



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

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

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

DATE: July 3, 2013

SUBJECT: Comparative Rate Analysis

OBJECTIVE: Information only

### Issue

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

### Background

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

### Discussion

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

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

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

### Customer Profiles

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

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

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

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

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

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

**Summary**

Results of EWEB’s ranking are summarized in the table below. (1<sup>st</sup> = lowest)

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

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

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

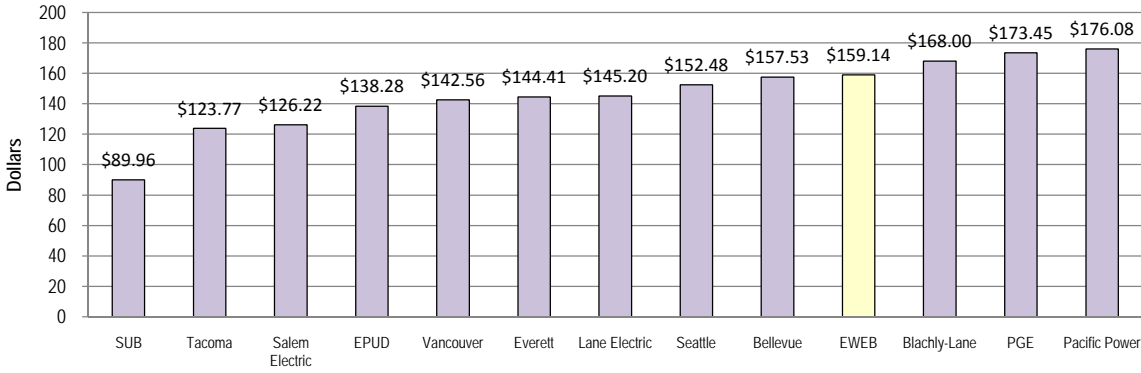
**Recommendation / Board Action**

This memo is for informational purposes. No board action is requested.

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

Attachment: Comparator Information

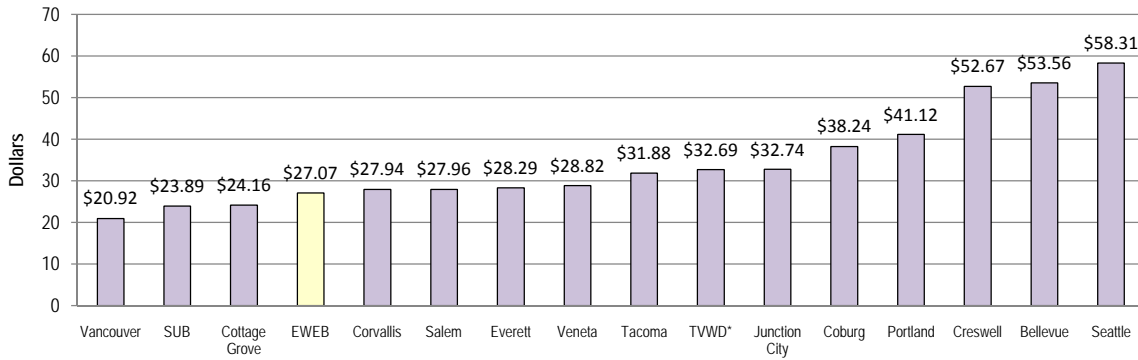
### Monthly Residential - House (1,600 kWh)



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

**Northwest**

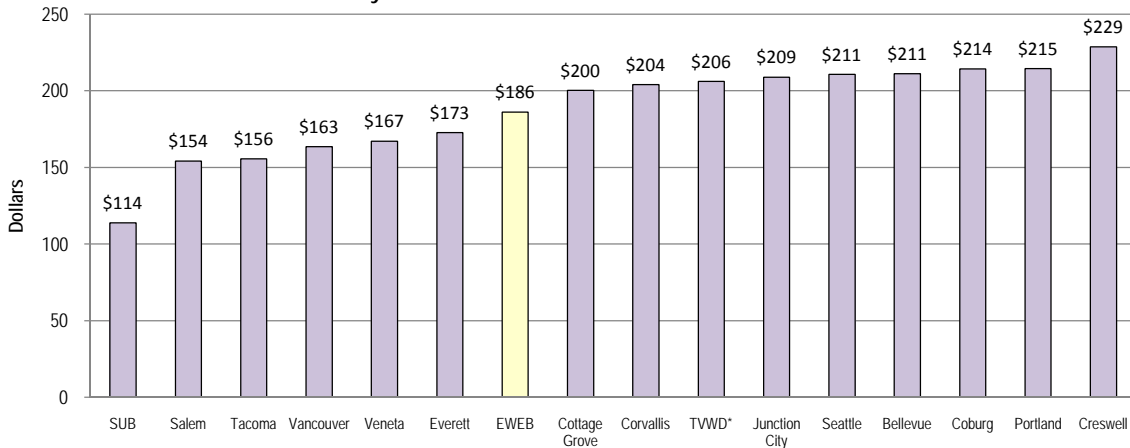
### Monthly Residential - House (7.0 kgal)



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

**Northwest**

### Monthly Electric & Water Combined - Residential House



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

**Northwest**