

EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
August 6, 2024
5:30 pm

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

Others Present: Frank Lawson, EWEB General Manager; Rodney Price, Assistant General Manager; Deborah Hart, Assistant General Manager/Chief Financial Officer; Brian Booth, Chief Energy Resource Officer; Adam Rue, Rates Manager; Julie McGaughey, Chief Customer Officer; and Travis Knabe, Chief Information Officer

REGULAR SESSION

Call to Order

President McRae called the meeting to order at 5:30 pm.

Agenda Check

No changes to the agenda

Items from Board Members and General Manager [0:1:34]

Commissioner Brown thanked the staff for keeping the grounds clear around EWEB owned properties. He described an interaction he had with a customer who applied for aid to move his septic system away from the river and was denied financial assistance due to income limits which were not stated in the application rules. He suggested they help fund replacements for customers who live by the river and want to move their septic tanks to protect the watershed. He added an inquiry about how money EWEB paid for a Forest Service game officer on the upper river was being used. He recalled in the past those funds for fish and game management were instead used for trail maintenance and requested staff follow up on that.

Vice President Barofsky said he had a good meeting with City of Eugene leadership.

Correspondence [0:4:54]

Mr. Lawson said there were two pieces of correspondence. The first had to do with a preview of the Lane County Natural Hazards Mitigation Plan. The second item was on the Trail Bridge BPA Exhibit A updates.

Public Input [0:8:45]

The following testimony was provided to the EWEB Commissioners: The Board neither

endorses nor opposes or is responsible for the accuracy of the content of testimony, including any links or references provided.

Charlie Loeb of Eugene, OR, Ward 2, spoke in support of Electric Vehicle adoption, specifically expressing concern around the current EWEB policy on electric service upgrades that may be needed to accommodate installations of residential level 2 EV chargers; this policy meant that homeowners may be liable for extra expenses, which potentially swayed public against purchasing electric vehicles. A copy of a related letter was provided to the Board.

Joe Moll of Eugene, OR The Executive Director of the McKenzie River Trust thanked the board for their help on the McKenzie River. He appreciated working with EWEB staff for the last 20 years. He suggested changing the language from watershed recovery to watershed conservation in EWEB's strategic plan.

Dan Patch of Eugene, OR spoke in opposition to smart meters and rate increases, specifically stating that the board needed to listen to their constituents and give the community a voice in the process.

Jim Neu of Eugene, OR, Ward 7, spoke on the renewable energy grant applications submitted by the Airport Staff to the Oregon Department of Energy and thanked EWEB for their support of renewable resources.

Peter Dragovich of Eugene, OR, Ward 5, spoke in support of a community solar program, specifically stating that this would increase production of renewable energy and increase the aid to low-income households.

Danny Noonan of Eugene OR, spoke in favor of a low-income rate designs, specifically mentioning the letter sent earlier and stating that EWEB shouldn't operate as an investor-owned utility when it comes to designing its rates as a public utility wasn't bound by the same obligations.

Mica K. Anton of Eugene OR, Ward 3, spoke in support of a progressive rate design and percent of income program for low-income individuals, specifically stating that in Eugene residential and small businesses pay more for service charges than their counterparts in other cities with public utilities.

Molly Babcock of Eugene OR, spoke in support of a progressive rate design for low-income individuals.

Alan Gormezano of Eugene, OR spoke in opposition to smart meters and rate hikes specifically stating that looking only at efficiency instead of the affect on the community was painful and hard for low-income individuals.

Commissioner Schlossberg thanked everyone who came tonight, she asked staff about the issue with the EV chargers as she benefited from having an EV charger in her own home. She thanked those who came out to discuss rate design and said she had concerns about energy burden and climate change.

Commissioner Carlson appreciated the thoughtful comments this evening and was concerned about those who experience energy burden, she said cost was always something to be mindful of. She agreed they needed to have a conversation on residential EV chargers.

Vice President Barofsky thanked everyone for coming out. He thanked Mr. Moll for his partnership over the years in protecting the watershed and agreed they should do as much as they can for the coast and the middle fork of the Willamette River. He said they would be having a conversation on rate design tonight and over the next several months.

Commissioner Brown thanked Mica for coming out and encouraged them to advocate to the state level decision makers as well. He said the board was listening to the community.

Mr. Lawson appreciated the comments they received tonight. He said the timing was good to discuss the EV program.

Commissioner Carlson stated she would like to know how many people have been billed for equipment upgrades when adding level 2 EV chargers and how EVs impacted the load capacity in various areas of town.

Mr. Lawson noted customers were not required to make additional investments very often. He explained the other issue was analyzing down to the address where EVs are being adopted in Eugene so they could have a better idea of how to meet those needs. Regarding rate design, he said the question was on how much each person should pay versus how much the collective rate base should pay and they would be looking at it over the next several weeks and will bring information to the board in October. He stated that later this month they would have a management climate meeting on their strategies for the climate action plan, and the rate design conversation would be ongoing.

Approval of Consent Calendar – A (Minutes and Routine Contracts) [0:50:34]

MINUTES

1. July 9, 2024 Regular Session

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

Approval of Consent Calendar – B (Nonroutine Contracts and Other Consent Items) [0:50:52]

CONTRACTS

2. **Pacific Excavation, Inc.** – for construction services to complete the Kennedy Middle School well improvement site work. \$416,000 based on Formal Invitation to Bid.

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

GENERAL BUSINESS ITEMS

City of Eugene Liaison Update [0:51:13]

President McRae said he and Vice President Barofsky sat down with the mayor, and the city manager and Councilor Groves to discuss areas of mutual interest, much conversation centered around EWEB's water systems, secondary water sources and water storage and climate programs.

Vice President Barofsky said they discussed the work done with EWEB's wildfire and emergency planning.

Mr. Lawson said the City shared their 2023 climate action plan update and they had been in contact on the staff level to talk about overlap and opportunities. He added they also discussed the economic challenges for both EWEB and the City.

Commissioner Carlson asked if they discussed adding more city fees to the EWEB bill as she was against additional fees unless it was mandatory and there was not another efficient way for the City to facilitate it. She wanted a mechanism in place to protect the low-income ratepayers.

Mr. Lawson said the topic arose and the City had two pieces on this, as EWEB was mandated to bill the City stormwater and wastewater fees, and the other was a fire fee in addition to what EWEB was required to do under city charter, but the City was investigating the costs of that. He explained EWEB does charge the City for the billing and there were details that needed to be worked out.

Commissioner Brown said EWEB went through a process for providing Veneta with water and he knew many places had challenges with water supply. He explained EWEB had a surplus of water and they needed to discuss getting that water to the people who needed it in places such as Junction City, he felt they should plant that seed with the City.

Mr. Lawson said that was an important note, stating they had been approached by other communities who had expressed interest in having discussions with EWEB about water, and it was a relevant topic when they thought about EWEB's new strategic plan.

Rate Design Directional Discussion [1:00:23]

Frank Lawson, General Manager; Deborah Hart, Assistant General Manager/Chief Financial Officer; and Adam Rue, Rates Manager; gave a presentation via PowerPoint and asked questions to the board to guide a discussion on Rate Design. Mr. Lawson explained this discussion was not to be interpreted as proposals, it was an exploration of concepts and philosophies, and it was not specifically around the principles of rate design.

The discussion centered around whether rates should be designed to drive behavior and if they should focus on immediate needs or future needs when considering changes to rates. Further discussion took place on socialized rates vs. capitalist rates and how those designs would

impact consumers. Commissioners agreed that a balance needed to be struck between driving efficient energy usage in the community and the cost of services.

**Customer Service Policy – Power Purchase Rate Schedule
(Resolution No. 2411) [2:11:47]**

Brian Booth, Chief Energy Resource Officer; gave a presentation on their Customer Service Policy in relation to Renewable Power Purchase Rates for large customers via PowerPoint and answered questions from the board.

Recommendation was to approve the updated language in the packet.

MOTION: Commissioner Brown moved to approve the updated language and Resolution No. 2411.

The motion passed unanimously 5:0

EWEB Enterprise Systems (EES) Update [2:39:54]

Deborah Hart, Assistant General Manager/Chief Financial Officer; Julie McGaughey, Chief Customer Officer and Travis Knabe, Chief Information Officer; gave a presentation via PowerPoint and answered questions from the Board. The discussion centered around the new EES system.

Annual Strategic Plan Review – Commissioner Perspectives [3:13:29]

Frank Lawson, General Manager; gave a presentation via PowerPoint and answered questions from the board. The following discussion centered around minor changes to the Plan, and EWEB mission.

Quarterly Strategic & Operational Report for Q2 [3:32:53]

Frank Lawson, General Manager; gave a presentation via PowerPoint and answered questions from the board.

Future Board Agendas [3:45:25]

Mr. Lawson said they had talked about doing something for the board regarding EV feedback in October. He said staff had been looking at it and they were also hearing questions on the EV program. He noted that in addition to the EV program it relates to other conceptual topics such as who is responsible for costs, therefore there would need to be more background there. He said the other thing coming up was the conversation around the business model of EWEB.

The Board agreed they would need more discussion centered meetings moving forward as many of the topics would benefit from deeper conversations.

Board Wrap Up [3:54:00]

Commissioner Schlossberg said she knew that people felt distrustful of EWEB, but she had two examples of where EWEB had helped the community. One was feedback from a gentleman who had recently moved into his house and couldn't find the water main, he called EWEB and spoke with customer service and they said they would put in a request. She explained that while he was on the phone with customer service, the EWEB truck pulled up because they were in the area. The second was that there was some graffiti on an EWEB pole, and someone had called the City several times. She explained the City couldn't help, but the individual was able to contact BPA who directed them to EWEB and the graffiti was quickly removed. She said she appreciated the staff at EWEB for helping their community.

Commissioner Carlson said someone had commented on Next Door that their bill had increased by quite a bit, and the comments were very supportive of the individual reaching out to EWEB for help as customer service was very helpful.

Vice President Barofsky said it was important to him that staff closely consider the rate increases and the impact on the community as he was intimidated by the number. He said as a commissioner, this was one area that he really had to lean in and there were a lot of projects on the capital improvement plan and knew that costs were rising, but he was concerned about the increases.

Adjournment

The meeting adjourned at 9:28 pm.

Recorded by Lydia Harvey, LCOG

Assistant Secretary

President