractors are all working safely. Staff will continue to monitor the upriver work and prioritize finishing 2020 plan and will move forward working towards 2021 plan.

See *Wildfire Mitigation Plan* section for updates around additional trimming completed associated with fire protection.

## Workforce Report

EWEB Workforce Services Division continued to perform well and was able to satisfy or materially advance planned goals in spite of considerable pandemic-related disruptions. Details are provided in the forthcoming sections of this report, but brief highlights follow:

EWEB's safety record remained good with results yielding a decrease in SAIF insurance premiums, a dividend payment, and the preservation of EWEB's position in SAIF's lowest premium rate tier. Participation in the Safety Good Catch Program, a leading indicator for safety incident trends, was up dramatically over previous years.

Likewise, EWEB health insurance program management and 2020 claims experience delivered lower than expected premium increases for 2021, including rate holds in dental and vision plans. While WellWorks Program participation was down over previous years, likely due to limited access to health and dental providers, employee utilization of preventative health care services outpaced other PacificSource subscribing employers.

Recruiting demands remained high in 2020 and yielded robust pools of qualified candidates. Voluntary attrition remained low. Both are indicators that EWEB remains an attractive regional employer.

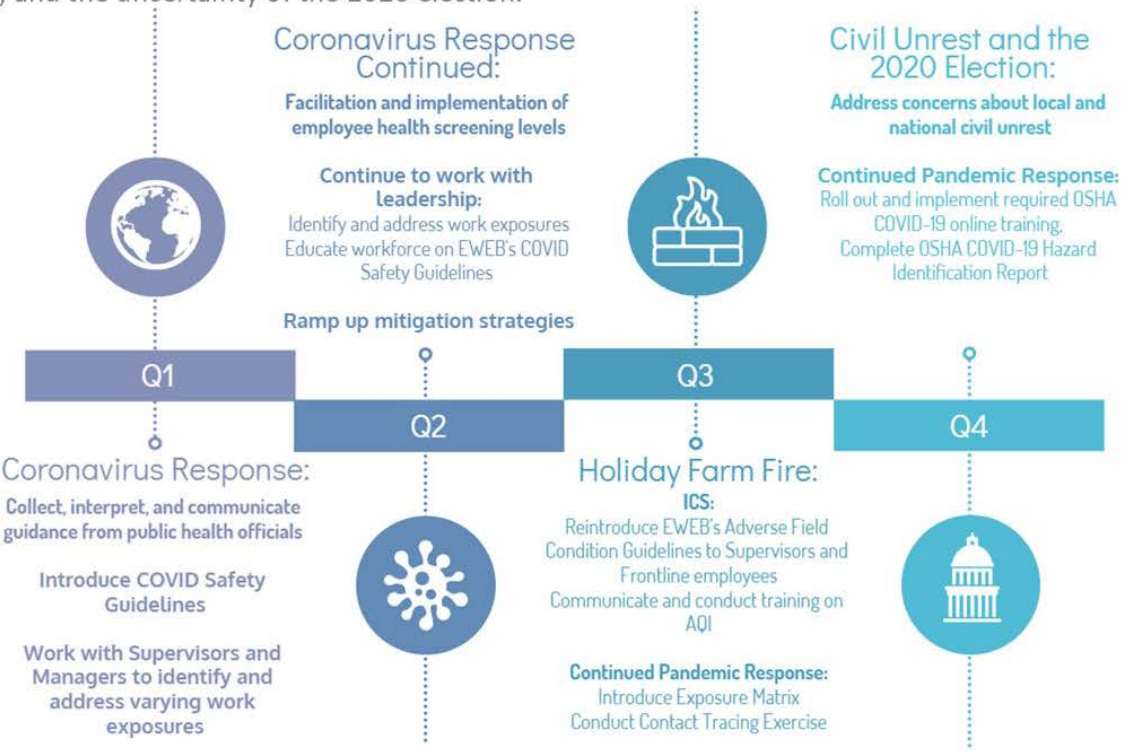
EWEB accommodated absences due to COVID-related illness, quarantine, or school closures, through a combination of federal and state expanded protected leave programs, advancing sick leave accruals, telework, and allowing employees who could do so to flex their schedules. The telework experience demonstrated more benefit than risk and gave way to the development of an ongoing telecommuting program which will be deployed over year 2021.

COVID conditions also forced reimagined approaches to the delivery of compliance and safety training and the deployment of continuous improvement and change management programming and support. EWEB's workforce proved its ability to lean into online resources and a willingness to adapt to modified workforce services support models, many of which have yielded benefits to the degree that these modifications will remain in place.

# Safety Health and Wellness– 2020 Visual Year End Report

Safety provided critical guidance to the Utility throughout 2020, which saw the emergence of the pandemic, the devastating wildfires in the McKenzie River Valley, National and Local civil unrest, and the uncertainty of the 2020 election.

## 2020 Safety Roadmap



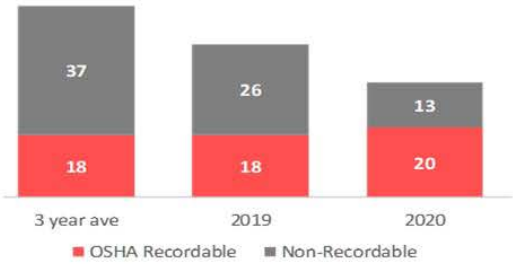

Safety trainings are critical component of a successful safety program. In 2020, safety trainings required significant adaptation due to the global pandemic

## Safety Training

# Safety Health and Wellness– 2020 Visual Year End Report

## Injury Summary

**33** *Total Injuries Reported in 2020*

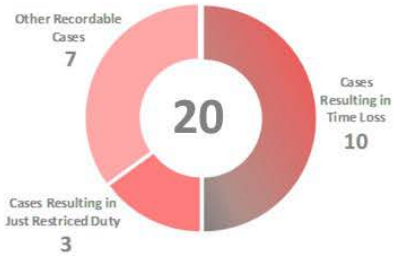



25% reduction over 2019
40% reduction over the 3-year average

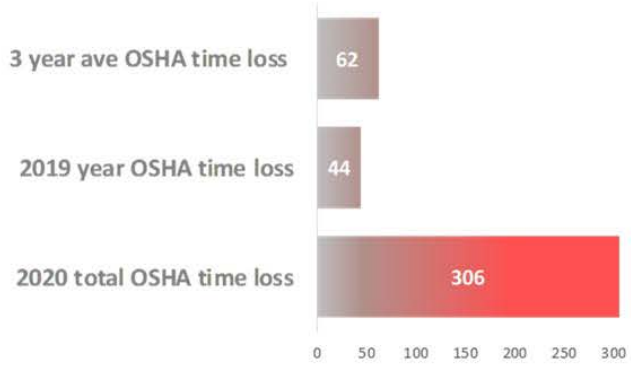
**20** *OSHA Recordable Injuries in 2020*


Slight increase over 2019 and the 3-year average

### *2020 OSHA Recordable Break Down*

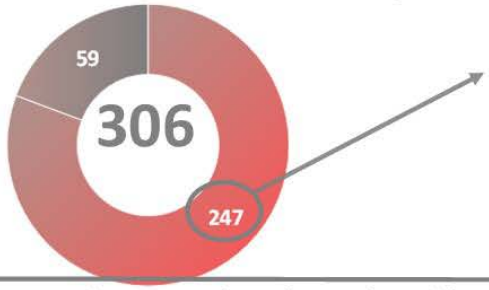



### *OSHA Time Loss Days*




As a result of delays in non-essential medical interventions and the reduction of light-duty opportunities due to the coronavirus, 80% of 2020's total time loss was driven by two individual cases of sustained absence.

### *2020 OSHA Time Loss Days*




Number of Time Loss Days as a result of:

- Limited light duty availability due to COVID-19
- Medical Procedures being postponed due to COVID-19

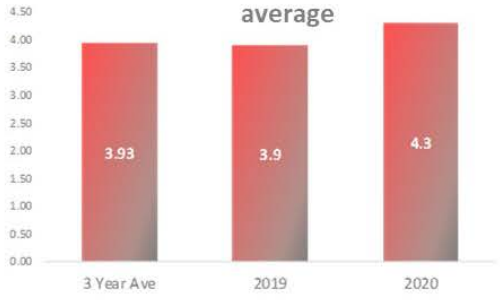
*OSHA Recordable Injury: Death, any injury resulting in days away from work "OSHA time loss days," any injury resulting in restricted duty or job transfer, or any injury requiring medical treatment beyond first aid.

# Safety Health and Wellness– 2020 Visual Year End Report

## Injury Summary Cont.

**4.3** *Total Recordable Case Rate*

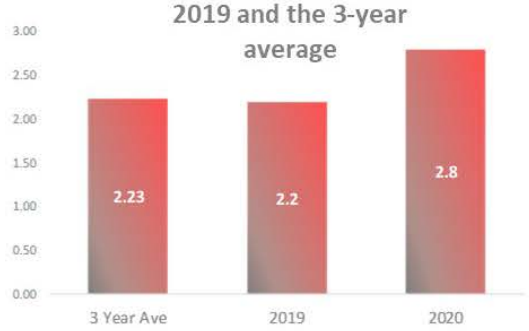
Slight increase over 2019 and the 3-year average




Total Recordable Case rate is the number of recordable injuries and illnesses experienced by 100 full-time workers

**2.8** *DART Incident Rate*

Slight increase over 2019 and the 3-year average

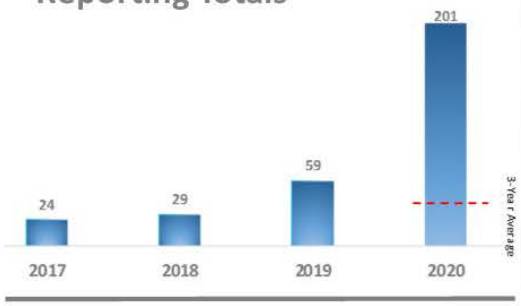



DART (Days Away, Restricted, or Transferred) – The number of lost workday injury and illness cases experienced by 100 full-time workers.

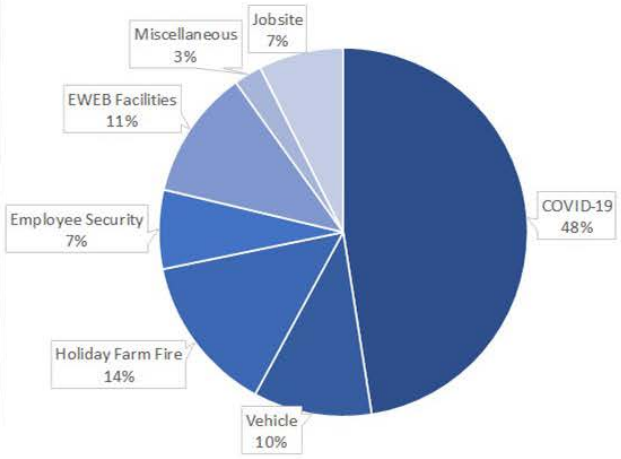
EWEB continues to focus on increasing good catch and incident reporting and 2020 saw a significant increase in good catch reporting.

## Good Catch Reporting Program

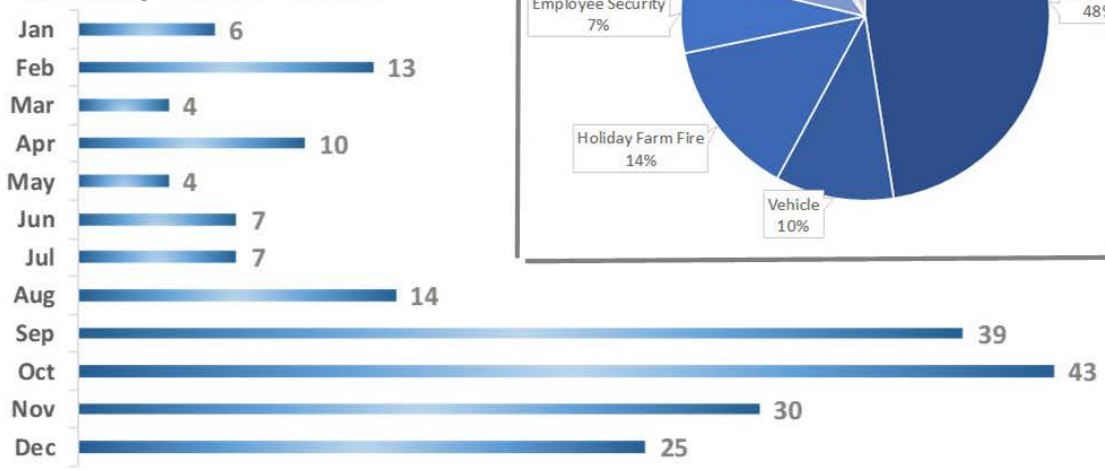
### Reporting Totals




### Good Catch; Near Miss; Safety Concern Category Disbursement



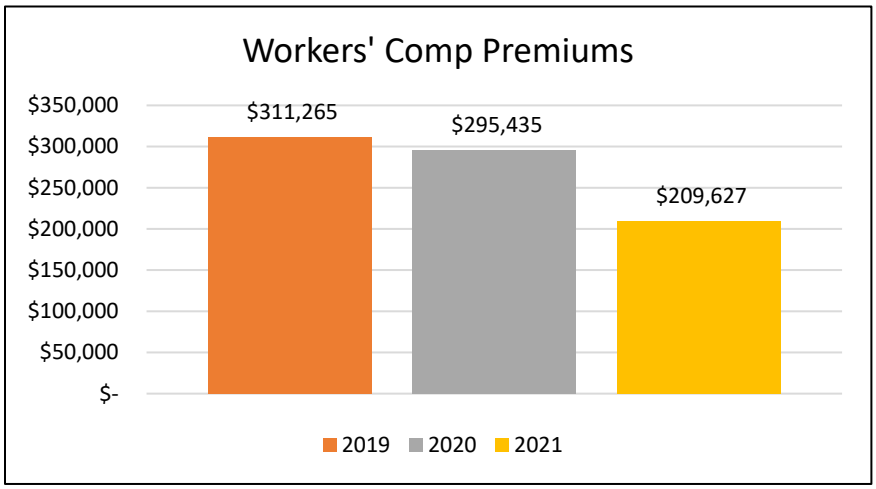

### Monthly Disbursement

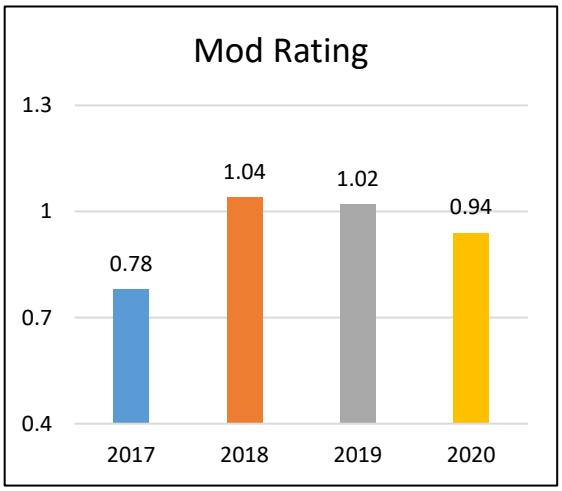


## Worker's Compensation

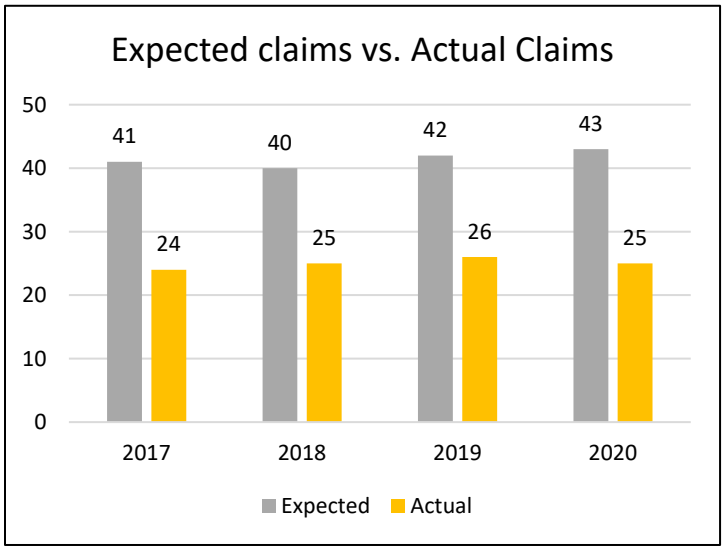
2020 claims and injury experience for Worker's Compensation was such that EWEB's annual premium for year 2021 was reduced. EWEB continues to be included in SAIF's lowest premium rate tier.

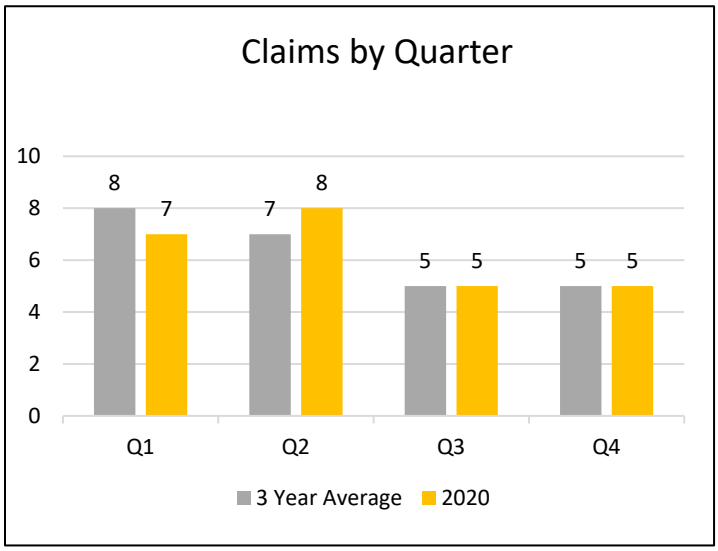
Claims and injury experience is broken down into a modification rating and rates are calculated using a 3-year lookback. The chart below indicates EWEB's annual modification rating since 2017. Claims experience for 2020 yielded a 0.72 mod rating, the lowest since 2018.




EWEB's actual number of claims remained considerably lower than projected for the year. The number of claims per quarter remains consistent with EWEB's 3-year average.



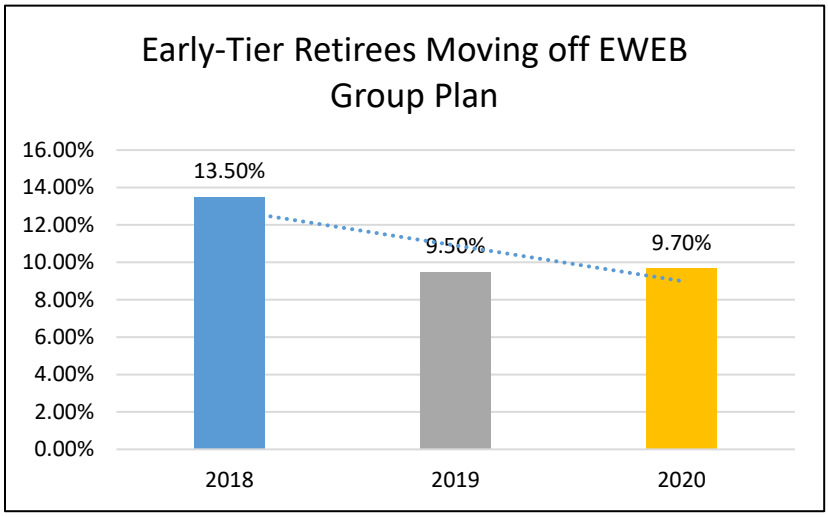




SAIF has historically issued policy holder dividends each year. EWEB received $58,714 in 2020 based on premiums in 2019. EWEB also participated in the Coronavirus Worker Safety Fund, receiving $30,492 in reimbursements for costs associated with the pandemic.

## Health Insurance

At year-end, claims utilization for all groups was 75.6%, well below the insurance industry benchmark of 85%.

Plan utilization continues to be driven largely by under-age-65 retirees and their dependents. This group is comprised primarily of retirees in legally protected, early retirement plan tiers, which include very liberal benefits and subsidies. Retiree access to health plans expires as retirees and their dependents reach age 65 and become Medicare eligible. The chart below illustrates the rate at which early-tier retiree eligibility has diminished over the last three years.



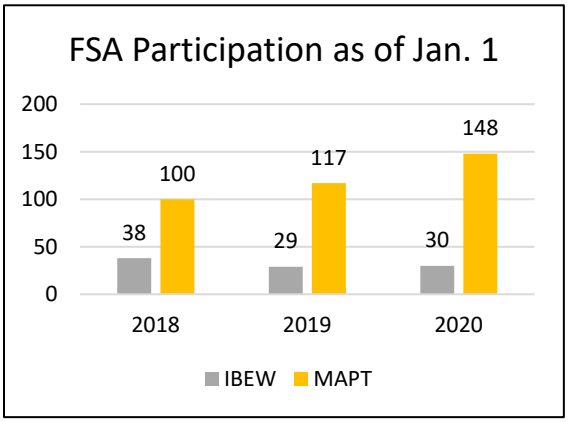

Post-retirement benefits for employees hired after 2003 are substantially less generous. This, coupled with higher retirement eligibility age requirements, will eventually result in reduced post-retirement plan participation and yield lower utilization rates, lowering insurance costs.

## Dental and Vision Plans

Plan utilization for both plans were at levels that resulted in a premium rate hold.

## FSA

A Flexible Spending Account (FSA), is an IRS-governed plan that affords qualified expenses to be paid with pre-tax dollars. Enrollment in 2020 increased by 6%, for a total of 36% participation overall. The distribution rates between the IBEW and MAPT represented below.



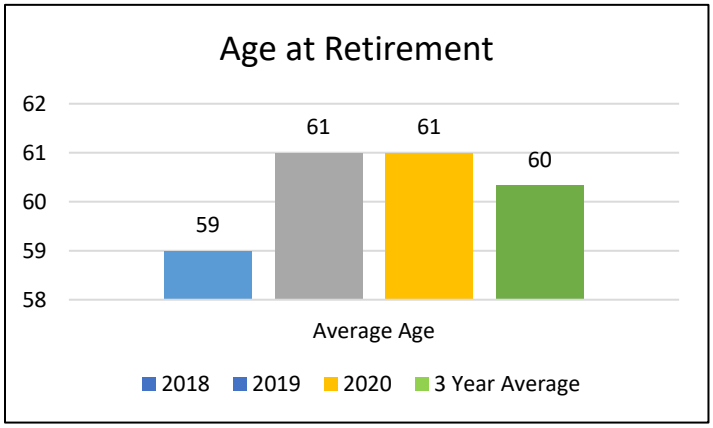
## 457 Deferred Compensation

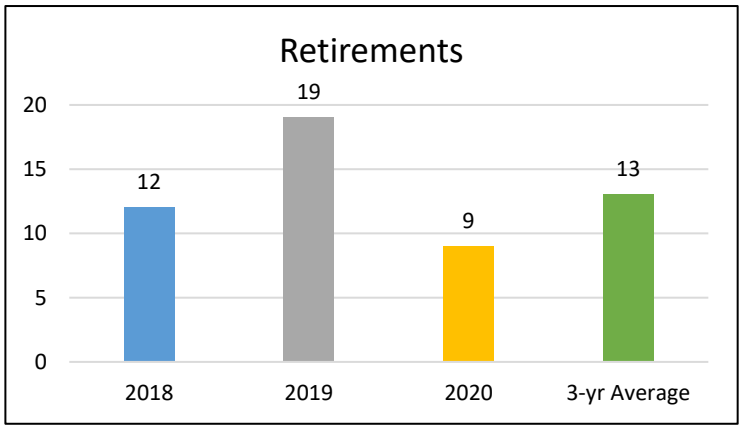
59% of EWEB employees are enrolled in the 457 Deferred Compensation Plan, a rate which is 16% higher than the average participation rate reported by the National Association of Government Defined Contribution Administrators (NAGDA). Additionally, average EWEB employee balances are nearly double the national average.

| | Participation Rate | Average Account Balances |
|---|---|---|
| National | 43% | $48,400 |
| EWEB | 59% | $89,000 |

## Retirements

There were nine retirements in 2020, roughly 31% fewer than the 3-year average of 13, and 51% less than 2019. The reduction in 2020 may have been the result of market uncertainty due to COVID-19. The 3-year average age at retirement remains 60.




The number of retirees in Tiers 1 and 2 is diminishing, with 75% of EWEB employees now in the OPSRP retirement program. Over time, OPSRP retirement eligibility requirements are expected to drive the average age at retirement toward 65.

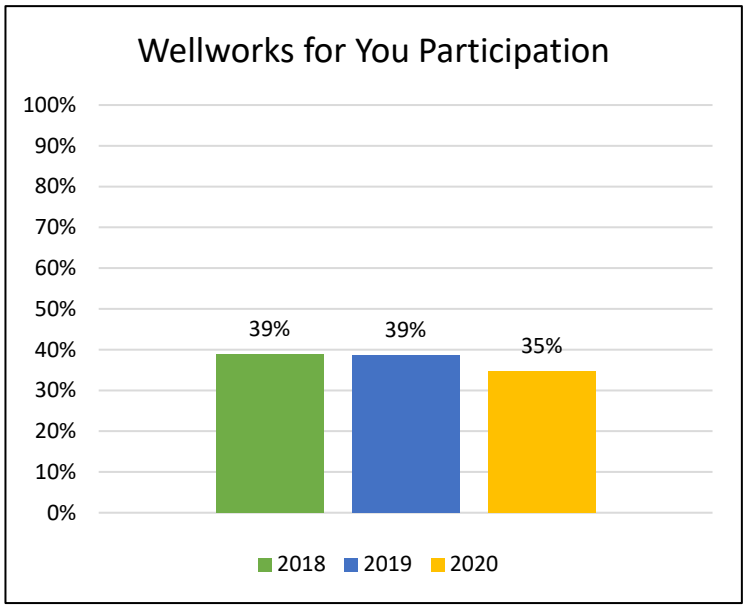
| Retirement Eligibility Based on Age and/or Years of Service | PERS Tier 1 | PERS Tier 2 | OPSRP | Total |
|---|---|---|---|---|
| Less than 1 year | 9 | 11 | 4 | 24 |
| 2-4 years | 13 | 16 | 16 | 45 |
| 5+ years | 1 | 53 | 365 | 419 |
| Total | 23 | 80 | 385 | 488 |

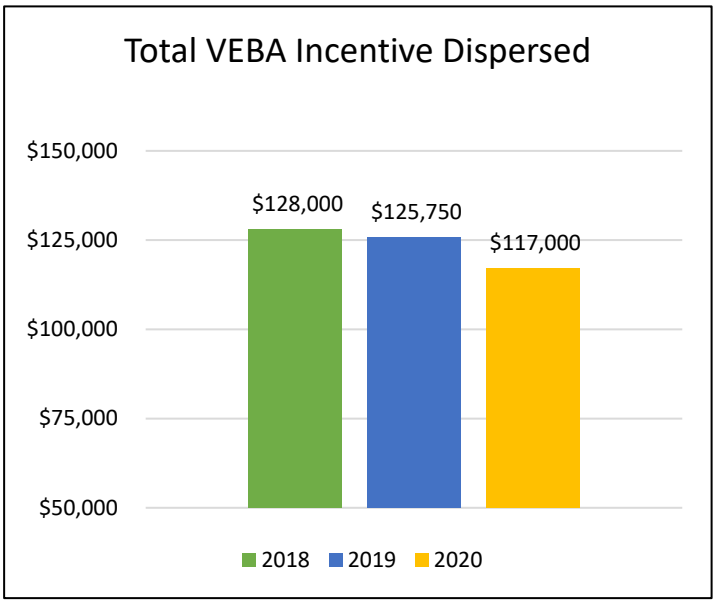
## Wellness Program

Incentives for Level I participation in the wellness program require annual preventative health check-ups with dentists and primary-care providers. To reach Level II, additional preventative health measures are required. Incentives are paid through VEBA HRA: $500 for Level I only, and $750 for completion of Levels I and II.

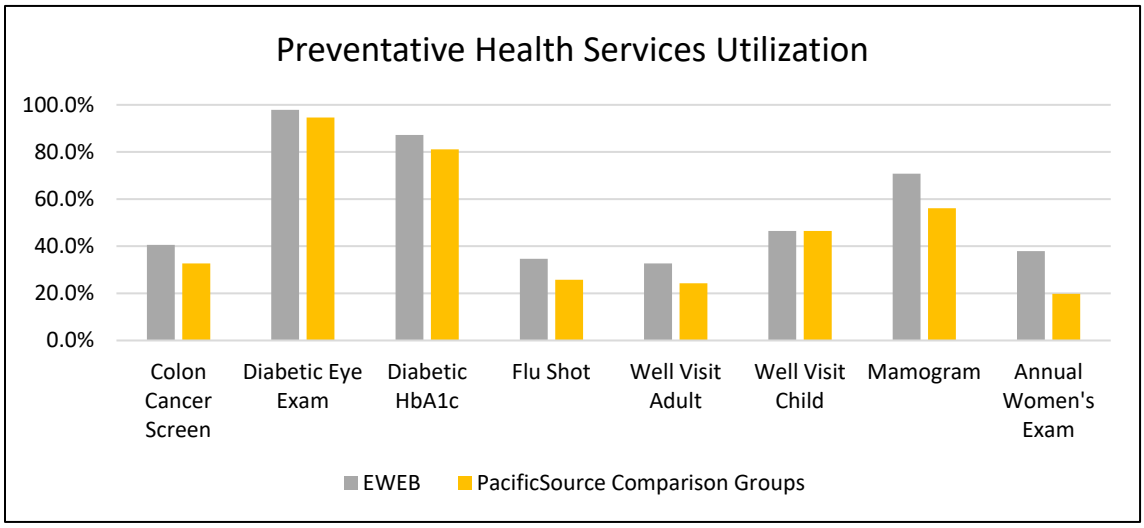
Participation in the program dropped slightly in 2020, largely due to pandemic-related limited access to health and dental providers. EWEB extended the program deadline for an additional two months and adapted additional wellness activities to accommodate telework and to enable online participation.

While there's a direct cost, employee participation in the wellness program is considered in the negotiation of health insurance premiums and represents a means to reduce claims experience through preventative healthcare and early intervention.




Even though wellness program participation was down in 2020, employees continued to engage in preventative healthcare services at a higher-than-average rate compared to employees of other PacificSource health plan subscribers.

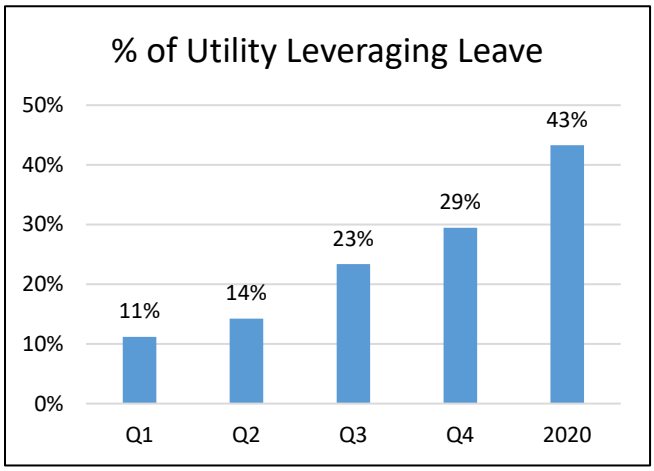



## Workforce Management

### Absence Management

State and federal protected leave programs were expanded in 2020 to accommodate COVID-19-related attendance disruptions due to illness and school closures. In response, EWEB front-loaded sick leave accruals and amended leave policies to accommodate new legislation. Additionally, telework and flexible scheduling were also leveraged to enable employees to manage school and daycare closure impacts.

43% of EWEB employees used some type of protected leave in 2020. The chart below illustrates that leave usage increased steadily as schools closed and incidents of illness or quarantine occurred. Outside of strictly COVID-related leave incidents, EWEB's typical protected leave usage for the year would have been approximately 24%.




## Compensation

EWEB's MAPT Compensation plan is comprised of three elements, two required and one optional based on EWEB's ability to pay:

- Ensuring a competitive market position as compared to other regional utilities.
- Incremental range progression as employees advance through their designated pay ranges, based on performance and skill in the position.
- Optional recognition awards for high-performers and/or notable accomplishments throughout the year.

To ensure that EWEB keeps pace with the employment marketplace and that pay continues to track appropriately as employees advance through their ranges, the following decisions were made in 2020 for 2021 plan management:

- MAPT salary structures increased 1.75% in January 2021, per CPI indices.
- Progression adjustments will be made for employees below 100% of the market midpoint.
- Recognition awards will be withheld in response to continuing regional economic conditions.

## Labor Relations

EWEB continued to have a productive relationship with the IBEW in 2020. Only two grievances were filed during the year and were later withdrawn.

The Collective Bargaining Agreement, set to expire in March 2021, was extended by mutual agreement until March 30, 2023.

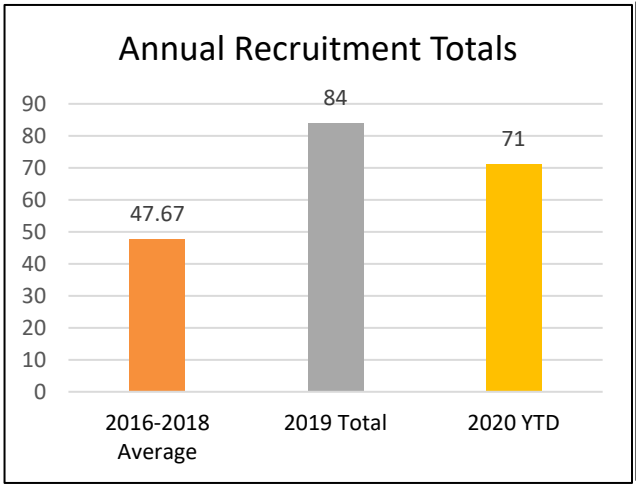
## Recruiting

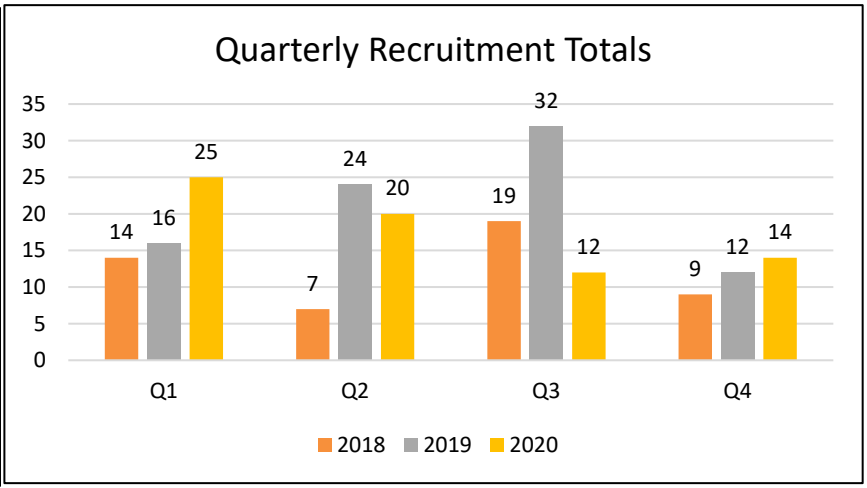
EWEB recruiting and selection activity remained high in 2020.

- 71 positions were posted, down from 84 in 2019
  - 47 internal/external
  - 24 internal only
  - Roughly 2,100 applications received; no discernable difference over previous years in spite of high COVID-driven unemployment, which peaked at nearly 15% in April
- 31 promotions; 201 EWEB employee applications

Authorized FTE counts remained relatively flat. Beyond backfilling vacancies due to retirements and regular attrition, high recruiting volume is attributed to the cascading effect of backfilling vacancies created by promotions.

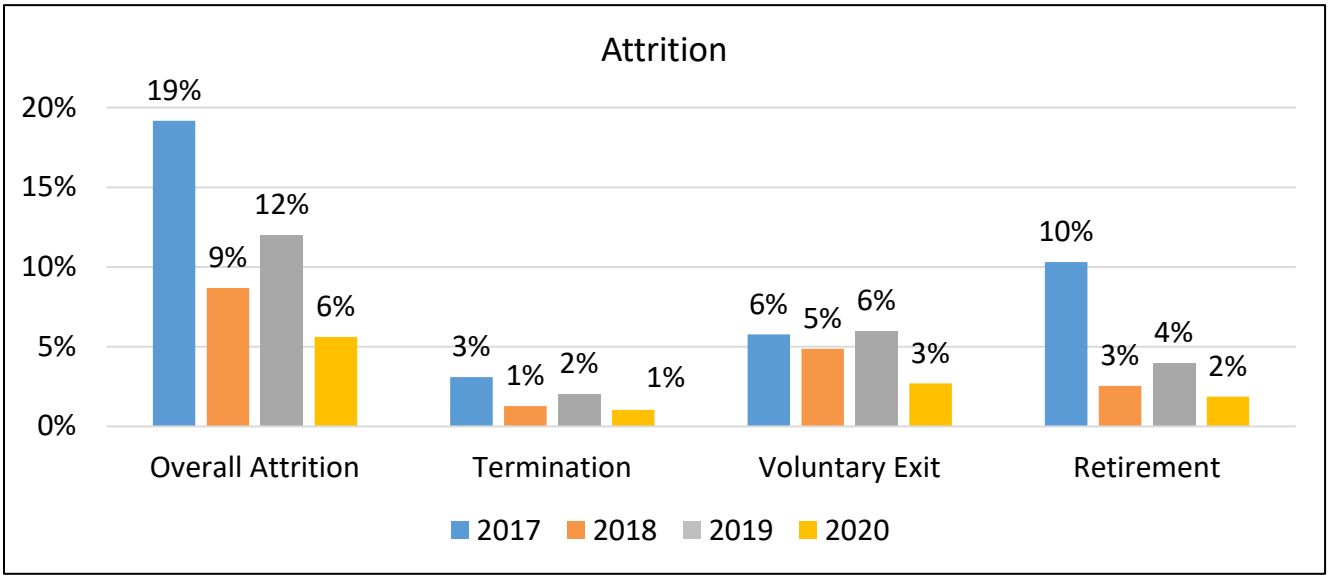
The average time to fill vacancies was up slightly at 55 days compared to the 51 day 3-year average.

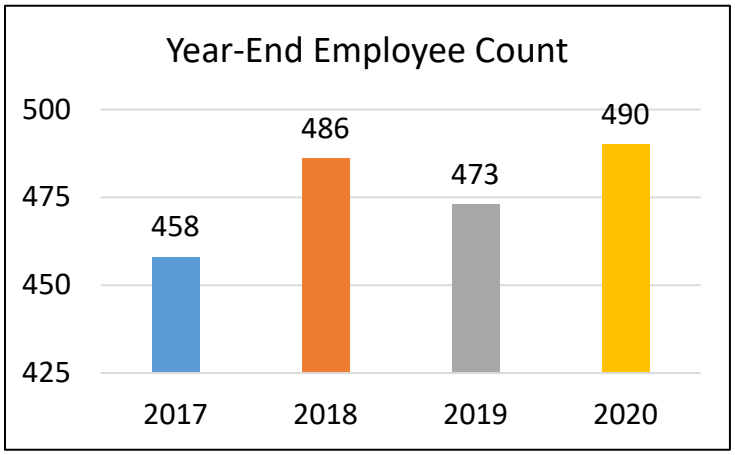


## Attrition

EWEB's non-retirement voluntary exit rate, 3% for 2020, remains low among EWEB comparators and is at its lowest rate over the 3-year tracking period. Likewise, this rate is well below the overall power industry average of 13% (survey data published by Center for Energy Workforce Development).




## Workforce Composition

EWEB's workforce composition information remained essentially static. Details are provided in the appendix.

## Workforce Resiliency

## Teleworking & Telecommuting

Pandemic response conditions in March sent approximately 250 employees off to work from home. As of Q4 2020, roughly 200 employees continue to telework on a regular basis.

EWEB's experience with telework so far indicates no significant loss in productivity or in EWEB's ability to meet customer needs. Telecommuting programs have become a competitive employment standard. EWEB's adoption of this work model enables the continued ability to attract and retain skilled workers. To that end, an ongoing telecommuting program has been developed and will be deployed in year 2021.

## Development and Compliance Training

Working conditions in 2020 created the need to adapt conventional, in-person training to online delivery models. To meet this need, EWEB leveraged its HRIS system, UltiPro, by launching an integrated Learning Management System (LMS). This provides a new platform for employees to complete both mandatory and voluntary training, including customized compliance training and assorted courses from an extensive content library. The LMS has enabled EWEB to satisfy compliance requirements. In 2021 EWEB intends to expand the use of the program to include developmental training opportunities.

## Continuous Improvement

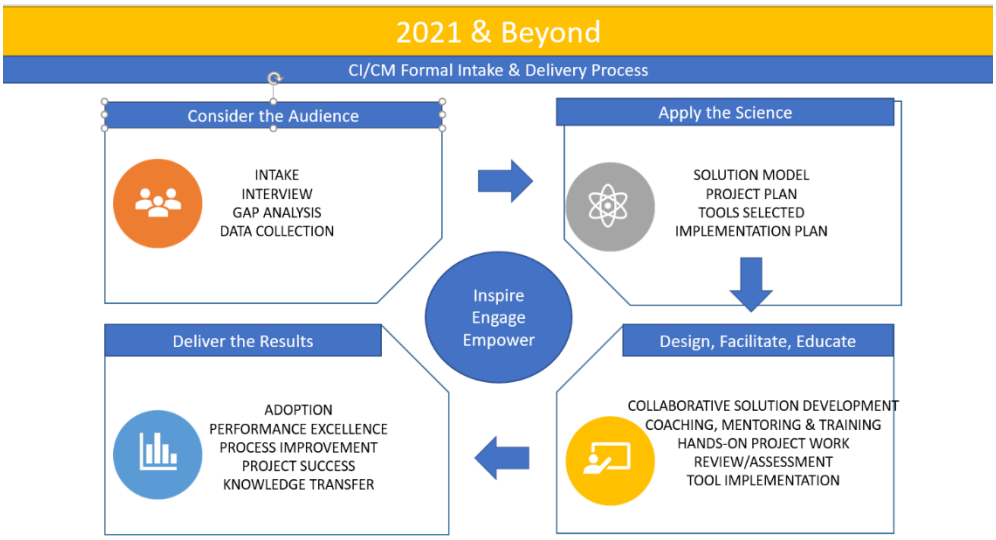
Continuous Improvement (CI) and Change Management (CM) efforts throughout 2020 were largely focused on supporting and advancing AMI and CEI initiatives. Due to unexpected pandemic-related limitations, the CI team shifted its efforts from delivering largely academic training classes to providing real-time, hands-on, experience-based CI and CM instruction to support large initiatives assigned to EWEB's Operational Goal #1.

## Year in Review

- Integration CM philosophies
- AMI & CEI Support
- Pandemic Response Support
- Water/Elec Turn On/Off Separation
- Workforce Metrics Project
- CI Intake Process Development
- CI Future Model Development
- Executive Team Communication Support
- CI/CM Training (EWEB)

## 2021 & Beyond

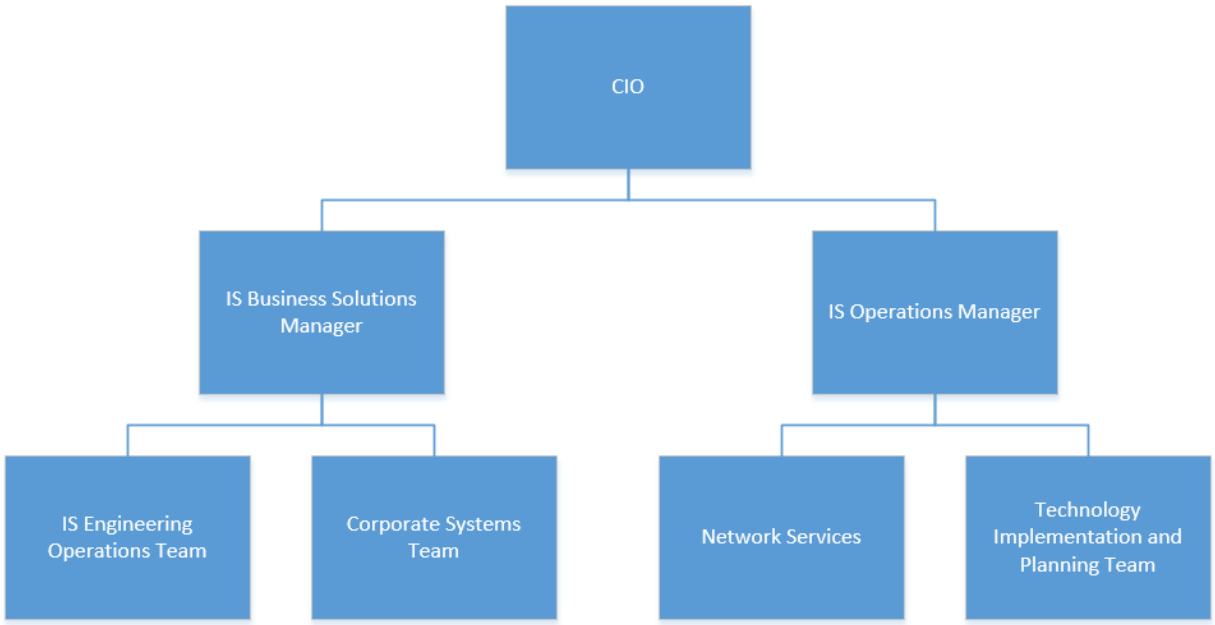
The graphic below illustrates the 2021 CI intake and delivery model.



## Other Operational Updates

**Information Services & Cyber Security**

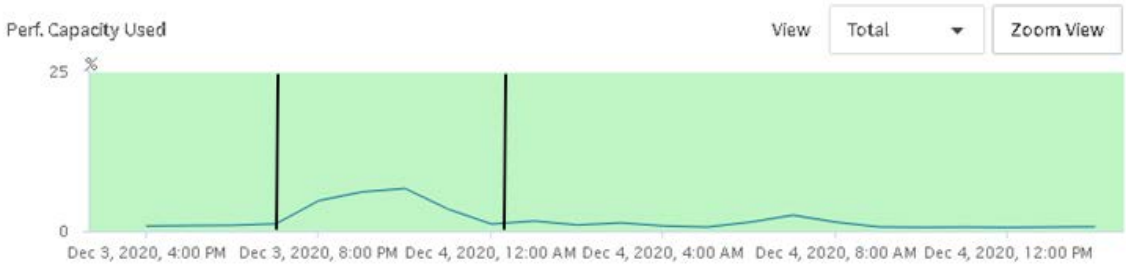
Rod Price's assignment serving as interim CIO came to an end in November 2020 when Frank promoted IS Division Manager Travis Knabe to the role of CIO. A huge thanks to Rod from the IS Division for his leadership, support, and mentorship during a challenging 2020. To better support the Utility, a new IS Manager position was added to better meet the needs of the Divisions. One manager role will be responsible for the IS Operational functions (keeping the data flowing). This position was filled with the promotion of Daniele McCallum in late December. The other newly created manager position will be focused on the execution of cross-divisional projects as well as operational support of our critical business applications. This position was filled in January 2021 with the hiring of Bruce Debysingh.



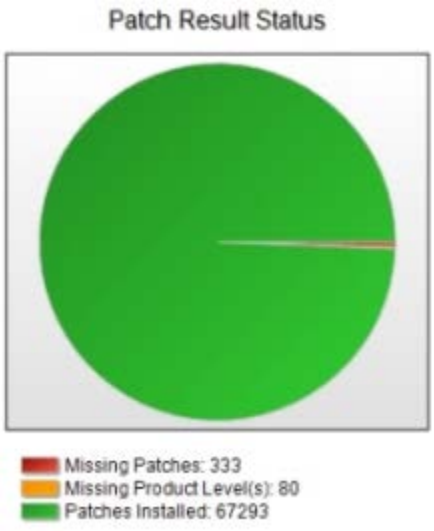

With the challenges we faced in 2020; and the goal to support a mobile workforce, the IS Division adjusted our strategy to focus on cloud delivery when available and appropriate. A successful migration to the Microsoft 365 cloud hosted collaboration platform was the first step of this journey. EWEB employees now have access to their email, calendar, OneNote, and Teams from any device anywhere. Working with facilities, the staff has been retro-fitting conference rooms with Telepresence technology to enhance the collaboration experience.

In December of 2020, news became public that SolarWinds was the victim of a massive supply chain hack. Being a customer of SolarWinds, EWEB Cyber Security and Information Services division took immediate steps to ensure the integrity of our systems and data. The teams found ***NO*** indication of compromise on our network, which was confirmed by a 3rd party cyber security firm. While you hope to never have to use them, it gave the teams an opportunity to use our incident response plans in an actual event. We're now taking our lessons learned from this event to better be better prepared in the future. I commend the teams on their planning efforts, and response to this incident.

IS deployed a new storage subsystem in Q4 of 2020 replacing the previous system that was near end of life. Shown in the graphs below between the black lines is a before and after view of the same workload taken during a normal patch cycle. When the Performance Capacity exceeds 90%, and in the case below jumps above 100% utilization, resources are drained from the entire system. This results in noticeable performance degradation to our critical applications such as CIS & WAM. The gains in performance with the new system are noticeable all the way down to the end-user experience.


Maintaining a rigorous patching program helps maintain reliability, as well as security. A typical monthly patch cycle across our infrastructure requires over 60,000 patches to be installed. It was not uncommon in the past for this graph to be the inverse. Lots of work has gone into the patching program to maintain EWEB's systems.




## Security – Physical

Physical Security has been working on replacing aging systems such as cameras and monitoring programs. The enhanced capabilities will allow our officers to better predict and detect behavior and incidents. We have restructured our patrol team to allow for better two-officer coverage during the most dangerous hours and have noticed a dramatic reduction in escalation or negative results with citizen contacts due to the additional officer presence in many instances.

The table below categorizes activity in and around EWEB properties that could potentially disrupt operations or interfere with the Utility's strategic goals.

| | 20Q3 | 20Q4 | % Change |
|---|---|---|---|
| Citizen Contacts | 105 | 149 | **+70%** |
| Trespass | 23 | 6 | **-74%** |
| Drug Activity | 5 | 25 | **+400%** |
| Property Nuisance | 52 | 105 | **+100%** |

C*itizen contact* numbers are still greatly affected by the prevalence of unhoused people in our community who seek out shelter at the open spaces that surround substations and reservoirs. We have aligned with the City of Eugene in seeking solutions for these people, but we continue to see increasing challenges. *Trespass* numbers are down due to a doubling of patrols and a more positive response from citizens to cooperate when asked to move off EWEB property. Local government agencies have adopted policies which allow many campers to remain in large encampments on public land, rather than following previous nomadic patterns, which keeps many folks from moving between properties. *Drug activity* has skyrocketed and is a continued danger to our staff and our community at open-space properties, substations, and reservoirs. *Property Nuisance* continued to increase due to graffiti related to social unrest within the community. Some properties require remediation two or three times each week.

We continue to see incidents of aggressive behavior from the public toward meter readers, meter technicians, and customer call center staff, resulting in some disruption to field operations. EWEB officers have accompanied field staff, when requested, to ensure they can perform their duties safely and without disruption. Nearly 100 public-facing staff members have attended our Conflict Resolution & De-escalation training which has given them communication tools and safety strategies for addressing challenging encounters. We will continue these trainings for all work groups throughout the year.

We are continuing our proactive public safety and security protocols to protect EWEB employees and customers and ensure resiliency of our utility services. These include specific response plans in the event an EWEB location becomes the target of violence. The Security Team continually monitors threats against utilities locally and nationally, and partners with local law enforcement and emergency services to ensure critical infrastructure are considered in their response plans.

## Compliance

**NERC Compliance**
None to report.

**Additional Compliance**
None to report.

## Dam Safety

The COVID-19 pandemic did not significantly impact dam safety activities during the fourth quarter. All dam safety staff teleworked from home and responded effectively to dam safety concerns and incident reports in the field. Field operation staff continued the dam safety surveillance and monitoring programs without difficulties. We continued using MS Teams without problem for meetings and coordination with consultants, regulators and other EWEB staff.

Regulatory compliance is always the busiest near the end of the year, which included conducting Emergency Action Plan (EAP) telephone drill and annual EAP update in addition to completing many engineering items. We met all dam safety regulatory obligation and compliance requirements for the year 2020. A quarterly conference with FERC Portland Regional Office staff was conducted through MS Teams on December 2, covering major project updates and dam safety priority items. There are no active regulatory compliance issues with FERC Dam Safety.

Updates of major projects affecting dam safety include: The Carmen Diversion Dam sluiceway flow release structure (FRS) project 60% design has been completed at the time of this report. Dam Safety is working with the design team to include repair of cracked spillway structures and deteriorated joints. Additional investigation has been included with the subsurface condition assessment for the design; The alternative study for Smith Dam overtopping mitigation due to the probable maximum flood has concluded with a selected preference to modify the existing spillway to meet current performance requirements. We are currently working with the consultant team on some hydrologic model validation/calibration questions that might change the project performance requirements before moving the project to the design stage; The Smith Reach bypass flow implementation project is in the 30% design stage; The consultant on the Carmen Diversion sinkhole investigation has completed their evaluation and conclusion. A draft report is being reviewed by the EWEB team and will be finalized for FERC submittal in February 2021. We will propose several operation maintenance changes to FERC based on the report's conclusions; The Leaburg Canal risk-informed alternative analysis (EWEB Goal #7) has been concluded with a draft report submitted to EWEB by the consultant team; Trail Bridge upstream and downstream fish passage projects are currently in 90% design review. A design basis potential failure modes analysis workshop is scheduled with FERC in March 2021. Several engineering issues are still being studied by the design team, including rock scouring due to the modification of the spillway and spillway chute stability.

From an O&M perspective, it has become routine for the dam safety staff to respond frequently to operational reports of excessive seepage, flooding, sinkholes, and other issues with our aging infrastructures. Staff are currently working on an investigation of seepage and soil erosion issues at the Walterville forebay embankment area. Dam Safety is also working on a Request for Proposal to hire a consultant team to conduct seismic safety evaluations of Walterville embankment and forebay structures and rehabilitation of the spillway as part of the FERC requirements for the Project.

## Legislative

**State**
Refer to Goal #8 Climate Change/Carbon Mitigation for HB 2995 update.

**State/Federal**
Federal Covid Relief Package Includes Water/Sewer Bill Assistance
The federal Covid relief package approved by Congress in December included $638 million to forgive overdue water and sewer bills. The State of Oregon is awaiting further guidance from federal agencies on how the funds will be disbursed and with what conditions attached. EWEB has been working with Oregon Housing and Community Services and the League of Oregon Cities, providing our acumen from administering our own in house ratepayer funded customer assistance program, in order to help Oregon have a plan in place to accept, process and disburse these funds to benefit customers as quickly as possible.

**Federal**
President Biden Commences Infrastructure Bill Talks with Congress
After comprehensive supplemental Covid relief and recovery legislation is complete, the Biden administration is expected to ratchet up advocacy in Congress for a multi-trillion dollar infrastructure package. EWEB staff will prioritize monitoring the progress of these talks and communicating with Congressman Peter DeFazio who will have a critical role in the authorization of a generational infrastructure investment.

## Legal Matters
Central Lincoln PUD v. Oregon Department of Energy et al.: EWEB has joined with other utilities, including cooperatives and people's utility districts, to challenge aspects of the Energy Supplier Assessments (ESA) imposed by the Oregon Department of Energy (ODOE). ODOE appealed the trial court's decision favoring the plaintiffs; oral arguments were presented to the Court of Appeals in December 2018. The Court of Appeals issued their written decision on October 7, 2020, substantially ruling against the Petitioners, reversing refunds of past assessments, and remanding the case for further action by the trial court. However, the ruling in the lower court that the ESA is a tax was upheld, as a result future

ESA increases must be approved by the legislature -- by a 3/5ths majority in both the House and the Senate. This higher threshold for the approval of any future ESA rate increase may result containing future growth of the ESA.

N. Harris Computer Corporation v. EWEB: In May 2018, EWEB issued a letter notice of termination on a vendor contract with a division of N. Harris Computer Corporation, relating to the installation and configuration of a replacement customer information system (CIS). Despite efforts to resolve the conflict by mediation, N. Harris Computer Corporation filed a lawsuit against EWEB on December 17, 2018, asserting Breach of Contract, seeking approximately $740,000. EWEB filed an answer and counter complaint based on misrepresentation, breach of contract, and seeking rescission with restitution for financial damages. EWEB's response to the plaintiff's motions for summary judgment has been filed, and the court took the motions under advisement July 2019. The schedule for discovery and trial will be dependent upon the timing and scope of the court's decisions on the pending motions.

## Public Records Requests

During Q4 2020 EWEB received and responded to eight public record requests; two for customer records, one for HR records, two for electric records, and three for purchasing records.

## Board Activity Report

During the fourth quarter, the Board of Commissioners took significant actions and held meaningful discussions including, but not limited to, the following:

- EWEB's response to the COVID-19 pandemic in relation to safety, customer assistance and financial position
- Watershed restoration and recovery including approval of a 1 million dollar addition of budget for investments in water source protection related to the Holiday Farm Fire.
- Review of long-term financial plans and several discussions leading up to the ultimate approval of the 2021 Electric and Water budgets and prices
- Reviewed progress on the base level storage tank upgrades and provided guidance on the current project path
- Review and discussion of the results from Phase 1 of the electrification impact analysis report related to organizational goal #6
- Approved the adoption of new mitigation actions into the 2020 Natural Hazard Mitigation Plan targeting post-fire recovery efforts that address the heightened risk of severe flooding events in the watershed and protect drinking water quality
- Approval of the 2021 state legislative agenda
- Authorized General Manager to approve the sale of the WGA steam turbine generator
- MGP site declared as surplus and no longer needed for utility purposes, and General Manager authorized to execute sale to the City of Eugene/City of Eugene Urban Renewal Agency

Commissioners also reviewed updates pertaining to Advanced Meter Infrastructure, Carmen-Smith license deployment and powerhouse refurbishment projects, and EWEB's 2019 Operational Greenhouse Gas Inventory report.

## Quarterly Update – Customer Confidence – Advanced Metering (Annual Goal #2)

***Goal #2 Using continuous improvement and good utility practice, standardize and scale the integration of advanced metering infrastructure (AMI) and existing metering technology for the purpose of effective (accurate, timely, secure) and efficient revenue billing, and move-in/out processing.***

***Q4 Overall Status:*** **Partially Achieved; schedule slippage on meter deployment**

| *Key Indicators & Measurements* |
|---|
| Meter Installations ~ Tower/Communications ~ AMI Billing Reads KPI |

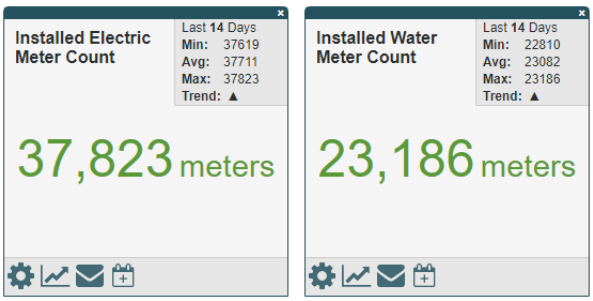
The overall AMI program consists of four separate areas of work (i.e. projects), each of which is reported on below. Activities at the program level include coordinating critical path milestones between projects, and planning for long term successful adoption of strategic smart metering capabilities. To that end, a Steering Committee continues to meet monthly to provide guidance to the program.

Project 1: Meter Deployment (Jon Thomas, Project Manager) – Status: Schedule Slippage
Operational staff in both Water and Electric resumed deployment numbers consistent with the 2020 work plan after experiencing the impacts of the Holiday Farm in Q3.

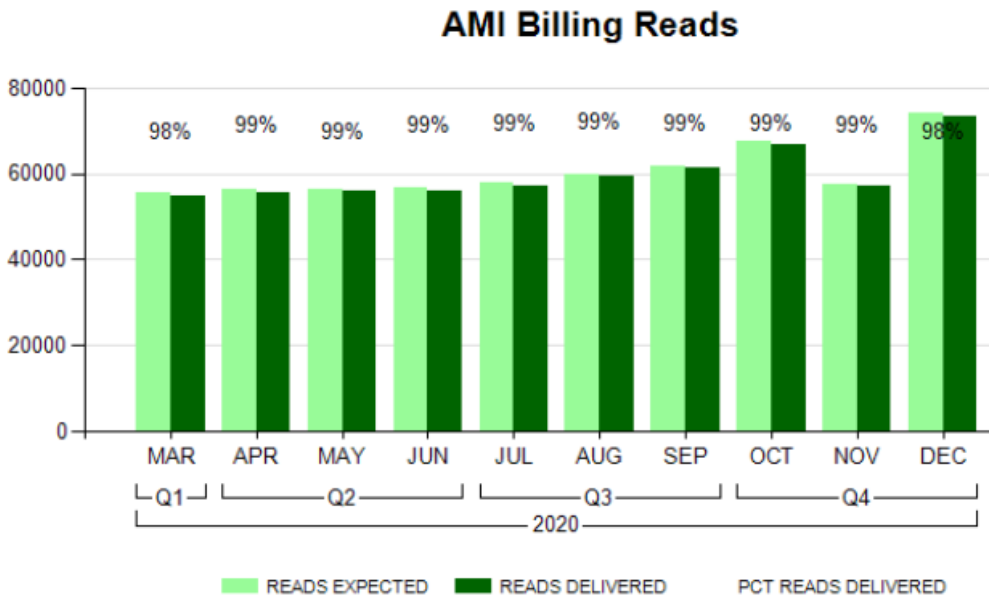
The team reached an agreement with Sensus for single phase meter installations and a contract amendment was executed after approval of the EWEB Board in November. The planned completion of single-phase electric meters with contracted labor remains Q1/Q2 of 2022. Sensus has subcontracted with Utility Partners of America (UPA) for meter installation services. A kick-off meeting was held in early December and numerous breakout teams were established with key stakeholders to facilitate future coordination opportunities between operational areas. The "Meter to Cash" project team has supported the pre-planning efforts between EWEB stakeholders and UPA's team to prepare for many new processes to accommodate exchanges performed by external resources. A closer evaluation by the team of several meter types, customer type and account status criteria of single-phase meters solidified a focused scope that would be sent to the Contractor. An updated complete list of remaining meters to be exchanged by UPA was provided in mid-December which was about 6,000 less than initial estimates. UPA began efforts on the route release schedule in late Q4 in coordination with EWEB. Starting locations for UPA's mass deployment will consider risks in the recently upgraded communication system and the potential high levels of Utility Intervention Required (UIR).

A staging area for UPA's efforts was identified near EWEB's Headquarter Building at the intersection of 4th and Mill. Preliminary efforts to secure temporary power, office, storage and fencing at the Contractor's staging area were done by the end of Q4.

Meters Installed to date as of 12/31/2020:



Successful meter reads remain consistently within targets at 98-99% for the last six months.




Project 2: Information Services Upgrades (Kris Moe, Project Manager) – Status: On Schedule

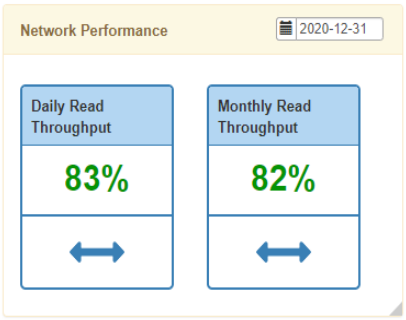
EWEB's cross-functional Project team is working with Sensus professional services to improve the computer systems that support the AMI program.

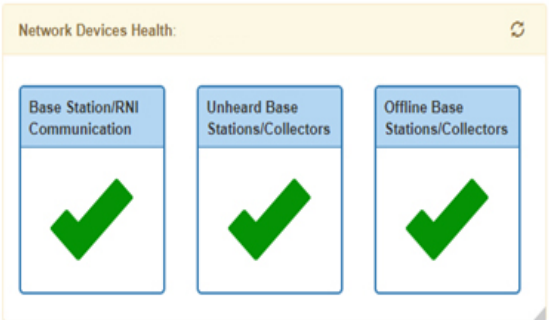
- Successful cutover of Sensus RNI from 3.3 to 4.6 on 11/8/2020.
- Plug and Play changes – requirements and design complete. Tentative cutover 2/4/2021. Plug and Play allows for a more streamlined meter installation process in preparation for contracted mass deployment.

Project 3: AMI Facilities Project – Radio Tower Installations (Kris Moe) – Status: On Schedule

Installing and upgrading a selection of AMI Facilities to improve radio coverage and support smart meter installation.

- Installed Spring Creek and Delta AMI Facilities. Fully functional and communicating with AMI meters.
- Crest Facility under construction, to be completed early 2021.
- Seneca and Bethel AMI Facilities upgraded with taller poles to improve meter to facility communications.
- Seneca facility experienced less than optimal communications. Comm Shop and Sensus professional Services to resolve February 2021.
- New Sensus Power Monitors (SPM-900s) were installed at all AMI Facilities the last week of December 2020. SPM-900s, in conjunction with the RNI upgrade, allows for more detailed reporting on the performance of the base stations and allows for more thorough tuning and troubleshooting.




Network Performance monitoring

- The RNI 4.6 Upgrade provides improved tools to monitor performance and health of network infrastructure.
- Staff will receive further Training in early 2021 and there will be defined handoff to operations of this monitoring activity.
- Regarding Network Performance, above 80% is well performing.

Project 4: Meter to Cash (M2C) (Julie "Jules" Smith – Contractor) – Status: On Schedule

The M2C team focus has been on Plug and Play and support for the upcoming mass deployment including:

- Participated in Plug and Play business requirements and design reviews to identify new and changes to existing business processes needed. Held stakeholder input sessions to determine impacts of design decisions to downstream processes.
- Helped plan and participated in the UPA kick-off meeting. Organized and kicked off multiple breakout teams to begin preparations for mass deployment.
- Created new deployment planning and scheduling method for duration of Electric and Water deployments. Held multiple awareness sessions for communication to EWEB staff.
- Developed meter-reading/timing schedule for UPA deployment planning.

Advanced Metering Information Services Improvement Project Financial Dashboard (Shared)

Information regarding the combined capital project budget and costs for all projects is below.

**Advanced Metering Upgrade (Water)**

| | | | |
|---|---|---|---|
| Project Initiation: | Feb-2018 | Initial Scope Budget: * | $17,828,000 |
| Initial Planned Completion: | Dec-2021 | Actual Project Costs To-Date: | $8,996,959 |
| Projected Completion: | Dec-2023 | Total Final Cost Projection** | $19,871,491 |

**Advanced Metering Projects (Electric)**

| | | | |
|---|---|---|---|
| Project Initiation: | Feb-2018 | Initial Scope Budget: * | $13,695,000 |
| Initial Planned Completion: | Dec-2021 | Actual Project Costs To-Date: | $ 14,969,671 |
| Projected Completion: | Mar-2022 | Total Final Cost Projection: | $24,447,909 |

* Prior to February 2018 under the initial Opt-in model, meter upgrades were performed only when requested by a customer.

*See Appendix C – Electric Utility EL-1 Capital Report. Shared Services project updates are provided in the Advanced Metering Report, but the project budget and costs are split between Electric and Water in the appendices.*

[Return to Capital Projects Section – Advanced Metering/Electric & Shared Services]
[Return to Capital Projects Section – Advanced Meter Upgrade/Water]

## Quarterly Update – Customer Confidence – Customer Interactions (Annual Goal #3)

***Goal #3 Streamline and simplify our most common customer interactions, including new self-service options, easy-to-understand bills, and secure ways to pay.***

***Q4 Overall Status:*** **Partially Achieved; Behind Schedule**

| *Key Indicators & Measurements* |
|---|
| Project Milestones – Scope, Schedule, Budget |

| | | | |
|---|---|---|---|
| Project Initiation: | Oct-2019 | Actual Project Costs To-Date: | $2,198,500 |
| Projected Completion: | Apr-2021 | Total Final Cost Projection: | $2,808,500 |

In support of EWEB's initial part of the Strategic Plan to enhance customer confidence, EWEB is implementing a customer self-service solution (CSS), as well as updating the Electronic Bill Payment and Presentment System (EBPP) and bill print and mail services (BPM). The project goal is to improve and simplify how we serve our customer owners by improving the delivery of information and making it easier to interact with EWEB on common customer issues. Due to logistical changes and global health issue (COVID-19) impacts – there have been several delays in completing work.

Quarter 4 Milestones included:

- Testing progress – e-billing, autopayment scheduling, customer notifications, and payment processing have been analyzed and triggered a few changes due to product discrepancies.
- Changes were proposed, accepted and are on track for delivery in Q1 2021 – launch timing remains unaffected, though there was a cost increase reflected in the final cost projection based on the necessary changes.
- Delays in overall project timeline have resulted in project cost increases.

Upcoming Activities include:

- New development for functionality changes to E-Billing and AutoPay, testing and final acceptance
- 'Soft Go-Live' – the internal to EWEB soft-launch of the new Customer Self-Service platform wherein EWEB staff will preview and develop more internal awareness and understanding of the new Customer Experience
- Customer Go-live – customer release is currently scheduled for April pending test results and acceptance

Improved business processes being implemented to take advantage of the new functionality:

- Streamline logic on credit points to determine risk and deposit requirements.
- Start using Co-applicant functionality in CIS.
- Put audit functionality in place so more incorrect bills are caught before they go to bill print vendor.

[Return to Capital Projects section Customer Experience Improvement Project]

## Quarterly Update – Emergency Preparedness (Annual Goal #4)

***Goal #4 - Enhance emergency management programs by improving partnerships and public awareness of neighborhood emergency sites, improving electric system resiliency and outage management, and adopting a wildfire mitigation plan.***

***Q4 Overall Status:*** **Fully Achieved**

| *Key Indicators & Measurements* |
|---|
| Project Milestones – Scope, Schedule, Budget |

**Emergency Site Status**

To date in 2020, water worked on four additional emergency water distribution sites. The status of each site is discussed below:

1. Eugene Science Center. This site is complete.
2. Lane Events Center (Fairgrounds). This site was completed in the third quarter. A live run will be scheduled when EWEB and its partners are comfortable with a group gathering.
3. Sheldon Fire Station. In the third quarter, this site was made operational on a temporary basis in case it was needed due to the fire in the watershed. Water continues to coordinate with the City on the final site layout and improvements. These discussions have been hindered by the pandemic. Prior to the work slowdown, a new well was constructed at the site along with some site improvements. This site will be completed by year end.
4. South Eugene. Water worked with the City, 4J, and the YMCA to finalize a well location and prepared contracts for well construction. Bids were opened for the well construction at the end of the second quarter and a new well was drilled in the third quarter. Early in the fourth quarter this well will be tested for capacity and water quality. Future work at this site will be depend on the results of these tests.

Water Resiliency Mitigation Assessment/Plan

In the first quarter, Water completed the requirements for the Risk & Resiliency Assessment per the 2018 American Water Infrastructure Act. The completed assessment identified numerous potential vulnerabilities related to the Water Utility including cybersecurity. Most vulnerabilities were relatively minor and overall the consultant retained for the work thought EWEB was in fairly good shape.

In the second and third quarters the focus was on the next step in the process, the preparation of an Emergency Response Plan to correct identified deficiencies. Staff prepared a request for proposals from Consultants to assist EWEB with this effort and the Emergency Response Plan was finalized by the due date of September 30, 2020.

In the fourth quarter staff continued working to modify the completed regulatory plan to ensure it meets all the internal goals of the Water Utility to make it a truly useful document. This work will continue in 2021 with anticipated completion in the second quarter.

[Return to Capital Projects Section – Emergency Water Supply]
[Return to Water Operations Report – Water Resiliency]

**Electric System Resiliency/Outage Management**

In Q4, staff completed refresher training for field assessors and back office process roles to ensure key roles have updated skills going into storm season. Two minor drills were also completed in partnership with IS to ensure that design and planning tasks can be completed remotely. Due to room occupancy limits associated with the COVID pandemic, is not possible to staff rooms at the ROC as previously done during ICS events. The training and drills were successful and proved EWEB can still respond to large emergency outages even with the constraints around occupancies. Additionally, staff rosters, and system updates were completed to ensure continuity of response.

## Electric Resilient Spine Update

EWEB is in the process of identifying blackstart capabilities for local generation facilities to serve critical loads if external resources, such as BPA, are unable to supply the Eugene area after a natural disaster. The feasibility study for University Oregon Generation was completed at the end of Q4, which concluded the unit is possible to provide power to a portion of the critical loads identified. Staff will be partnering with University staff in 2021 to complete agreements and procedures around these units' use in emergency situations.

*See Appendix C – Electric Utility EL-1 Capital Report.*
[Return to Capital Projects Section – Distribution Resiliency Upgrades]

## Wildfire Mitigation

EWEB's fire mitigation program focuses on managing and trimming forested areas in the McKenzie Valley, south Eugene, anywhere outside of city limits, and anywhere with one entry access to an area or neighborhood. This vegetation management plan was completed. There was an additional 37.42 miles of pre-fire season work was completed on an opportunistic basis, that was not part of the original plan. This additional trimming increased reliability for an additional 6,495 customers.

[Return to Capital Projects Section – Distribution Resiliency Upgrades]
[Return to Electric Reliability Report]

## Quarterly Update – Emergency Preparedness – Cooperative Water Approach (Annual Goal #5)

***Goal #5 –Work with Springfield Utility Board to explore a more robust and cooperative water resiliency plan, including potential backup treatment options, interties, and sharing of water resources.***

***Q4 Overall Status:*** **Behind Schedule**

| *Key Indicators & Measurements* |
|---|
| Project Milestones – Planning |

The outbreak of the pandemic in Q2 changed the focus of both utilities, thus hampering progress on this goal. In Q3, operations staff from EWEB, SUB, and the Rainbow Water District reviewed testing protocols for existing interties and needed improvements, with additional follow-up and actions planned for early 2021. In addition, management staff from the three utilities are reviewing and planning revisions to the existing intergovernmental agreement regarding use of the interties.

Collaboration with SUB on the mutual potential interests in an additional source and treatment plant on the Willamette were sidetracked by related negotiations specific to mutual property interests in Glenwood. The EWEB Commissioners authorized the EWEB General Manager to negotiate and close the property transactions in accordance with guidance provide in executive session. Good progress has been made in the negotiations, with remaining details to be codified for easements, and future purchase options. It is expected that the Purchase and Sale Agreement will be signed in Q2 of 2021 launching additional other closing actions. As part of the agreement, EWEB is likely to have the option to purchase alternative sites for a potential future water treatment plant. Related to the second water treatment plant, EWEB Management has initiated early conversations with City of Springfield management regarding the need for drinking water resiliency.

## Quarterly Update – Electric Resource Decisions – Electrification Analysis (Annual Goal #6)

***Goal #6 – As part of electricity supply planning, develop and publish an Electrification Impact Analysis Report that assesses the effects of electrification, and related ordinances/legislation, on EWEB's loads, generation mix, reliability, costs, compliance, energy/efficiency efforts, and community GHGs.***

***Q4 Overall Status:*** **Fully Achieved**

| ***Key Indicators & Measurements*** |
|---|
| Key 2020 Milestones<br><br>August—Analytical Analysis, Board Presentation<br>October—Electrification Analysis White Paper, Board Report & Presentation<br>2021(Future)—Impacts & Mitigation: distribution system & supply portfolio. |

The Electrification study was **completed on schedule** in Q4 of 2020. In November 2020 staff presented results from the Phase 1 Electrification Analysis White Paper to the Board. This white paper built off the preliminary results provided to the Board at the August meeting. Additional analysis was incorporated on commercial water and space heating as well as the impacts of cumulative residential and commercial space and water heating and small electric vehicles on EWEB's peak loads.

The project team continued work with NWNG to better understand each other's study assumptions. While there are still differences in what our respective organizations expect would be the impact of electrification, we have adjusted fuel usage assumptions by sector for space heating and hot water loads based on conversations with NWNG. Fuel usage assumptions are key assumptions in the study.

As Q4 wound down, staff began to look at ways to refine our work using a similar scenario approach and incorporating benefit-cost methodology and infrastructure impacts. We plan to continue to focus on water and space heating and single use electric vehicles in the residential and commercial sectors. A detailed scope and project play will be completed in Q1 2021.

Interested stakeholders were kept informed of the study's progress. Concurrent with the November Board meeting, staff posted the study on our website. To make the information accessible to a variety of interest levels, we extracted the GM Letter and Executive Summary and posted the documents separately. We also communicated directly with stakeholders via the Electricity Supply Planning email interest list before and after the November Board meeting. Additional public outreach is being planned for 2021.

## Quarterly Update – Electric Resource Decisions – Lower McKenzie Hydro (Annual Goal #7)

***Goal #7 –Work with the EWEB Commissioners, FERC, and the McKenzie Valley community to develop a TBL-based plan for the lower McKenzie River Hydroelectric Projects by the end of 2020.***

***Q4 Overall Status:*** **Partially Achieved; Continued into 2021**

| ***Key Indicators & Measurements*** |
|---|
| Project Milestones – Planning Scope, Schedule, Budget |
| Q4: Document risk analysis workshop results in report. Status – Draft Report Complete |
| Q4: Develop cost estimates for alternative risk reduction measures and alternative paths forward. Status – Complete |
| Q4: Public Outreach. Status – Incomplete |

Work continued toward determining the most beneficial approach to resolving the infrastructure issues and plan for the long-term management of the Project by conducting a Triple Bottom Line (TBL) analysis. The goal to complete a TBL analysis of the lower McKenzie hydroelectric projects progressed well in Q4 but conformance to FERC guidelines for a semi-quantitative risk assessment required more time and effort than originally planned.

Q4 2020 Milestones:

Fourth quarter activities included a videoconference with FERC to discuss the extrapolation of workshop results for the Cogswell and Ames reaches to other portions of the canal as well as return to service concepts. Fourth quarter work also included an additional one-day workshop to further explore risks associated with flow control structures that FERC staff highlighted as needing additional attention following the July workshops. Findings were used to analyze each reach of the canal as necessary to further develop prospective risk reduction measures which EWEB can consider implementing in the future. The consultant team determined the best mix of risk reduction measures for each reach of the canal and organized them into prioritized implementation plans for two baseline scenarios: 'return to service' or 'conversion to stormwater conveyance'. The consultant team estimated costs for variations on each scenario and provided them to EWEB for internal net present value (NPV) analyses.

2021 Planned Activities:

Based on findings from the risk workshops, EWEB will present conceptual plans and costs for alternative paths forward to the EWEB Board in Q1. The progress update to the Board will include EWEB's understanding of FERC expectations, timelines necessary to meet those expectations, and NPV estimates for the alternative paths forward. Staff will also prepare to describe the canal options as well as societal and environmental aspects to the Leaburg community during the April Upriver Board Meeting. There are significant regulatory questions associated with the stormwater conveyance option, particularly with respect to the extent, nature, and cost of decommissioning that would be required. These questions will need to be investigated in 2021 while EWEB staff continue work on short term risk reduction improvements in parallel.

## Quarterly Update – Community – Climate Change/Carbon Mitigation (Annual Goal #8)

***Goal #8 – Pursuant to SD15 Climate Change Policy, execute Resolution 1938 supporting State carbon pricing policy, reduce operational GHGs to 40% below 2009 levels, and achieve conservation/energy efficiency and peak-energy reductions in combination with smart electrification to equitably and cost-effectively facilitate the reduction of community carbon emissions by 8,500 MTCO2e.***

***Q4 Overall Status:*** **Fully Achieved**

| ***Key Indicators & Measurements*** |
|---|
| Carbon Legislative Activity (Jason Heuser) |
| Operations GHG Fleet Savings (Lisa Krentz, Gary Lentsch) |
| Conservation & Energy Efficiency (Rene Gonzalez) |
| Smart Electrification Results (Rene Gonzalez) |

### State Carbon Legislation and Power Markets Landscape

HB 2995 – 100 Percent Clean Energy Standard – EWEB GOAL: AMEND

This legislation has been introduced in the 2021 state legislative session and will require that 100 percent of electricity sold in 2035 and each subsequent calendar year to retail electricity consumers in Oregon to be clean electricity. It will also accelerate the deadline, to 2025, for investor-owned utilities to eliminate coal from Oregon's electricity supply.

HB 2995 is lacking in detail on the mechanics of 100 Percent Clean compliance obligations and would direct the Oregon Public Utility Commission (OPUC) and the Oregon Department of Energy to design much of the program in rulemaking. EWEB staff have been advocating that the legislation be amended to better define some key elements of the program in statute, including a definition of "qualifying non-emitting electricity" that more clearly delineates in statute the specific technologies that will qualify, especially legacy hydropower and nuclear electric generating units, rather than delegating that to state agency rulemaking. Additionally, EWEB staff are advocating for an amendment to clarify "delivery" of electricity requirements in statute, using a standard that is consistent with the rules for determining a "bundled" renewable energy certificate in the Oregon Renewable Portfolio Standard (RPS) statute. Finally, EWEB staff have been making a case for including compliance off-ramps for reliability events, as determined by the EWEB Board (or OPUC for investor-owned utilities) and ensuring that the legislation does not close any doors necessary to be conducive for future regional resource needs determined through the North

### Operations Carbon Report

In 2010, EWEB's fleet Operations established two goals that were in line with EWEB's Sustainability Goals which addresses our environmental impacts on the communities where we live and work. By shifting our sustainable practices to utilizing various types of alternative fuels, we are proud to report that we have achieved both goals ahead of schedule.

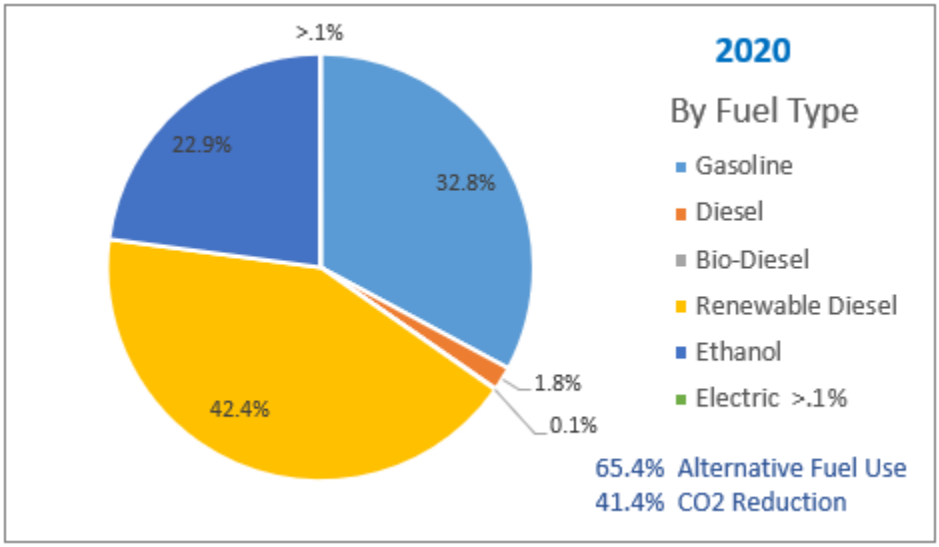
The use of alternative and renewable fuels is critical to achieving our goal to reduce absolute GHG emissions. With prudent tracking, our Sustainability Progress Report for the fleet operation is broken out by alternative fuels and petroleum fuels and summarized for the fiscal year. During 2020, the types and blends of fuels that were used in EWEB's fleet consisted of:

- R99 (99% Hydrogen-Derived Renewable Diesel) for our on-site fueling for our diesel vehicles at ROC, Leaburg, and Carmen-Smith locations.
- E20 (20% Ethanol blended gasoline) for on-site fueling at ROC for our gasoline vehicles.
- E85 (85% Ethanol blended gasoline) for our on-site fueling at ROC for our EPAct flex-fuel vehicles.

By using these low CI fuels, in 2020, our exposure to GHG emissions decreased by 13.0% when compared to our 2019 performance. Overall, the $CO^2$ emissions (m/tons) from the fuels that we use on EWEB's fleet operation was reduce by 41.4% when compared to our 2009 baseline (goal of reducing GHG emissions 25% by 2020).

In 2020, we continued investing in alternative fuels for our fleet operation by purchasing 114.8K gallons of alternative fuels. This represents 65.4% percent of our total fuel usage for EWEB's fleet operations (goal of reducing fossil fuel use 50% by 2030).

The difference in cost for Fleet Services to use low CI alternative fuels averaged $.0873 a gallon in 2020.




## Energy Efficiency, Conservation and Electrification

Energy efficiency activity in the community has continued at a steady pace through Q4, with no significant reduction as a result of Covid-19. Annual Energy efficiency target for the year, has been exceeded by 64% while maintaining expenses within budget.

Carbon reduction is slightly below target at year end, but we expect to meet target once local electric vehicle sales from the second half of the year are reported by DEQ. Limited Income Energy Education and Home Energy Score programs were suspended to adhere to Covid-19 physical distancing guidelines, and as a result, Home Audits goal will not be met. Prior to program suspension, EWEB was on pace to meet organizational objectives.

Table: Energy Efficiency

| **Performance Metric** | **YTD** | **Annual Target** | **Comments** |
|---|---|---|---|
| BPA Reimbursements | $2,375,000* | $2,300,000 | 103% attained.<br>*$322k of total reimbursed was included in 2019 financial reporting. EWEB applied for and received an additional $31k in unassigned funds. |
| Conservation Incentives | $2,464,000 | $2,605,000 | Below budget, 95% spent. |
| Conservation Savings (MWh) | 15,053 | 9,200 | 164% of goal achieved. Includes 5,158 MWH of savings achieved at paper mill. |
| Peak Savings (MW) | 3.7 | 1.25 | 298% of goal achieved. |
| Total Residential EE Projects | 1,340 | | |
| Income-Qualifying EE Projects | 230 | | |
| Residential Savings (MWh) | 2,363 | | |

| | | | |
|---|---|---|---|
| Income-Qualifying Savings (MWh) | 481 | 17% | Ended 2020 at 20% of residential savings, exceeding target. |
| Limited Income/Home Audits | 124 | 500 | Most home visits suspended due to Covid-19. |
| Carbon Reduction ($MTCO_2e$) | 8,154 | 8,500 | Slightly below target. EVs registered in Eugene since 6/30 are not included, as they have not yet been reported by DEQ, which is likely to contribute to the accomplishment of the target. |

Staff have resumed commercial site visits as needed, with added safety, PPE, and distancing precautions. However, most residential site visits continue to be suspended due to Covid-19 health and safety concerns. Staff continue to use remote forms, photographs, and phone calls to continue progress on energy efficiency and conservation work.

On the water side, EWEB provided rebates to residential customers for 125 hand valves and 66 WaterSense toilets, saving over 800 kgal of water annually. In addition, projects at Bethel schools replaced 430 toilets & urinals, and sprinkler controllers in 246 zones, with WaterSmart equipment. 21 customers took advantage of zero interest water line replacement loans ($72k), and 29 customers received $63k in leak repair grants, saving approximately 4.1 million gallons of water. Staff also worked to protect our watershed by providing an enhanced septic pumping rebate of $300 in Q4. Throughout the year, 65 septic tanks in close proximity to the McKenzie River and its tributaries were pumped through this program.

On the electrification front, EWEB has provided incentives for 103 residential and four commercial EV charging stations and assisted in converting 67 homes and 4 businesses with non-electric heat to efficient electric heat.

Final EV registrations in EWEB service territory are not available for 2020; the Oregon Department of Energy will be updating these figures in 2021. As of the end of June 2020, there were 1,652 EV in EWEB service territory, which was an increase of 24% from 2019.

To support efforts to increase electric vehicle adoption, the Dealership Engagement Pilot continues in partnership with Forth Mobility and Emerald People's Utility District. The pilot program will end in January 2021.

Staff continues the exploration of a direct current fast charging (DCFC) pilot rate that better reflects current cost causation for DCFC stations. This work is complex, because of the dynamic kW needs of DCFC operations. Follow up conversations have taken place with Electrify America (EA) to bring DCFC stations to the Eugene and Springfield area. EA presented positive feedback on EWEB-lead approach. Investment results will be provided in the spring of 2021.

Work to replace public Blink-owned electric vehicle supply equipment (EVSE) at EWEB locations continues and units have been purchased. These units will provide an affordable and operational cost-reflective cost for public EV charging. A fee schedule will be provided for Board approval in 2021.

In bringing equitable access to electric vehicles to underserved populations where vehicle ownership is not always an applicable solution, EWEB is exploring an affordable housing EV sharing pilot program in partnership with Forth Mobility, the City of Eugene, and other utilities. This program would bring EV at two affordable housing locations and may be extended to a city-wide EV share test-drive effort. The effort is contingent on safety concerns from COVID-19.

## Glossary

**AF:** Availability Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were available for operation.
**BLM:** Business Line Manager
**CI:** Continuous Improvement
**CIA**: Contributions in Aid of Construction
**CIS**: Customer Information System
**CIP:** Capital Improvement Plan
**CIP:** Critical Infrastructure Protection
**CRM**: Customer Relationship Manager
**CSU1 and CSU2**: Carmen-Smith turbine units 1 & 2
**FERC:** Federal Energy Regulatory Commission
**FCRPS:** Federal Columbia River Power System
**FOF:** Forced Outage Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were forced offline due to an unplanned event.
**GCF:** Gross Capacity Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating continuously at full capacity.
**GIS:** Geographical Information System
**GOF:** Gross Output Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating at full capacity when available to generate.
**HW** - Harvest Wind
**ICS:** Incident Command System
**IP:** International Paper
**KGAL:** 1,000 gallons
**KPI:** Key Performance Indicator
**LBU1 and LBU2** - Leaburg turbine units 1 & 2
**NERC:** North American Electric Reliability Corporation
**PERS:** Public Employees Retirement System
**PPE:** Personal Protective Equipment
**PSPS:** Public Safety Power Shutoff
**PUC:** Public Utility Commission
**RCP:** Retail Cash Payment
**RMC:** Risk Management Committee
**SAIDI:** System Average Interruption Duration Index
**SAIFI:** System Average Interruption Frequency Index
**STC** - Stone Creek
**TB** - Trail Bridge
**WGA:** Western Generation Agency (WGA) is the name of the intergovernmental entity formed by EWEB and Clatskanie People's Utility District (CPUD). The WGA steam turbine generator is located at the Georgia Pacific paper mill named Wauna.
**WV** – Walterville

# Appendices

Appendix A: Electric Utility Financial Statement
Appendix B: Water Utility Financial Statement
Appendix C: Electric Utility and Shared Services EL-1 Report
Appendix D: Water Utility EL-1 Report
Appendix E: Contracts Awarded Report
Appendix F: Community Investment Report (EL-3)
Appendix G: Workforce Composition

*Disclaimer: The unaudited financial statements provided in this report are intended for management purposes only.*

[Return to Table of Contents]

# APPENDIX A

## ELECTRIC CONDENSED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION (Unaudited)

(In millions)

| | Twelve Months Ended December 31, | | YTD Budget Comparison | |
|---|---|---|---|---|
| | 2020 | 2019 | Budget $ | Variance |
| Operating revenues | $ 243.9 | $ 263.3 | $ 252.6 | $ (8.7) |
| Operating expenses | 241.7 | 262.7 | 250.1 | 8.4 |
| Net operating income (loss) | 2.2 | 0.6 | 2.5 | (0.3) |
| Non-operating revenues | 12.0 | 14.4 | 6.1 | 5.9 |
| Non-operating expenses | 7.8 | 25.4 | 6.9 | (0.9) |
| Income before capital contributions | 6.4 | (10.4) | 1.7 | 4.7 |
| Capital contributions | 2.8 | 2.6 | 2.3 | 0.5 |
| Increase/(Decrease) in net position | $ 9.2 | $ (7.8) | $ 4.0 | $ 5.2 |

## ELECTRIC CONDENSED STATEMENT OF NET POSITION (Unaudited)

(In millions)

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Current assets | $ 147.5 | $ 153.7 |
| Net utility plant | 429.2 | 407.8 |
| Other assets | 126.0 | 87.4 |
| Total assets | 702.7 | 648.9 |
| Deferred outflows of resources | 43.9 | 52.4 |
| Total assets and deferred outflows | $ 746.6 | $ 701.3 |
| Current liabilities | $ 36.5 | $ 38.4 |
| Long-term debt | 228.4 | 190.1 |
| Other liabilities | 70.2 | 73.1 |
| Total liabilities | 335.1 | 301.6 |
| Deferred inflows of resources | 24.0 | 21.3 |
| Total net position | 387.5 | 378.4 |
| Total liabilities, deferred inflows, and net position | $ 746.6 | $ 701.3 |

## ELECTRIC CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

(In millions)

| | YTD 12/31/2020 | Annual Working Budget | |
|---|---|---|---|
| | | Budget $ | % of Budget |
| Type 1 - General capital | $ 17.8 | $ 13.3 | 133.8% |
| Type 2 - Rehabilitation and expansion | 8.8 | 13.7 | 64.2% |
| Type 3 - Strategic projects | 13.9 | 19.4 | 71.6% |
| Total capital | $ 40.5 | $ 46.4 | 87.3% |

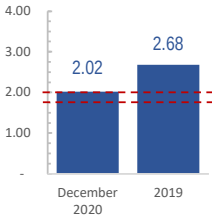
## FINANCIAL STRENGTH MEASUREMENTS

Target line

### Debt service coverage

Target: 1.75 to 2.0x

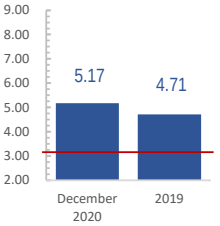
Measures the utility's ability to meet its annual long-term debt obligation.




### Current ratio

Target: Minimum of 3.250x

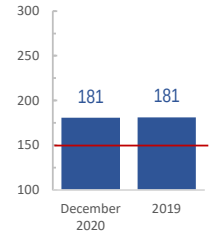
Measures the utility's short-term liquidity (ability to pay bills).




### Working capital days cash

Target: Greater than 150 days

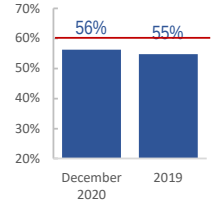
Estimates the number of days the utility can pay its daily O&M before running out of cash.




### Age of system

Target: Less than 60 percent

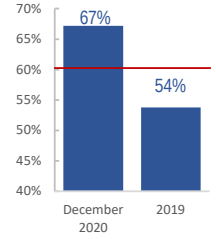
Measures age of system compared to how much has been depreciated.




### Debt as a % of NBV

Target: Less than or equal to 60 percent.

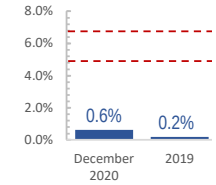
Measures overall leverage of the system by aligning debt service with the useful lives of assets.




### Rate of return

Target: 5 - 7%.

Measures the utility's ability to pay current and future infrastructure costs.



## WATER CONDENSED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION (Unaudited)

| (In thousands) | Twelve Months Ended December 31, | | Budget Comparison | |
|---|---|---|---|---|
| | 2020 | 2019 | Budget $ | Variance |
| Operating revenues | $ 38,881 | $ 38,092 | $ 37,983 | $ 898 |
| Operating expenses | 29,351 | 26,044 | 29,450 | 99 |
| Net operating income (loss) | 9,530 | 12,048 | 8,533 | 997 |
| Non-operating revenues | 958 | 2,805 | 568 | 390 |
| Non-operating expenses | 2,307 | 7,525 | 2,073 | (234) |
| Income before capital contributions | 8,181 | 7,328 | 7,028 | 1,153 |
| Capital contributions | 2,354 | 4,675 | 1,359 | 995 |
| Increase/(Decrease) in net position | $ 10,535 | $ 12,003 | $ 8,387 | $ 2,148 |

## WATER CONDENSED STATEMENT OF NET POSITION (Unaudited)

| (In millions) | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Current assets | $ 63.6 | $ 46.7 |
| Net utility plant | 196.3 | 185.7 |
| Other assets | 13.1 | 9.9 |
| Total assets | 273.0 | 242.3 |
| Deferred outflows of resources | 13.2 | 15.2 |
| Total assets and deferred outflows | $ 286.2 | $ 257.5 |
| Current liabilities | $ 6.6 | $ 5.8 |
| Long-term debt | 75.4 | 58.1 |
| Other liabilities | 21.7 | 22.5 |
| Total liabilities | 103.7 | 86.4 |
| Deferred inflows of resources | 7.3 | 6.4 |
| Total net position | 175.2 | 164.7 |
| Total liabilities, deferred inflows, and net position | $ 286.2 | $ 257.5 |

## WATER CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

| (In thousands) | YTD | Annual Working Budget | |
|---|---|---|---|
| | 12/31/2020 | Budget $ | % of Budget |
| Type 1 - General capital | $ 6,478 | $ 8,123 | 79.7% |
| Type 2 - Rehabilitation and expansion | $ 10,388 | 9,186 | 113.1% |
| Type 3 - Strategic projects | $ 740 | 412 | 179.6% |
| Total capital | $ 17,606 | $ 17,721 | 99.4% |

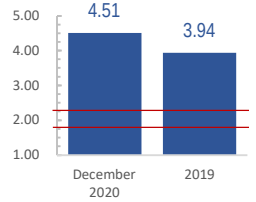
## FINANCIAL STRENGTH MEASUREMENTS

Target line

### Debt service coverage

Target: 2.0 - 2.50x

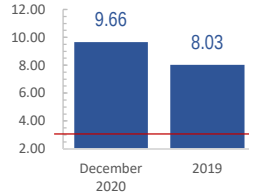
Measures the utility's ability to meet its annual long-term debt obligation.




### Current ratio

Target: Minimum of 3.25x

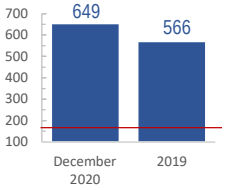
Measures the utility's short-term liquidity (ability to pay bills).




### Working capital days cash

Target: Greater than 150 days

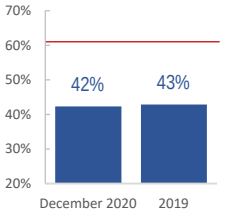
Estimates the number of days the utility can pay its daily O&M before running out of cash.




### Age of system

Target: Less than 60 percent

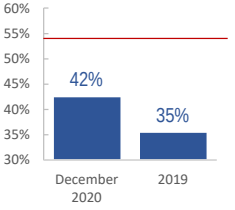
Measures age of system compared to how much has been depreciated.




### Debt as a % of NBV

Target: Less than or equal to 60 percent.

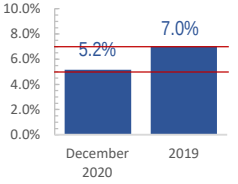
Measures overall leverage of the system by aligning debt service with the useful lives of assets.




### Rate of return

Target: 5 - 7%.

Measures the utility's ability to pay current and future infrastructure costs.



**EUGENE WATER & ELECTRIC BOARD**
**ELECTRIC UTILITY EL-1 CAPITAL REPORT**
**Q4 2020**

| | ANNUAL BUDGET | | 2020 | % OF |
|---|---|---|---|---|
| | APPROVED | WORKING | ACTUAL | BUDGET |
| **TYPE 1 - GENERAL CAPITAL** | | | | |
| Generation Infrastructure | $ 2,100,000 | $ 2,100,000 | $ 1,565,000 | 75% |
| Substation Infrastructure | 1,700,000 | 1,700,000 | 2,587,700 | 152% |
| Transmission & Distribution Infrastructure | 7,473,000 | 6,381,001 | 7,469,400 | 117% |
| Telecommunications | 748,000 | 748,000 | 184,200 | 25% |
| Information Technology | 1,590,000 | 1,590,000 | 4,878,600 | 307% |
| Buildings, Land, & Fleet | 810,000 | 810,000 | 1,124,200 | 139% |
| **TOTAL TYPE 1 PROJECTS** | **$ 14,421,000** | **$ 13,329,001** | **$ 17,809,100** | **134%** |
| **TYPE 2 - REHABILITATION & EXPANSION PROJECTS** | | | | |
| Downtown Network | $ 958,000 | $ 1,350,000 | $ 1,229,900 | 91% |
| Consolidation of Operations | - | - | 860,700 | 0% |
| Electric T&D - Master Plan | - | 625,000 | 509,900 | 0% |
| Distribution Resiliency Upgrades | 2,756,000 | 1,331,000 | 1,447,900 | 109% |
| Infrastructure - Generation | 2,000,000 | - | - | 0% |
| Upriver Reconfiguration/Holden Creek | 625,000 | 625,000 | 26,900 | 4% |
| Electric Meter Upgrade | 5,555,000 | 7,055,942 | 2,273,400 | 32% |
| Telecommunications | - | - | 22,400 | 0% |
| Information Technology | 3,422,000 | 1,921,536 | 1,489,000 | 77% |
| Hayden-Bridge Lab & Backup Services Building | - | 800,000 | 924,700 | 116% |
| **TOTAL TYPE 2 PROJECTS** | **$ 15,316,000** | **$ 13,708,478** | **$ 8,784,800** | **64%** |
| **TYPE 3 - STRATEGIC PROJECTS & PROGRAMS** | | | | |
| **Carmen-Smith Relicensing** | **$ 19,410,000** | **$ 19,410,000** | **$ 13,882,300** | **72%** |
| **TOTAL ELECTRIC CAPITAL PROJECTS** | **$ 49,147,000** | **$ 46,447,480** | **$ 40,476,200** | **87%** |

*Type 1 - General Capital is budgeted Year-by-Year for recurring capital expenditures from January through December. Type 1 Capital includes categorized collections of projects of less than $1 million, and typically involves dozens of individual projects that add up to $3.5-4.5 million per year.*

*Type 2 projects have "discrete" scopes, schedules (launch through completion), and cost over $1MM during the project life, and project life can span multiple years.*

*Type 3 projects are large strategic programs with long term impacts and are typically bond-funded.*

**EUGENE WATER & ELECTRIC BOARD**
**WATER UTILITY EL-1 CAPITAL REPORT**
**Q4 2020**

| | ANNUAL BUDGET APPROVED | ANNUAL BUDGET WORKING | 2020 ACTUAL | % OF BUDGET |
|---|---|---|---|---|
| **TYPE 1 - GENERAL CAPITAL** | | | | |
| Source - Water Intakes & Filtration Plant | $ 282,000 | $ 283,000 | $ 674,100 | 238% |
| Distribution & Pipe Services | 5,769,000 | 5,768,002 | 4,063,700 | 70% |
| Distribution Facilities | 1,195,000 | 895,000 | 145,900 | 16% |
| Information Technology | 180,000 | 600,000 | 1,049,700 | 175% |
| Buildings, Land, & Fleet | 577,000 | 577,000 | 545,000 | 94% |
| **TOTAL TYPE 1 PROJECTS** | **$ 8,003,000** | **$ 8,123,001** | **$ 6,478,400** | **80%** |
| **TYPE 2 - REHABILITATION & EXPANSION PROJECTS** | | | | |
| Source - Water Intakes & Filtration Plant | $ 2,060,000 | $ 2,060,000 | $ 2,288,600 | 111% |
| Distribution Facilities | 3,090,000 | 3,090,000 | 448,400 | 15% |
| Distribution & Pipe Services | - | - | 4,094,000 | 0% |
| Water Meter Upgrade | 3,600,000 | 3,675,236 | 2,969,500 | 81% |
| Information Technology | 856,000 | 360,384 | 372,200 | 103% |
| Consolidation of Operations | - | - | 215,200 | 0% |
| **TOTAL TYPE 2 PROJECTS** | **$ 9,606,000** | **$ 9,185,620** | **$ 10,387,900** | **113%** |
| **TYPE 3 - STRATEGIC PROJECTS & PROGRAMS** | | | | |
| **Emergency Water Supply** | **$ 412,000** | **$ 412,000** | **$ 739,700** | **180%** |
| **TOTAL WATER CAPITAL PROJECTS** | **$ 18,021,000** | **$ 17,720,621** | **$ 17,606,000** | **99%** |

*Type 1 - General Capital is budgeted Year-by-Year for recurring capital expenditures from January through December. Type 1 Capital includes categorized collections of projects of less than $1 million, and typically involves dozens of individual projects that add up to $3.5-4.5 million per year.*

*Type 2 projects have "discrete" scopes, schedules (launch through completion), and cost over $1MM during the project life, and project life can span multiple years.*

*Type 3 projects are large strategic programs with long term impacts and are typically bond-funded.*

Quarterly Contract Report for Q4 2020

**APPENDIX E**

Contracts between $40,000-$150,000

| Contract Execution Date | Contractor | City, State | Contract Title, Detailed Description | Expiration Date | Contract Amount | Contract Process | ET Manager |
|---|---|---|---|---|---|---|---|
| 10/1/2020 | DOWL Engineering | Eugene, OR | **E. 40th Street Water Tank Ecological Survey**, Contractor will evaluate site conditions and prepare a restoration and enhancement strategy plan. | 10/1/2025 | $ 62,140 | Qualification Based Selection, Direct Negotiation | Rod Price |
| 10/2/2020 | Jacobs Engineering | Corvallis, OR | **Control System Support Services**, Contractor will provide operational, maintenance, and troubleshooting support for control systems at the Carmen-Smith and Stone Creek Hydroelectric Project. | 7/1/2021 | $ 50,000 | Qualification Based Selection, Direct Negotiation | Rod Price |
| 10/8/2020 | Lane County | Eugene, OR | **Hazardous Waste Removal**, support to Holiday Farm Fire recovery using state contracts with expected FEMA reimbursement, directs EWEB to conduct watershed protection activities including waste stabilization on-site and erosion control on the highest priority threats to drinking water quality per EPA protocol. | 3/15/2021 | $ 810,000 | Emergency Declaration/ Direct Negotiation | Rod Price |
| 10/12/2020 | Foundation Engineering | Corvallis, OR | **E. 40th Ave Storage Tank Geotechnical Investigation**, Prior air-rotary drilling confirmed site suitability, however additional coring of the bedrock is required to determine the rock strength weathering and jointing to be used in determining construction considerations. | 10/11/2025 | $ 61,270 | Qualification Based Selection, Direct Negotiation | Rod Price |
| 10/15/2020 | Anderson's Erosion Control | Junction City, OR | **Hydroseeding and Erosion Control**, support erosion control for the Holiday Farm Fire recovery. | 12/31/2020 | $ 125,000 | Emergency Declaration/ Direct Negotiation | Rod Price |
| 10/29/2020 | SemaConnect, Inc. | Bowie, MD | **EV Charging Stations,** Installation of charging stations for Electric Vehicles will be installed to support EWEB vehicle charging at the ROC, Headquarters, and Hayden Bridge**.** | 12/31/2020 | $ 50,930 | Quotes | Julie McGaughey |
| 11/3/2020 | General Pacific | Fairview, OR | **Switch Padmount Deadfront**, Purchase of Electrical Equipment for use in EWEB's electric distribution system | One time Purchase | $ 48,078 | Quotes | Rod Price |
| 11/5/2020 | BCI Contracting | Tigard, OR | **Heavy Equipment Operation**, support to Holiday Farm Fire recovery including felling and removal of hazard trees, and placing material at strategic locations on burned properties to mitigate soil erosion | 12/31/2021 | $ 74,000 | Quotes | Rod Price |
| 11/5/2020 | MBL Timber Services | Monroe, OR | **Heavy Equipment Operation**, support to Holiday Farm Fire recovery including felling and removal of hazard trees, and placing material at strategic locations on burned properties to mitigate soil erosion. | 12/31/2021 | $ 74,000 | Quotes | Rod Price |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 11/10/2020 | Power Systems Plus | Cornelius, OR | **HQ Generator Maintenance**, Contractor will service generator oil change, and conduct load testing, and conduct pressure, intake and exhaust systems, and controls testing semi-annually over 5 years. | 10/31/2025 | $ 49,292 | Quotes | Rod Price |
| 11/23/2020 | Catholic Community Services | Eugene, OR | **Income Verification for Limited Income Assistance**, Services will include determining eligibility for EWEB bill assistance programs. Contractor will support eligible parties with the application process. | 12/31/2020 | $ 140,000 | Direct Negotiation | Julie McGaughey |
| 11/25/2020 | Kestral Power Engineering | Fairbury, Ill | **Exciter Replacement-Commissioning Planning Services**, Contractor will commission and tune the Automatic Voltage Regulators and Power System Stabelizer on the exciters at Carman Smith per NERC standards. | 3/31/2021 | $ 63,125 | Direct Negotiation | Rod Price |
| 12/7/2020 | American Concrete Cutting | Coburg, OR | **Asphalt Cutting and Core Drilling**, for use in accessing and locating underground utilities. | 12/7/2025 | $ 73,460 | Formal ITB | Rod Price |
| 12/9/2020 | Foster Garvey | Seattle, WA | **Legal Services**, support to Holiday Farm Fire Investigation | 2/28/2021 | $ 150,000 | Direct Negotiation | Rod Price |

EWEB association for listed contracts-None

For questions please contact Sarah Gorsegner, 541-685-7348

**APPENDIX F**

# Community Investment - Q4 2020 and Year End Totals

Total investment in 2020 - $18,032,592 (not including Energy Efficiency loans, Water Truck deployments, or volunteer/ambassador efforts and events)

Community Investment Program guidelines are in place to ensure consistency and transparency for how we invest our customers' dollars for the betterment and well-being of the community we serve. Requests that provide strong alignment between EWEB's discretionary community investment criteria and the Strategic Plan are vetted through the General Manager's office for consideration. Sponsorship dollars are focused on initiatives that are both closely connected to EWEB's core mission and provide the broadest benefit to our customers.

## Sponsorships, Donations, Grants

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| Q4 | McKenzie Watershed Alliance | Virtual Salmon Watch Field Trips | 12/31/20 | N/A | $2,000 | ECONOMIC: Education | Discretionary | Videos were created in partnership with Lane ESD and ODFW and shared in lieu of field trips due to the COVID-19 pandemic and related restrictions. Eighteen schools in 4 school districts, approximately 1500 students, were served through this project. |
| | Square One Villages | Shed shelter project to reduce homelessness | N/A | 12/29/20 | $6,000 | PEOPLE: Safety Net | Discretionary | Square One Villages sited 6 of 100 shed-shelters in an effort to reduce homelessness. EWEB provided approximately $6000 in contribution in aid through the design and installation of a power line that enabled the shelters to be sited. |
| | Oregon Environmental Council | Business & Environment Forum Sponsorship | 10/08/20 | 12/01/20 | $500 | PEOPLE: Emergency Preparedness | Discretionary | COVID, Climate and Quakes: Cross-cutting Solutions for Resilience and Recovery - virtual event took place December 1, 2020. |
| | Blue River Water District | Mutual Aid | N/A | 12/19/20 | N/A | PEOPLE: Safety Net | Discretionary | EWEB sent a distribution repair crew to Blue River to assist in the repair of an 8" Asbestos Cement (AC) water main. Blue River lost all of their tools and buildings in the Holiday Farm Fire and thus didn't have the necessary tools or materials required to make the repairs. |
| | EWEB Customers | Account Balance Payoff for Customers who lost their homes as a result of the Holiday Farm Fire | N/A | Post-fire | $55,000 | PEOPLE: Safety Net | Discretionary | In September, we placed accounts within the fire perimeter in an inactive status to keep customers from accruing basic charges. We also cleared all balances on those accounts. Accounts were fully paid even if there were loan or payment arrangements. |
| | | Loan Balance Payoff for Customers who lost their homes as a result of the Holiday Farm Fire | | | $28,000 | | | |
| | Various | Various Holiday Farm Fire support through the use of EWEB property | N/A | Post-fire | N/A | PEOPLE: Safety Net / Emergency Preparedness | Discretionary | Generation made Leaburg Park available for camping and storage. Allowed EPA to use the Goodpasture Boat Ramp for waste consolidation and management |
| | Vida Relief Center | Donation of 300 water containers | N/A | Post-fire | $2,700 | PEOPLE: Safety Net | Discretionary | EWEB provided 300 emergency water storage containers in support of upriver customers. |
| | Blue River Water District | Mutual Aid | N/A | Post-fire | N/A | PEOPLE: Safety Net | Discretionary | An EWEB Water Treatment Plant Operator assisted in a condition assessment of the Blue River Water District to ascertain how to store water in the tank that was still standing for fire suppression as well as prioritize work for system restoration. |
| | | | | **Q4 SUBTOTAL** | **$94,200** | | | |
| Q3 | Bethel School District | July-Dec 2020 Education Grant | 07/01/20 | N/A | $40,500 | ECONOMIC: Education | Board Directed | |
| | McKenzie School District | July-Dec 2020 Education Grant | 07/01/20 | N/A | $11,000 | ECONOMIC: Education | Board Directed | |
| | Springfield School District | July-Dec 2020 Education Grant | 07/01/20 | N/A | $24,500 | ECONOMIC: Education | Board Directed | |
| | Eugene 4J School District | July-Dec 2020 Education Grant | 07/01/20 | N/A | $130,000 | ECONOMIC: Education | Board Directed | |
| | | | | **Q3 SUBTOTAL** | **$206,000** | | | |
| Q2 | The Eugene Science Center | 2018 Greenpower grant winner - will receive up to $50,000 | 6/24/2020 | N/A | $7,090 | ENVIRONMENTAL: Greenpower | Customer Voluntary | Installation of 32.5-kilowatt photovoltaic array project - Final disbursement. (Phase 1 & 2 disbursements paid and reported in previous quarters). |
| | | | | **Q2 SUBTOTAL** | **$7,090** | | | |
| Q1 | The Eugene Science Center | 2018 Greenpower grant winner - will receive up to $50,000 | 03/25/20 | N/A | $12,500 | ENVIRONMENTAL: Greenpower | Customer Voluntary | Installation of 32.5-kilowatt photovoltaic array project - Phase 2 partial disbursement of $6,000 (Phase 1 disbursements paid and reported in previous quarters). Subsequent installments will be made as project progresses. |
| | Eugene 4J School District | Jan-June 2020 Education Grant | 02/27/20 | N/A | $123,500 | ECONOMIC: Education | Board Directed | |
| | Lane County Fair | Co-Sponsorship of Comfort Station Water Booth | 02/27/20 | 07/22-07/26 | $900 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | Booth Fee / Use of EWEB drinking water fountain w/chiller. |
| | Oregon Environmental Council | 2020 Oregon World Water Day | 02/20/20 | 03/22/20 | $500 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | A month-long online educational campaign to promote greater awareness of the importance of protecting our water resources. EWEB's sponsorship includes both financial support and community engagement via social media. Visit http://www.oregonworldwaterday.org/ to learn more. |
| | Washington & Oregon Higher Education Sustainability Conference (Hosted by University of Oregon in 2020) | 2020 Washington & Oregon Higher Education Sustainability Conference | 01/30/20 | 03/02-03/04 | $2,500 | ECONOMIC: Education | Discretionary | 2020 Theme: Root Causes to Sustainability Challenges and Positive Actions to Address Them. Experts and leaders in higher education and sustainability will share their experiences on topics ranging from meaningful projects that impact the community and the environment to climate resilience, social permaculture and much more. Event sponsorship - 2 SMEs staffed table at conference. |
| | Homes for Good | 2016 Greenpower grant winner -$50,000 total grant | 01/22/20 | N/A | $12,500 | ENVIRONMENTAL: Greenpower | Customer Voluntary | Photovoltaic system installed at their facility located at Parkview Terrace (255 High St; offers 1 and 2-bedroom units for Seniors and people with disabilities). They were a 2016 Greenpower Grant recipient ($50,000) and had delays in their project, but completed this year. First two payments of $37,500 paid on 12/16/19 and reported for that quarter. Final payment. |
| | Bethel School District | Jan-June 2020 Education Grant | 01/16/20 | N/A | $38,500 | ECONOMIC: Education | Board Directed | |
| | McKenzie School District | Jan-June 2020 Education Grant | 01/16/20 | N/A | $10,500 | ECONOMIC: Education | Board Directed | |
| | Springfield School District | Jan-June 2020 Education Grant | 01/16/20 | N/A | $23,500 | ECONOMIC: Education | Board Directed | |
| | | | | **Q1 SUBTOTAL** | **$224,900** | | | |
| | | | | **SPONSORSHIPS, DONATIONS, GRANTS 2020 TOTAL** | **$437,990** | | | |

## Customer Solutions Products and Services

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| | | | | **ENERGY EFFICIENCY INCENTIVES** | | | | |
| Q4 | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Residential | Q4 | N/A | $487,327 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 286 residential customers took advantage of energy efficiency incentives (27% limited income projects for 66% of dollars invested). |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Non-residential | Q4 | N/A | $643,692 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 31 non-residential customers took advantage of energy efficiency incentives. Q4 non-residential incentives were 15% lighting, 27% process and 58% HVAC and building envelope. Projects with both efficiency and growth components have thus far been included in energy efficiency numbers. |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Efficient Growth | Q4 | N/A | $25,700 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 15 customers and one school converted from non-electric to efficient electric heating. Additional projects with both efficiency and growth components have thus far been included in energy efficiency numbers. |
| | EWEB Energy Efficiency Programs | Transportation Electrification | Q4 | N/A | $13,878 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 29 residential customers received rebates for Level 2 EV Chargers. |
| | EWEB Greenpower Program | Solar Electric Incentives | Q4 | N/A | $21,762 | ENVIRONMENTAL: Greenpower | Customer Voluntary | 10 residential net-metered projects received incentives funded by the Greenpower Program in Q4. An additional 5 residential projects were installed but did not qualify for incentives. |
| | EWEB Water Conservation Programs | Hand Valve and Toilet Rebates, Septic Maintenance Incentives | Q4 | N/A | $44,925 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 39 residential customers received hand valve rebates, and 41 received toilet rebates. A septic pumping promotion in Q4 increased the incentive from $250 to $300 and had 27 participants. In addition, Bethel School District updated some of their facilities, replacing 381 toilets, 49 urinals and 246 sprinkler controller zones with more efficient Water Smart equipment. |
| | | | | **Q4 SUBTOTAL** | **$1,237,284** | | | |
| Q3 | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Residential | Q3 | N/A | $291,135 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 324 residential customers took advantage of energy efficiency incentives (10% limited income projects for 37% of dollars invested). |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Non-residential | Q3 | N/A | $86,537 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 17 non-residential customers took advantage of energy efficiency incentives. Q3 non-residential incentives were 21% lighting, 31% manufacturing and 47% HVAC. Large projects were also completed at the pulp mill under the rate credit agreement. Non-residential customers include retail, offices, schools, city and county facilities, medical buildings and manufacturing facilities. |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Efficient Growth | Q3 | N/A | $10,758 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 23 customer conversions from non-electric to efficient electric heating. 15 customers converted in Q1 ($10,000 EWEB incentives) and 15 in Q2 ($10,750). Additional projects have both efficiency and growth components and have thus far been included in energy efficiency numbers. |
| | EWEB Energy Efficiency Programs | Transportation Electrification | Q3 | N/A | $12,729 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 21 residential and 1 commercial customers received rebates for Level 2 EV Chargers. |
| | EWEB Greenpower Program | Solar Electric Incentives | Q3 | N/A | $33,385 | ENVIRONMENTAL: Greenpower | Customer Voluntary | 10 residential net-metered projects and 1 non-profit received incentives funded by the Greenpower Program in Q3. An additional 2 residential projects were installed but did not qualify for incentives. |
| | EWEB Water Conservation Programs | Hand Valve and Toilet Rebates, Septic Maintenance Incentives | Q3 | N/A | $8,775 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 29 customers received hand valve rebates, 12 toilet rebates and 21 septic maintenance rebates. |
| | | | | **Q3 SUBTOTAL** | **$443,319** | | | |
| Q2 | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Residential | Q2 | N/A | $309,504 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 337 residential customers took advantage of energy efficiency incentives (15% limited income projects for 52% of dollars invested). |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Non-residential | Q2 | N/A | $81,222 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 18 non-residential customers took advantage of energy efficiency incentives. 96% of non-residential incentives were for lighting projects with the remaining for HVAC. A large compressed air project was also completed at the pulp mill under the rate credit agreement. Non-residential customers include businesses, schools, city and county facilities, medical buildings and manufacturing facilities. |
| | EWEB Energy Efficiency Programs | Electric Vehicles (EV) | Q2 | N/A | $11,888 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 16 residential and 1 commercial (4 units) customers received rebates for Level 2 EV Chargers. |
| | EWEB Greenpower Program | Solar Electric Incentives | Q2 | N/A | $29,132 | ENVIRONMENTAL: Greenpower | Customer Voluntary | 14 residential net-metered projects received incentives funded by the Greenpower Program year to date. An additional 4 residential projects were installed but did not qualify for incentives. |
| | EWEB Water Conservation Programs | Hand Valve and Toilet Rebates, Septic Maintenance Incentives | Q2 | N/A | $5,450 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 23 customers received hand valve rebates, 4 toilet rebates and 13 septic maintenance rebates. |
| | | | | **Q2 SUBTOTAL** | **$437,196** | | | |
| Q1 | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Residential | Q1 | N/A | $433,469 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 422 residential customers took advantage of energy efficiency incentives (18% limited income projects for 44% of dollars invested). |
| | EWEB Energy Efficiency Programs | Energy Efficiency Incentives - Non-residential | Q1 | N/A | $221,901 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 44 non-residential customers took advantage of energy efficiency incentives. 93% of non-residential incentives were for lighting projects with the remaining for HVAC, refrigeration, weatherization and manufacturing processes. Non-residential customers include businesses, schools, city and county facilities, hospitals, etc. |
| | EWEB Energy Efficiency Programs | Electric Vehicle (EV) Clean Ride Rebate Program | Q1 | N/A | $13,438 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 26 residential and 2 commercial (1 public) customers received rebates for Level 2 EV Chargers. |
| | EWEB Greenpower Program | Solar Electric Incentives | Q1 | N/A | $35,559 | ENVIRONMENTAL: Greenpower | Customer Voluntary | 14 residential and 2 commercial net-metered projects received incentives funded by the Greenpower Program year to date. An additional 3 residential and 1 commercial projects were installed but did not qualify for incentives. |
| | EWEB Water Conservation Programs | Hand Valve and Toilet Rebates, Septic Maintenance Incentives | Q1 | N/A | $4,750 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 34 customers received hand valve rebates, 9 toilet rebates and 4 septic maintenance rebates. |
| | | | | **Q1 SUBTOTAL** | **$709,116** | | | |
| | | | | **ENERGY EFFICIENCY INCENTIVES 2020 TOTAL** | **$2,826,915** | | | |

## LIMITED INCOME ASSISTANCE

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Q4 | EWEB Customer Care Program | Limited Income Energy Assistance | Q4 | N/A | $306,760 | PEOPLE: Safety Net | Board Directed | The EWEB Customer Care (ECC) program credited $249,480 in Q4 to 960 customer accounts. Energy Share contributed a total of $57,280 to 342 customer accounts in Q4. EWEB also credited federal LIHEAP funds to 1015 accounts, and Federal funds distributed through COE and Lane County to 1254 accounts. *Note: Amount does not include LIHEAP and other federal funds. |
| | EWEB Limited Income Assistance | Electric Line Repair Grants (Income eligible) | Q4 | N/A | $435 | PEOPLE: Safety Net | Discretionary | 1 customer received an electric repair grant. |
| | EWEB Water Conservation Programs | Water Line Repair Grants (Income eligible) | Q4 | N/A | $15,591 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 7 customers received water line repair grants. |
| | | | | **Q4 SUBTOTAL** | **$322,786** | | | |
| Q3 | EWEB Customer Care Program | Limited Income Energy Assistance | Q3 | N/A | $331,278 | PEOPLE: Safety Net | Board Directed | The EWEB Customer Care (ECC) program credited $254,800 in Q3 to 980 customer accounts. Energy Share contributed a total of $76,478 to 428 customer accounts in Q3. EWEB also credited federal LIHEAP funds to 615 accounts. *Note: Amount does not include federal LIHEAP funds. |
| | EWEB Limited Income Assistance | Electric Line Repair Grants (Income eligible) | Q3 | N/A | $2,400 | PEOPLE: Safety Net | Discretionary | 1 customers received an electric repair grant. |
| | EWEB Water Conservation Programs | Water Line Repair Grants (Income eligible) | Q3 | N/A | $10,888 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 7 customers received water line repair grants. |
| | | | | **Q3 SUBTOTAL** | **$344,566** | | | |
| Q2 | EWEB Customer Care Program | Limited Income Energy Assistance | Q2 | N/A | $595,837 | PEOPLE: Safety Net | Board Directed | The EWEB Customer Care (ECC) program credited $546,520 in Q2 to 2107 customer accounts. Energy Share contributed a total of $49,317 to 282 customer accounts in Q2. EWEB also credited federal LIHEAP funds to 440 accounts. *Note: Amount does not include federal LIHEAP funds. |
| | EWEB Limited Income Assistance | Electric Line Repair Grants (Income eligible) | Q2 | N/A | $0 | PEOPLE: Safety Net | Discretionary | 0 customers received electric repair grants. |
| | EWEB Water Conservation Programs | Water Line Repair Grants (Income eligible) | Q2 | N/A | $11,915 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 8 customers received water line repair grants. |
| | | | | **Q2 SUBTOTAL** | **$607,752** | | | |
| Q1 | EWEB Customer Care Program | Limited Income Energy Assistance | Q1 | N/A | $549,005 | PEOPLE: Safety Net | Board Directed | The EWEB Customer Care (ECC) program credited a total of $461,760 in Q1 to 1771 customer accounts. Energy Share contributed a total of $87,245 to 521 customer accounts. EWEB also credited federal LIHEAP funds to 1,143 accounts. *Note: Amount does not include federal LIHEAP funds. |
| | EWEB Limited Income Assistance | Electric Line Repair Grants (Income eligible) | Q1 | N/A | $10,235 | PEOPLE: Safety Net | Discretionary | 4 customers received electric repair grants. |
| | EWEB Water Conservation Programs | Water Line Repair Grants (Income eligible) | Q1 | N/A | $21,830 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 6 customers received water line repair grants. |
| | | | | **Q1 SUBTOTAL** | **$581,070** | | | |
| | | | | **LIMITED INCOME ASSISTANCE 2020 TOTAL** | **$1,856,174** | | | |

## ENERGY AND WATER LOANS

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Q4 | EWEB Energy Efficiency Programs | Energy Efficiency Loans - Residential | Q4 | N/A | $337,556 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 52 residential customers participated in Energy Efficiency Loan programs. |
| | EWEB Water Conservation Programs | Water Line Repair & Septic Repair/Replacement Loans | Q4 | N/A | $41,741 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | 9 customers received water line repair loans, and 1 received a septic loan. |
| | EWEB Resiliency Program | Generator Loan Program | Q4 | N/A | $8,628 | PEOPLE: Emergency Preparedness | Discretionary | 3 residential customers participated in the Generator Loan Program. |
| | EWEB Electric Service Line Upgrade Loan Program | Electric Service Line Upgrade Loan Program | Q4 | N/A | $3,275 | PEOPLE: Safety Net | Discretionary | 1 residential customer received an electric service upgrade loan. |
| | | | | **Q4 SUBTOTAL** | **$391,200** | | | |
| Q3 | EWEB Energy Efficiency Programs | Energy Efficiency Loans - Residential | Q3 | N/A | $556,093 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 91 residential customers participated in Energy Efficiency Loan programs. |
| | EWEB Water Conservation Programs | Water Line Repair & Septic Repair/Replacement Loans | Q3 | N/A | $29,042 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | EWEB continues to monitor and detect continuous flow through AMI data and makes approximately 10 customer contacts per week to advise of leaks. 5 customers received water line repair loans, and 1 received a septic loan. |
| | EWEB Resiliency Program | Generator Loan Program | Q3 | N/A | $0 | PEOPLE: Emergency Preparedness | Discretionary | Although many customers applied for the Generator Loan Program, no Generator loans closed in Q3. |
| | EWEB Electric Service Line Upgrade Loan Program | Electric Service Line Upgrade Loan Program | Q3 | N/A | $0 | PEOPLE: Safety Net | Discretionary | No customers took advantage of electric service upgrade loans in Q3. |
| | | | | **Q3 SUBTOTAL** | **$585,135** | | | |
| Q2 | EWEB Energy Efficiency Programs | Energy Efficiency Loans - Residential | Q2 | N/A | $420,980 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 69 residential customers participated in Energy Efficiency Loan programs. |
| | EWEB Water Conservation Programs | Water Line Repair & Septic Repair/Replacement Loans | Q2 | N/A | $18,991 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | EWEB continues to monitor and detect continuous flow through AMI data and makes approximately 10 customer contacts per week to advise of leaks. 3 customers received water line repair loans, and 1 received a septic loan. |
| | EWEB Resiliency Program | Generator Loan Program | Q2 | N/A | $3,038 | PEOPLE: Emergency Preparedness | Discretionary | 2 Residential customer participated in the Generator Loan Program |
| | EWEB Electric Service Line Upgrade Loan Program | Electric Service Line Upgrade Loan Program | Q2 | N/A | $2,331 | PEOPLE: Safety Net | Discretionary | 1 residential customer took advantage of electric service upgrade loans. |
| | | | | **Q2 SUBTOTAL** | **$445,340** | | | |
| Q1 | EWEB Energy Efficiency Programs | Energy Efficiency Loans - Residential | Q1 | N/A | $330,633 | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | 62 residential customers participated in Energy Efficiency Loan programs. |
| | EWEB Water Conservation Programs | Water Line Repair & Septic Repair/Replacement Loans | Q1 | N/A | $12,470 | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | EWEB continues to monitor and detect continuous flow through AMI data and makes approximately 10 customer contacts per week to advise of leaks. 4 customers received water line repair loans. |
| | EWEB Resiliency Program | Generator Loan Program | Q1 | N/A | $9,592 | PEOPLE: Emergency Preparedness | Discretionary | 5 Residential customer participated in the Generator Loan Program |
| | EWEB Electric Service Line Upgrade Loan Program | Electric Service Line Upgrade Loan Program | Q1 | N/A | $5,550 | PEOPLE: Safety Net | Discretionary | 2 residential customers took advantage of electric service upgrade loans. |
| | | | | **Q1 SUBTOTAL** | **$358,245** | | | |
| | | | | **ENERGY AND WATER LOANS 2020 TOTAL** | **$1,779,920** | | | |

## System Development Charge (SDC) Waivers

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| Q4 | Homes for Good | The Keystone | Q4 | N/A | $11,382 | | Board Directed | EWEB approved a $11,382 water System Development Charge (SDC) waiver for this 15 unit multi-family housing development serving extremely low-income families experiencing homelessness. The Keystone project is located at 13th and Tyler and Homes for Good estimates total development costs at $5 million. |
| | | | | **Q4 SUBTOTAL** | **$11,382** | | | |
| Q3 | No new SDC waivers in Q3. | | | | | | | |
| | | | | **Q3 SUBTOTAL** | **$0** | | | |
| Q2 | No new SDC waivers in Q2. | | | | | | | |
| | | | | **Q2 SUBTOTAL** | **$0** | | | |
| Q1 | Homes for Good | Taney Place | Mar-20 | N/A | $18,200 | | Board Directed | 49 unit development in the Bethel area. |
| | St. Vincent de Paul | Iris Place | Feb-20 | N/A | $18,200 | | Board Directed | 53 unit development in the River Road area. |
| | | | | **Q1 TOTAL** | **$36,400** | | | |
| | | | | **SDC WAIVERS 2020 TOTAL** | **$47,782** | | | |

## Contributions in Lieu of Taxes (CILT)

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| Q4 | City of Eugene | Contribution in lieu of taxes (CILT) | Q4 | N/A | $3,273,316 | Required | Mandated | |
| | City of Springfield | Contribution in lieu of taxes (CILT) | Q4 | N/A | $124,811 | Required | Mandated | |
| | | | | **Q4 SUBTOTAL** | **$3,398,127** | | | |
| Q3 | City of Eugene | Contribution in lieu of taxes (CILT) | Q3 | N/A | $2,840,007 | Required | Mandated | |
| | City of Springfield | Contribution in lieu of taxes (CILT) | Q3 | N/A | $136,544 | Required | Mandated | |
| | | | | **Q3 SUBTOTAL** | **$2,976,551** | | | |
| Q2 | City of Eugene | Contribution in lieu of taxes (CILT) | Q2 | N/A | $2,759,857 | Required | Mandated | |
| | City of Springfield | Contribution in lieu of taxes (CILT) | Q2 | N/A | $139,873 | Required | Mandated | |
| | | | | **Q2 SUBTOTAL** | **$2,899,730** | | | |
| Q1 | City of Eugene | Contribution in lieu of taxes (CILT) | Q1 | N/A | $3,451,550 | Required | Mandated | |
| | City of Springfield | Contribution in lieu of taxes (CILT) | Q1 | N/A | $137,773 | Required | Mandated | |
| | | | | **Q1 SUBTOTAL** | **$3,589,324** | | | |
| | | | | **CILT 2020 TOTAL** | **$12,863,732** | | | |

## EWEB Ambassador Efforts and Events (Paid)

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| Q4 | Run to Stay Warm | Customer Care fundraiser | N/A | 11/20-11/29 | N/A | PEOPLE: Safety Net | Discretionary | The 14th Annual Run to Stay Warm was a virtual event this year due to the COVID-19 pandemic and related restrictions. Participants completed 5k, 10k or half marathon on any course of their choosing, including a curated local course. $10 from every registration went to the Run to Stay Warm Fire Relief Partner Program. Total donation to Customer Care was $4,681. |
| Q3 | Participating agencies included EWEB, the Red Cross, FEMA, other utilities, county services, DEQ and mental health services. | Multi-Agency Resource Center Event | N/A | 09/17-09/18<br>09/25, 10/02 | N/A | PEOPLE: Safety Net | Discretionary | The MARC event brought over 2 dozen organizations together as a "one-stop shop" to assist those within the evacuation zones of the Holiday Farm Fire with their recovery plans. EWEB offered information and updates related to restoration efforts, water quality and billing activities as requested by EWEB customers. |
| Q2 | No new events in Q2. | | | | | | | |
| Q1 | Washington & Oregon Higher Education Sustainability Conference (Hosted by University of Oregon in 2020) | 2020 Washington & Oregon Higher Education Sustainability Conference | N/A | 03/02-03/04 | N/A | ECONOMIC: Education | Discretionary | 2020 Theme: Root Causes to Sustainability Challenges and Positive Actions to Address Them. Experts and leaders in higher education and sustainability will share their experiences on topics ranging from meaningful projects that impact the community and the environment to climate resilience, social permaculture and much more. Event sponsorship - 2 SMEs staffed table at conference. |
| | Environmental Law Alliance Worldwide (ELAW) | | N/A | 02/26/20 | N/A | | Discretionary | Generation Manager hosted 2 attorneys and ELAW Fellow / Chief Executive Officer of Africa Institute for Energy Governance (AFIEGO) for a discussion of EWEB's electric energy resources and generation system. |
| | University of Oregon | Solar Project Ribbon Cutting Ceremony | N/A | 02/14/20 | N/A | ENVIRONMENTAL: Greenpower | Customer Voluntary | Ribbon Cutting Ceremony for photovoltaic system installed at 205 Exmoor Pl (a non-profit corporation supporting adults who experience developmental disabilities at home and in the community). U of O received Solar Electric Program incentive. |
| | Good Earth Home, Garden & Living Show | | N/A | 01/24-01/26 | N/A | ENVIRONMENTAL: Energy Efficiency/Renewable | Discretionary | EWEB hosted booth highlighting heat pump technology and special promotions, electric vehicles, resiliency (Back-up Generator Program and Pledge to Prepare) and peak power. |
| | Homes for Good | Greenpower Grant Ribbon Cutting Ceremony | N/A | 01/21/20 | N/A | ENVIRONMENTAL: Greenpower | Customer Voluntary | Ribbon Cutting Ceremony for the photovoltaic system installed at their facility located at Parkview Terrace (255 High St; offers 1 and 2-bedroom units for Seniors and people with disabilities). They were a 2016 Greenpower Grant recipient ($50,000) and had delays in their project, but completed this year. |

**EWEB Ambassadors provided almost 160 hours of services to the Community in 2020**

## Volunteer Efforts and Events (Unpaid)

| | AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|---|
| **Q4** | **No new events in Q4.** | | | | | | | |
| **Q3** | No new events in Q3. | | | | | | | |
| **Q2** | McKenzie Watershed Council | Annual McKenzie River Clean-Up | N/A | 06/27/20 | N/A | ENVIRONMENTAL: Water Quality/Reliability | Discretionary | Twelve volunteers, including management and staff from EWEB's Water and Environmental departments, picked up trash in five areas around Leaburg Dam. |
| **Q1** | Bloodworks Northwest | Onsite Blood Drive | N/A | 01/27/20 | N/A | PEOPLE: Safety Net | N/A | |
| **EWEB employees, friends and families volunteered 25 hours in 2020** | | | | | | | | |

## Upcoming and/or committed Sponsorships, Donations, Grants

| AGENCY | EVENT/DESCRIPTION | PAYMENT DATE | EVENT DATE | AMOUNT | INVESTMENT AREA | CATEGORY | NOTES |
|---|---|---|---|---|---|---|---|
| ShelterCare | Water service to ShelterCare facility | TBD | N/A | $2,276 | PEOPLE: Safety Net | Discretionary | The Water department has been working to expand water service to a ShelterCare facility. ShelterCare is a private, nonprofit human-services agency directed by a board of community volunteers offering a range of housing and support services for individuals and families who are homeless, or on the verge of homelessness, with a committed focus on individuals living with mental illness. |
| | | | **TOTAL** | **$2,276** | | | |

## Q4 2020 Workforce Composition

The following charts are demographic snapshots of EWEB's workforce composition as compared to that of the State of Oregon and Lane County, as reported by the US Census Bureau in Q1 of 2020, the most recent quarter for which they have data.