Quarterly Strategic and Operational Report

Q3 – 2019

Eugene Water & Electric Board

October 30, 2019

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Eugene Water & Electric Board

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Goal #2 – Pursuant to Resolution 1811, execute the Advanced Metering Services (Infrastructure) project in accordance with approved plans and budgets and all applicable EWEB values, policies, and procedures; safely installing 46,000 meters in 2019. 40

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Goal #4 – Improve emergency preparedness and recovery by enhancing system resiliency, with a near-term focus on distributed emergency options/resources (water and electric), completing two additional emergency sites and an electric system black-start assessment in 2019. 49

Goal #5 – Community (Limited Income): In 2019, reduce non-pay residential service disruptions (disconnects) by 10% from the 2018 benchmark of 6,300 with continuing progress toward a 50% reduction by 2023 (5-year). 51

Goal #6 –Pursuant to GP15 Climate Change Policy, execute Resolution 1827 supporting State carbon pricing policy, and achieve conservation/energy efficiency reductions of 9,500 MWh (annual) in combination with smart electrification to equitably and cost-effectively reduce community/regional carbon emissions by 7,500 MTCO2e1. 52

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Organization

Frank Lawson (Chief Executive Officer & General Manager)
Frank joined EWEB in 2010, and became the CEO/GM in 2016. He has over 30 years of technical and management experience in various areas including engineering, marketing, operations, customer service, sales, and finance. He has worked for small entrepreneurial organizations, as well as large companies including Danaher, Pacific Scientific, and JELD-WEN. Frank is a registered Professional Engineer in the State of Oregon. He earned a Bachelor of Science Degree in Electrical and Computer Engineering from Oregon State University, and a Master of Business Administration from Northwest Christian University.

Susan Fahey (Assistant General Manager/Chief Financial Officer)
Sue was appointed to the Assistant General Manager position in 2019 after serving as EWEB's Chief Financial Officer for several years. She is responsible for long-term financial planning and developing alternatives to ensure EWEB maintains and enhances its strong financial position. Other areas of responsibility include customer operations and solutions, information services, enterprise and power risk management, procurement, advanced meter services, budgets and rates. Sue serves as EWEB's Treasurer and is a Certified Public Accountant. She received her Bachelor of Business Administration Degree with an emphasis in Accounting and Finance from Pacific Lutheran University. After 20 years in financial management positions at Eugene Public Schools, Sue transitioned from her role as Chief Financial Officer to join EWEB in 2011 as the Fiscal Services Supervisor.

Susan Ackerman (Chief Energy Officer)
Susan joined EWEB in 2018, she is responsible for EWEB's resource portfolio, resource planning, and power trading functions. Prior to EWEB, she served on the Oregon Public Utility Commission from 2010 to 2016, the last four years as Chair of the Commission. She served as Chair of the Electricity Committee of NARUC, on the Advisory Committee to EPRI, and as one of NARUC's representatives on the NARUC – U.S. DOE Smart Grid Working Group. Prior to the OPUC, she was a lawyer representing a variety of clients in electricity and natural gas matters, including integrated resource planning, competitive solicitations, transmission services, reliability standards, power sales contracting, and electric and natural gas rate matters. She holds a BA in political philosophy and a J.D. She was admitted to practice law in Oregon, Washington, and California, although she is no longer a member of any bar association.

Matt Barton (Chief Information Officer)
Matt joined EWEB in 2012, and became the Chief Information Officer in 2017. He has over 20 years of technical and management experience in various areas including information technology, human resources, project management, and customer service. He has worked in diverse roles for Symantec, Albertsons, and Software Spectrum. Matt earned a Bachelor of Arts Degree in Management and a Master of Business Administration from Northwest Christian University.

Lena Kostopulos (Chief Workforce Officer)
Lena joined EWEB in 2009 and was promoted to HR director shortly thereafter. She was appointed to her current role as Chief Workforce Officer in 2016. Lena is responsible for ensuring that employment practices, benefits and compensation packages and all workforce programs are designed to maintain and advance EWEB's position as a competitive and attractive employer. Lena has over 30 years of management experience including holding HR leadership roles for both public and private sector employers, including ABC, Salt Lake City Corporation, Symantec, and Royal Caribbean International. Lena earned a Bachelor of Science Degree in Business Management from the University of Phoenix while working as the HR Director for the SLC International Airport.

Rodney Price (Chief Operating Officer)
Rod joined EWEB in 1998 and became the Chief Operating Officer in 2019. Rod has over 30 years of electric utility experience in various areas including engineering, project management, construction, operations and maintenance and management. Besides EWEB, Rod has worked for a variety of utilities including Bonneville Power Administration and Emerald PUD, as well as a five year experience with Stanley Consultants. Rod is a registered Professional Engineer in

Oregon and Washington. He earned Bachelor and Masters of Science Degrees in Electrical Engineering from the University of Idaho.

Rene Gonzalez (Customer Solutions Manager)
Rene joined EWEB in 2015 and has held the roles of Customer Service Supervisor, Customer Operations Manager, and Customer Solutions Manager. He has over 20 years of management experience leading dynamic teams in various areas including Business Development, Market Research, Customer Service, Sales and Retention and Emerging Products. He has worked in various industries including utilities, telecommunications and market research. He pursued a Bachelor of Science Degree in Global Business Management from California State University, and is currently enrolled in Harvard University's Joint Degree Program pursuing a Master's Degree in Management and a Bachelor's Degree in Global Studies, in addition to a Graduate Certificate in Strategic Management.

Deborah Hart (Financial Services Manager)
Deborah joined EWEB in 2011, and became the Financial Services Manager in 2018. She has 25 years of technical and management experience in finance. Her work experience includes banking, not-for-profits, and healthcare. Deborah is a Certified Public Accountant, licensed by the Oregon Board of Accountancy. She earned a Bachelor of Science Degree in Economics from the University of Oregon, and a Master of Business Administration from Northwest Christian University.

Karen Kelley (Water Operations Manager)
Karen joined EWEB in June of 2019 following 5 years as the Water Superintendent for the City of Albany and 18 years regulating public drinking water for the Oregon Health Authority and Linn County Environmental Health. Karen has a Bachelor of Science degree in Environmental Health and Safety from Oregon State University and is a Registered Environmental Health Specialist. Karen approaches water utility management with a focus on public health to assure the Water Division serves our community high quality drinking water they can depend upon.

Travis Knabe (Information Services Operations Manager)
Travis graduated from Western Oregon University with a Bachelor of Science degree in Computer Science. He has more than 20 years of experience in information systems and management. Prior to joining EWEB, Travis worked for Datalogic SPA as a Global Infrastructure Manager where he built and managed a diverse, international team and infrastructure. Travis focuses on customer service and key business needs in development of his technology strategies.

Michael McCann (Electric Generation Manager)
Mike has been with EWEB since 2002, and has been the Electric Generation Manager since June 2017. Mike is a registered professional engineer in the State of Oregon with 35 years of engineering and operations experience in the public and private sectors. Prior to joining EWEB, Mike worked for Dames & Moore, CH2M HILL, and the Oregon Department of Environmental Quality where he focused on environmental cleanup, compliance and regulatory issues. He has a Bachelor of Science Degree in Chemical Engineering from the University of Notre Dame, and a Master's Degree in Environmental Engineering from Clarkson University.

Julie McGaughey (Customer Operations Manager)
Julie joined the EWEB team in 2017, bringing 25 years of experience in customer service, sales, and operations. Julie is responsible for the Customer Service and Meter Reading teams at EWEB. She holds a Bachelor of Science Degree in Business Administration from Oregon State University.

Tyler Nice (Electric Operations Manager)
Tyler is a licensed Professional Engineer in Oregon as well as a certified Project Management Professional with a degree in electrical engineering from Oregon State University. He has 13 years of experience in the electric utility industry and has worked with generation systems, transmission and distribution during his time at EWEB. He serves as EWEB's Electric Operations Manager to support Electric Division staff in providing safe, reliable and affordable electricity to customers, with a focus on long term resiliency and system reliability.

General Information

		Electric	Water
Service territory	236 square miles		
Miles of line or pipe		1,300	800
Substations/Pump Stations		35	27
Water Storage		-	23 reservoirs (89 MGal, Capacity)
Number of customers	200,000 population served	93,000	61,000
Annual Operating Budget, in millions		$212.2	$19.9
Annual Capital Budget, in millions		$37.3	$15.4

Executive Summary

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

The year has provided some challenges for the Electric Utility, including financial pressures brought about by unavailable generation resources at times of high wholesale prices. Although Retail revenue was in line with the year-to-date budget assumptions, and Wholesale and other revenues were greater than budget by $30.7 million and driven by higher market prices in Q1, Contribution margins have driven down net income, resulting in two financial metrics likely to finish the year outside of Board policy, including Debt Service Coverage and Rate of Return. For the nine months ended September 30, 2019, net loss for the Electric Utility was $1.9 million. This was $4.7 million unfavorable compared to the year-to-date seasonal budget. The Electric Capital Improvement plan spending is currently tracking to be over budget by $4.5M at year end, or 112% of budget.

The Carmen-Smith and Leaburg Projects remained offline during Q3/2019. Carmen-Smith is expected to return to service before the end of the year following completion of 2019 construction to rebuild the power plant's electrical and controls systems. The Leaburg Project remains offline due to dam safety concerns along the canal. EWEB's other owned generating resources were operating and performed well during Q3. The wind farms were above plan for availability and production during the quarter. Stone Creek, Walterville and the two thermal plants exceeded availability targets for the quarter, although low water levels in the McKenzie basin limited production from Walterville. In addition, EWEB entered into a purchase and sale agreement with PacifiCorp in June 2019 for our portion of the Foote Creek I Wind Farm in Wyoming and closed the transaction on July 24.

The third quarter electric reliability statistics (SAIFI and SAIDI) were all well below the 5 year averages for these months which pushed the year-to-date numbers close to the year-to-date 5 year averages. There were 5 feeder lockouts in the third quarter due to a variety of causes such as primary underground and overhead conductor connector failures, a tree limb, squirrel, and a lightning strike that destroyed a recloser in Vida.

Water financial metrics are all within Board policy, and projecting a favorable net income versus budget for year-end. For the nine months ended September 30, 2019, net income for the Water Utility was $10.2 million. This was $2.6 million favorable when compared against the budget, which has been seasonally-shaped for revenue. Within the Water Utility, revenue and maintenance activities peak in the summer months, while production and delivery costs remain fairly constant throughout the year. The Water Utility is expecting to exceed its capital budget by approximately $500,000 due to Hayden Bridge Disinfection System work and pipeline replacements in conjunction with the City's plan for road work.

EWEB 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. Water quality remains within compliance limits, although EWEB monitors beyond compliance requirements. Current status for our water system is "Clear" meaning that no levels of cyanotoxins are currently being detected above laboratory reporting limits in the reservoirs, reservoir outfalls, or at our intake. Over the last month there were published reports, a movie release ("Dark Waters"), and a book published ("Troubled Water: What's Wrong with What We Drink") that has garnered media attention around polyfluoroalkyl substances (PFAS) and disinfection by-products (DBPs) as cancer causing substances in drinking water. EWEB continues to monitor for PFAS/PFOS compounds in raw and finished drinking water, as well as in the source.

There have been no detections of any PFAS/PFOS compounds in raw or finished drinking water above laboratory detection limits of 2 ng/L (parts per trillion). 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.

EWEB continues to make progress on our 2019 strategic goals.

EWEB is upgrading its meter population. The Smart Meter Upgrade project is starting the second year of this multi-year effort. The impact of this project is felt across EWEB and its entire urban service community. Since the pace for the Electric and Water meter upgrades are at different rates, progress on each utililty is reported separately. At the end of Q3 almost 30% (over 40,000) of the meters have been upgraded with 24,000 total meters installed in 2019.

Water treatment staff participated in the Regional Water Provider Consortiums emergency water equipment drill in September. During this event treatment trailers were mobilized and served distribution trailers from other utilities in an effort to understand the real life issues that arise during a multiple agency response. The EWEB trailer was the only trailer of 5 to successfully fill a tank and distribute water in conjunction with Beaverton's distribution equipment.

Thus far in 2019, EWEB has issued nearly $1.4 million in zero-interest loans to over 250 residential customers for energy efficiency, water conservation and resiliency (Generator Loan Program) improvements. EWEB ambassadors and volunteers have provided over 500 hours of community services year to date.

EWEB strives to reduce the proportion of a customer's income that is required to cover utility expenses. Through Q3 2019, service disruptions were reduced by over 41% when compared with the same period last year. Write-offs, which is another metric used to gauge the severity of financial challenges customers face, were 22% lower compared to the same time frame in 2018. To further support EWEB's most vulnerable customers, almost $600,000 in bill assistance has been provided to over 3,000 customers, and customer facing personnel have been empowered to provide immediate crisis assistance on a case-by-case basis. Also, weatherization incentives were expanded to promote energy efficiency in rentals, and limited income occupied properties are now eligible to receive the same incentives as owner occupied dwellings.

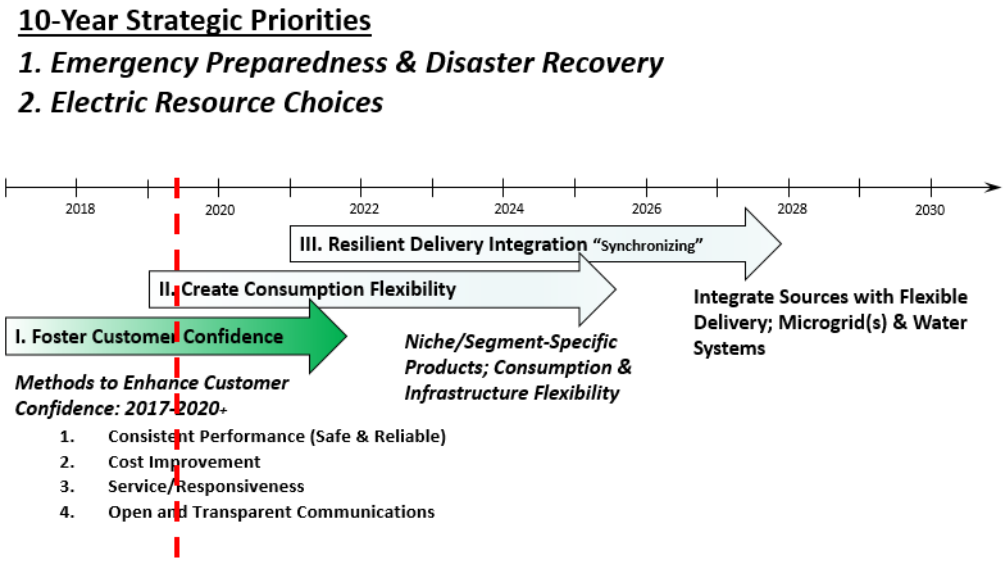
EWEB's electrification and energy efficiency programs are continuously evaluated in a comprehensive approach that includes regional impacts of carbon emissions, coincidental peak, and overall cost. Through Q3, EWEB has attained 79% (5,900 MTCO2e) of its carbon reduction goal of 7,500 metric tons, including carbon reductions from EV's registered in Eugene from Jan – June 2019.

At the end of the quarter, EWEB employed 472 employees, and overall workforce indicators are good. In addition to conventional benefits offerings, EWEB's Safety, Health & Wellness program is a powerful tool in attracting and retaining a talented workforce in a competitive employment environment. This year, EWEB's Safety, Health & Wellness Program was recognized against regional benchmarks with its receipt of a first-place ranking as Oregon's Healthiest Employer in its size category.

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

Frank Lawson, General Manager

Strategic Summary



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.

The most significant issues facing EWEB in the next decade involve the sustained delivery of safe, reliable, affordable, and environmentally responsible services in the midst of a changing climate, new technology, developing markets, political and regulatory flux, natural and human threats, and evolving and diverse community expectations.

Prior to 2028, EWEB will need to reassemble an electric supply resource portfolio consistent with our organizational values, potentially including EWEB's contract with Bonneville Power Administration (BPA), and the relicensing and refurbishment of the Carmen-Smith Hydro Project. These decisions are worth billions, and must be optimized for economic, environmental, and social impacts.

Eugene is the largest community in the Pacific Northwest without a second source of drinking water. While ultimately we will need another surface water plant on the Willamette River, using partnerships to diversify our resources, including neighborhood emergency supplies and mobile options that are independent of the condition of our transmission and distribution pipes, will provide the most practical and effective approach.

In order to confront these two priorities, over the next decade EWEB needs more resilient and sustainable infrastructure, finances, people, and processes. This requires improved synchronizing of the changing regional supply (water and electric) with evolving forms of consumption.

10-Year Strategic Priorities…the two "Big Ones"

1. *Resiliency (Infrastructure, Finances, People, Process)*
2. *Supply Resources (Electric Portfolio & Alternative Water)*

The eventual result of this strategy will be a refined "synchronized resilient delivery model", which is the integration of enhanced consumption flexibility, resilient delivery, and integrated supplies. This strategy emphasizes the impact of near-term performance and the role of our customers in pursuing our 10-Year strategic priorities.

Based on the Utility's strategy, on February 5, 2019 the EWEB Commissioners approved the annual goals for the organization, including:

Goal #1 – *Manage utility operations in a manner consistent with Board direction and by-laws, implementing resolutions and policies established by the Board, including but not limited to approved budgets and financial policies, strategic direction, and organizational values.*

Goal #2 – *Pursuant to Resolution 1811, execute the Advanced Metering Services (Infrastructure) project in accordance with approved plans and budgets and all applicable EWEB values, policies, and procedures; safely installing 46,000 meters in 2019.*

Goal #3 – *Use Continuous Improvement, Lean Principles, and financial management to improve the customer experience, adding customer self-service capability, avoiding revenue requirement increases through 2020.*

Goal #4 – *Improve emergency preparedness and recovery by enhancing system resiliency, with a near-term focus on distributed emergency options/resources (water and electric), completing two additional emergency sites and an electric system black-start assessment in 2019.*

Goal #5 – *Community (Limited Income): In 2019, reduce non-pay residential service disruptions (disconnects) by 10% from the 2018 benchmark of 6,300 with continuing progress toward a 50% reduction by 2023 (5-year).*

Goal #6 – *Pursuant to GP15 Climate Change Policy, execute Resolution 1827 supporting State carbon pricing policy, and achieve conservation/energy efficiency reductions of 9,500 MWh (annual) in combination with smart electrification to equitably and cost-effectively reduce community/regional carbon emissions by 7,500 MTCO2e1.*

Quarterly Update – Status and Progress on EWEB's Annual Goals

The Quarterly Report is organized to provide status and progress information based on EWEB's annual goals, as follows.

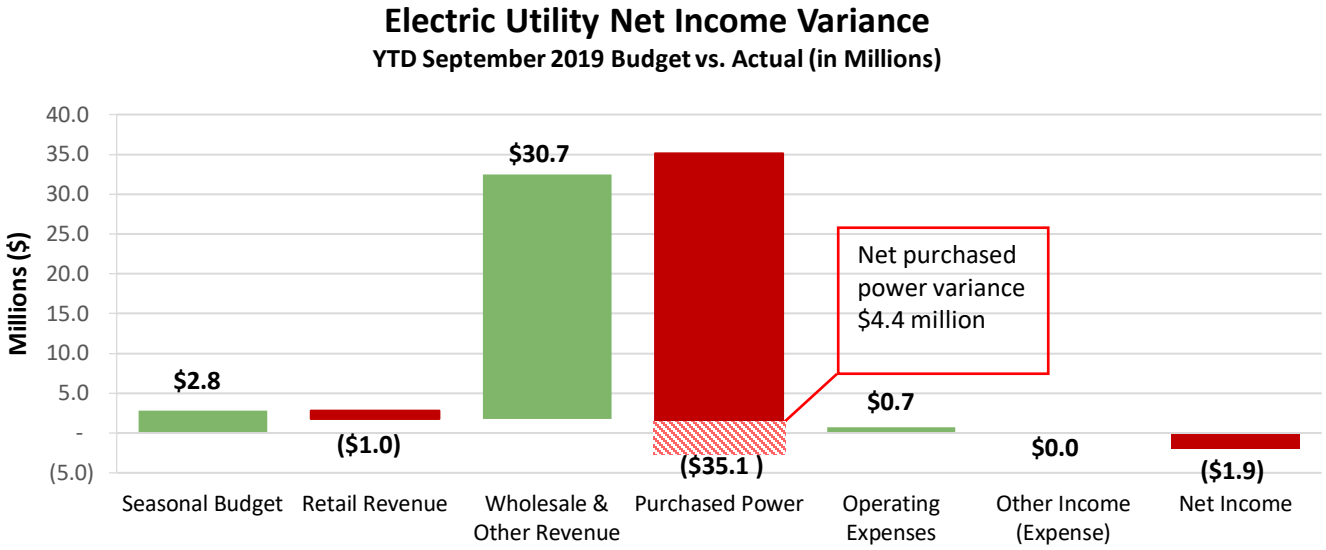
Goal #1 – Manage utility operations in a manner consistent with Board direction and by-laws, implementing resolutions and policies established by the Board, including but not limited to approved budgets and financial policies, strategic direction, and organizational values.

Electric Utility Financial Report

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

Net Income

For the nine months ended September 30, 2019, net loss for the Electric Utility was $1.9 million. This was $4.7 million unfavorable compared to the year-to-date seasonal budget. For comparability purposes, the budget has been allocated to reflect seasonal fluctuations in revenue, purchased power, and wheeling. Power trading activity is recorded separately on the financial statements as either wholesale sales or purchased power expenses. However, much of this trading activity is offsetting and the year-to-date net financial impact is an unfavorable purchased power variance of $4.4 million.

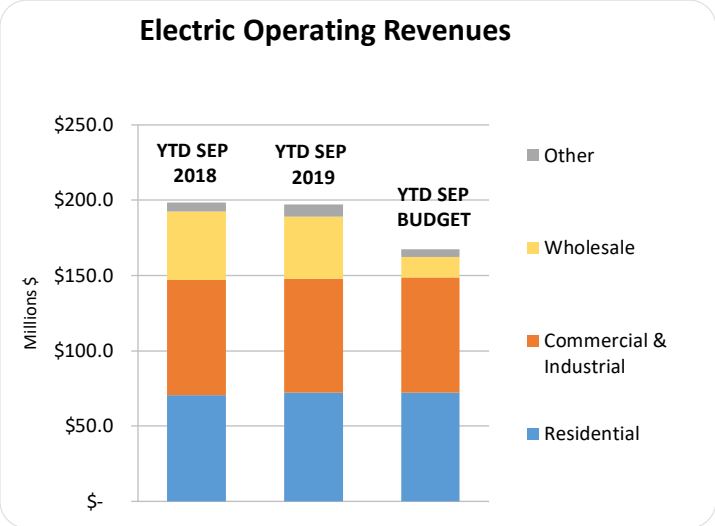


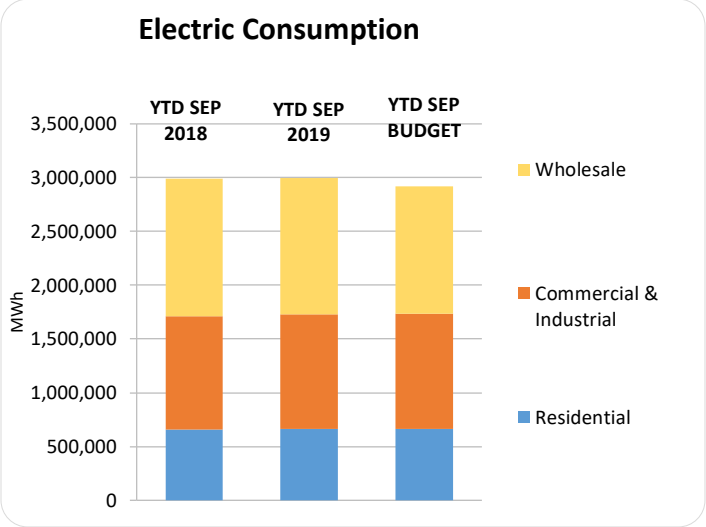
Electric Operating Revenues and Consumption

Retail revenue was in line with the year-to-date budget assumptions. **Wholesale and other revenues** were greater than budget by $30.7 million and driven by higher market prices in Q1. The impact of higher market prices hit both purchased power expense and wholesale revenue. The favorable variance in year-to-date wholesale sales was more than offset by the unfavorable purchased power variance, and the net effect was an unfavorable variance of $4.4 million. The higher prices were largely caused by unfavorable hydro conditions in the region, low renewable resource availability, higher consumption and limited natural gas supply. Generation from EWEB-owned hydro resources was also below budget due to poor resource availability, resulting in increased purchase power expenses. The budget variance for both wholesale sales and purchased power expense was increased by $8.3 million year-to-date due to an accounting change intended to enhance reporting transparency which did not affect the net contribution margin. Management will request the Board approve an Electric Utility operations & maintenance (O&M) budget amendment in December due to the higher than budgeted purchased power expense.

Retail consumption for Residential, Commercial, and Industrial customers was tracking with the year-to-date budget due to offsetting degree-day variances. Above average heating degree day variances in February and March offset below

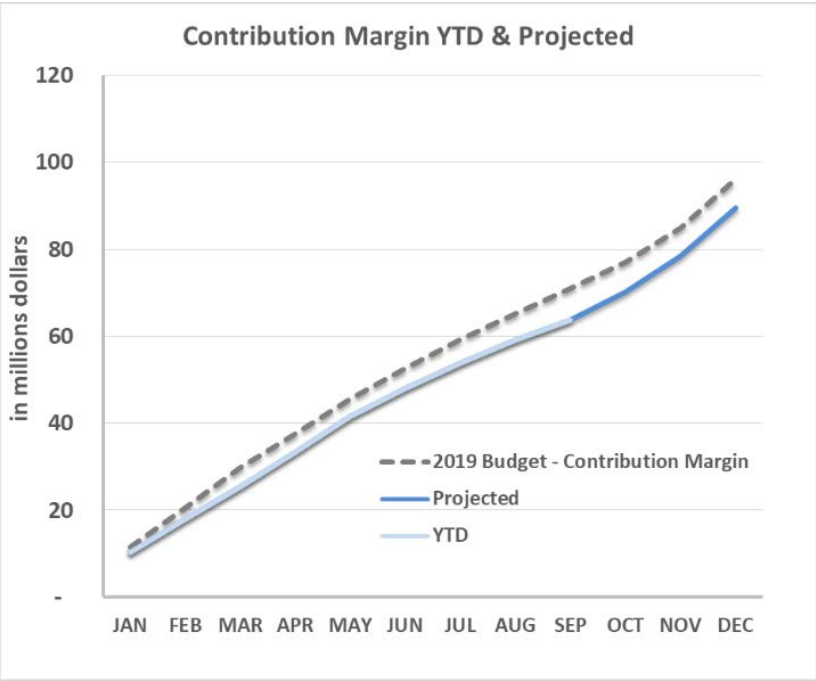
average temperatures in other months. August and September were slightly warmer than average and had favorable cooling degree day variances compared to budget assumptions.





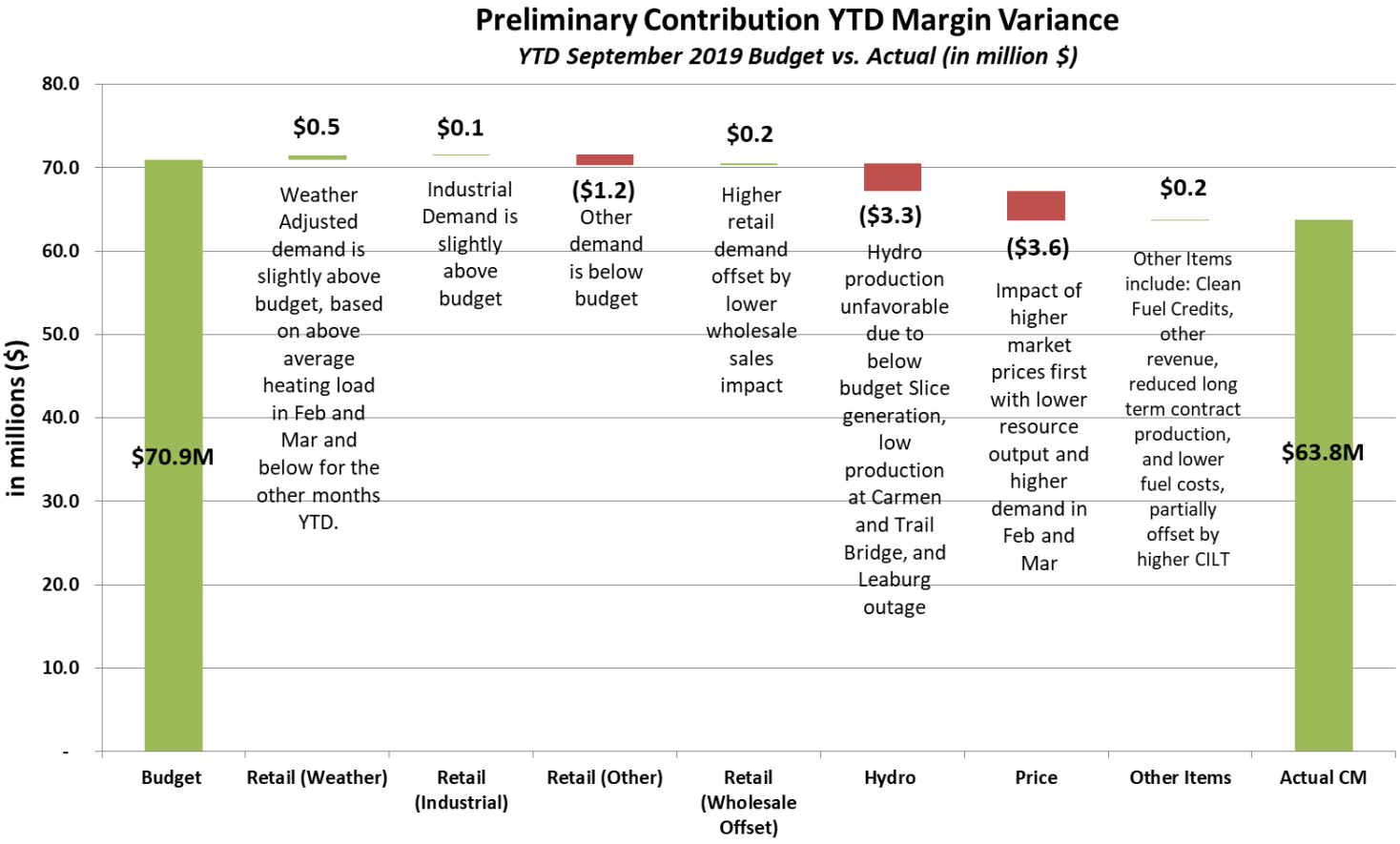
Contribution Margin

The contribution margin is anticipated to be unfavorable to budget at year end due to the net wholesale revenue and purchased power variances discussed previously. EWEB purchased power during periods of increased prices in Q1 when its own hydro generation was reduced and customer consumption was up due to colder than average temperatures.



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-to-date contribution margin variance was $7.1 million unfavorable due to several factors including poor hydro conditions for both EWEB and BPA-owned resources impacting resource availability. The low power production was combined with high prices, primarily in the first quarter of 2019, which exaggerated the impact of the reduced generation. The contribution margin forecast is unfavorable to budget as limited resource availability conditions and unplanned outages are expected to continue through the year.



Financial Outlook and Budget Adherence

The Electric Utility O&M budget initially included a deposit to reserves of $2.5 million. The forecast is now a year-end reduction of reserves by $4.2 million. This is driven by the projected unfavorable contribution margin variance and March snowstorm costs which are partially offset by labor vacancy savings. FEMA assistance will reimburse 75% of eligible storm costs, however, reimbursement is not expected to occur this year.

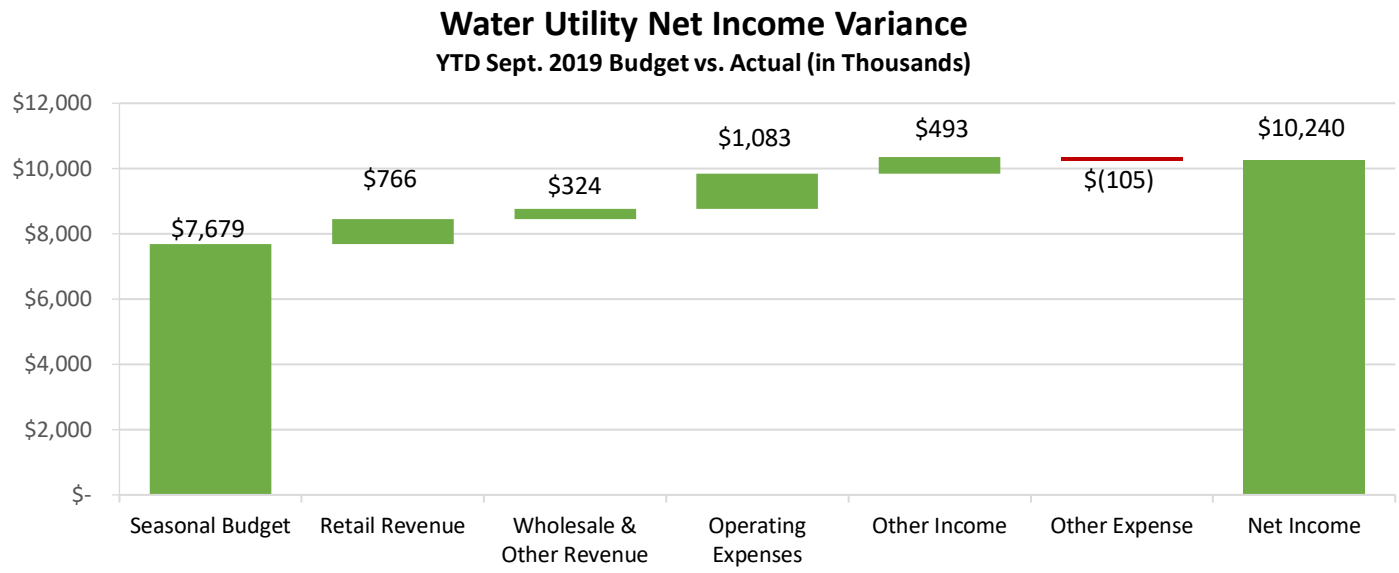
The Electric Utility has capital work which is projected to exceed budget by $4.5 million primarily within 4 projects: Substation, Transmission & Distribution, Consolidation of Operations and Upriver Reconfiguration/Holden Creek. Amendments for both capital and operations & maintenance budgets will likely be required.

Water Utility Financial Report

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

Net Income

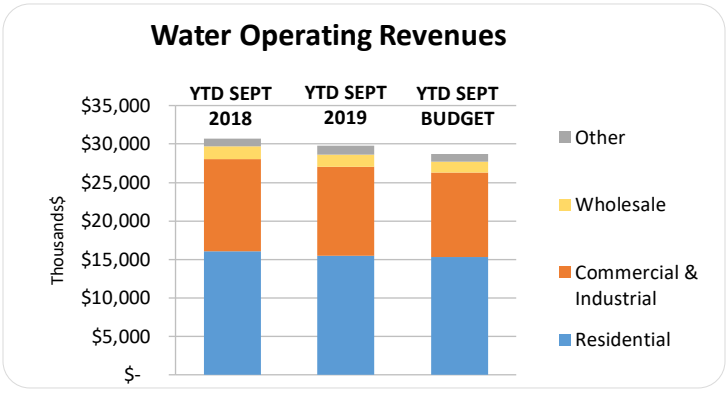
For the nine months ended September 30, 2019, net income for the Water Utility was $10.2 million. This was $2.6 million favorable when compared against the budget, which has been seasonally-shaped for revenue. Within the Water Utility, revenue and maintenance activities peak in the summer months, while production and delivery costs remain fairly constant throughout the year.

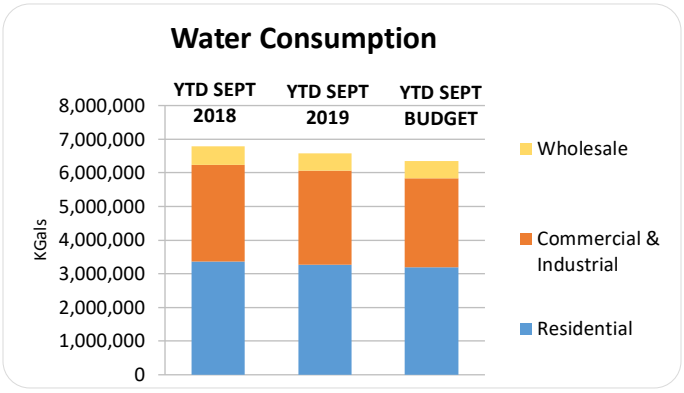


Water Operating Revenues and Consumption

The annual budget uses conservative assumptions to mitigate financial risk. For 2019, the budget was set at approximately 95% of the 5-year retail consumption average.

Year-to-date **operating revenues** were $1.1 million (4%) higher than the seasonal budget. Wholesale and other revenue was $324,000 (13%) above budget. Wholesale sales included sales to the Water Districts (Santa Clara and River Road), the City of Veneta, and the Willamette Water Company. Weather during May and June was warmer and drier than usual. Combined with conservative budgeting, this drove the favorable budget variance for revenue. Year-to-date consumption was in line with the 5 year average and 4% above conservative budget assumptions.





Financial Outlook and Budget Adherence

At year end net income is expected to be approximately $2.4 million favorable with operating expenses projected to be approximately $1.6 million favorable due to unspent contingency funds and vacancy savings.

The Water Utility is expecting to exceed its capital budget by approximately $500,000 due to Hayden Bridge Disinfection System work and pipeline replacements in conjunction with the City's plan for road work. Engineering and Finance are monitoring these costs closely.

Goal #1 Capital Investments & Projects

(Price, Ackerman, Barton, Nice, Kelley, McCann, Knabe)

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.

Type 2 – These are capital projects that are discrete, with a defined completion period with lifetime expenditures over $1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds.

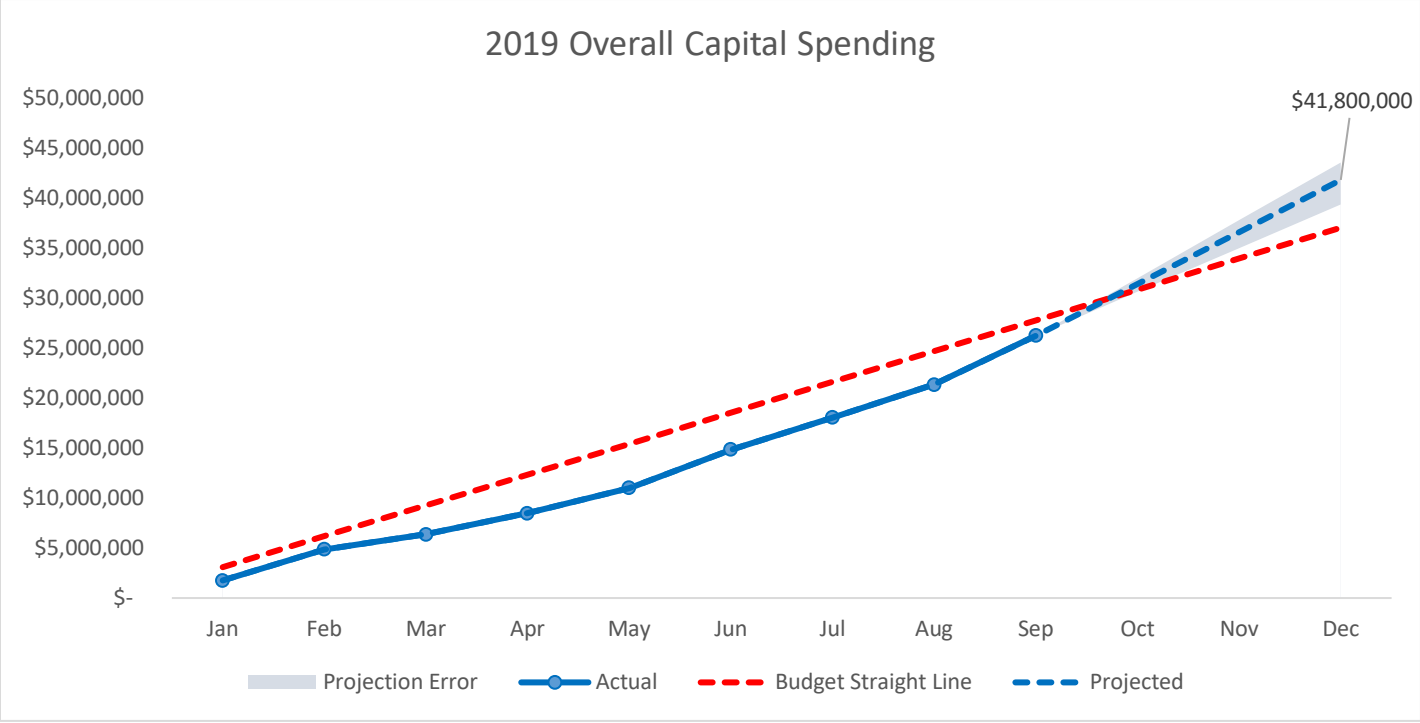
Type 3 – These projects are large strategic programs with long term impacts, and are generally bond-funded.

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 is currently tracking to be over budget by $4.5M at year end, or 112% of budget. Progress for Type 1 and 2 work is correlating very closely with the budget straight line approximation, but is expected to end higher than budgeted due to large expenditures related to contract work and materials procurements in Q4. This includes final completion of ROC consolidation and arrival of replacement transformer for IP substation. Type 3 Capital Spending for Carmen-Smith is expected to complete at $3M under budget. Of this overage, approximately $1M is related to reimbursable work such as customer connections and FEMA. Staff will continue to monitor spending trends and assess project progress in Q4 and work with Finance to determine if a budget amendment is appropriate.



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 “pole replacements” as part of Transmission & Distribution.

Generation Infrastructure
Planned work is on schedule. Smith Reservoir intake structure rehabilitation and replacement of the Smith Reservoir debris boom are both nearing completion. Temporary seepage repairs along the Leaburg canal were completed in early Q4. Additional canal repairs have been delayed until 2020 due to the need for additional geotechnical investigation and seismic stability analyses prior to design. The canal repair project will be re-categorized as Type 2 in 2020 due to potential ultimate dollar value exceeding $1M. Overall, Generation is anticipating approximately $940k in unfavorable variance due to emergent Type 1 project work not budgeted for 2019.

Substation Infrastructure (Risk Based Improvement)
Spending for 2019 estimated to be $3.3M of $2M budget, or 65% over budget. This budget overage is partially due to equipment failures experienced in Q1, increasing overall project costs compared to Capital projects originally scheduled. Additional purchases related to the ROC consolidation project ($300k for Dispatch map board) is also a component of this unfavorable variance. Projects throughout the end of the year include:

- PT replacements at three (3) substations - Safety
- The purchase and storage of the spare power transformer for the International Paper Substation 3 Transformer – reliability
- 15kV breaker replacements at Oakway Substation - reliability
- Materials purchase for the Willakenzie Substation fence replacement, which is scheduled for installation in 2020 – security/safety

Transmission & Distribution Infrastructure (Risk Based Improvement and Compulsory)
Work includes distribution system enhancements, replacement and renewals, as well as customer reimbursable work. Renewal and Replacement (risk based work) is projected to be over budget due to additional costs related to February Snow Storm related repairs that occurred to maintain customer reliability. Line Crew Contractor retainage has been extended longer than originally expected with a second crew added for predicted PUC related work, and a transmission line rebuild on the Alvey to Laurel Transmission line. Transmission and Distribution overall expected to be approximately 24% over budget. Customer work has been higher than historical due to increased local residential and commercial building, which has caused some internal risk based replacement work to be deferred to 2020. Specific projects in progress are:

- Live Front Switch Replacements - safety
- Emergent ATS switch replacements for Autzen and the Eugene Airport - resiliency
- Upriver distribution transformer replacements – strategic/risk
- Capital PUC & Pole Test & Treat - compulsory

Information Technology (Shared)
IS capital projects and spending are ramping up towards the end of the year as the team is catching up with projects. Focus is on supporting AMI, CEI and preparing for this year's storm season.

Buildings, Land, & Fleet (Shared) (Risk Based Improvement)
<u>Building & Lands</u>

- Manufactured Gas Plant Environmental Remediation – The remedial activities at the historic Manufactured Gas Plant site are underway. All work should be completed in November.
- Thurston Substation Expansion Project Land Acquisition – EWEB successfully closed on the purchase of a 142-acre property off of High Banks Road. The property will be used for 1) expanding the Thurston Substation and 2) managing the riparian area for drinking water source protection purposes.

<u>Fleet Capital</u>

- Capital - Fleet Services is completing its last new vehicle purchase (full-size bucket truck) for the year. All planned projects will be finished up by year end.

- O&M – Fleet Services is currently tracking a 104.9% of budget. This year we focused on right sizing the fleet and repurposed some vehicles which required modifications. By doing this we are able to defer some future capital cost.
- Fuel usage – In 2019 we budgeted for 185,000 gallons at 2.4635 a gallon. At Q3, we are currently averaging $2.5898 per gallon, and our fuel usage (gallons) is tracking at 102.5%.

Fleet Service – Sustainability Goals

As the Utility continues to be fundamentally responsible for supporting a sustainable fleet operation, EWEB's Fleet Services continues to track our fleet-related sustainability goals that the Utility introduced back in 2010 by reducing our fossil fuel usage, carbon emissions, and environmental waste.

**Refer to the Carbon Mitigation section under Climate Change Report for a comprehensive update (Goal #6 –Pursuant to GP15 Climate Change Policy, execute Resolution 1827 supporting State carbon pricing policy, and achieve conservation/energy efficiency reductions of 9,500 MWh (annual) in combination with smart electrification to equitably and cost-effectively reduce community/regional carbon emissions by 7,500 MTCO2e1.)*

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.

Type 2 Projects overall are planned to have an unfavorable variance of $3.9M, or 36% over budget. Main contributors to this overage are unbudgeted work associated with the addition of a Transformer at Holden Creek Substation, additional cable replacements downtown as an opportunity benefit, and additional funds required to complete the ROC Consolidation project. Staff have adjusted plans for IT projects and the AMI meter upgrade inventory to reduce this overage as much as feasible.

Downtown Distribution Network (Risk Based Improvement)

Project Initiation:	Sept-2010	Initial Scope Budget:	$ 15,000,000
Initial Planned Completion:	Dec-2015	Actual Project Costs To-Date:	$ 8,121,300
Projected Completion:	Dec-2028	Total Final Cost Projection:	$20,000,000

Summary of work for 2019:

- Replace network protector, transformer & vault lid in vault 9N – Complete
- Cable installation in support of failed vault 9NE1 replacement – Complete
- Install four 15kV manual tie switches for downtown network feeders & upgrade feeder cables – In progress, complete by year end. This project will substantially increase 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.

ROC Consolidation (Shared – Electric share only shown) (Strategic)

Project Initiation:	Aug-2018	Initial Scope Budget:	$ 2,500,000
Initial Planned Completion:	May-2019	Actual Project Costs To-Date:	$ 2,926,900
Projected Completion:	Dec-2019	Total Final Cost Projection:	$3,419,000

Remodel work is ongoing and planned for completion by year end for ROC. Water consolidation is complete, with electric shop moves in progress for Comm shop and other electric shops in final location. ROC Dispatch center construction is in progress and second floor moves for engineering planned for late Q3. Required additions for call center moves to come as well as needed HVAC and related structural upgrades.

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

Project Initiation:	Mar-2017	Initial Scope Budget:	$ 1,250,000
Initial Planned Completion:	Dec-2018	Actual Project Costs To-Date:	$ 752,000
Projected Completion:	Nov-2019	Total Final Cost Projection:	$696,255

Purchased the property for the Thurston Substation Expansion on September 30, 2019 for $612k. This purchase is part of Resilient Spine work under the Upriver Reconfiguration Program.

Grid Edge Demonstration Project

Project Initiation:	May-2016	Initial Scope Budget:	$ 1,200,000
Initial Planned Completion:	Jun-2017	Actual Project Costs To-Date:	$ 1,449,500
Projected Completion:	Dec-2020	Total Final Cost Projection:	$1,599,510

This project requires an upgrade to Grid Edge main controller in order to fully utilize the micro grid system and meet grant requirements. Emergent work, competing Engineering projects, and limited staff availability has caused this upgrade to be delayed till Q3 or Q4 2020. The upgrade is estimated to cost $150k and will be tracked on the 2020 budget.

Distribution Resiliency Upgrades

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

Upriver Re-Configuration/Holden Creek Substation (Strategic and Risk Based Improvement)

Project Initiation:	Jan-2014	Initial Scope Budget:	$3,000,000
Initial Planned Completion:	Oct-2015	Actual Project Costs To-Date:	$ 7,945,700
Projected Completion:	Jul-2021	Total Final Cost Projection:	$8,900,000

Construction at Leaburg Substation to reduce existing footprint and connect Leaburg to Holden Creek underway with expected completion in early November 2019. This work is estimated to cost a total of $700k. 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.

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 – Use Continuous Improvement, Lean Principles, and financial management to improve the customer experience, adding customer self-service capability, avoiding revenue requirement increases through 2020.)*

Downtown Fiber Network (Strategic and Compulsory)

Project Initiation:	Dec-2015	Initial Scope Budget:	$2,700,000
Initial Planned Completion:	Dec-2018	Actual Project Costs To-Date:	$1,391,400
Projected Completion:	Oct-2019	Total Final Cost Projection:	$1,500,000

Construction of the Downtown Fiber Network was completed in early October 2019. At 66%, the project observed a higher than typical take rate for new telecommunications networks. With over 300 EWEB employees putting in almost 13,000 hours of labor into this project, 82 buildings received a high speed fiber optic connection. During construction approximately 15.5 miles of fiber optic cable was installed throughout downtown. That equates to over 1.2 million feet of individual strands of fiber optic glass.

It was estimated that EWEB needs to lease an average of 55 miles over the next 25 years to make the network self-sustain financially. To date that threshold has already been crossed with leasing 65 miles.

TYPE 3 – STRATEGIC PROJECTS & PROGRAMS

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

Carmen-Smith License Implementation

Project Initiation:	May-2009	Initial Scope Budget:	$ 135,000,000
Initial Planned Completion:	Dec-2021	Actual Project Costs To-Date:	$ 61,873,600
Projected Completion:	Dec-2025	Total Final Cost Projection:	$129,500,000

The Federal Energy Regulatory Commission (FERC) issued the new Carmen-Smith License in May 2019. Preliminary design of fish passage improvements is currently underway and planning and implementation of other recreation and environmental improvements required by the license is in progress. Staff are awaiting a FERC "hand off" meeting between licensing and compliance staff that is currently delayed due to Agency requests for FERC reconsideration of several license requirements. This meeting is expected in Q4/2019.

Carmen Powerhouse renewal efforts continue with the substation, switchgear, and control system upgrade projects nearing completion. Substantial completion and commissioning is expected in November and return of the Carmen-Smith Project to service is expected in mid-December. GE Turbine Generator design work is proceeding on schedule with fabrication of the turbine runners complete and construction of the generator coils starting this fall. The first unit rehabilitation remains on schedule to commence in early 2020. Capital spending in 2019 is anticipated to be approximately $3M less than budgeted due to license issuance taking place later than expected.

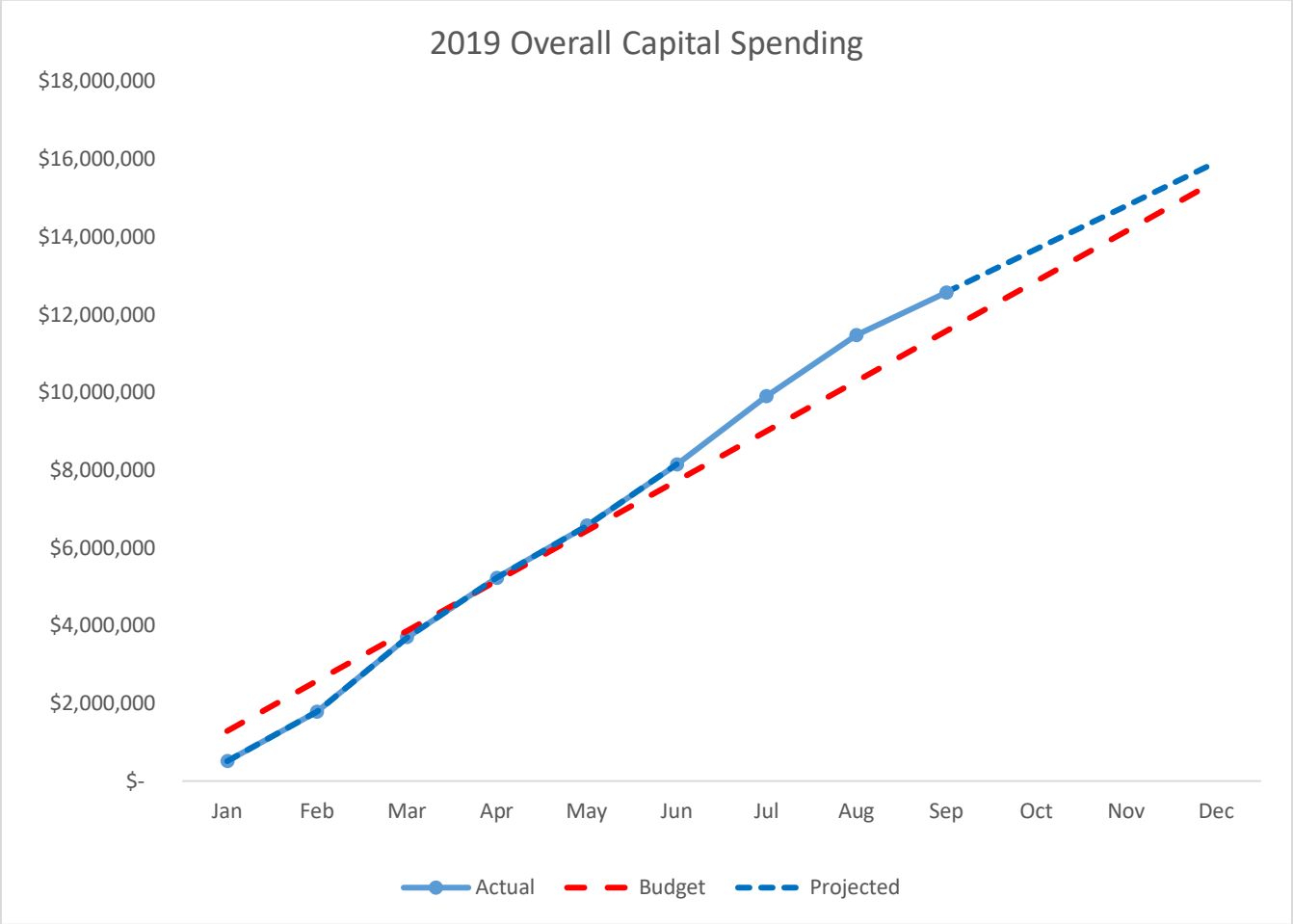
Water Utility Capital Spending Summary and Project Updates

**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.*

SUMMARY

The Water Capital Improvement Plan is currently projected to have an overage of approximately $500,000 or 3% at year end. While the overall projected overage is relatively minor there are a few areas where the difference between anticipated budget and projected year spending is significant. These areas include:

- Main replacements/improvements - Costs higher than budget. In 2018 during budget preparation, the spending projections in this area were reduced with the thought that resources would be redirected to the AMI project. This reduction did not materialize and spending in this area is actually near that of previous years.
- AMI - Costs lower than budget. Spending for AMI meters and deployment was reduced as the work processes were fine-tuned and optimized for the Water Utility.
- Hayden Bridge disinfection system - Costs higher than budget. 2018 delays in equipment procurement and construction pushed much of the construction cost into 2019



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)
The bulk of the 2019 spending in this area is due to completion and final costs for 2018 projects occurring in early 2019. This was primarily the Pond/Solids Handling Improvement project. Significant 2019 projects include several emergent projects at Hayden Bridge to replace two failing HVAC systems as well as several large valves in the Filter Gallery.

Distribution Facilities (Risk Based Improvements)
Planned 2019 work in this area was reduced to accommodate overages in other areas, including the work at Hayden Bridge mentioned above. Work this year that will occur includes finishing up work at the Santa Clara and Laurel Hill 850 pump stations. In addition design will begin for a new City View 1150 pump station.

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 Disinfection System Replacement (Risk Based Improvement)

Project Initiation:	2017	Initial Scope Budget:	$3,645,000
Initial Planned Completion:	Q4 2018	Actual Project Costs To-Date:	$4,526,000
Projected Completion:	Q4 2019	Total Final Cost Projection:	$5,100,000

This is a new disinfection system at Hayden Bridge, replacing the gas chlorine system with an on-site liquid hypochlorite generation system. Higher than estimated equipment and construction costs have increased the cost projection for this project significantly above the initial budget which was developed in 2015. In addition, equipment delivery and construction delays have pushed project completion into late 2019. The construction is wrapping up and start-up is scheduled for mid-November.

Base Level Reservoirs (Compulsory)

Project Initiation:	2018	Initial Scope Budget:	$10,250,000
Initial Planned Completion:	Dec-2021	Actual Project Costs To-Date:	$89,000
Projected Completion:	Dec-2021	Total Final Cost Projection:	$10,250,000

In 2018 staff began planning work on the replacement of three of EWEB's base level reservoirs, College Hill, Hawkins, and Santa Clara. These would 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 Master Plan. Planning, conceptual design, and public outreach work is currently occurring for placement of a new reservoir at three locations; East 40th Ave (the Elliot Site), College Hill, and Hawkins. The work for the three sites is being done concurrently and whichever site has permits and approvals complete first will be the first to proceed. This first new reservoir is considered compulsory as it is required prior to taking the College Hill Reservoir out of service due to deficiencies identified by the Oregon Health Authority.

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)*

Electric & Energy Operations

(Ackerman, Price, McCann, Nice)

Power Supply Performance

The Carmen-Smith and Leaburg Projects remained offline during Q3/2019. Carmen-Smith is expected to return to service before the end of the year following completion of 2019 construction to rebuild the power plant's electrical and controls systems. The Leaburg Project remains offline due to dam safety concerns along the canal. Additional investigation and analysis is needed before repairs to the canal can be designed and proposed to the FERC.

EWEB's other owned generating resources were operating and performed well during Q3. The wind farms were above plan for availability and production during the quarter. Stone Creek, Walterville and the two thermal plants exceeded availability targets for the quarter, although low water levels in the McKenzie basin limited production from Walterville.

In addition, EWEB entered into a purchase and sale agreement with PacifiCorp in June 2019 for our portion of the Foote Creek I Wind Farm in Wyoming and closed the transaction on July 24. The financial transactions to complete the sale were booked during Q3. EWEB continues to be a 20% owner of the Harvest Wind Project in eastern Washington, and we continue to contract for a portion of the output from the Klondike and Stateline wind farms in eastern Oregon and Washington.

Q3 2019 Generation Reliability by Fuel Type

Generation Type	Availability Factor (AF)	Forced Outage Factor (FOF)	Notes
Target	**>90%**	**<3.00%**	
Wind	97.87%	N/A	The wind projects were available and operating during the quarter.
Hydro	13.60%	11.00%	The Stone Creek (AF=93%) and Walterville (AF=99.8%) projects were online and generating for most of the quarter. The Leaburg and Carmen projects remained offline for the entire quarter.
Thermal	94.76%	0.42%	Both units were generally available and operating. Mill outages affected overall availability slightly.

September 2019 Generation YTD Report

Unit	AF	FOF	GCF	GOF
Carmen #1	20.62	12.32	1.13	66.66
Carmen #2	18.01	14.63	8.16	45.66
Trail Bridge	26.81	6.16	14.50	54.10
Leaburg #1	0.00	100.00	0.00	0.00
Leaburg #2	0.00	100.00	0.00	0.00
Walterville	89.43	10.54	61.44	68.70
Stone Creek	80.62	3.13	39.69	49.23
EWEB Hydro	27.02	21.05	11.12	54.40
Foote Creek	95.41	n/a	n/a	n/a
Harvest Wind	95.77	n/a	n/a	n/a
EWEB Wind	95.59	n/a	n/a	n/a
IP	90.40	3.49	72.06	79.72
WGA	88.36	0.33	46.31	52.41
EWEB Therm	89.21	1.64	57.00	63.90

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 Planning

BP-20 Rate Case

BPA released its final Record of Decision (ROD) for the BP-20 rate case, covering power and transmission rates for fiscal years 2020 and 2021. The base power rate will not increase from BP-18, however this does not include the impact of the Financial Reserves Policy (FRP) surcharge for power, which we expect to trigger in November, and which is forecast to raise the effective power rate by 1.5% for the two-year rate period. For transmission, the weighted average increase is 3.6% for the two-year rate period, consistent with the settlement agreed to with customers late last year. The BP-20 rates will be in effect from Oct. 1, 2019, through Sept. 30, 2021.

EWEB staff had included this information in the most recent Long-Term Financial Plan provided to the Board, and does not anticipate that these increases will have a material impact on our retail rate forecast at this time.

Western Energy Imbalance Market (EIM)

The Bonneville Power Administration (BPA) has signed an implementation agreement with the California Independent System Operator (CAISO) to join the Western Energy Imbalance Market (EIM). BPA also issued a record of decision that addresses a number of outstanding policy issues and questions related to its EIM participation. BPA will now begin to work on developing a detailed project plan with the CAISO to ensure the necessary systems, processes, and trained personnel are in place prior to the proposed go-live date of March 1, 2022. The final decision on whether to join the EIM will follow a letter to the region, and public comment period, anticipated for the fall of 2021.

Distribution Engineering

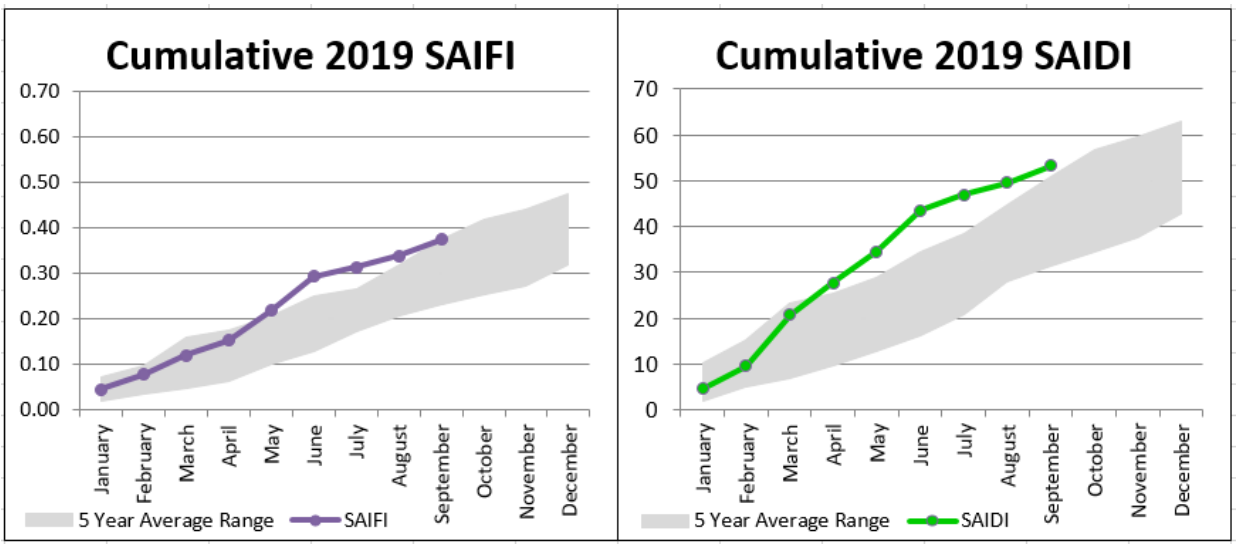
Distribution Engineering continues to provide quality customer service. An increased customer demand has been experienced compared to last year, Q3. Staff have streamlined processes and prioritized customer work over EWEB driven work in efforts to reduce turn-around time for customers. However, lead times have increased beyond the 3 week target turn-around time due to resource limitations.

	2018	2019	%
Customer Inquiries	426	529	+24%
Projects Release for Construction	79	101	+28%
Projects Waiting for Customer Information	73	63	-14%
Design Queue Wait Time (time from customer inquiry to start)	1 week	4 weeks	+400%
Design Queue (time to complete design)	1 week	4-5 weeks	+400%

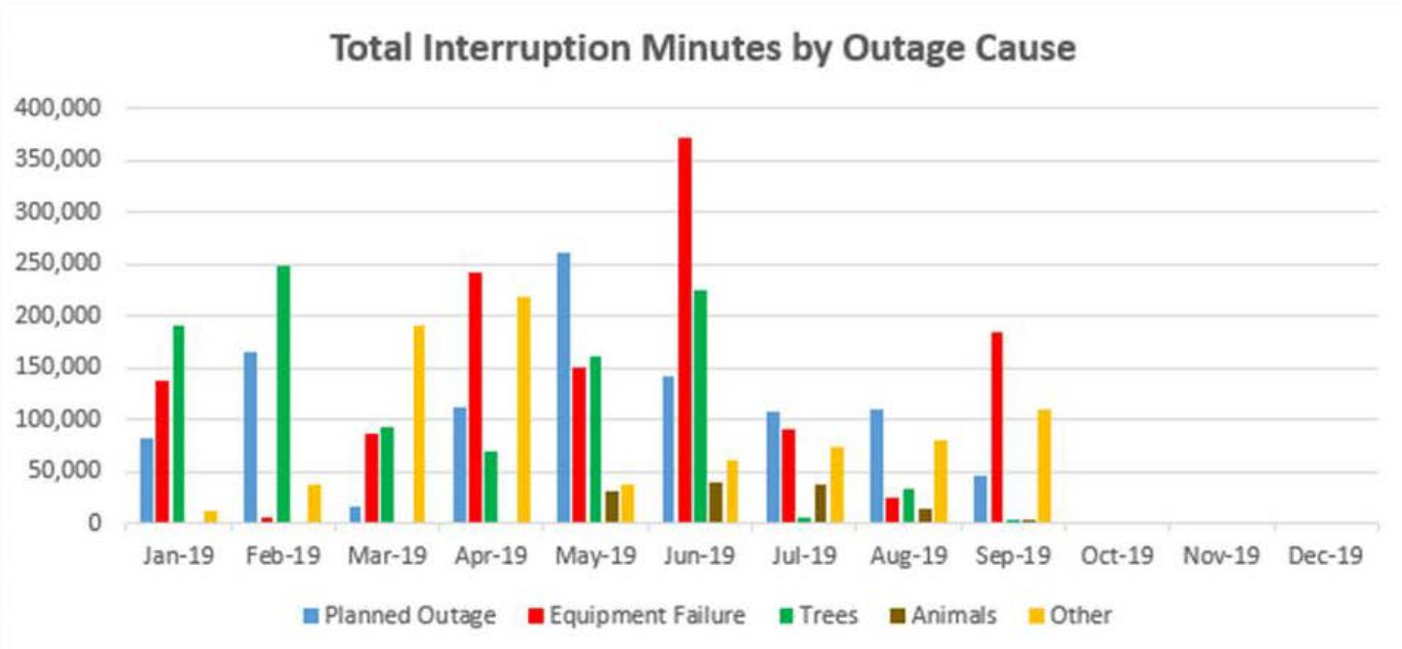
Electric Delivery Reliability

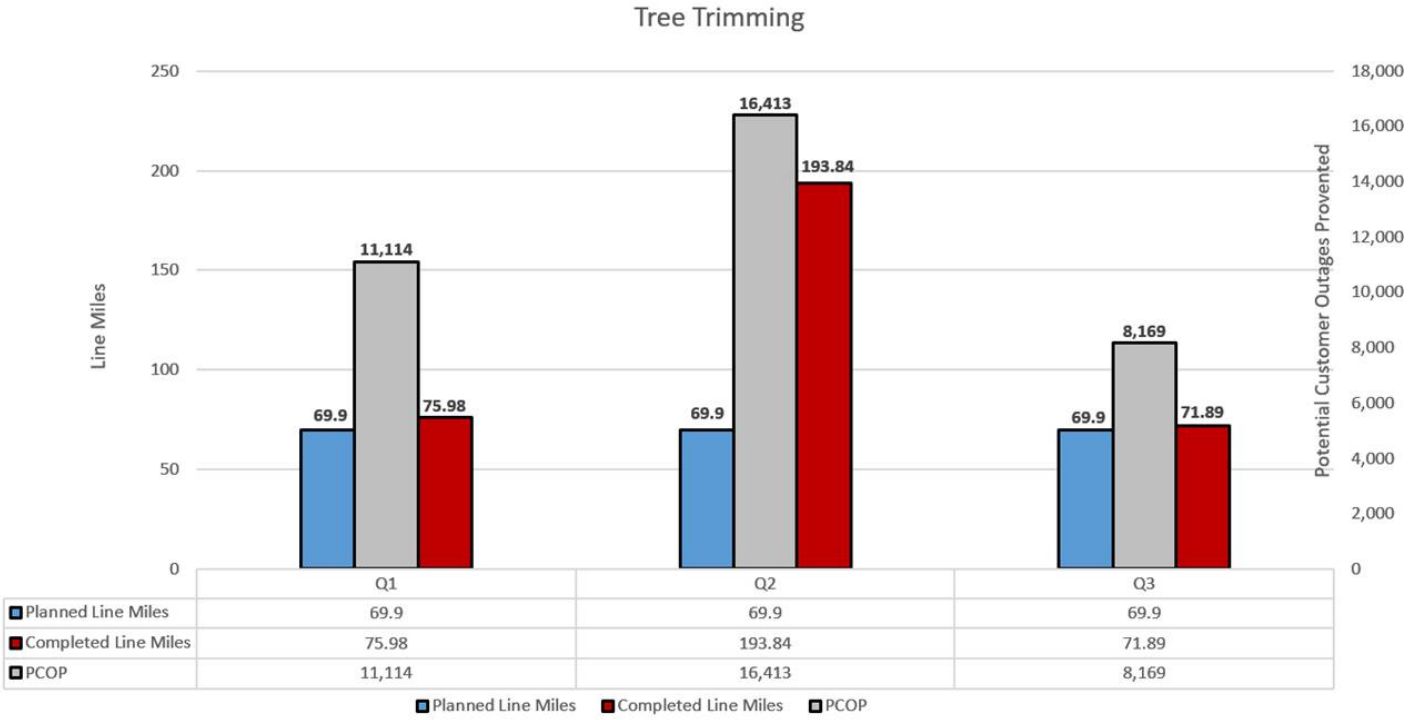
EWEB tracks electric system reliability using Institute of Electrical Electronic Engineers (IEEE) metrics, including System Average Interruption Frequency Index (SAIFI) & System Average Interruption Duration Index (SAIDI). The third quarter SAIFI and SAIDI numbers were all well below the 5 year averages for these months which pushed the year-to-date numbers close to the year-to-date 5 year averages. There were 5 feeder lockouts in the third quarter due to a variety of causes such as primary underground and overhead conductor connector failures, a tree limb, squirrel, and a lightning strike that destroyed a recloser in Vida.

The higher cumulative SAIFI and SAIDI year-to-date numbers are mainly due to interruptions that fell under the "Storm" category that occurred at the tail end of the February snow storm. These outages occurred on days that were not determined to be "Major Event Days" per the IEEE standard so were included in the outage statistics, therefore are captured as a part of these metrics instead of being exempt. Sunday February 24 through Thursday February 28 were determined to be "Major Event Days" so all outages that started on these days were not included in the reliability statistics.



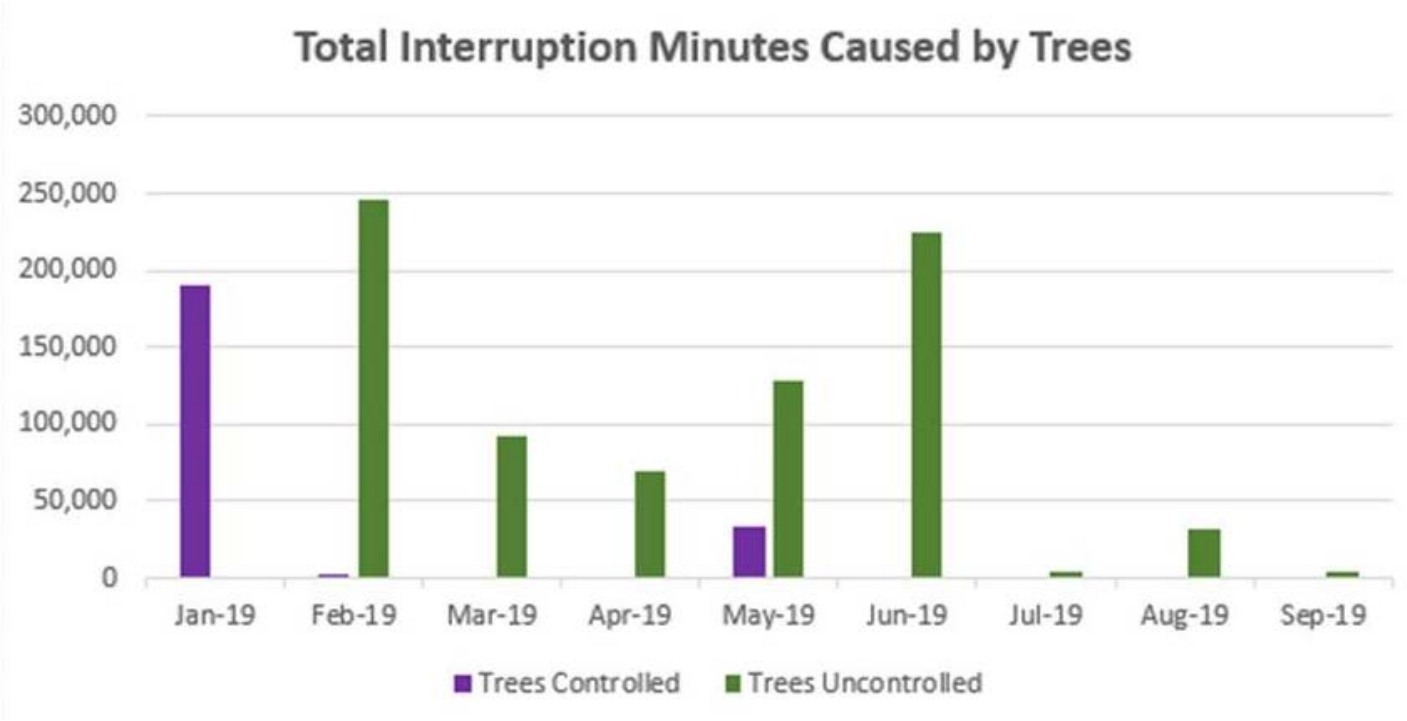
Below is a chart that shows the breakdown of the outages for the year into the major causes of the outages. The outages are tallied by the interruption minutes, which is calculated as the (outage duration in minutes) x (number of customers interrupted). Engineering is working on break downs for "Equipment" category to help target our replacement efforts.





Tree trimming is ahead of schedule, even with adding in the additional fire prevention tree trimming in Q2. Vegetation control continues to be an effective way to mitigate outages. While trees continue to be a major cause of outages, the outages are caused by trees outside of our ability to cut and prune. The following graph shows how the tree caused

outages are split between controlled (trees that lie in our tree trimming boundary) and uncontrolled trees. We are seeing an increase in interest from customers in removing extra growth and cutting down trees completely.



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.

Program Report: Drinking Water Source Protection

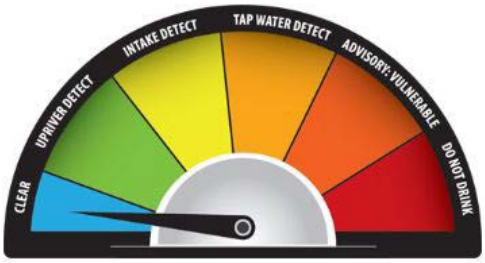
The purpose of the Source Water Protection Program is to minimize adverse impacts on the source of our community's drinking water. Specifically, the program aims to reduce the risk of pathogens and pollutants entering the treatment plant to in turn manage or reduce the degree of treatment required.

Q3 Project Updates

The Drinking Water Source Protection Program has been using EWEB's Water Quality Laboratory to analyze watershed monitoring samples for bacteria, nutrients, chemical oxygen demand, UV254, cyanotoxins, and total suspended solids, which used to be sent to commercial labs prior to 2018. For 2019, use of the WQ Lab has saved EWEB approximately $12,000 to date.

Cyanotoxins

Current status for our water system is "Clear" meaning that no levels of cyanotoxins are currently being detected above laboratory reporting limits in the reservoirs, reservoir outfalls, or at our intake.



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 following landowner participation statistics reflect program activity to date.

Landowners in PWP Program	Total for 2018 & 2019 to date	2019 Goal
Initial Intake Phase	16	--
Undergoing Riparian Assessment	9	--
Pending or Signed PWP Agreements	21	20
Naturescaping	29	--
Total in PWP*	65	40
Total Riparian Acres Protected	54	200

** Some landowners are double counted between naturescaping and pending/signed agreements.*

Water Treatment

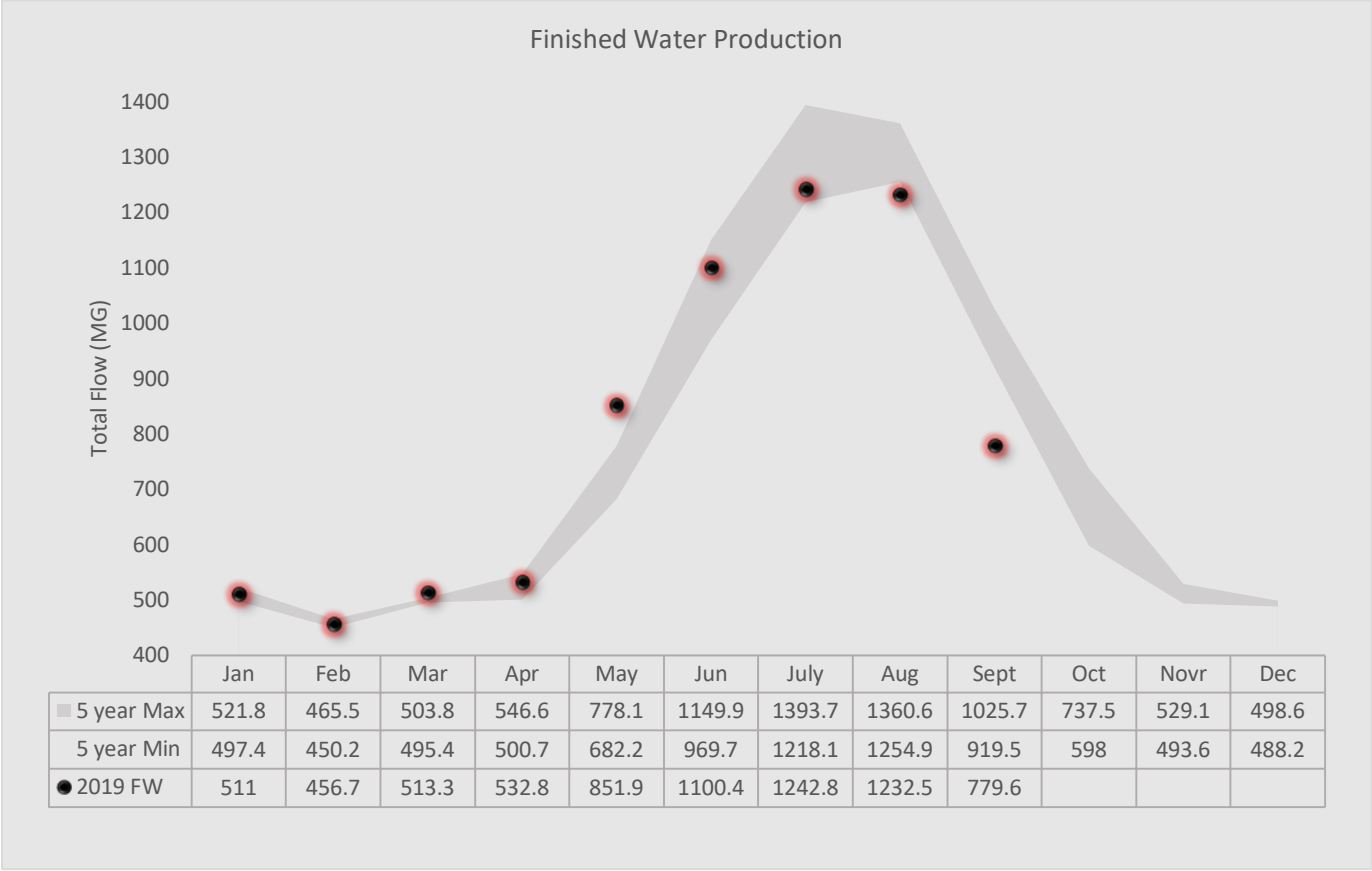
McKenzie River water is treated to drinking water standards using conventional treatment trains that include redundancy to protect from treatment failures. The treatment process is closely monitored and constantly adjusted to ensure production of safe drinking water prior to delivery to customers.

Q3 Project Updates

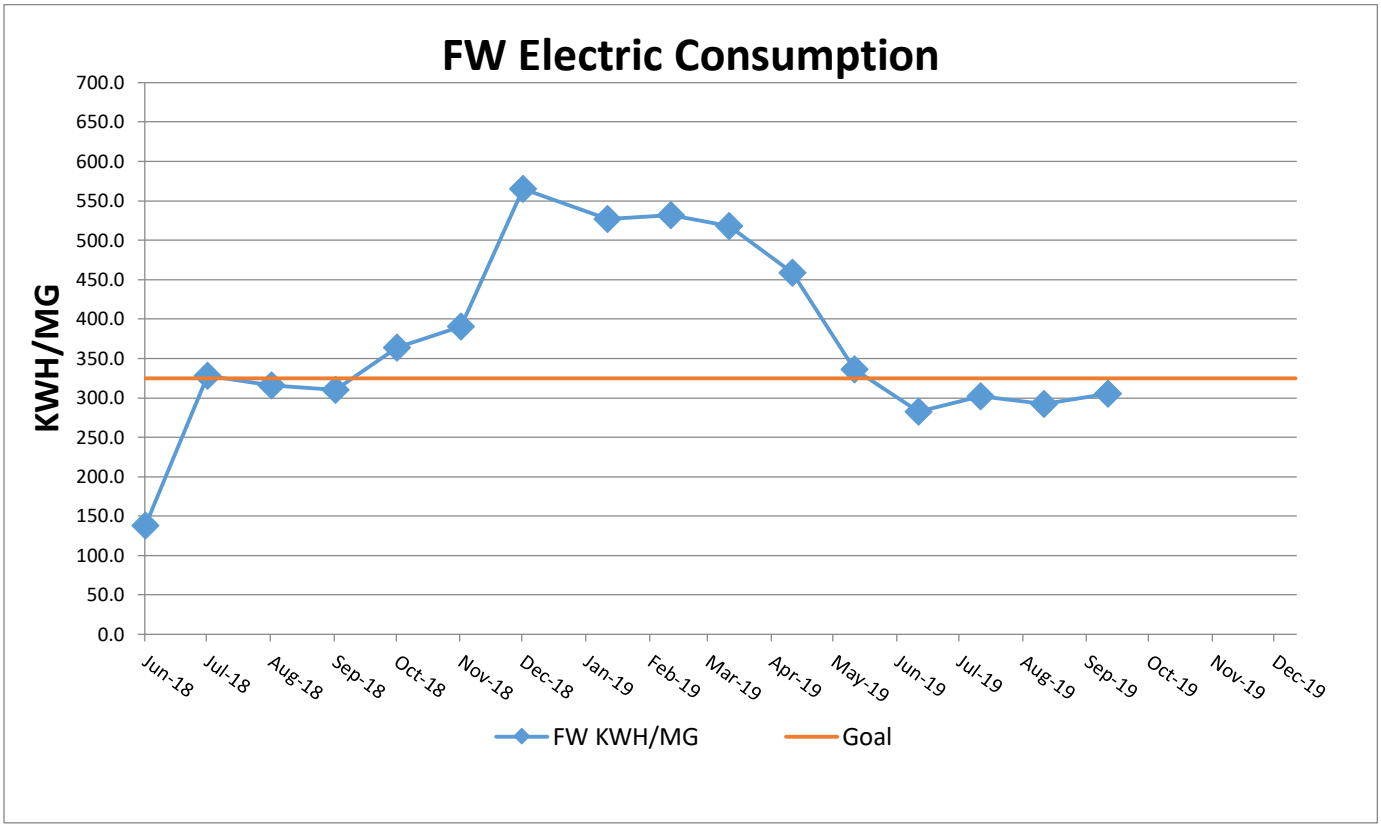
Water treatment staff participated in the Regional Water Provider Consortiums emergency water equipment drill in September. During this event treatment trailers were mobilized and served distribution trailers from other utilities in an effort to understand the real life issues that arise during a multiple agency response. The EWEB trailer was the only trailer of 5 to successfully fill a tank and distribute water in conjunction with Beaverton's distribution equipment. A list of items to improve upon has been generated and action items distributed.

Production

Production levels for the third quarter were below the 5 year minimum. The September demand itself was the lowest since 1985. Impacts to goals from lower than expected demands were in reduced power consumption.

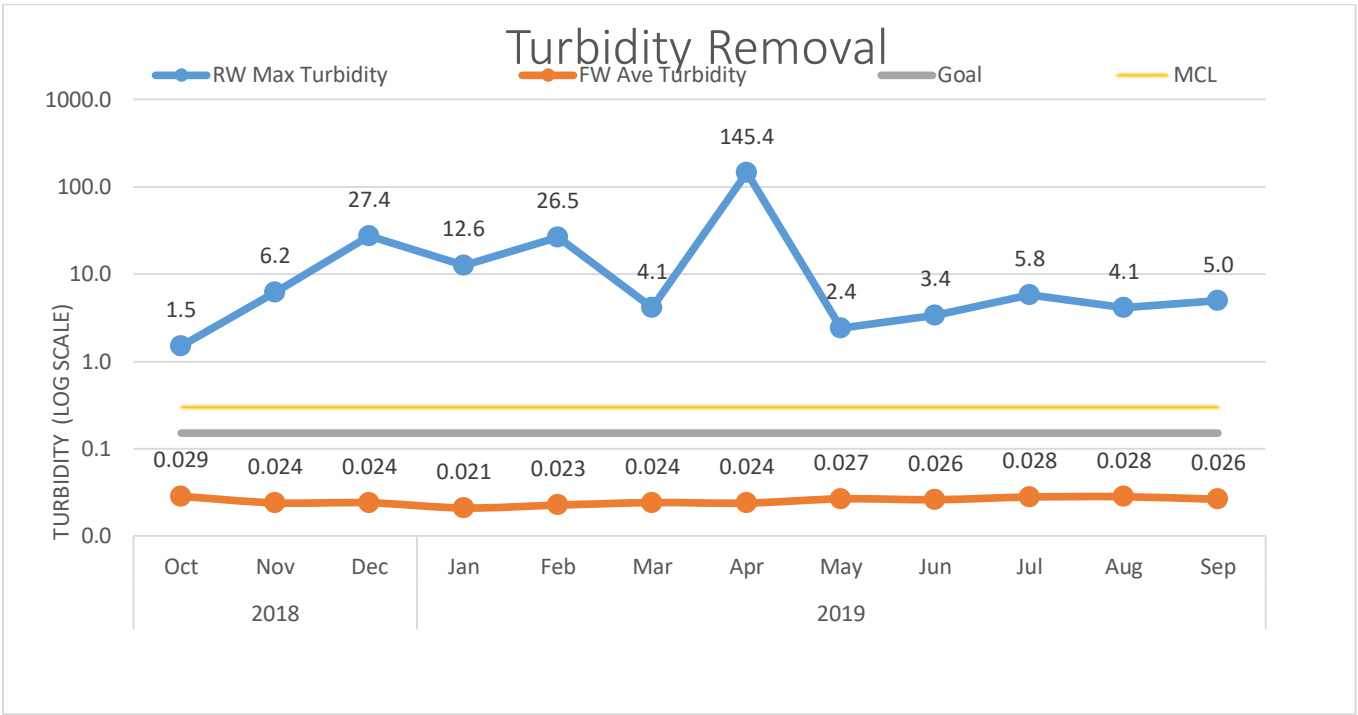


	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Novr	Dec
5 year Max	521.8	465.5	503.8	546.6	778.1	1149.9	1393.7	1360.6	1025.7	737.5	529.1	498.6
5 year Min	497.4	450.2	495.4	500.7	682.2	969.7	1218.1	1254.9	919.5	598	493.6	488.2
2019 FW	511	456.7	513.3	532.8	851.9	1100.4	1242.8	1232.5	779.6			



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

The Water Division had three boil water notices in Q3. On July 23rd, there was a boil notice on Brookside Drive that affected 5 customers. The notice was due to the system going to zero due to a water main break. On August 21st, there was a boil notice in the Crest 950 pressure zone that affected 22 customers. The boil notice was due to an unknown closed valve during water main break. On September 4th, there was a boil notice in the area of West 13th and Bertelsen that affected 7 customers. This notice was due to the water pressure going to zero without isolating the water service lines.

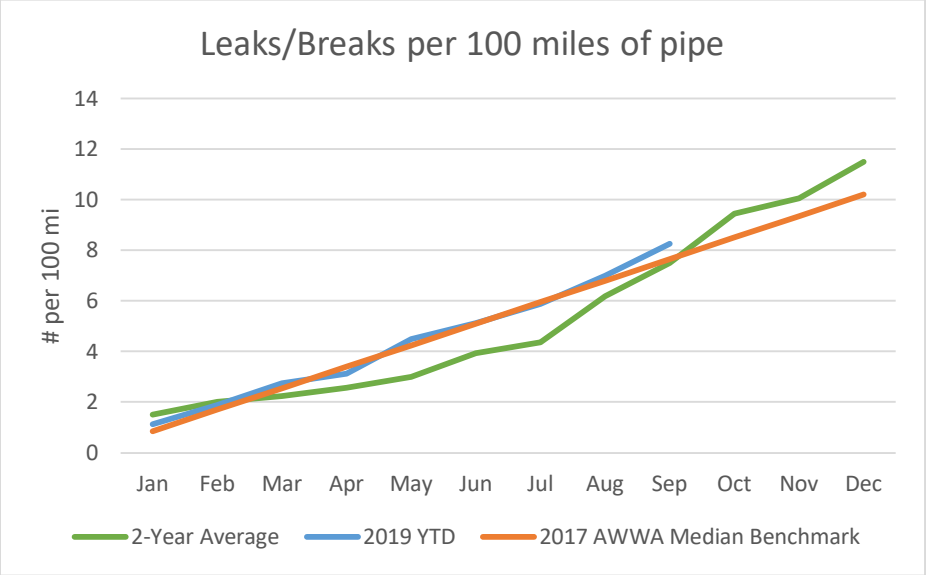
Leaks/breaks per mile & unplanned outages

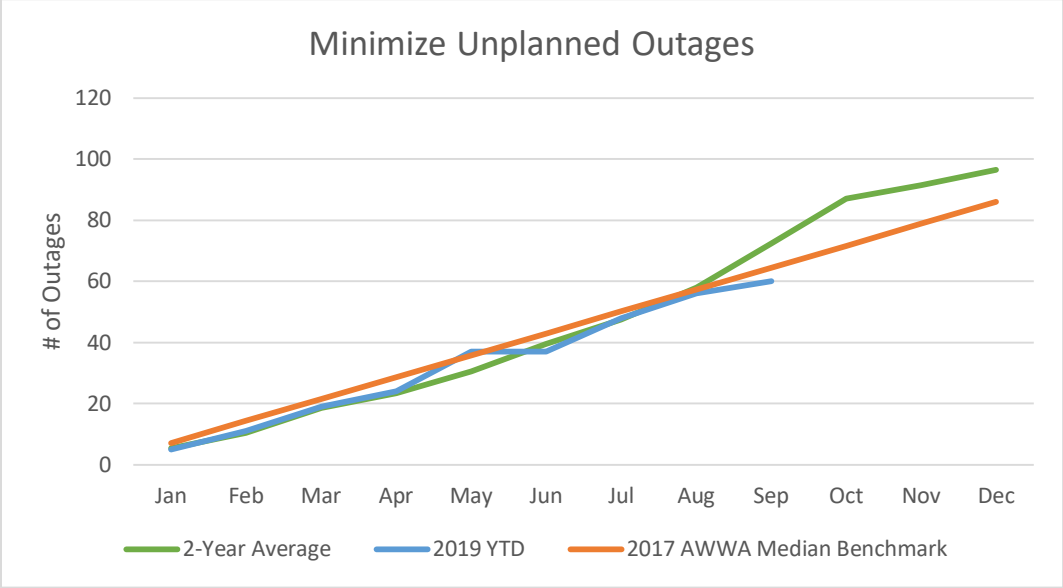
The two graphs below compare EWEB Leaks/Breaks per 100 miles of pipe and number of unplanned outages to the American Water Works Association (AWWA) benchmarks. These benchmarks represents the 'national average' amongst utilities for these two parameters.

As shown, EWEB results follow the AWWA benchmarks closely for much of the year until the third quarter when we typically see an increase in main breaks. This is likely due to changing soil conditions as the moisture in the soils cause it to expand/contract.

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	#	10.2	8.25
Minimize Frequency of Unplanned Outages	#	86	60
Average Duration of Unplanned Outages	Minutes	216	106
Percentage of Customers who Experience a Planned or Unplanned Water Outage	%	N/A	1.43%
Boil Water Notices	# of Notices	None caused by EWEB	1





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.

Q3 Project Updates

Over the last month there were published reports, a movie release ("Dark Waters"), and a book published ("Troubled Water: What's Wrong with What We Drink") that has garnered media attention around polyfluoroalkyl substances (PFAS) and disinfection by-products (DBPs) as cancer causing substances in drinking water.

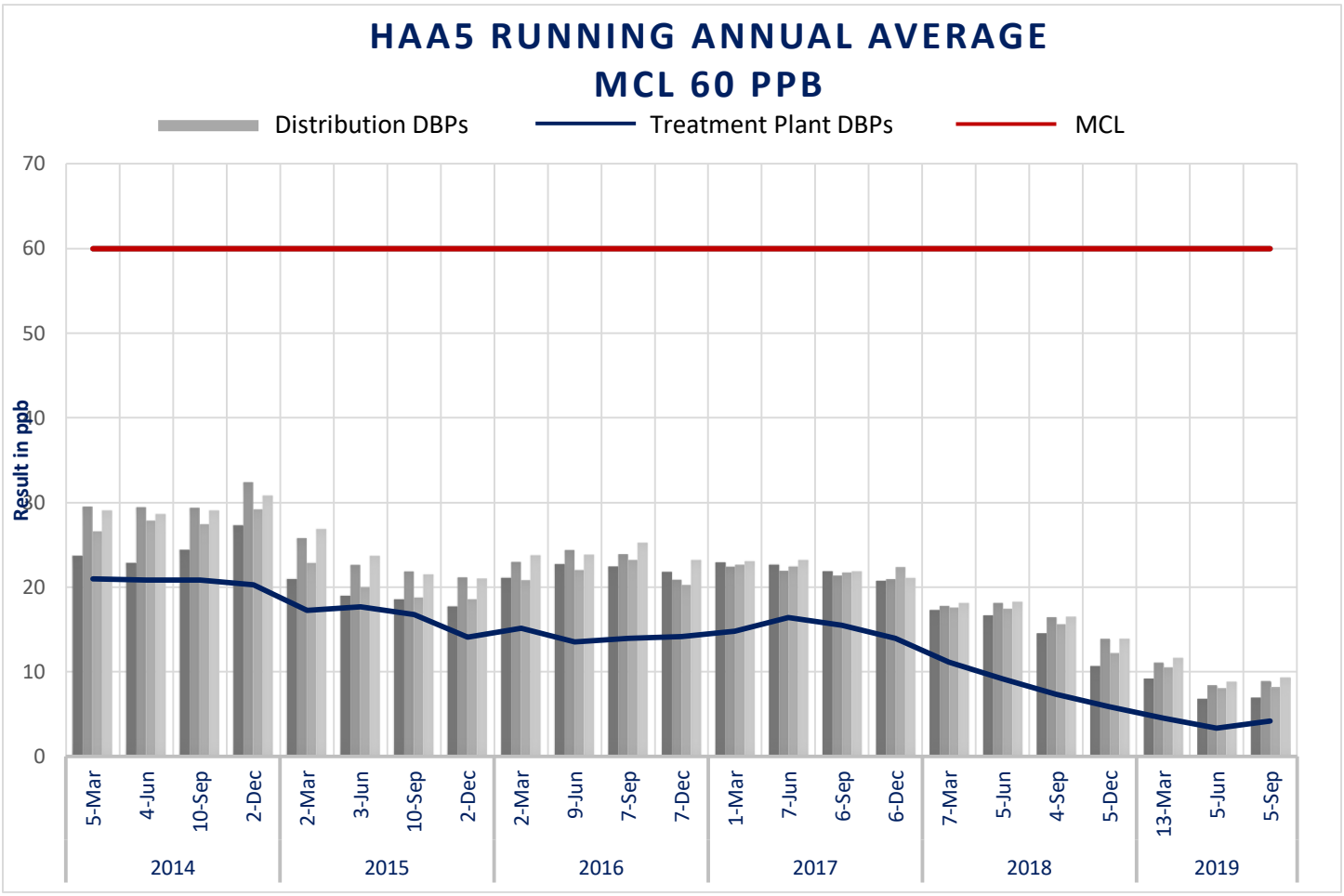
Polyfluoroalkyl (PFAS) and Perfluorooctanoic Acid (PFOS) Substances

Staff continue to monitor for PFAS/PFOS compounds in raw and finished drinking water, as well as in the source. There have been no detections of any PFAS/PFOS compounds in raw or finished drinking water above laboratory detection limits of 2 ng/L (parts per trillion). PFAS/PFOS has been detected in east Springfield urban runoff samples with the highest total PFAS/PFOS value at 17.1 ng/L. EPA set the health advisory level for total PFAS/PFOS compounds at 70 ng/L.

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 have continued to decrease with the introduction of the biofiltration project at the water treatment plant which further removes organic matter. 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).



Information Services Operations

IS Reorganization

IS has completed a reorganization to better align with and support EWEB's operating model and structure. While there are still a few positions to fill, the structure and Supervisors for the Corporate Services and Engineering & Operations teams are now in place. The teams are already hard at work on the advanced meter infrastructure and customer experience improvement projects.

Other Notable Events

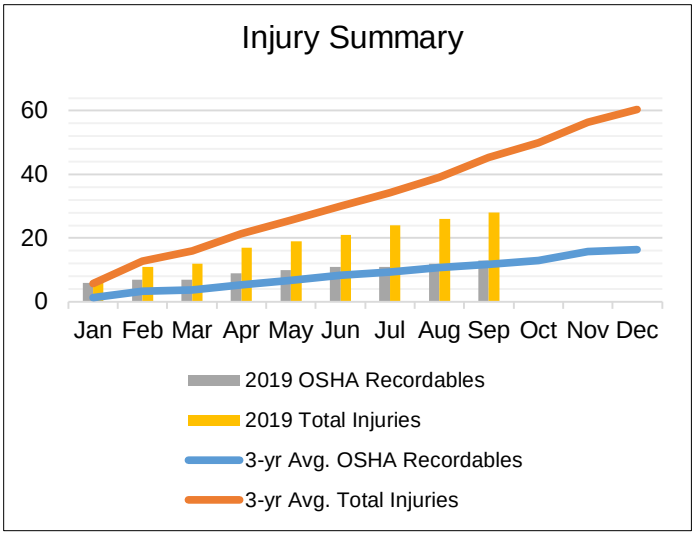
The operations team completed phase 1 of a multi-step project to upgrade, simplify and provide the Utility with additional remote access capabilities.

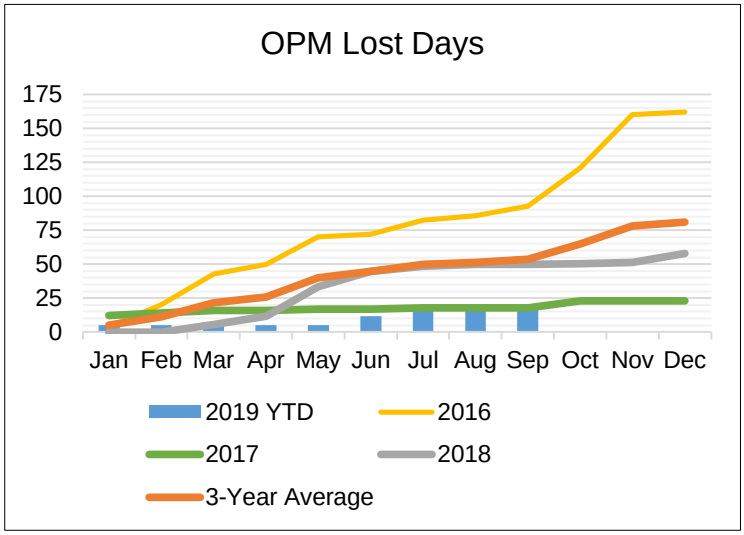
Workforce Report

Overall, workforce indicators are good. Operational plans progressed as scheduled. HR metric indicators are on track and there are no extraordinary or unanticipated developments driving concerns in any particular HR functional area.

Safety

YTD injuries are at 28 total, roughly 35% fewer than the 3-year average of 45 at Q3. The majority were treated with minimal medical intervention, with only 13 categorized as OSHA recordables. The minor nature of injuries is reflected in the YTD metric for Lost Days at 17.7, approximately 70% fewer than the 3-year average of 53.6 at Q3. These figures translate to lower incurred workers' compensation costs than in previous years, with 5 workers' compensation injuries for the quarter at 20 YTD. EWEB's low rate of workers' compensation claims experience continues to yield SAIF dividends, with $87,367 returned to EWEB this year. The premium rate increase for 2020 will be calculated in Q4.





Health & Wellness

The 2020 health insurance premium renewal evaluation resulted in a 12% increase for medical. The net paid/loss ratio (utilization) for the evaluation period was 87.2%, slightly over the insurance industry target of 85%, still a good utilization result. As reported last quarter, 4.5% of the premium increase represents newly assessed taxes and fees.

The dental plan paid/loss ratio was lower than the 85% target, resulting in a rate hold. Vision utilization was only half of the target, resulting in a 13% premium rate reduction.

In addition to conventional benefits offerings, EWEB's Safety, Health & Wellness program is a powerful tool in attracting and retaining a talented workforce in a competitive employment environment. This year, EWEB's Safety, Health & Wellness Program was recognized against regional benchmarks with its receipt of a first-place ranking as Oregon's Healthiest Employer in its size category. A highlight of EWEB's programming each year is the Safety, Health & Wellness Expo. This year's conference-style event was EWEB's most successful ever and featured multiple deliveries of a very well-received presentation on Emergency Preparedness and Response delivered by nationally-recognized TedX speaker, Steve Eberlein. The conference included opportunities for employees to receive training in wire watch for storms, Advanced ALICE (active shooter response) and other safety topics. There were also preventative screenings and informational sessions on health, wellness and benefits topics. More than two-thirds of the workforce attended and 120 participants responded to a follow-up survey indicating the Expo provided information which they considered very useful both on and off the job.

The Safety, Health & Wellness program and its accompanying incentives have been well-received by EWEB's existing workforce and have also received positive feedback by prospective and newly-hired workers. In addition the preventative focus of the program has been an important factor in containing premium escalation.

Workforce Management

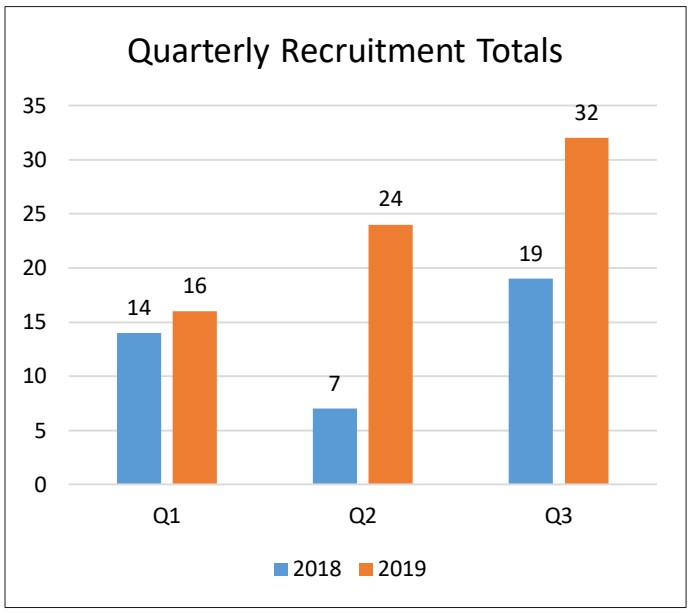
Compensation

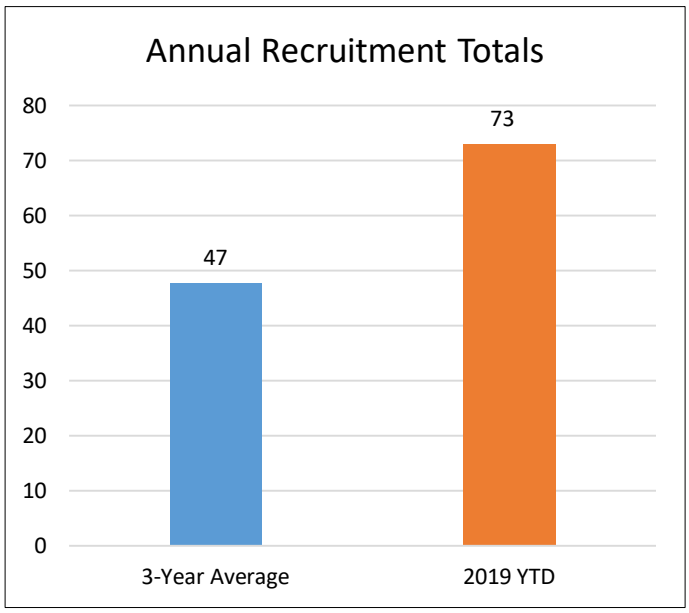
In addition to attractive Safety, Health & Wellness programming, EWEB's compensation practices continue to support EWEB's competitive position in the regional employment marketplace. EWEB jobs are benchmarked to utility or other matching professional occupations in the region. Throughout each year, EWEB compensation rates are evaluated against comparators at a cursory level to identify potential compensation trends. A comprehensive study is performed every three years to validate any occupational compensation trends which are determined to be sufficient to necessitate adjustments. The results of that study, now underway, will be published in the Q4 report.

Recruiting

The chart below indicates a continuing spike in recruitments from Q2 to Q3. Year to date, recruitments are at 153% of the 3-year average. While authorized FTE counts have remained relatively flat, the increased recruitment activity has been driven by internal movement resulting from continuing reorganization efforts, including backfilling promotions, filling previously-held vacancies, along with replacement recruitments for regular attrition.

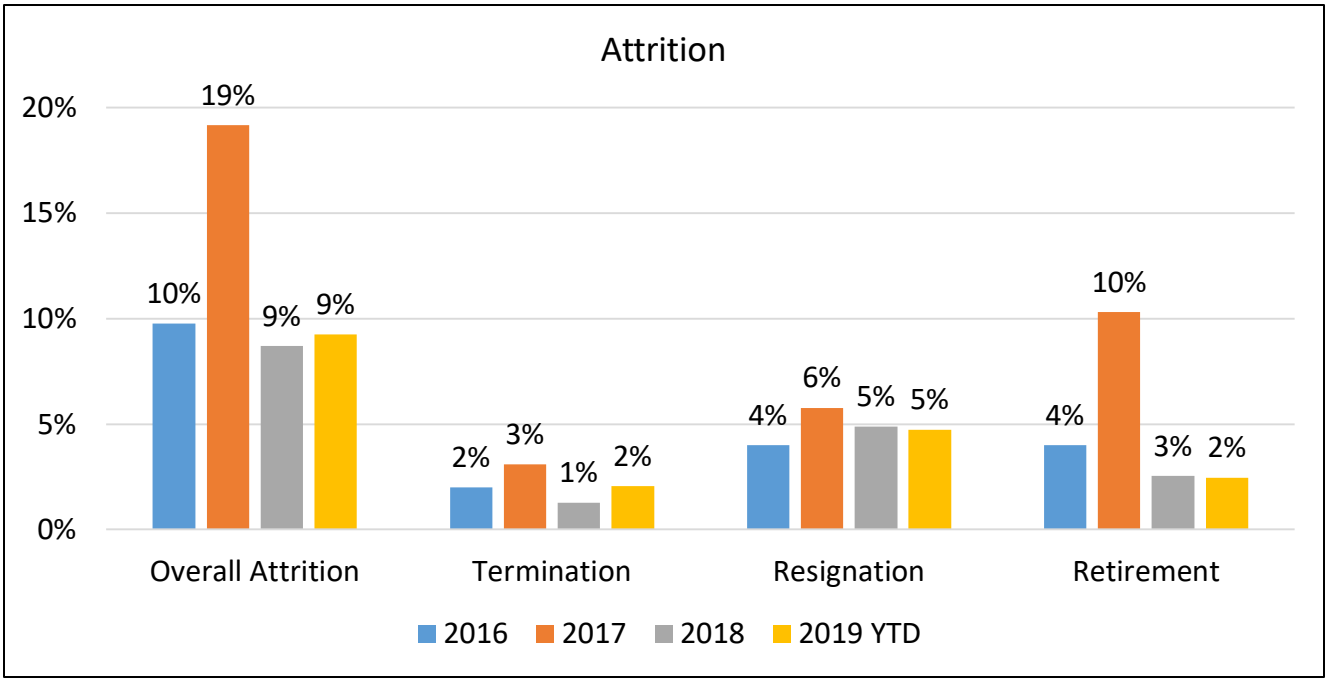
The time it takes for EWEB to fill vacancies which are open to both internal and external candidates is measured from the time a job posts to the time that a candidate has accepted an offer. Time to fill metrics have averaged 51 days over the last three years, with 54 days in 2018. The 2019 average is 48 days YTD. EWEB is seeking a benchmark for NW public utilities and hopes to report on that number at year end.

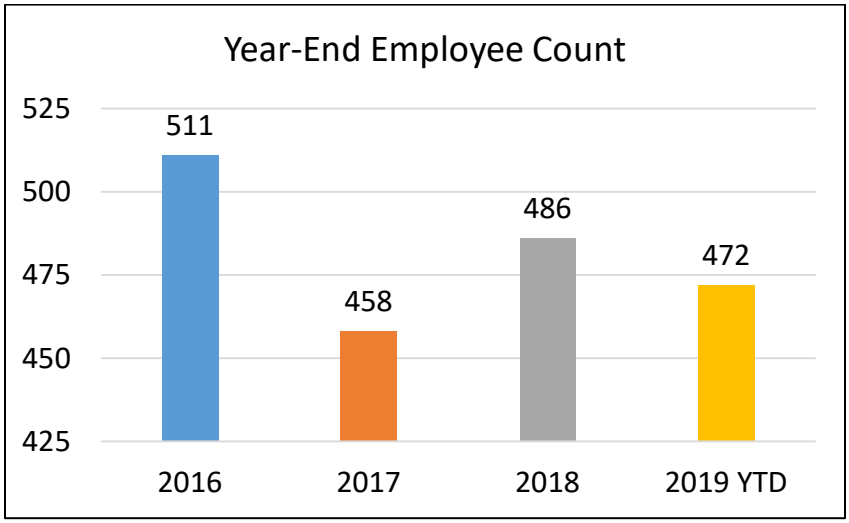




Attrition

The following chart depicts EWEB's attrition for 2019 YTD as compared to annual totals for 2016, 2017, and 2018. While YTD "overall attrition" is at 9%, "resignations" are at 5% and are the primary metric of focus. Voluntary resignations can occur for a variety of reasons and can be an indicator of an employer's ability to retain workforce talent. As the chart indicates, 5% is not outside the historical average, nor is it outside the average of comparable public employers. It also merits mention that "resignations in lieu of termination" are represented in this category.





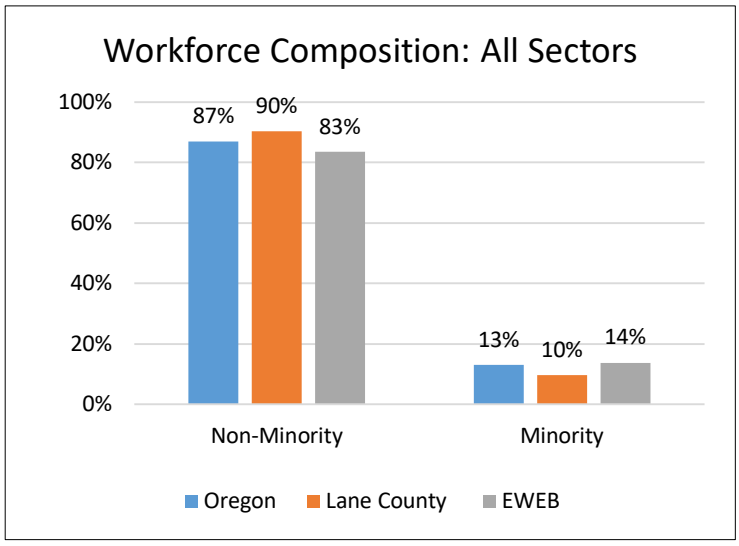
Labor Relations

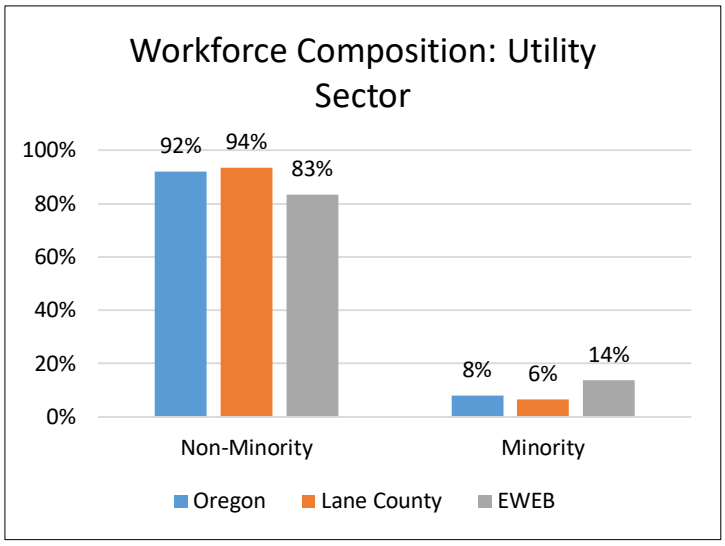
EWEB's relationship with organized labor remains productive. EWEB saw its first grievance of the year in Q3. The disposition on the grievance remains open.

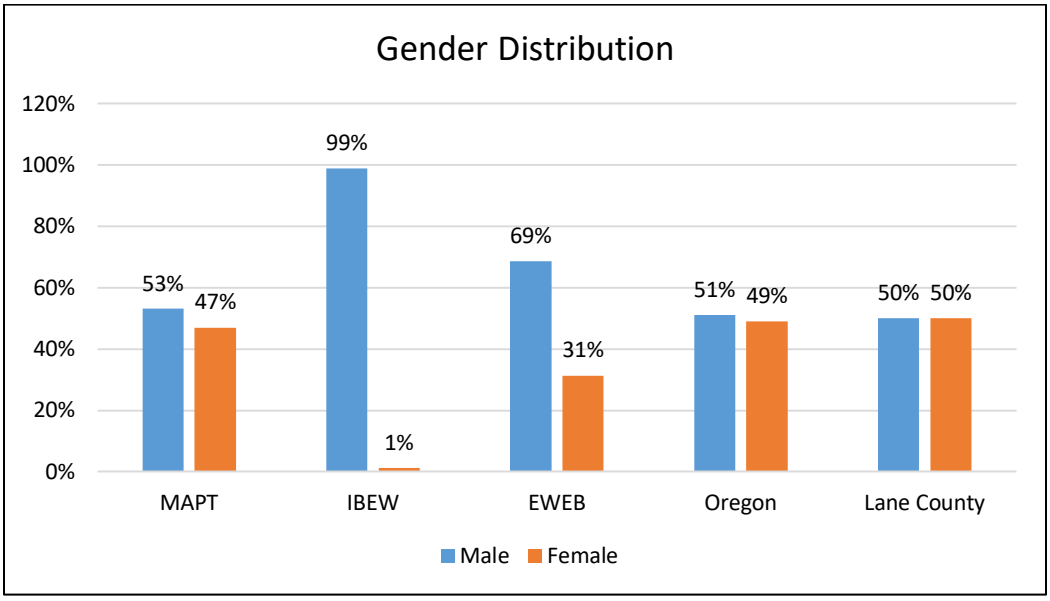
Demographics

The following charts are demographic snapshots of EWEB's workforce composition as compared to that of the State of Oregon and Lane County, for both all-employment sectors and the utility sector, as reported by the US Census Bureau in Q4 of 2018. The information represents both all-employment sectors and utility sectors.

The data indicate that EWEB's employment of minorities is approximately double that of the comparators in the utility sector and leads the all-sector data slice. Approximately 3% of EWEB's workforce has declined to designate any racial/ethnic category. State and County data do not reflect non-specified status.






Gender Distribution
120%
100%
80%
60%
40%
20%
0%
53%
47%
99%
1%
69%
31%
51%
49%
50%
50%
MAPT
IBEW
EWEB
Oregon
Lane County
Male
Female

Legislative, Legal and Board Activity Report

(Lawson, Heuser, Creighton, Kah)

Legislative Update

The Oregon State Legislature is in recess until the convening of the 2020 Short Session in February.

Some potential legislation of interest to EWEB is already under consideration for 2020, including:

Carbon Pricing – HB 2020 Reintroduction

Supporters of the unsuccessful carbon cap and trade legislation in the 2019 session have already pledged to introduce a near facsimile of HB 2020 for consideration. Although the prospect remains of another walkout to deny a quorum necessary for final passage of carbon legislation, the prospect of a more onerous statewide ballot initiative that has been filed for the 2020 election and may act as possible leverage motivating the legislature to take action preempting the ballot initiative.

Wildfire Mitigation Legislation

The Governor has convened a Wildfire Mitigation Advisory Group that has released some preliminary recommendations on a statewide approach to wildfire mitigation, including utility standards for investor-owned regulated utilities. It is unclear at this time whether consumer-owned utilities would be subject to these proposed standards.

Legal Matters

EWEB v. MWH et al: In 2015 EWEB filed a complaint claiming breach of contract and negligence by contractors responsible for the design, engineering and construction of certain upgrades to the roll gates and hoists at Leaburg Dam. Following a March 2019 ruling by the arbitration panel that granted EWEB's motion to set the arbitration date after the Lane County Circuit Court trial, MWH offered for the first time to submit to arbitration and allow all claims to proceed in a single forum. EWEB has agreed to allow the defendants to defend all claims in the arbitration proceeding. The parties have stayed the litigation in Lane County Circuit Court and are submitting all claims to a consolidated arbitration, which is anticipated to take place January 2020. Discovery is now advanced with numerous depositions completed.

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 imposed by the Oregon Department of Energy (ODOE). ODOE has appealed the trial court's decision; oral arguments were presented to the Court of Appeals in December 2018, and the matter has been taken under advisement. The Court of Appeals commonly issues written decisions within 12-18 months.

James Zelenka v. EWEB: On November 12, 2018, EWEB was sued for personal injury damages alleged by the plaintiff driver, James Zelenka, arising from a motor vehicle accident involving an EWEB employee which occurred on December 12, 2016. The case was resolved prior to trial, and the matter has been dismissed.

N. Harris Computer Corporation v. EWEB: In May 2018, EWEB issued a letter notice of termination on a vendor contract with Cayenta, 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.

John G. Schaad and Marie T. Schaad v. EWEB: The plaintiffs filed suit in Lane County Circuit Court on June 26, 2019 alleging negligence and intentional infliction of emotional distress following a structure fire on June 26, 2017. An Amended

Complaint was filed on July 11, 2019. EWEB's response will be filed in a timely manner, and discovery is underway. It is anticipated that a trial date will be scheduled within one year of the filing date.

In the matter of the Petition of Commissioners: A Petition was filed July 31, 2019 for validation of the planned transfer of surplus real property which is not currently recognized as a legal lot. The court has not yet set a hearing. Hearing preparations are underway.

Compliance

During the past quarter, the following compliance violations were discovered and/or self-reported:

1. Generator modeling and testing of control function requirements fell behind schedule. These have been self-reported to NERC. Plans to correct and perform this work are underway. There is no fine anticipated.

Public Records Requests

During Q3 2019 EWEB received and responded to 5 public record requests. One request was for human resources information, two for utility design and installation records, and two for Purchasing records.

Board Activity Report

During Q3 2019 the Board of Commissioners made a number of significant decisions including but not limited to the following Board actions:

In July, EWEB and Springfield Utility Board Commissioners directed their respective General Managers to study and report on ways the two utilities might work together to more effectively and efficiently put their rights to Willamette River water to beneficial use of their customers.

Also in July, the Board updated EWEB's educational program priorities to better align with EWEB's current strategic direction.

In addition to the aforementioned significant actions, meaningful discussions were held around the long-term financial plan, capital improvement plans, McKenzie River hydroelectric projects including dam safety, public utility values, water system infrastructure and the annual Integrated Electric Resource Plan update.

Program Report: Security

(Price, Barton, Knabe, McLaughlin, Wahto)

Cyber Security

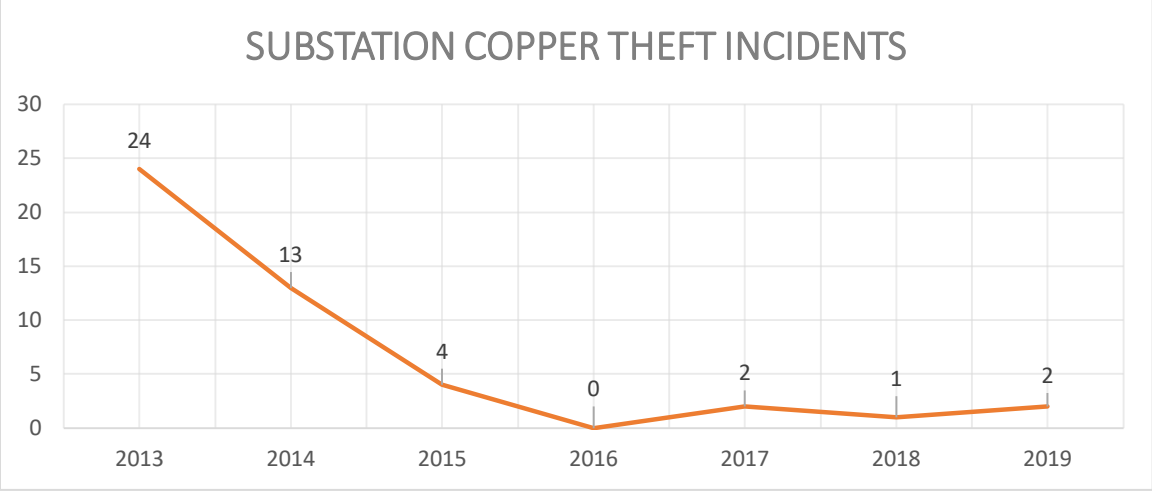
EWEB takes a holistic approach to Cyber Security which is being fulfilled by the implementation of an Information Security Management System (ISMS). Based on Federal guidelines and industry best practices, the ISMS not only provides a framework to manage the Cyber Security measures dictated by our regulatory requirements, but also addresses the protection of our water and power resources and their delivery to our customer-owners.

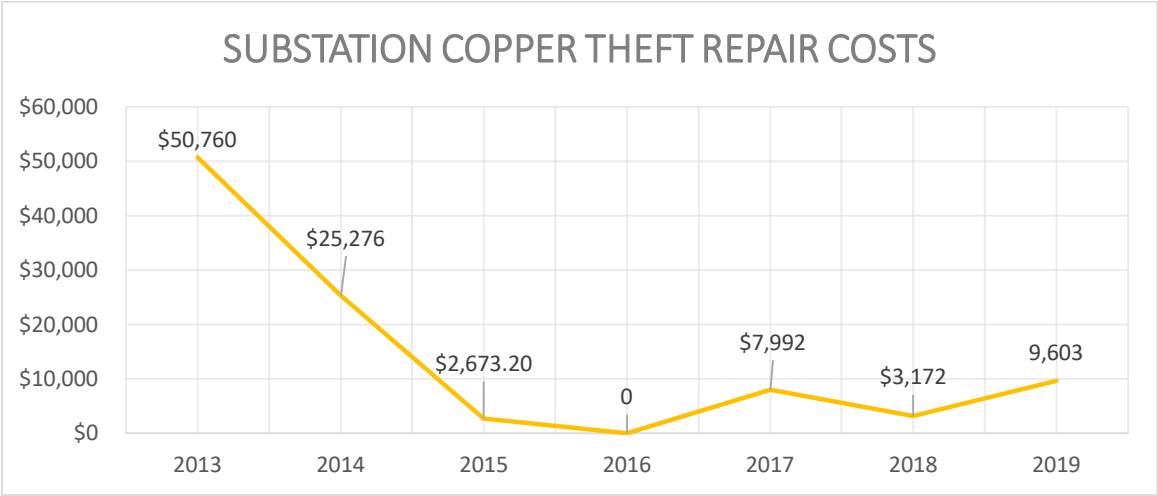
During the third quarter, a Security Awareness program was implemented that provides general and targeted training to employees. Additionally, a Threat and Vulnerability Management system that continually identifies and mitigates potential vulnerabilities in our cyber systems was installed. EWEB's vendor selection process was enhanced by reviewing the security programs of finalists who submitted proposals to provide systems as part of the Customer Experience Improvement project. One vendor reported a breach, and the ISMS program provided the framework for our internal coordinated response that insured no EWEB resources or information were affected.

Physical Security

The Physical Security team responded to an upswing in transient and traveler activity at EWEB facilities in late spring and early summer, as it typical during the warmer months. Trespass numbers increased by 340% from Q2 to Q3. There was also an increase in illicit drug activity, including uncapped used needles and paraphernalia, compared to 2018, particularly at sites that provide concealment. Typically the high drug use locations are also the worst for feces, trash, and other illegal dumping, which EWEB's cleans up for aesthetic and safety reasons.

In addition, there was a copper theft at Jefferson Substation that resulted in a $9,200 loss. As security patrols have increased, the incidents of copper theft at Substations in general has reduced dramatically, as shown in the graphs below. In Q4, the Physical Security Team will conduct a randomized survey of the five highest-traffic substations to better quantify incidents versus effect of patrols. This data will allow us to further prioritize patrols based on anticipated risk.





Three individuals were arrested for trespass and felony theft at the Roosevelt Operations Center. The rapid response of the Physical Security Team resulted in no financial loss to EWEB.

Alternate Water Site – In Q2 EWEB partnered with Lane County Sheriff's deputies to evict approximately 35 illegal campers from 21 camping sites at the Alternative Water Site, followed by increased patrols by EWEB's Physical Security team. In Q3 only 2 trespassers were encountered, suggesting the increased patrols have been effective in deterring illegal campers.

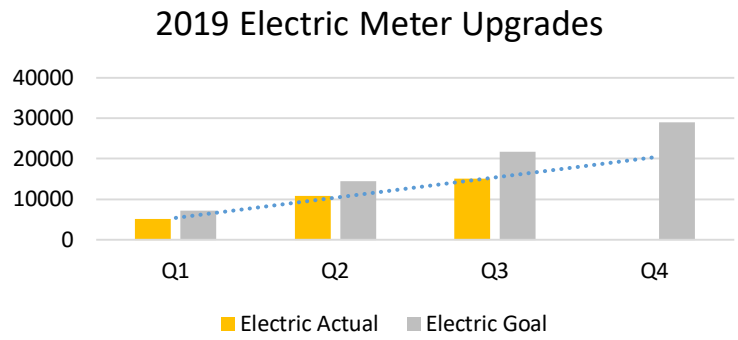
Goal #2 – Pursuant to Resolution 1811, execute the Advanced Metering Services (Infrastructure) project in accordance with approved plans and budgets and all applicable EWEB values, policies, and procedures; safely installing 46,000 meters in 2019.

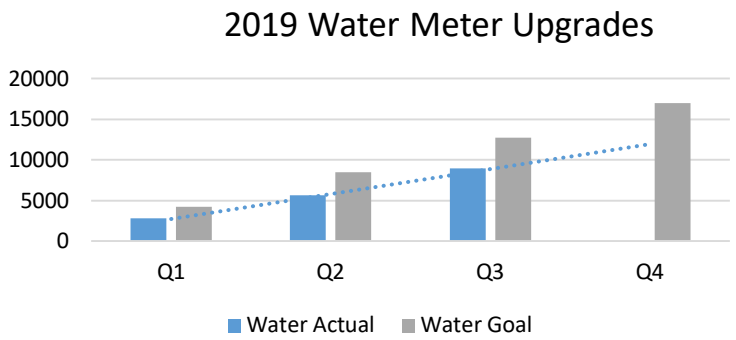
Advanced Metering Report

(Fahey, Barton, McElroy)

Smart Meter Upgrade Project (Shared)

EWEB is upgrading its meter population. The Smart Meter Upgrade project is starting the second year of this multi-year effort. The impact of this project is felt across EWEB and its entire urban service community. Since the pace for the Electric and Water meter upgrades are at different rates, progress on each utililty is reported separately. At the end of Q3 almost 30% (over 40,000) of the meters have been upgraded with 24,000 total meters installed in 2019.





While the 2019 target for total meter installations will not be achieved, water meter upgrades are on track to attain the revised December 2023 completion target. The current electric meter upgrade rate is below that required for completion by the December 2021 target date. Electric meter installations have been intentionally lowered to allow for completion of continuous improvement opportunities and implementation of quality assurance measures while continuing a safety-centric installation philosophy and ensuring business continuity. Project management has been refined to smooth and align cross-functional processes, as well as ensure data integrity. Management is evaluating installation options to determine whether completion by 2021 is feasible.

Customers are provided the option of whether the upgraded meter received has the communication module activated. Currently 2.4% of customers across EWEB's service territory have requested non-communicating meters.

The process includes several customer communication points to ensure they are informed of the meter upgrade timing and options available to them. Customers for whom EWEB has email contact information are sent a survey after meter installation. The survey response rate to date has been 9%, which is above average for external surveys. Overall customer satisfaction with the installation process was up slightly in the third quarter with 72% reporting somewhat to very satisfied and another 21% reporting being neutral about the process. The neutral percentage remained constant indicating that the percentage of customers reporting they were somewhat to very dissatisfied was reduced.

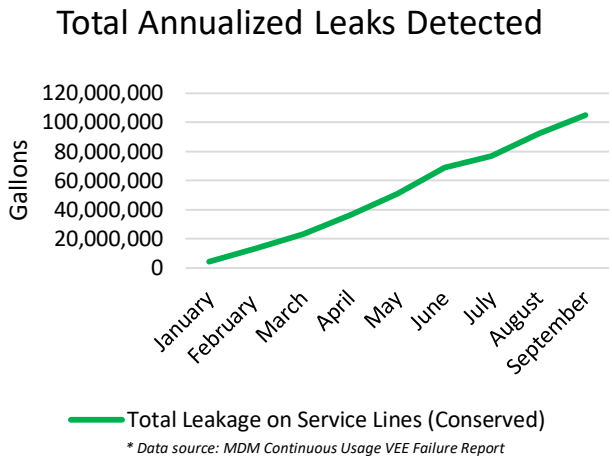
The following are a few comments received in Q3:

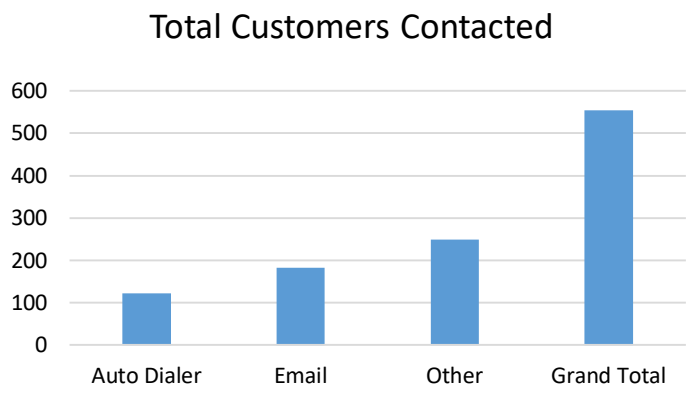
- "When I called to opt out of my residence, the lady was very nice and informative."
- "Yes, I'd like to say that even though I didn't know this was happening as I'd just returned to my home office, the two men working outside the house were very kind and friendly when I went out to see why no water was coming from the tap. I was greatly relieved to see it was just service. The people were great - fast, efficient and understanding of my having missed the messages."

- "The work was done promptly and carefully. Following the installation I was almost unable to tell that anything had been disturbed. The crew did a very good job."
- "Power was off for such a short time I didn't even notice it. Pretty seamless."
- "I appreciate the smooth process! A large undertaking well done!"

In addition to upgrading meters, staff is creating processes to utilize benefits enabled by the new technology for both customers and staff. Work in Q3 further refined EWEB's leak detection and notification offering.

The following graphs summarize 2019 activity in this area.





The following is an example of customer feedback from leak notification received in Q3:

"I received an automated EWEB call that I had continuous water consumption with suggestions to what the possible issues could be. I appreciate that call! I was on vacation and had a house/doggie sitter and they left an outside hose bib turned on and this was unbeknownst to me. But after receiving the message I guessed immediately where the problem was. Problem solved! Thanks!"

EWEB provides service to two Water Districts. In Q3, meter upgrades for water district customers commenced with no noticeable impact to overall project scope or customer experience for district customers. Staff continues to learn about impacts of, and operational opportunities for, smart meter feedback across the Utility.

<u>Advanced Metering Communication Infrastructure Improvement Project (Shared)</u>
To accommodate the installation of 150,000 smart meters compared to the initial projection of 25,000 under the prior 'opt-in' installment method, the communications infrastructure supporting the meters requires enhancement and the need for additional communication sites. This is an emergent project for 2019. In the third quarter, the project scope, project plan and a contract for professional services were completed. A scope of work was finalized with a professional services team to support EWEB in improving AMI network coverage, including the installation of at least one additional base station, along with improvements at existing base stations.

Existing base station improvements were completed by replacing two faulty connections and antennas. Ongoing system tuning continues to help improve performance of the AMI network. Evaluating meter communications data has also improved performance. The design and permit application processes for upgrades to the Delta substation and Spring Creek sites have been started. EWEB has hired a professional land use firm to help facilitate the permitting process.

Advanced Metering Information Services Improvement Project (Shared)

This project's objectives include supporting remote meter reading, improving power outage response, allowing for efficient start/stop service, supporting leak detection and mass deployments, improving system error handling and ensuring that the AMI system meets EWEB's business needs and customer-owner expectations. This is also an emergent project for 2019.

In the third quarter of 2019, the project scope and charter were completed. A statement of work was finalized with a professional services team to assist with gathering business requirements, building out technical requirements and design, as well as a review of the current system configurations. A series of process optimization and requirements gathering sessions with cross functional teams began in September.

During the sessions it became clear there were several opportunities to reconfigure the existing system for 'early wins' that would make meter installations and operational work more efficient and effective. The team is reassessing the project scope to determine how to accomplish these wins while continuing to move the entire project forward. This reassessment should be completed by the end of November and an updated plan, scope and schedule generated by mid-December.

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

Advanced Meter Upgrade (Water)

Project Initiation:	Feb-2018	Initial Scope Budget:*	$17,828,000
Initial Planned Completion:	Dec-2021	Actual Project Costs To-Date:	$6,368,200
Projected Completion:	Dec-2023	Total Final Cost Projection**	$18,800,000

Advanced Metering Projects (Electric)

Project Initiation:	Feb-2018	Initial Scope Budget:*	$13,695,000
Initial Planned Completion:	Dec-2021	Actual Project Costs To-Date:	$ 11,107,500***
Projected Completion:	Dec-2021	Total Final Cost Projection:**	$16,850,000

* Prior to February 2018, meter upgrades were performed only when requested by a customer. When the Board approved an accelerated installation approach, the budget was updated. The February 2018 meter upgrade budget is being used for comparability to actual and projected costs. No budget is included for the 2019 emergent projects.

** Due to the 2019 emergent projects, the total projection is currently under review. Staff expect to have updated projection information for year-end reporting.

***Includes $3 million of in-stock meters.

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]

Goal #3 – Use Continuous Improvement, Lean Principles, and financial management to improve the customer experience, adding customer self-service capability, avoiding revenue requirement increases through 2020.

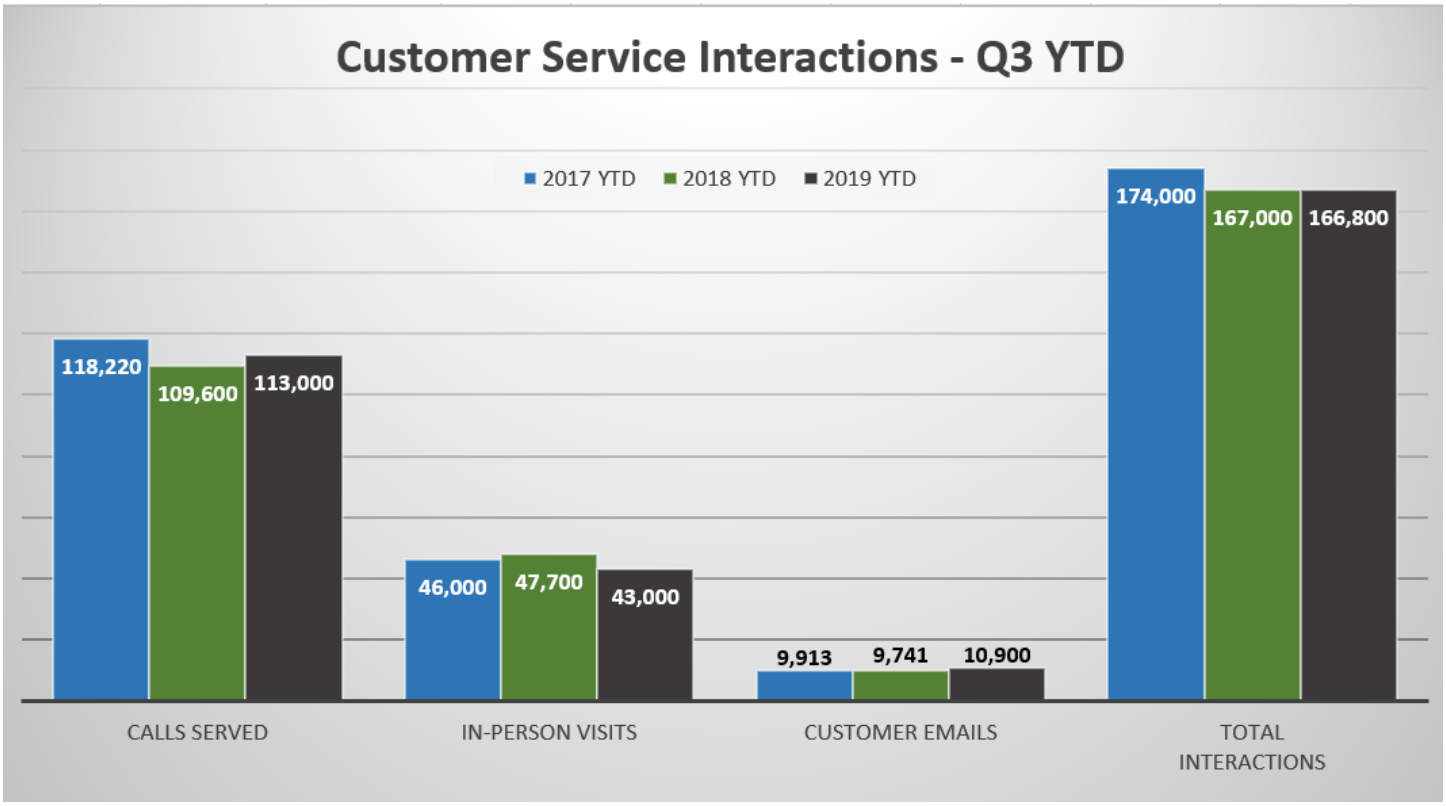
Customer Report

(Fahey, Barton, Gonzalez, McGaughey)

To enhance the customer experience, this year's focus has been to improve products and services offered, increase efficiency, and make it simpler and easier to do business with EWEB without increases to revenue requirements. Many of these efforts and accomplishments are reported in other sections.

Customer Contact Information

Overall customer service contacts are trending below 2017 and slightly below 2018 interactions. Call volume in 2017 was particularly high due to a December 2016 ice storm that resulted in a significant number of estimated bills, and 2019 call volume is up primarily as a result of the March snow storm. Offsetting that increase is an in-person visit reduction which is due, at least in part, to the added functionality of accepting credit card payments over the phone.



Transparent Communications

Keeping customers informed enhances the customer experience by generating awareness and adoption of products and services that help them save money, make informed choices, and reduce their carbon footprint. To reach as many customers as possible, EWEB utilizes a variety of communication channels, and also engages with the community by sponsoring, coordinating or attending public events.

In addition to the outreach activities provided below, EWEB staff also participated in 12 emergency preparedness events, and 5 conservation, energy efficiency and income-based program events in our community.

TOPIC	(Social Media + Email)		Digital Impressions (Social + Email + Web)		(Pipeline, Newsroom, KLCC)	
	Q3	YTD	Q3	YTD	Q3	YTD
Water & Energy Conservation & Efficiency	19	52	19,000	71,000	55	111
Income-based assistance	8	26	14,000	35,000	22	33
Emergency Preparedness & Resiliency	23	112	27,000	166,000	13	39
Carbon Education & Power Resources	19	44	30,000	87,000	2	55

Earned Media	Q3	YTD
TV & Radio	24	103
Print	9	46

Ease of Doing Business

Specific progress in Q3 included:

- Simplification of EWEB's Business Growth and Retention program to offer commercial customers a streamlined experience and increase financing options for projects that produce broad community benefits and align with EWEB's strategic plan.
- Policy language to establish a reduced water system development charge for housing units under 800 sq. ft. was drafted and provided to the Board.
- Tangible progress towards a more transparent and consistent pricing methodology for new development in the downtown network has been made.

Customer Experience Improvement (CEI) Project

As part of the Strategic Plan Phase I 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). This will allow customers to view and manage their account online and interact with us at a time and with a method that is convenient for them. EWEB also has the opportunity to redesign the customer bill as part of the CEI Project. Regardless of customer characteristics or payment method, the monthly bill is a routine touchpoint and should be updated to a modern, user friendly communication tool that provides consumption information and opportunities for customers to better manage their usage and expenses. As a communications tool, the monthly bill can also assist with Phase II of the Strategic Plan to create consumption flexibility.

Project Initiation:	Oct-2019	Initial Scope Budget:	$1,985,000*
Initial Planned Completion:	Dec-2020	Actual Project Costs To-Date:	$0**
Projected Completion:	Dec-2020	Total Final Cost Projection:	

**Initial scope budget is for Customer Self-Service solution implementation costs only. EBPP and BPM are considered O&M.*

***O&M costs for CEI project planning through Q3 were approximately $270,000. There are no capital project costs incurred to-date.*

Third quarter project activities included:

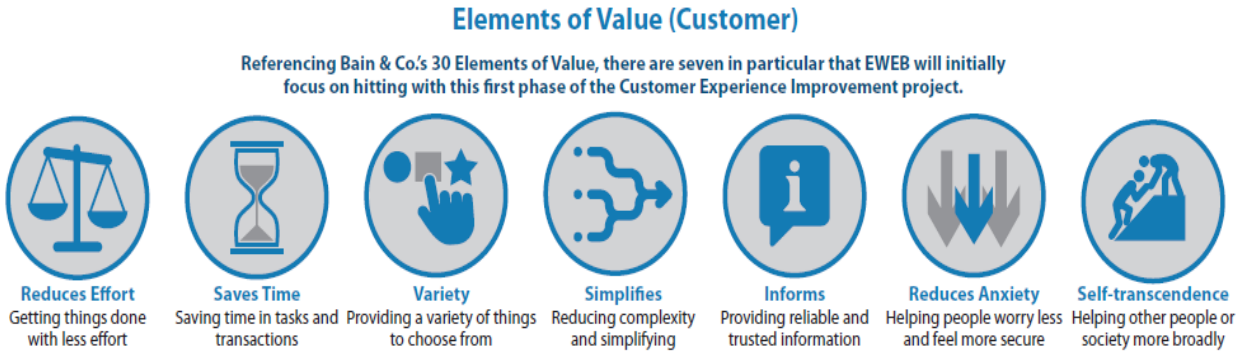
- Onsite demonstrations from vendor finalists of proposed solutions and system functionality for stakeholder groups. This included breakout sessions for Information Services staff to confirm and review security procedures for each proposed solution.
- Awarding, negotiating, checking references, and progress towards finalizing contracts with vendor finalists.
- Garnering feedback from internal and external groups regarding bill re-design and developing design prototypes with feedback groups. The prototypes are based on four design objectives:
  1. Deliver clear and transparent communication of charges/fees, providing customers an accurate and understandable bill.

2. Make evident the bill contains charges for both EWEB and City of Eugene services.
3. Better leverage the bill for communicating payment status to help customers avoid disconnection for non-pay and additional fees.
4. Begin laying the foundation for consumption flexibility to help customers make the connection that behavioral choices impact usage and resulting utility bills.

Upcoming project activities for Q4 2019 include:

- Build technical infrastructure to support the new systems
- Project Kick Off
- Test bill redesign prototypes with customers using customer feedback sessions, interviews, and an online survey.

Customer Experience Improvement Project
(Customer Self-Service and Electronic Bill Presentment & Payment)



[Return to Capital Projects Section – Customer Experience Improvement Project/Shared Services]

Community Involvement

In accordance with Board Policy EL3 - Public Requests for Board Expenditures, the following information and attachment outlines the sponsorships, donations, grants and in-kind services, efforts and events of EWEB's Community Investment Program, as well as, information around EWEB's Energy Efficiency and Water Conservation products and services and Limited Income Assistance programs.

EWEB has invested more than $12.4 million back into the community year-to-date, not including additional community benefits such as energy efficiency and water conservation loan programs, water truck deployments, volunteer and ambassador efforts, events and fundraising.

For example, we have issued nearly $1.4 million in zero-interest loans to over 250 residential customers for energy efficiency, water conservation and resiliency (Generator Loan Program) improvements thus far in 2019. EWEB ambassadors and volunteers have provided over 500 hours of community services year to date.

Notable events for Q3 include participation and sponsorship of the BRING Home & Garden Tour and EV Ride & Drive, the annual Salmon Watch Program, and continued Emergency Preparedness presentations around the community.

Education Grants - In July, the Board adopted specific educational priority topic areas as the basis for review and approval of 2020-2025 EWEB Education Grant IGA's that will be presented to the Board in December.

Also in July, Management recommended the discontinuation of funding for the Lane Community College grant program given increased pressure on prices and financial metrics, as well as the narrow beneficiary group the program supports.

Management has requested that the Board provide direction on the continuation of the LCC scholarship program during the 2020 budget assumption agenda item.

Appendix F lists contributions through Q3 2019, categorized by type of giving.

**See Appendix F – EL3 Community Investment Report.*

Program Report: Continuous Improvement

EWEB launched an organization wide Continuous Improvement Program in May 2018.

Continuous Improvement Program goals:

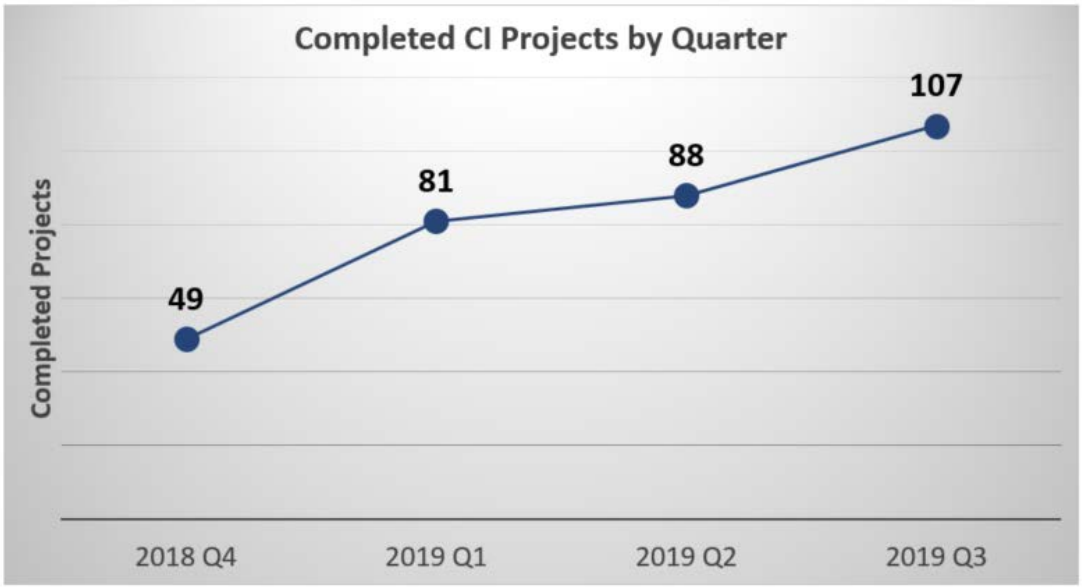
- Create a proactive and sustainable Continuous Improvement (CI) culture at EWEB that is focused and driven by the voice of the customer
- Develop a CI centered culture and capabilities through awareness, desire, knowledge, ability and reinforcement
- Embed a CI culture into the organization's DNA, which will allow it to remain current and nimble enough to successfully change with, rather than react to, emergentconditions

Progress made on the goals in Q3 include:

- Delivered three sessions of a newly developed Leadership Workshop that focused on exploring the qualities of leadership as it relates to CI, and team development. Each session consisted of two half-day workshops. By the end of 2019, over 100 staff who hold leadership roles will have participated.
- Hired a Change Management Analyst to expand CI capabilities and better serve the needs of the business units
- Held three CI Reunion Lunches. These are scheduled six months after each group of CI Cohorts complete the core CI Curriculum. During these lunches successes are celebrated, how the group has used CI is explored and what obstacles may still exist are discussed. This activity serves to reinforce the adoption of CI. There have been a total of five reunions held to date.

CI Core Curriculum

The curriculum consists of eight sessions which address the following topics: CI principles & culture, 8 wastes, root cause analysis, brainstorming, process mapping, problem solving, critical thinking, kaizen, 5S and visual management. Participants are provided the unique opportunity to work with a CI coach between sessions in an effort to gain hands-on practical use of tools and methods learned in class. The enthusiasm continues to grow as team members are encouraged to question the way things have always been done. Almost 60% of employees will have participated in CI by the end of 2019 and half of them are Level I certified. Classes are available for 160 employees in 2020.



CI Projects

Students participating in the CI core curriculum are encouraged to look for opportunities for improvement. Staff self-report their projects on the CI SharePoint home page, which are then available for all employees to review. Staff is encouraged to use this list of completed CI ideas as a source of inspiration for what they can accomplish in their own areas.

EWEB staff self-reported 107 completed Continuous Improvement Projects in Q3 of 2019 which is a 20% increase over the Q2 total. The CI dashboard continues to be an indicator of increased CI engagement. Customer Solutions, Finance, Information Services, and Customer Operations are leading the organization in number reported. A total of 325 completed CI projects have been reported since tracking began in the fourth quarter of 2018.

Advanced Meter Continuous Improvement Team (AMCIT)

In June of 2019, a cross functional team was convened to move to the 'check phase' of Plan-Do-Check-Act for the AMI's strategic alignment.

AMCIT Purpose Statement: Create structure and focus to improve water and electric metering deployment

- Unify and support all functions of the deployment process.
- Document and provide long term O&M process support for the AMI deployment.
- Provide a means to facilitate timely decision making around policy and large decisions.

The team has been actively assessing and working on issues collected from all affected areas. We have seen excellent engagement from the organization using the philosophies, methods, and tools of CI being adopted and applied. Several process improvements were completed in Q3 as a result of these efforts.

Goal #4 – Improve emergency preparedness and recovery by enhancing system resiliency, with a near-term focus on distributed emergency options/resources (water and electric), completing two additional emergency sites and an electric system black-start assessment in 2019.

Emergency Preparedness and Recovery Report

(Price, Nice, Kelley)

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).

Emergency Well Sites

In 2019, water has been working on three additional emergency water distribution sites. The status of each site is discussed below:

1. Eugene Science Center. The final agreement on the configuration of the site was signed in Mid-August 2019. Contracts have been awarded for required work at the site and on the existing well. This site is scheduled to be operational by year end.
2. Lane Events Center (Fairgrounds). The final agreement on the configuration of the site was signed in Mid-September 2019. Contracts are being prepared/solicited for the required work and we are coordinating with Fairgrounds staff on the schedule of work. Due to scheduling constraints at the Fairgrounds, the bulk of the required work for the site to become operational will occur in January. The site is anticipated to be operational in February 2020.
3. Sheldon Fire Station. Water has been actively working on developing an emergency site at this location for much of 2019. A new well is required at this site and there have been multiple iterations of the site configuration due to changing well locations. At this time, we have verbal approval on the proposed well location and we have contracted with a well driller to being work in Mid-December (when students are on break). Anticipated completion of this site is in Q1 of 2020.

Looking ahead to next year, aside from wrapping up the Lane Events Center and Sheldon sites, Water will be directing efforts to development of a site in South Eugene. In 2019, a study was completed with respect to potential well locations and proposed sites have been selected. In 2020, Water will contract with a well driller to begin drilling well(s). Several may be required to find sufficient groundwater.

Risk & Resiliency Assessment

The 2018 American Water Infrastructure Act required public water systems to update their Vulnerability Assessments and including new requirements in financial, cyber security, and additional natural hazard reviews. Water contracted with HDR, Inc. to complete this assessment. The project kick-off is in October followed by workshops scheduled in December and January. The final assessment is due in March 2020.

[Return to Capital Projects Section – Emergency Water Supply]

Distribution Resiliency Upgrades (FEMA mitigation)

Project Initiation:	Jan-2019	Initial Scope Budget:	$1,862,000
Initial Planned Completion:	Dec-2020	Actual Project Costs To-Date:	$387,200
Projected Completion:	Jan-2021	Total Final Cost Projection:	$2,620,693

There are 15 FEMA 406 projects for the Distribution Resiliency Upgrade Project:

- Ten are complete
- Two are slated to be completed by Q4 of 2019
- Three will be completed in 2020

There is one FEMA 404 project yet to be approved by FEMA.

Electric Resilient Spine Update

EWEB has engaged an engineering Consultant to complete a follow up to the 2017 Electric System Resiliency Study. A report will be completed by Q1 2020 which identifies the following:

- Feasibility of islanded operation of International Paper and University of Oregon Co-Generation power plants to supply emergency load
- Scoping of any upgrades required to accomplish islanded generator operation as well as
- System modeling study to ensure stable operation of critical loads with these generators

[Return to Capital Projects Section – Distribution Resiliency Upgrades]

Goal #5 – Community (Limited Income): In 2019, reduce non-pay residential service disruptions (disconnects) by 10% from the 2018 benchmark of 6,300 with continuing progress toward a 50% reduction by 2023 (5-year).

Limited Income Report

(Fahey, Gonzalez)

EWEB strives to reduce the proportion of a customer's income that is required to cover utility expenses. Through Q3 2019, service disruptions were reduced by over 41% when compared with the same period last year. Write-offs, which is another metric used to gauge the severity of financial challenges customers face, were 22% lower compared to the same time frame in 2018.

To further support EWEB's most vulnerable customers, almost $600,000 in bill assistance has been provided to over 3,000 customers, and customer facing personnel have been empowered to provide immediate crisis assistance on a case-by-case basis. Also, weatherization incentives were expanded to promote energy efficiency in rentals, and limited income occupied properties are now eligible to receive the same incentives as owner occupied dwellings.

Goal #6 –Pursuant to GP15 Climate Change Policy, execute Resolution 1827 supporting State carbon pricing policy, and achieve conservation/energy efficiency reductions of 9,500 MWh (annual) in combination with smart electrification to equitably and cost-effectively reduce community/regional carbon emissions by 7,500 MTCO2e1.

Climate Change Report

(Lawson, Fahey, Price, McLaughlin, Gonzalez)

State Carbon Legislation and Power Markets Landscape

EWEB is actively engaged in rule changes as to how carbon is counted (carbon accounting) by the Oregon DEQ. If lawmakers fail to pass a law regulating Oregon's greenhouse gas emissions next year, voters could be called on to do it. Three initiative petitions filed with the Oregon Secretary of State's Office on Monday would require the state to phase out electricity sources that contribute to global warming, and transition to a carbon-free economy by 2050.

Energy Efficiency and Conservation

At the end of Q3 2019, EWEB is on track to meet its annual energy savings goal of 9,500 MWh and 1.2 MW of Peak Savings. Residential energy savings acquired through Limited Income households are also on track to meet established goals, with 13% of these savings being acquired in rental properties.

	Q3	YTD	Annual Target	% YTD
Energy Savings, MWh	4,175	8,100	9,500	85%
Peak Savings, MW	0.5	1.5	1.20	124%
Limited Income Conservation MWH	198	385		
% of Residential MWh	26%	25%	17%	25%

To help customers reduce their consumption and carbon footprint, EWEB offers no-cost Energy Efficiency Home Audits, and partners with the University of Oregon to offer residential energy and water efficiency audits, also known as Home Energy Scores. During Q3, 346 Home Audits and Energy Scores were completed, and staff continues to pursue opportunities to reach additional customers by proactively promoting Home Energy Scores using a variety of communication channels.

Carbon Mitigation

EWEB's electrification and energy efficiency programs are continuously evaluated in a comprehensive approach that includes regional impacts of carbon emissions, coincidental peak, and overall cost. Through Q3, EWEB has attained 79% of its carbon reduction goal of 7,500 metric tons, including carbon reductions from EV's registered in Eugene from Jan – June 2019.

Measure	Q3	YTD	Annual Target	% YTD
Energy Efficiency	1,959	3,811		
Electric Vehicles	106	401		
Fleet	572	1,714		
Carbon Reduction, $MTCO_2e1$	**2,637**	**5,926**	**7,500**	**79%**

Energy Efficiency

Smart growth projects completed or in progress during Q3 include Ya-Po-Ah Terrace, Eugene Police and Fire Training Facility, Echo Hollow Pool, Sheldon Pool, and Campbell Senior Center, and Eugene Police Forensics Lab.

Electric Vehicles

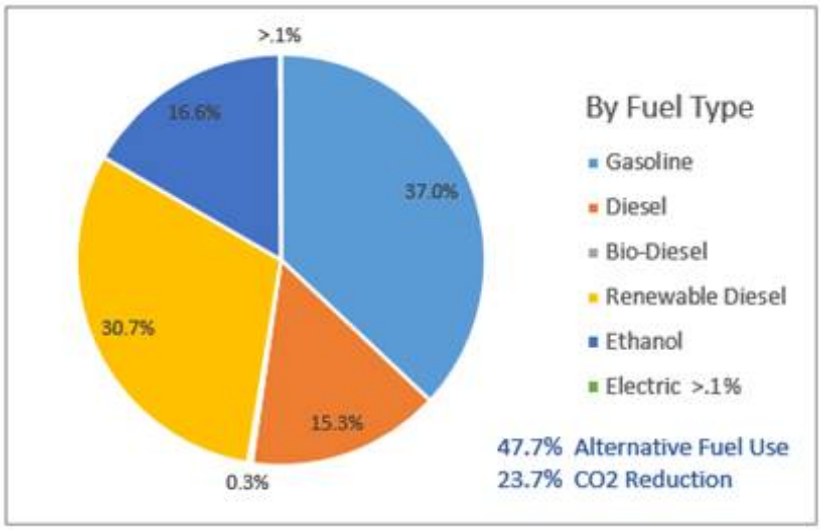
According to the Oregon Department of Environmental Quality, as of June 30, 2019, 1,178 electric vehicles were registered In EWEB's service territory, which represents an increase of 13% compared to end of year 2018. Specific examples of efforts to support the electrification of transportation include partnerships with Forth Mobility, BRING, Lane Regional Air Protection Agency. EWEB also partnered with Nissan to promote ride and drive at-work events. EWEB will host the first of these events on October 1st. Finally, ongoing meetings with City of Eugene for discussion about its future transportation electrification strategy continues.

Fleet Services

Through Q3 - 2019, Fleet Services continues to blend higher levels of alternative fuels into our transportation fuels, such as ethanol, biodiesel, and hydrogenation-derived renewable diesel, which have a lower carbon intensity value. As Oregon's Department of Environmental Quality Clean Fuels Program (CFP) continues to mature, we continue to experience a noticeable increase in and demand for low-carbon intensity (CI) fuels.

This September, the volume-weighted average price of a CFP credit was $163.89 (with a YTD average of $144.46). This is up 60% from the $102.33 price in December of 2018. With this shift in credit values, the demand for lower CI fuels has increased both in volume and pricing.

The following chart demonstrates the diversity of different types of fuels in our fleet through Q3 - 2019.



[Return to Capital Projects Section – Fleet Service – Sustainability Goals]

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 unit 1 & 2
FC - Foot Creek
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
KPI: Key Performance Indicator
LBU1 and LBU2 - Leaburg unit 1 & 2
NERC: North American Electric Reliability Corporation
PERS: Public Employees Retirement System
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)

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

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

(In millions)

	Nine Months Ended September 30,		YTD Budget Comparison	
	2019	2018	Budget $	Variance
Operating revenues	$ 197.1	$ 198.6	$ 167.4	$ 29.7
Operating expenses	198.5	184.2	164.1	(34.4)
Net operating income (loss)	(1.4)	14.4	3.3	(4.7)
Non-operating revenues	5.9	5.3	6.0	(0.1)
Non-operating expenses	6.4	8.5	6.5	0.1
Income before capital contributions	(1.9)	11.2	2.8	(4.7)
Capital contributions	3.5	4.5	1.9	1.6
Increase/(Decrease) in net position	$ 1.6	$ 15.7	$ 4.7	$ (3.1)

ELECTRIC CONDENSED STATEMENT OF NET POSITION (Unaudited)

(In millions)

	September 30,		December 31,
	2019	2018	2018
Current assets	$ 196.8	$ 241.7	$ 170.4
Net utility plant	394.3	360.8	367.8
Other assets	80.7	96.6	150.4
Total assets	671.8	699.1	688.6
Deferred outflows of resources	45.6	45.7	45.5
Total assets and deferred outflows	$ 717.4	$ 744.8	$ 734.1
Current liabilities	$ 31.9	$ 31.6	$ 41.1
Long-term debt	190.7	201.4	200.8
Other liabilities	95.2	91.2	94.3
Total liabilities	317.8	324.2	336.2
Deferred inflows of resources	12.0	8.8	11.8
Total net position	387.6	411.8	386.1
Total liabilities, deferred inflows, and net position	$ 717.4	$ 744.8	$ 734.1

ELECTRIC CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

(In millions)

	YTD	Annual Working Budget	
	9/30/2019	Budget $	% of Budget
Type 1 - General capital	$ 10.1	$ 11.6	87.1%
Type 2 - Rehabilitation and expansion	10.3	10.7	96.3%
Type 3 - Strategic projects	6.6	15.0	44.0%
Total capital	$ 27.0	$ 37.3	72.4%

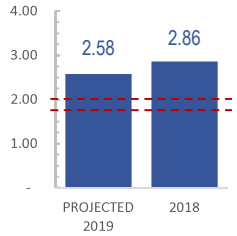
FINANCIAL STRENGTH MEASUREMENTS

Target line

Debt service coverage

Target: 1.75 to 2.0x

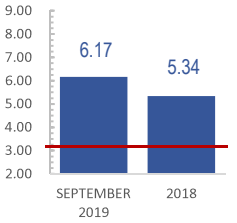
Measures the utility's ability to meet its annual long-term debt obligation.



Current ratio

Target: Minimum of 3.250x

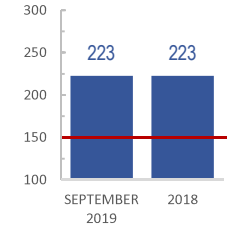
Measures the utility's short-term liquidity (ability to pay bills).



Working capital days cash

Target: Greater than 150 days

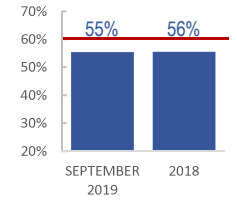
Estimates the number of days the utility can pay its daily O&M before running out of cash.



Age of system

Target: Less than 60 percent

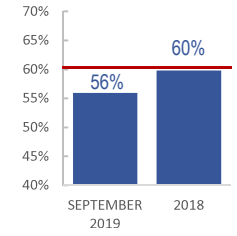
Measures age of system compared to how much has been depreciated.



Debt as a % of NBV

Target: Less than or equal to 60 percent.

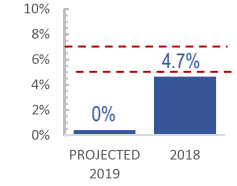
Measures overall leverage of the system by aligning debt service with the useful lives of assets.



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)

	Nine Months Ended September 30,		Budget Comparison	
	2019	2018	Budget $	Variance
Operating revenues	$ 29,825	$ 30,700	$ 28,735	$ 1,090
Operating expenses	19,057	18,313	20,140	1,083
Net operating income (loss)	10,768	12,387	8,595	2,173
Non-operating revenues	1,196	1,308	703	493
Non-operating expenses	1,724	1,702	1,619	(105)
Income before capital contributions	10,240	11,993	7,679	2,561
Capital contributions	3,491	2,422	1,215	2,276
Increase/(Decrease) in net position	$ 13,731	$ 14,415	$ 8,894	$ 4,837

WATER CONDENSED STATEMENT OF NET POSITION (Unaudited)

(In millions)

	September 30,		December 31,
	2019	2018	2018
Current assets	$ 50.3	$ 58.2	$ 49.9
Net utility plant	184.1	170.4	175.6
Other assets	8.5	7.1	8.6
Total assets	242.9	235.7	234.1
Deferred outflows of resources	9.5	9.7	9.6
Total assets and deferred outflows	$ 252.4	$ 245.4	$ 243.7
Current liabilities	$ 4.6	$ 4.5	$ 6.6
Long-term debt	58.3	61.4	61.2
Other liabilities	20.6	19.9	20.7
Total liabilities	83.5	85.8	88.5
Deferred inflows of resources	2.5	1.9	2.5
Total net position	166.4	157.7	152.7
Total liabilities, deferred inflows, and net position	$ 252.4	$ 245.4	$ 243.7

WATER CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

(In thousands)

	YTD	Annual Working Budget	
	9/30/2019	Budget $	% of Budget
Type 1 - General capital	$ 5,988	$ 6,053	98.9%
Type 2 - Rehabilitation and expansion	6,257	8,972	69.7%
Type 3 - Strategic projects	322	412	78.2%
Total capital	$ 12,567	$ 15,437	81.4%

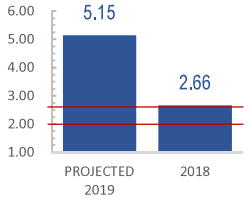
FINANCIAL STRENGTH MEASUREMENTS

Target line

Debt service coverage

Target: 2.0 - 2.50x

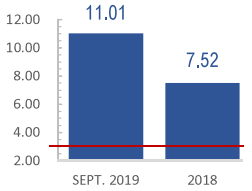
Measures the utility's ability to meet its annual long-term debt obligation.



Current ratio

Target: Minimum of 3.25x

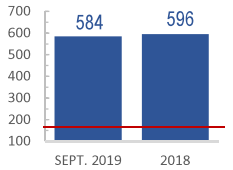
Measures the utility's short-term liquidity (ability to pay bills).



Working capital days cash

Target: Greater than 150 days

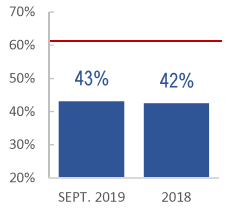
Estimates the number of days the utility can pay its daily O&M before running out of cash.



Age of system

Target: Less than 60 percent

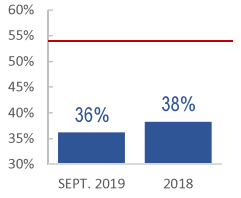
Measures age of system compared to how much has been depreciated.



Debt as a % of NBV

Target: Less than or equal to 60 percent.

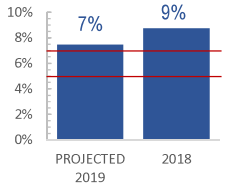
Measures overall leverage of the system by aligning debt service with the useful lives of assets.



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
Q3 2019

	ANNUAL BUDGET		YEAR-TO-DATE	% OF	YEAR-END
	APPROVED	WORKING	ACTUAL	BUDGET	PROJECTION
TYPE 1 - GENERAL CAPITAL					
Generation Infrastructure	$ 1,657,000	$ 1,657,000	$ 1,992,300	120%	$ 2,600,000
Substation Infrastructure	2,000,000	2,000,000	1,266,300	63%	3,300,000
Transmission & Distribution Infrastructure	6,700,000	6,500,000	6,135,300	94%	7,634,000
Telecommunications	379,000	379,000	250,800	66%	357,000
Information Technology	954,000	500,400	387,600	77%	800,000
Buildings, Land, & Fleet	545,000	545,000	81,500	15%	455,000
TOTAL TYPE 1 PROJECTS	**$ 12,235,000**	**$ 11,581,400**	**$ 10,113,800**	**87%**	**$ 15,146,000**
TYPE 2 - REHABILITATION & EXPANSION PROJECTS					
Downtown Network	$ 800,000	$ 1,000,000	$ 1,287,000	129%	$ 2,483,000
Consolidation of Operations	750,000	750,000	2,068,400	276%	2,314,000
Electric T&D - Master Plan	-	-	573,300	0%	584,000
Grid Edge Demonstration Project	-	-	59,600	0%	75,000
Distribution Resiliency Upgrades	1,354,000	1,181,000	371,100	31%	1,925,000
Upriver Reconfiguration/Holden Creek	600,000	600,000	2,037,800	340%	2,522,000
Electric Meter Upgrade	4,565,000	4,565,000	3,605,900	79%	4,067,000
Telecommunications	300,000	300,000	249,000	83%	300,000
Information Technology	1,690,000	2,143,600	2,700	0%	155,000
Hayden-Bridge Lab & Backup Services Building	-	173,000	90,500	52%	200,000
TOTAL TYPE 2 PROJECTS	**$ 10,059,000**	**$ 10,712,600**	**$ 10,345,300**	**97%**	**$ 14,625,000**
TYPE 3 - STRATEGIC PROJECTS & PROGRAMS					
Carmen-Smith Relicensing	**$ 14,980,000**	**$ 14,980,000**	**$ 6,568,600**	**44%**	**$ 12,000,000**
TOTAL ELECTRIC CAPITAL PROJECTS	**$ 37,274,000**	**$ 37,274,000**	**$ 27,027,700**	**73%**	**$ 41,771,000**

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
Q3 2019

	ANNUAL BUDGET		YEAR-TO-DATE	% OF	YEAR-END
	APPROVED	WORKING	ACTUAL	BUDGET	PROJECTION
TYPE 1 - GENERAL CAPITAL					
Source - Water Intakes & Filtration Plant	$ 216,000	$ 216,300	$ 555,300	257%	$ 620,000
Distribution & Pipe Services	4,214,000	4,212,701	5,017,900	119%	$ 6,175,000
Distribution Facilities	999,000	999,100	204,500	20%	$ 304,000
Information Technology	146,000	32,601	70,400	216%	$ 160,000
Buildings, Land, & Fleet	592,000	592,201	139,500	24%	$ 146,250
TOTAL TYPE 1 PROJECTS	**$ 6,167,000**	**$ 6,052,903**	**$ 5,987,600**	**99%**	**$ 7,405,250**
TYPE 2 - REHABILITATION & EXPANSION PROJECTS					
Hayden Bridge Disinfection System Replacement	$ 1,493,000	$ 1,493,499	$ 2,682,700	180%	$ 3,280,000
Hayden-Bridge Lab & Backup Services Building	309,000	309,000	176,700	57%	$ 250,000
Hayden Bridge Standby Power Improvements	-	-	3,600	0%	$ 3,600
Base Level Reservoirs	515,000	515,000	86,800	0%	$ 150,000
Transmission Improvements	103,000	103,000	700	0%	$ 700
Water Meter Upgrade	5,768,000	5,784,199	2,757,000	48%	$ 3,722,000
Information Technology	420,000	517,400	(3,100)	-1%	$ -
Consolidation of Operations	250,000	250,000	553,000	221%	$ 730,000
TOTAL TYPE 2 PROJECTS	**$ 8,858,000**	**$ 8,972,099**	**$ 6,257,400**	**70%**	**$ 8,136,300**
TYPE 3 - STRATEGIC PROJECTS & PROGRAMS					
Emergency Water Supply	**$ 412,000**	**$ 412,000**	**$ 322,000**	**78%**	**$ 400,000**
TOTAL WATER CAPITAL PROJECTS	**$ 15,437,000**	**$ 15,437,002**	**$ 12,567,000**	**81%**	**$ 15,941,550**

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 Q3 2019

Contracts between $40,000-$150,000

Contract Execution Date	Contractor	City, State	Description	Contract Term	Contract Amount	Contract Process	ET Manager
8/20/2019	Black & Veatch	Eugene, OR	Cascadia Emergency Preparedness	12/15/2019	$ 89,000	QBS*	Rod Price
8/28/2019	BSA Environmenal Services	Beachwood, OH	Algal Species Identification and Enumeration Testing	8/27/2024	$ 79,275	Informal Bid	Rod Price
8/28/2019	Cummins. Inc.	Coburg, OR	Generator Maintenance Agreement	8/27/2022	$ 41,001	Direct Negotiation-Sole Source	Rod Price
9/5/2019	Western Electrical Testing Services, Inc.	Phoenix, AZ	Carmen Power Plant Protection Relay Functional Testing	11/29/2019	$ 81,127	Informal Bid	Rod Price
9/12/2019	Power Engineers	Lake Oswego, OR	Electrical Design Services-Distribution Engineering Pole Design/Joint Use	12/31/2019	$ 95,000	QBS*	Rod Price
9/17/2019	Stratus	Gaston, OR	Eugene Science Center Well Improvements	9/22/2019	$ 44,954	Informal Bid	Rod Price
9/19/2019	HDR Engineering Inc.	Portland, OR	Risk and Resilience Assessment-Water Engineering	12/1/2020	$ 130,000	Request for Proposals	Rod Price
10/9/2019	Milestone Utility Services	Plantation, FL	Customer Self Service Portal	10/8/2026	$ **2,006,254	Request for Proposals	Sue Fahey
TBD	Paymentus	Charlotte, NC	Bill Presentment and Payment	10/8/2026	TBD	Request for Proposals	Sue Fahey
TBD	Utilitec	Troy, MI	Bill Printing and Mailing	10/8/2026	TBD	Request for Proposals	Sue Fahey

EWEB association for listed contracts-None

*Qualification Based Selection (QBS) is required based on current statutes and EWEB Public Contracting Rules for consultants who provide architectural, engineering, land surveying, and related services. The selection process for contracts on this report requires selection from pre-qualified firms, contract values are based on negotiations and reviewed for appropriate effort and rate schedules.

**In August, the Board authorized the General Manager to approve contracts with Milestone Utility Services (CSS), Utilitec (BPM), and Paymentus (EBPP) so that work may commence once negotiations are complete. The contract with Milestone Utility Services was finalized and executed on October 9th, and staff are working to finalize the language in the contracts for Paymentus and Utilitec. Changes to the contract amounts from the initial estimate of $1.78 million resulted from clarifications on the service model and options selected including costs for a chat feature, monthly fees for hosting, managed services, clarification on expected volume of email communication, and additional testing and project support to implement a second product release scheduled to go live in July 2020.

Small Procurement Overage Report

Customer Solutions had a breach of the $10,000 small procurement threshold in June that was discovered by Purchasing in August 2019. The purchase was for $16,000 to Electric Car Guest Drive (ECGD) for an electric vehicle ride and drive event to educate the community about and promote electric vehicles. Purchasing staff did not have the opportunity to review the contract language and determine if the services provided were exempt from a competitive process or obtain documentation of insurance coverage prior to the event. The Customer Solutions Manager and Purchasing Supervisor have met with the team and reviewed the required Purchasing processes.

Questions? Contact Sarah Gorsegner, 541-685-7348

Community Investment through Q3 2019

Total investment year to date - **$12,428,545** (not including Energy Efficiency loans, Water Truck deployments, or volunteer/ambassador efforts and events)

APPENDIX F

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
	350 Eugene (co-sponsorship with City of Eugene)	Carbon Free Challenge	07/26/19	N/A	$5,000	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	Grant to support 350 Eugene's efforts in launching the Eugene Carbon Free Challenge website. The website is designed to motivate individuals (and teams) to take specific actions to reduce personal carbon emissions using a challenge/competition format.
Q3	Bethel School District	July-Dec 2019 Education Grant	07/17/19	N/A	$38,500	ECONOMIC: Education	Board Directed	
	McKenzie School District	July-Dec 2019 Education Grant	07/17/19	N/A	$10,500	ECONOMIC: Education	Board Directed	
	Springfield School District	July-Dec 2019 Education Grant	07/17/19	N/A	$23,500	ECONOMIC: Education	Board Directed	
	Eugene 4J School District	July-Dec 2019 Education Grant	07/17/19	N/A	$123,500	ECONOMIC: Education	Board Directed	
				Q3 SUBTOTAL	**$201,000**			
	St. Vincent de Paul	Dusk-to-Dawn Site on Hwy 99	06/01/19	N/A	$20,000	PEOPLE: Safety Net	Discretionary	Grant issued in beginning of June; work to be complete the week of 07/08/19.
	The Eugene Science Center	2018 Greenpower grant winner - will receive up to $50,000	05/17/19	N/A	$7,045	ENVIRONMENTAL: Greenpower	Customer Voluntary	Installation of 32.5-kilowatt photovoltaic array project - Third installment payment. Total year-to-date = $36,910. Subsequent installments will be made as project progresses.
Q2	BRING	BRING Home & Garden Tour	05/08/19	09/08/19	$6,000	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	EWEB is once again a sponsor for this community event aimed at showcasing adaptable, resiliency, energy/water efficient living. Event will also include an EV test drive event. EWEB staff educate and recruit energy efficiency and conservation opportunities.
	McKenzie Watershed Alliance	Annual Donation/Grant	04/16/19	N/A	$15,000	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	Assist with cost of MWA Administration of Programs Related to Public Awareness Opportunities about McKenzie River Corridor
	The Pearl Buck Center	2018 Greenpower grant winner	04/09/19	N/A	$25,000	ENVIRONMENTAL: Greenpower	Customer Voluntary	West First Street facility will receive a 24-kilovolt solar array to reduce carbon dioxide emissions, lower operating costs and provide educational value. Second and final installment payment. Total $50,000 awarded.
				Q2 SUBTOTAL	**$73,045**			
	Lane County Fair	Co-Sponsorship of Comfort Station Water Booth	03/21/19	07/24-07/28	$810	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	Booth Fee / Use of EWEB drinking water fountain w/chiller.
	Eugene 4J School District	22nd Annual EWEB Solar Challenge	03/12/19	06/01/19	$19,550	ENVIRONMENTAL: Greenpower	Customer Voluntary	
	Friends of Trees	2018 Greenpower grant winner - $28,000 awarded	02/21/19	N/A	$7,000	ENVIRONMENTAL: Greenpower	Customer Voluntary	West Eugene Living Roadways Project - Third and final installment payment. Total $28,000 awarded.
	The Eugene Science Center	2018 Greenpower grant winner - will receive up to $50,000	02/21/19	N/A	$4,865	ENVIRONMENTAL: Greenpower	Customer Voluntary	Installation of 32.5-kilowatt photovoltaic array project - Second installment payment. Total year-to-date = $29,865. Subsequent installments will be made as project progresses.
	Friends of Trees	2018 Greenpower grant winner - will receive up to $28,000	01/24/19	N/A	$7,000	ENVIRONMENTAL: Greenpower	Customer Voluntary	West Eugene Living Roadways Project - volunteers will plant and care for 600 trees and native shrubs along major roadways in areas of West Eugene to provide cooling and carbon sequestration. First installment payment of $14,000 was made in Q4 2018. Second of three installment payments.
Q1	Oregon Environmental Council	World Water Day 2019	01/17/19	03/22/19	$500	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	
	Bethel School District	Jan-June 2019 Education Grant	01/17/19	N/A	$38,500	ECONOMIC: Education	Board Directed	
	McKenzie School District	Jan-June 2019 Education Grant	01/17/19	N/A	$10,500	ECONOMIC: Education	Board Directed	
	Springfield School District	Jan-June 2019 Education Grant	01/17/19	N/A	$23,500	ECONOMIC: Education	Board Directed	
	Eugene 4J School District	Jan-June 2019 Education Grant	01/17/19	N/A	$123,500	ECONOMIC: Education	Board Directed	
	The Pearl Buck Center	2018 Greenpower grant winner - will receive up to $50,000	01/10/19	N/A	$25,000	ENVIRONMENTAL: Greenpower	Customer Voluntary	West First Street facility will receive a 24-kilovolt solar array to reduce carbon dioxide emissions, lower operating costs and provide educational value. Subsequent installments will be made as project progresses.
	The Eugene Science Center	2018 Greenpower grant winner - will receive up to $50,000	01/10/19	N/A	$25,000	ENVIRONMENTAL: Greenpower	Customer Voluntary	Installation of 32.5-kilowatt photovoltaic array coupled with lithium ion batteries to showcase solar energy through education and exhibits, provide energy cost savings and reduce emissions. Subsequent installments will be made as project progresses.
				Q1 SUBTOTAL	**$285,725**			
				YTD TOTAL	**$559,770**			

Customer Solutions Products and Services

AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
EWEB Energy Efficiency Programs	Energy Efficiency Incentives - Residential	YTD	N/A	$822,858	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	810 residential customers took advantage of energy efficiency incentives (16% limited income projects for 25% of dollars invested).
EWEB Energy Efficiency Programs	Energy Efficiency Incentives - Non-residential	YTD	N/A	$556,262	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	111 non-residential customers took advantage of energy efficiency incentives. 95% of non-residential incentives were for lighting projects with the remaining for HVAC, refrigeration and weatherization. Non-residential customers include businesses, schools, city and county facilities, hospitals, etc.
EWEB Energy Efficiency Programs	Electric Vehicle (EV) Clean Ride Rebate Program	YTD	N/A	$45,800	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	141 qualifying electric vehicles and 7 residential level 2 chargers received rebates through the Clean Ride Rebate Program.
EWEB Greenpower Program	Solar Electric Incentives	YTD	N/A	$67,890	ENVIRONMENTAL: Greenpower	Customer Voluntary	38 residential and 1 commercial (Eugene Waldorf School) net-metered projects received incentives funded by the Greenpower Program year to date.
EWEB Water Conservation Programs	Hand Valve and Toilet Rebates, Septic Maintenance Incentives	YTD	N/A	$19,445	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	107 customers received hand valve rebates, 14 toilet rebates and 37 septic maintenance program.
			ENERGY EFFICIENCY INCENTIVES YTD TOTAL	**$1,512,255**			

EWEB Customer Care Program	Limited Income Energy Assistance	YTD	N/A	$601,206	PEOPLE: Safety Net	Board Directed	The EWEB Customer Care (ECC) program credited a total of $588,000 YTD to over 3000 customer accounts. Energy Share contributed a total of $13,000 to 90 customer accounts. EWEB also credited federal LIHEAP funds to over 2,200 accounts. *Note: Amount does not include federal LIHEAP funds.
EWEB Water Conservation Programs	Water Line Repair Grants (Income eligible)	YTD	N/A	$13,833	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	10 customers received water line repair grants.
			LIMITED INCOME ASSISTANCE YTD TOTAL	**$615,039**			
EWEB Energy Efficiency Programs	Energy Efficiency Loans - Residential	YTD	N/A	$1,320,791	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	240 residential customers took advantage of energy efficiency loan programs.
EWEB Water Conservation Programs	Water Line Repair & Septic Repair/Replacement Loans	YTD	N/A	$53,608	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. Over a dozen customers received water line repair loans.
EWEB Resiliency Program	Generator Loan Program	YTD	N/A	$11,936	PEOPLE: Emergency Preparedness	Discretionary	5 residential customer took advantage of generator loans.
EWEB Electric Service Line Upgrade Loan Program	Electric Service Line Upgrade Loan Program	YTD	N/A	$20,594		Discretionary	4 residential customers took advantage of electric service upgrade loans.
			ENERGY AND WATER LOANS YTD TOTAL	**$1,406,929**			

Contributions in Lieu of Taxes (CILT)

	AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
Q3	City of Eugene	Contribution in lieu of taxes (CILT)	Q3	N/A	$2,881,375	Required	Mandated	
	City of Springfield	Contribution in lieu of taxes (CILT)	Q3	N/A	$129,647	Required	Mandated	
				Q3 SUBTOTAL	**$3,011,022**			
Q2	City of Eugene	Contribution in lieu of taxes (CILT)	Q2	N/A	$2,915,458	Required	Mandated	
	City of Springfield	Contribution in lieu of taxes (CILT)	Q2	N/A	$132,289	Required	Mandated	
				Q2 SUBTOTAL	**$3,047,747**			
Q1	City of Eugene	Contribution in lieu of taxes (CILT)	Q1	N/A	$3,534,618	Required	Mandated	
	City of Springfield	Contribution in lieu of taxes (CILT)	Q1	N/A	$148,094	Required	Mandated	
				Q1 SUBTOTAL	**$3,682,712**			
				YTD TOTAL	**$9,741,481**			

EWEB Ambassador Efforts and Events (Paid)

	AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
	McKenzie River Trust	Salmon Tour	N/A	09/25/19	N/A	ECONOMIC: Education	N/A	Led tour of spawning channel, discussion of salmon, Carmen-Smith fish passage and habitat restoration.
	University of Oregon	Environmental Leadership Presentation/Discussion	N/A	09/23/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Led discussion around hydropower/fish/renewable energy.
	Tiara Neighbors Meeting	Pledge to Prepare Presentation	N/A	09/18/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presented and promoted Pledge to Prepare.
	City of Eugene	Prepared, Not Scared - Emergency Preparedness Fair	N/A	09/18/19	N/A	PEOPLE: Emergency Preparedness	N/A	Provided Emergency Preparedness information.
	McKenzie Watershed Council & Salmon Stewards of Lane County	Salmon Watch Program	N/A	09/16-09/18	N/A	ECONOMIC: Education	N/A	
	Cascadia Electrical Power Resilience Symposium	ShakeAlert Earthquake Early Warning System Presentation	N/A	09/12/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presentation on EWEB's ShakeAlert automation efforts.
Q3	BRING	BRING Home & Garden Tour & EV Ride and Drive	N/A	09/08/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	EWEB is once again a sponsor for this community event aimed at showcasing adaptable, resiliency, energy/water efficient living. Event will also include an EV test drive event. EWEB staff educate and recruit energy efficiency and conservation opportunities.
	Tribal Youth Leadership	Tour of Leaburg Project	N/A	08/12/19	N/A	ECONOMIC: Education	N/A	
	EWEB/Congressman Peter DeFazio's Office	Hydrogen Roundtable with Peter DeFazio	N/A	08/01/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	The roundtable, which kicked off with remarks by General Manager Frank Lawson and Congressman DeFazio, included speakers from EWEB, Northwest Natural Gas, Oregon State University, the Columbia-Willamette Clean Cities Coalition, Toyota and the Renewable Hydrogen Association (RHA). The event showcased a Hydrostar solar-power electrolyzer and a Toyota Mirai, a hydrogen fuel cell passenger vehicle.
	Lane County Fair	Co-Sponsorship of Comfort Station Water Booth	N/A	07/24-07/28	N/A	ENVIRONMENTAL: Water Quality/Reliability	N/A	Co-host Comfort Station - distribute water to fair-goers.
	Jefferson Westside Neighborhood Association	Neighborhood association picnic	N/A	07/23/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Providing educational information on EVs and EWEB Energy Efficiency Programs.
	Emerald Valley Electric Vehicle Association	Presentation	N/A	07/18/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Presented on EWEB's Electric Vehicle efforts.
	EWEB, City of Eugene & Eugene Public Utility District	Electric Vehicle Guest Drive	N/A	06/22/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Educate customers regarding the benefits of EVs to increase adoption of clean, climate-friendly transportation. More than 200 customers attended.
	Cascade to Coast Subsection of PNWS-AWWA	Emergency Preparedness Workshop	N/A	05/23/19	N/A	PEOPLE: Emergency Preparedness	N/A	Staff members presented emergency preparedness topics to approximately 30 attendees from around the state. 7 hours of continuing education units were earned by attendees.
	City of Eugene	Public Safety Forum in Spanish	N/A	05/21/19	N/A	PEOPLE: Emergency Preparedness	N/A	Staff participated in the Community Public Safety Forum presenting emergency preparedness and safety material in Spanish. Safety themed goodie bags and opportunities to engage with bilingual staff were provided.
	Oregon Tradeswomen	Oregon Tradeswomen's 2019 Career Fair	N/A	05/16/19	N/A	ECONOMIC: Education	N/A	Oregon Tradeswomen promotes success for women in the trades through education, leadership and mentorship. Staff showcased EWEB and the work we do to over 1,100 students attending the career fair.
	The Pearl Buck Center Vocational Academy	HQ (05/15/19) and ROC Facility Tours (07/26/19)	N/A	05/15/19	N/A	PEOPLE: Diversity	N/A	Staff provided a tour of Headquarters and information about EWEB, what we do in and for our community, and the volunteer and job opportunities we offer, to the students of the Pearl Buck Vocational Academy.
Q2	Willamette High School	Career and College Knowledge Night	N/A	05/15/19	N/A	ECONOMIC: Education	N/A	Represented EWEB and shared knowledge and enthusiasm with students and families as students explore potential career paths.

	EWEB	Howard Elementary - Emergency Water Station Grand Opening	N/A	05/11/19	N/A	PEOPLE: Emergency Preparedness	N/A	Ribbon-cutting event for the 2nd of at least 5 emergency water stations that will supply water in case of natural disaster or other emergency. Emergency preparation information and emergency water storage containers provided. 250+ containers provided to customers = approx. $2500.
	Eugene Marathon	Eugene Marathon	N/A	04/27-04/28	N/A	ENVIRONMENTAL: Water Quality/Reliability	N/A	Staff provided & promoted EWEB tap water at finish line (reusable bottles).
	Bethel School District	KidWind Challenge	N/A	04/24/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Students from area middle-schools bring wind turbines that they have designed, to compete against their peers. Staff volunteers interview students, help with wind tunnel testing, or supervise energy-centered games to promote Clean Energy Education.
	Climate Town Hall Planning Team - Various Agencies	2nd Climate Town Hall	N/A	04/11/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Passenger Vehicle Electrification presentation and discussion.
	South Hills Neighborhood Association	Meeting	N/A	04/07/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presented and promoted Pledge to Prepare.
	Crow High School	Mock Interview Experience	N/A	04/05/19	N/A	ECONOMIC: Education	N/A	
	Newcomers Club	Meeting	N/A	04/04/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presented and promoted Pledge to Prepare.
	American Red Cross Cascades Region & Community Partners	Prepare Out Loud @ South Eugene HS	N/A	04/04/19	N/A	PEOPLE: Emergency Preparedness	N/A	Booth to promote Emergency Management/Resiliency Efforts.
	350 Eugene	Home Energy Solutions	N/A	03/21/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	EWEB Efficiency Programs presentation and promotion.
Q1	P.E.O Oregon	Chapter Meeting	N/A	02/11/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presented and promoted Pledge to Prepare.
	GreenLane Sustainable Business Network	Luncheon	N/A	02/06/19	N/A	PEOPLE: Emergency Preparedness	N/A	Presented and promoted Pledge to Prepare.
		Good Earth Home, Garden and Living Show	N/A	01/18-01/20	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	Booth to promote EWEB Efficiency Programs.

EWEB Ambassadors have provided almost 340 hours of educational and other services to the Community through Q3

Volunteer Efforts and Events (Unpaid)

	AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
	Food for Lane County	FFLC Volunteer Night	N/A	Ongoing	N/A	PEOPLE: Safety Net	N/A	Q3 = 47.75 hrs. 78.5 volunteer hrs. ytd
	Bloodworks Northwest	Onsite Blood Drive	N/A	07/29/19	N/A	PEOPLE: Safety Net	N/A	
Q3	McKenzie Watershed Alliance	Annual McKenzie River Clean-Up	N/A	07/06/19	N/A	ENVIRONMENTAL: Water Quality/Reliability	N/A	The EWEB volunteer group collected a whole truck bed full of trash at the Leaburg Dam area. 19 staff/family volunteers = 42 hrs.
	Butte to Butte	Butte to Butte	N/A	07/04/19	N/A	ENVIRONMENTAL: Water Quality/Reliability	N/A	13 volunteers = 40 hrs. plus supplies and facilities/water ops support
	Food for Lane County	Food Drive	N/A	07/01-07/31	N/A	PEOPLE: Safety Net	N/A	
Q2	Bloodworks Northwest	Onsite Blood Drive	N/A	04/23/19	N/A	PEOPLE: Safety Net	N/A	
	Webelos Boy Scout Group	Presentation: Emergency Preparedness & EWEB Information	N/A	01/30/19	N/A	PEOPLE: Emergency Preparedness	N/A	1 volunteer = 1.5 hrs. preparation and presentation
	Bloodworks Northwest	Onsite Blood Drive	N/A	01/28/19	N/A	PEOPLE: Safety Net	N/A	
Q1	Friends of Trees	Beltline South Greenspace Planting	N/A	01/12/19	N/A	ENVIRONMENTAL: Energy Efficiency/Renewable	N/A	3 volunteers = 9 hrs.
	Food for Lane County	FFLC Volunteer Night	N/A	Ongoing	N/A	PEOPLE: Safety Net	N/A	31.5 volunteer hrs. ytd

EWEB employees, friends and families have volunteered over 200 hours through Q3

Water Truck Deployment

AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
Eugene Marathon	Eugene Marathon	N/A	04/27-04/28	Staff Time	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	Provide and promote EWEB tap water at finish line (reusable bottles)

Upcoming and/or committed Sponsorships, Donations, Grants

AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
Blue River Clean Water Project	Study	TBD	N/A	$4,625	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	
			TOTAL	**$4,625**			