



EUGENE WATER & ELECTRIC BOARD
2010 SUSTAINABILITY REPORT



October 2011

Rely on us.

CONTENTS

Acknowledgements.....	1
Letter from the General Manager.....	2
Executive Summary.....	3
Reporting Overview.....	6
Who We Are.....	7
Electric Utility System Information.....	9
Water Utility System Information.....	11
Water and Electric Supply and Affordability.....	12
Customer Partners.....	15
Healthy Communities.....	17
Responsive Workforce & Responsible Workplace.....	21
What's Next?.....	24
List of EWEB Reported GRI Indicators: 2008-2010.....	26

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Letter from the General Manager

In 2011, the Eugene Water & Electric Board celebrated our 100th year as a citizen-owned utility. Looking back on a century of service, it's clear that EWEB staff and elected Commissioners made a host of long-term, sustainable decisions even before the concept of "sustainability" as we think of it today, became part of the formal decision-making and business management process.

More than ever, we recognize the need to operate the utility in a way that benefits not only our existing customers, but future generations as well. Our vision—to be the best publicly-owned water and electric utility in the nation—requires us to consider the environmental, social and economic impacts of our decisions, and to integrate those considerations into all that we do—from day-to-day operations to long-term strategic planning.

EWEB's third annual sustainability report reflects our commitment to improve performance across the organization by delivering critical energy and water services in more sustainable ways. In addition, the report serves to enhance transparency of EWEB's operations and decision-making for our customer-owners and other stakeholders.

Once again, we've taken a candid look at how we operate and manage the utility and identified areas where we excel, as well as those where we need to do better.

Some highlights worth noting include:

- The awards received in 2010 from external organizations that recognize EWEB performance in working to operate and deliver services sustainably, such as recognition from Tree Line USA, NWPPA Safety Award, Healthiest Employer and the Paul J Raver Community Service Award;
- EWEB acquired 25,566 megawatt-hours of electricity savings by investing \$6.8 million in programs targeting residential, commercial and industrial customers—exceeding our efficiency and conservation targets by 23% and helping to lower the bills of thousands of customers; and

- Progress on climate change mitigation through the adoption of a goal to reduce the greenhouse gas emissions associated with our operations and facility management activities.

Not surprisingly, the 2010 report once again contains major issues that were reflected in previous years' reports, including

- Integrating sustainability goals into our planning around utility infrastructure and other strategic priorities;
- Partnering with customers to meet current and future energy and water needs; and
- Developing our workforce by focusing on skills transfer and recruitment of diverse, innovative employees.

These are long-term challenges faced by almost every utility in the nation. Addressing these issues requires innovative thinking, intentionality and integration with our strategic planning, goal-setting, measurement practices.

Sustainability is not an end-state. It is a philosophy and a way of delivering products and services in the most effective manner possible over the long-term. It forces us to evaluate multiple factors—environmental, social and economic—as part of our decision-making processes. And finally, it requires us to be accountable to our stakeholders by measuring and reporting on our efforts.

EWEB undertakes an annual sustainability reporting process because we want to be the best and do the best for the community we serve. I hope you'll see that commitment in this report and future iterations as well.

Roger Gray, General Manager

EXECUTIVE SUMMARY

EWEB's third annual sustainability report summarizes the organization's progress in managing social, environmental and economic performance. This year's report, based on 2010 performance data, is organized around four themes that highlight the principal sustainability issues facing EWEB:

1. **Water and Electric Supply & Affordability**
2. **Customer Partners**
3. **Healthy Communities**
4. **Responsive Work Force & Responsible Work Place**

Each of these themes features a discussion of related economic, environmental and social values the organization must balance now and in the future, the strategies in place to strike that balance and highlights of our 2010 performance. The highest-level insights from each theme are outlined below.

Water and Electric Supply and Affordability

The slow pace of economic recovery has continued the need for expanded customer assistance programs, while at the same time impacting EWEB's ability to generate revenue from surplus power sales. EWEB is also faced with increased costs due to significant capital infrastructure projects and higher costs to acquire electricity from the Bonneville Power Administration.

These factors place pressure on the need to raise retail water and electric rates, underscoring the need for continued co-investment—between EWEB and our customers—in energy and water efficiency measures and customer education programs that can lower total monthly bills.

Highlights

In 2010, EWEB provided more than \$3.8 million in customer assistance through our Community Care, Customer Care and Limited-Income Energy Management programs. Recognizing the ongoing need, Commissioners voted to extend the Community Care program and adjusted it to place a greater emphasis on supporting customers experiencing sustained economic hardship.

EWEB undertook a series of measures that reduced our 2010 budget by about \$2 million, with plans to cut another \$2.5 million from our 2011 budget. However EWEB could



Roosevelt Operations Center

not balance the budget with cuts alone without significantly affecting electric and water service reliability and other customer services. In response, EWEB's elected Board of Commissioners approved an overall increase in rate revenue of 7.3% for the water utility and an electric rate increase of 1.9% during 2010.

Customer Partners

EWEB has a legacy of partnering with our customers to invest in energy and water efficiency, conservation and renewable energy projects. Continuing to improve our social and environmental performance will require us to develop new ways of engaging with our customers and the community.

Emerging technologies hold the promise to transform how our customers consume energy—toward more efficient transportation, buildings and appliances—and where that energy comes from—toward safer, lower impact renewable energy. In the future, customers will have more control over when and what services they want delivered from EWEB and in some cases our customers may become our energy suppliers themselves.

However, new technologies and new relationships bring with them a level of uncertainty and a lot of questions. EWEB has the opportunity to collaborate with our customers to learn about the costs and benefits these changes may bring and the chance to reflect community values in our decision-making. Such a carefully planned and open approach will reap both goodwill and a future worth aspiring to.

Highlights

In 2010, EWEB acquired 25,566 megawatt-hours of electricity savings by investing \$6.8 million in programs targeting residential, commercial and industrial customers—exceeding our efficiency and conservation targets by 23%. These co-investments help lower customer bills and reduce the region's dependence on fossil fuel-fired power resources.

EWEB staff also began investigating technology options and costs associated with the possible deployment of "smart grid" technologies, such as advanced metering infrastructure. These technologies will improve the reliability and efficiency of the electric grid, allow for better integration of renewable resources, and give customers greater control over how much electricity they use and when they use it. A "smart meter" pilot is anticipated in 2011.

As part of our commitment to collaborate with our customers in shaping this energy future, EWEB also started preliminary work to revise the Integrated Electric Resource Plan. The plan development is to be informed by a 13-member community advisory panel that will share their perspectives on important future trends and community values that relate to resource-planning decisions through a series of meetings scheduled for 2011.

Healthy Communities

EWEB recognizes that it relies on sensitive natural resources—including the McKenzie River—to support both our water and electric utility operations. We also know that incorporating life-cycle thinking helps us better minimize and mitigate our impact on the healthy functioning of these natural resources and that implementing practices that reduce waste, prevent pollution and make efficient use of resources demonstrates leadership in building a healthy, sustainable community.

Over the next decade, EWEB's plans to embark on several major infrastructure projects presents a significant opportunity to incorporate life-cycle thinking and implement a wide range of best practices for environmentally and socially responsible purchasing, transportation management, and waste minimization and recycling.

Highlights

In November 2010, EWEB adopted a new Sustainability Policy, formally embracing a decision-making framework that proactively considers environmental, social and economic impacts and incorporates the risks, benefits, impacts and potential mitigation options of major project and policy decisions. This decision-making framework,



United Way Day of Caring

called triple bottom line analysis, is designed to help the organization consider in a systematic way the risks and opportunities as well as the impacts and potential mitigation of proposed projects or policy.

EWEB adopted a goal to reduce the greenhouse gas emissions associated with our operations and facility management activities. By 2020 EWEB plans to reduce our operations emissions by 25% below 2009 levels, reduce fossil fuel use by 50% by 2030 and achieve carbon neutrality for our operations by 2050.

Also in 2010, EWEB's water source protection program helped fund the acquisition of the Berggren Watershed Conservation Area, a 92-acre parcel on the lower McKenzie River that will showcase riparian habitat restoration and sustainable farming practices.

In late 2010 EWEB opened its new Roosevelt Operations Center that features a number of energy and water sustainability features and is expected to receive LEED Gold certification. The buildings are designed and constructed to use 35% less energy than similar projects built to current minimum state standards.

Responsive Workforce & Responsible Workplace

The talents and skill of EWEB's employees are at the heart of our ability to provide outstanding service to our customers. Our ability to continue to foster excellence and innovation in service delivery is dependent on our ability to recruit and retain a highly qualified, diverse workforce that shares our commitment to a safe and respectful workplace.

Upholding our undertaking to create a responsive workforce and responsible workplace has taken on added urgency given the anticipated pace of retirement in the coming years. This transition presents both challenges, including the loss of institutional knowledge, and opportunity, including the chance to increase diversity and add new skill sets that will help us prepare for the future.

Highlights

EWEB continues to be a leader in workplace safety. For the fourth consecutive year, the frequency of occupational health and safety incidents has declined. In recognition of our outstanding safety performance in 2010, the Northwest Public Power Association awarded EWEB its top workplace safety award for utilities with more than one million labor hours of exposure. The award is based upon a review of each utility's safety record, including the number of recordable injuries and lost workdays.

In September 2010, EWEB settled a Bureau of Labor and Industries (BOLI) complaint and lawsuit with a female line technician apprentice. In order to learn as much as possible from the incident and change some staff behaviors, EWEB has redoubled efforts to ensure a more respectful workplace environment free from harassment and discrimination through a variety of training courses. EWEB is also developing a Respectful Workplace plan that details the organization's existing commitments and those planned for 2011 and beyond.

EWEB also continued to seek a diverse pool of qualified applicants for all open positions while maintaining open, fair and non-discriminatory hiring practices. In 2010, 37% of new hires were women and 21% of new hires were non-white, boosting representation of both groups in EWEB's total workforce. While women are still underrepresented in EWEB's workforce when compared to the composition of the regional workforce, EWEB now has a workforce that is nearly as racially diverse as the community at large.

What's Next?

While reporting our progress in managing our social, environmental and economic performance is an important act of transparency, it is not enough to affect change in the way we operate and do business. In order to improve and enhance our sustainability performance, we must develop specific goals and metrics that are integrated into the organization's overall strategic direction and manifested in operational and employee work plans.

Looking ahead to next year, we do not anticipate producing a report like this one, but rather will focus on developing a goal-driven management system that measures, manages and creates accountability for our sustainability performance.

This report is based on 2010 performance data and summarizes EWEB's progress towards operating more sustainably. The report also identifies key strategic issues the organization faces.

We believe this reporting is an important act of transparency for the community and within EWEB itself. The report is written for external stakeholders as well as EWEB staff, management and Board of Commissioners. By providing the same information to all groups, this report empowers more in-depth discussion of the opportunities and challenges EWEB faces.

This year's report is organized around four themes that discuss the areas of performance that most substantively bring together economic, environmental and social aspects EWEB needs to consider:

1. **Water and Electric Supply & Affordability**
2. **Customer Partners**
3. **Healthy Communities**
4. **Responsive Work Force & Responsible Work Place**

The themes developed with input from EWEB's Sustainability Action Team help to align sustainability reporting with the emerging strategic plan, while streamlining the information that is presented to stakeholders.

This report is a summary of the detailed information reported on our website (www.eweb.org/sustainability/report). Readers seeking additional details are encouraged to read the indicator specific summary reports on the website. In addition, our website readers can find previous sustainability reports, other related materials and news about our latest sustainability initiatives.

Sustainability Reporting Approach

This year's reporting reflects a continued refinement of our approach. In the past we have collected data and reported on a substantial number of indicators (150 in our first report in 2009 and 52 in 2010) that appear in the Global Reporting Initiative's sustainability reporting framework. In an effort to be more focused and track the most relevant indicators this year's reporting looks at a narrower set of 27 indicators.

This reporting reflects our commitment to not only report on, but to manage our sustainability performance. The more focused approach has allowed us to dive deeper into developing goals and metrics upon which we can gauge progress towards the EWEB vision of being the best community-owned water and electric utility in the nation.

GLOBAL REPORTING INITIATIVE REPORTING FRAMEWORK

The Global Reporting Initiative (GRI) is the leading global framework for disclosure of sustainability performance. More than 1,500 organizations in over 60 countries have voluntarily reported their sustainability performance following the GRI reporting framework.

GRI provides reporting guidance applicable to all organizations regardless of size, sector or geography. Additionally, GRI provides supplemental guidance for specific industrial sectors, including electric utilities. The purpose of these reporting guidelines is to facilitate transparency and accountability by organizations and provide stakeholders a universally applicable, comparable framework from which to understand disclosed information.

WHO WE ARE



Hayden Bridge Water Treatment Plant

Core Services

EWEB is a public, municipal utility chartered by the City of Eugene. A five member Board of Commissioners, elected by the citizens of Eugene, is charged with setting strategic priorities, establishing policies and goals to guide the implementation of these priorities by EWEB staff and regulating the rates for both water and electric service. Meetings of the Board of Commissioners are open to the public. Agendas for each meeting are published in advance and each meeting has a designated period for the general public to comment and provide input.

EWEB provides electricity, drinking water and steam to customers in the City of Eugene and adjacent suburban areas. In addition, EWEB sells surplus water on a wholesale basis to neighboring water districts and surplus electricity into regional power markets.

EWEB directly controls all stages of drinking water production and delivery—from withdrawal from the McKenzie River to the treatment, filtration, distribution and delivery.

Our mission is “To be an outstanding provider of energy and water products that meet customers’ needs and benefit the citizens of Eugene.”

EWEB has a diversified approach to the generation and delivery of electricity—owning as well as contracting for electric power resources.

In 2010, EWEB reorganized its major divisions in order to better integrate our core business and achieve greater organizational efficiencies. EWEB now has three main divisions: Electric, Water and Steam Division, Power Resources Division, and Customer and Shared Services Division. All division managers within the organization report to the General Manager, who in turn reports to the Board of Commissioners.

Scale of the Organization

EWEB is Oregon’s largest public utility with more than 556 employees and total operating revenue of more than \$268 million in 2010. As of December 31, 2010 EWEB had total assets in excess of \$628 million and total liabilities of \$324 million, including \$277 million in long-term debt. EWEB’s complete audited financial statements are posted on EWEB’s website (www.eweb.org/financialreports) for public review.

Awards and Recognition

Tree Line USA: The Arbor Day Foundation recognized EWEB for the fourth straight year for our practices that protect and enhance urban forests.

Northwest Public Power Association Safety Award: EWEB won the top award for utilities with more than one million labor hours of exposure. The award is based upon a review of each utility's safety performance, including the number of recordable injury/illness cases (the incident rate) and the lost workdays (the severity rate).

Portland Business Journal Healthiest Employer: The award honors organizations that have developed strong workplace wellness programs and make wellness a priority for their employees.

Paul J. Raver Community Service Award: The Northwest Public Power Association (NWPPA) presented EWEB this award for demonstrated superior leadership in the betterment of cities, states or regions. EWEB received the award for our Community Care program to help limited income customers weatherize their homes and pay their utility bills.

Stakeholder Engagement

EWEB is committed to being responsive to diverse community concerns regarding decisions the utility makes in the conduct of its operation. EWEB's decisions affect a large set of stakeholders from neighbors, McKenzie River communities and ratepayers to other government agencies, advocacy groups and regulators. EWEB seeks to proactively assess and gain understanding about community interests and offer the public multiple opportunities to meaningfully participate in utility decision-making.

In addition to transparency and representative decision making by our elected Board of Commissioners, EWEB proactively seeks stakeholder input in decision making through a variety of community outreach, education and public participation processes.



Earth Day

EWEB hired a new general manager, **Roger Gray**, in May 2010. Roger, 49, moved to Eugene from Alamo, Calif., where he owned a management consulting firm since 2004. He also worked at San Francisco-based Pacific Gas & Electric Co. for 19 years, holding positions ranging from operations to planning, including his last position as vice president and chief information officer.

Prior to his career at PG&E, Roger worked for the Los Angeles Department of Water and Power, Southern California Edison, Bechtel Corp., and Duke/Louis Dreyfus Electric Power, Inc. He holds bachelor's degrees in electrical engineering and computer science from the University of California, Berkeley.

Roger is married with two children and has a yellow Labrador retriever. He enjoys kayaking and cross-country skiing and is active in the community through his participation as a board member of the United Way of Lane County and the Oregon Trail Council, and in the Eugene Veterans Housing Project and Rotary.

Roger replaced Randy Berggren, who retired after leading EWEB for 20 years.

EWEB has adopted the American Public Power Association's "Public Participation for Community-Owned Utilities" implementation guide as a model for identifying stakeholders and appropriate engagement strategies for assessing and managing the impacts of its operation on the local community.

EWEB regularly consults with federal and state regulatory agencies, local governments, sovereign Native American tribes, community advisory panels, property owners adjacent to EWEB facilities, Eugene area neighborhood associations, conservation and environmental interest groups, human services agencies and the local business community.

As part of EWEB's outreach and public involvement activities, EWEB staff attends and participates in other organizational meetings and communicates with our customers at community events and through informational mailings, newsletters, the news media, utility bills and regular customer satisfaction surveys.

EWEB also sponsors a variety of programs designed to provide energy and water education in the community.

ELECTRIC UTILITY SYSTEM INFORMATION

EWEB's Electric Power Resources

EWEB maintains a diverse portfolio of electric power resources to meet the needs of our customers. This portfolio includes a combination of resources wholly and partially owned by EWEB as well as resources for which EWEB has entered into short- and long-term contractual arrangements. Even under extreme drought conditions, these resources are more than sufficient to meet the expected demand of EWEB's retail electricity customers on an average annual basis. Just over 85% of the electricity EWEB generated or purchased and then delivered to our retail customers and others in 2010 was from clean, renewable energy sources—primarily hydropower, wind and biomass.

2010 Electric Power Generation and Physical Purchases

Resource	Location	Type	Firm Generation (aMW)	2010 Actual Generation (MWh)
Owned Resources				
Carmen-Smith Hydroelectric Project	McKenzie River, OR	Hydropower	20	266,409
Leaburg-Waltermville Hydroelectric Project	McKenzie River, OR	Hydropower	14	145,833
Smith Falls Hydroelectric Project	Kootenai River, ID	Hydropower	5	81,374
Stone Creek Hydroelectric Project	Clackamas River, OR	Hydropower	5	57,906
Co-owned Resources				
Weyerhaeuser Mill Cogeneration Project*	Springfield, OR	Biomass/Natural Gas	10	74,781
Georgia Pacific Wauna Mill Cogeneration Project**	Clatskanie, OR	Biomass/Natural Gas	20	72,350
Foote Creek Wind Project*	Carbon Co., WY	Wind	2	17,828
Harvest Wind	Klickitat Co., WA	Wind	6	50,800
Contracted Resources				
Bonneville Power Administration	Pacific Northwest	Various	246	2,673,968
Grant Co. PUD Hydroelectric Projects*	Columbia River, WA/OR	Hydropower	1	18,141
Klondike III Wind Project*	Wasco Co., OR	Wind	7	60,287
Stateline Wind Project*	Walla Walla Co., WA & Umitila Co., OR	Wind	5	49,194
Metropolitan Wastewater Cogeneration Project	Eugene, OR	Biogas	1	6,152
EWEB Customer Solar PV	Eugene, OR	Solar	0.2	1,614
Purchased Resources				
Regional Wholesale Physical Purchases	Pacific Northwest	Various	n/a	618,040
2010 Total Generation and Physical Purchases				4,122,326
Under Development				
Seneca Mill Cogeneration Project	Lane Co., OR	Biomass	17	n/a

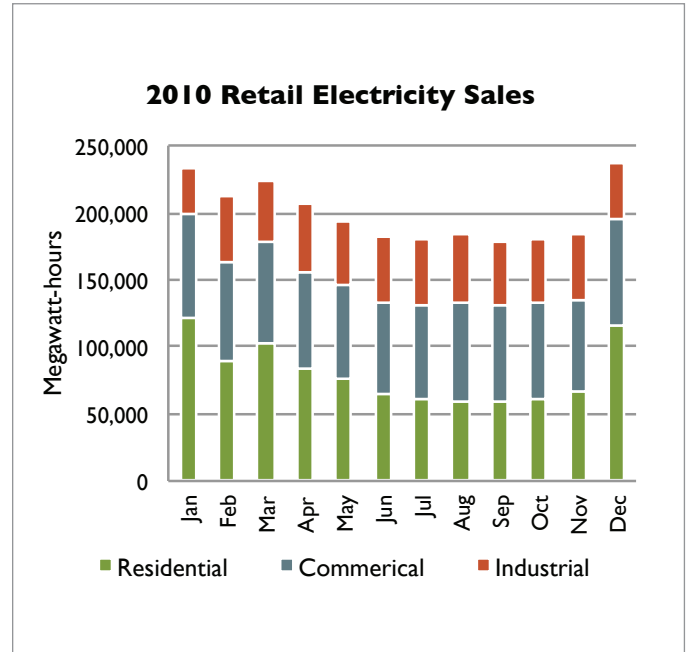
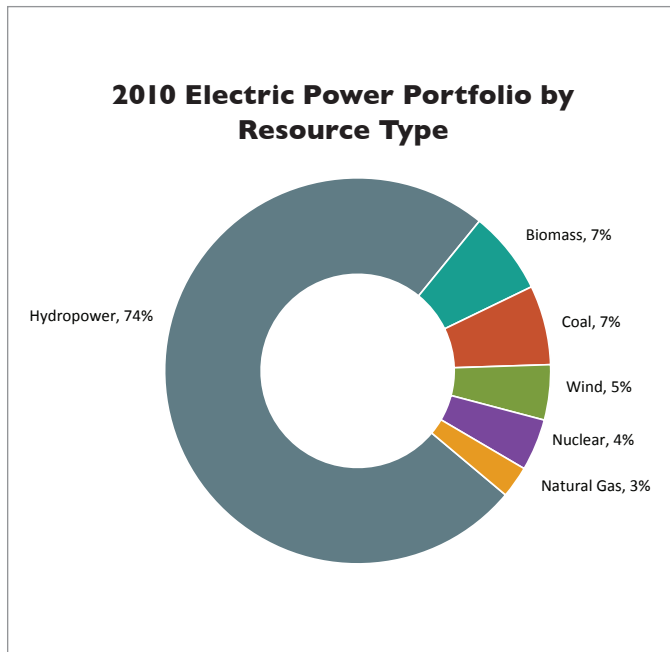
*EWEB Share Only

**Energy output is committed to BPA until 2016 and therefore omitted from the annual total

Retail and Wholesale Electric Sales

EWEB supplies high-quality electrical service to residential, business and industrial customers in the City of Eugene and adjacent suburbs. As of December 31, 2010, EWEB served more than 78,000 residential connections and more than 9,100 commercial and industrial connections. Additionally, EWEB sells surplus electricity on a wholesale basis to other regional electric utilities and power marketers.

Retail consumption increases significantly during the coldest months of the year. This seasonal increase is largely driven by increases in residential consumption associated with indoor heating. Nearly half of all residential electricity consumption occurs in the four months from November to February.



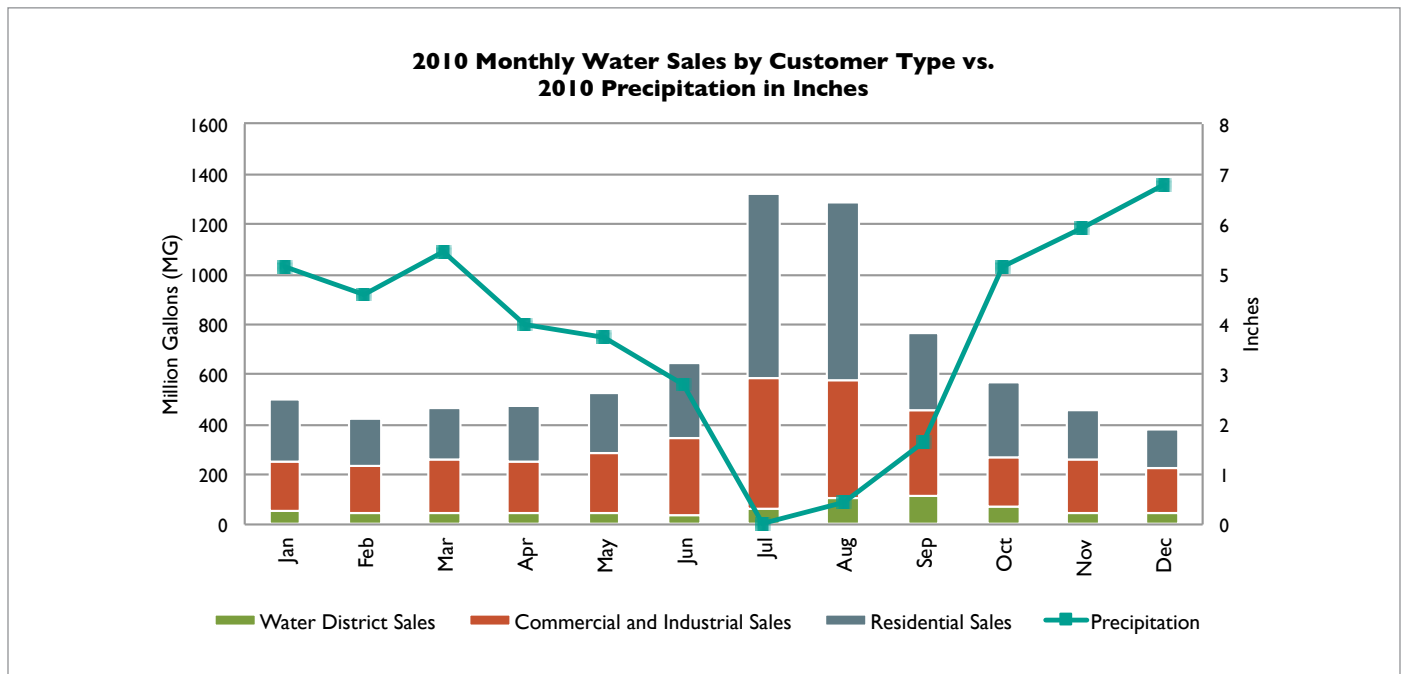
Electric line work

WATER UTILITY SYSTEM INFORMATION

Water Supply and Treatment Capacity

EWEB's two certified water rights permit the withdrawal of up to 75.7 million gallons per day from the McKenzie River. The raw water withdrawn from the river is pumped to the Hayden Bridge Water Treatment and Filtration Plant where it is converted into drinking water. The Hayden Bridge Plant has the capacity to treat and convert raw water into finished drinking water at the rate of 80.5 million gallons of per day. This level of capacity is more than sufficient to meet the five-year (2006-2010) 3-day peak demand of 57 million gallons per day.

In 2010, the Hayden Bridge Water Treatment and Filtration Plant delivered 8,381 million gallons of finished water to the distribution system, a decline of 11% from 2009 and 15% below 2008 levels. On a per capita basis, 2010 water production was 128 gallons per person per day, a decrease from 2009 of 16 gallons per person per day.



Water Sales

As of December 31, 2010, EWEB served more than 53,300 residential connections and more than 7,100 commercial and industrial connections. EWEB also provides wholesale water to surrounding water districts that primarily serve residential customers.

Consumption increases significantly during the hottest and driest months of the year. Just over half (51%) of total annual consumption occurs in four months (June to September). Residential consumption in particular spikes during the summer months as outdoor water use increases. On average residential consumption is 2.5 times greater during the summer than during the winter (October to May). This pattern is directly related to precipitation and temperature since a significant portion of water consumption is used for irrigation.

By the Numbers

75.7 Million Gallons Per Day	Certified McKenzie River Water Rights
80.5 Million Gallons Per Day	Hayden Bridge Finished Water Capacity
57 Million Gallons Per Day	5-Year Average 3-Day Peak Production Demand
128 Gallons Per Person Per Day	Per capita Finished Water Production



Water and Electric Supply and Affordability

Balancing the need to make investments for adequate supply and reliable infrastructure while keeping utility bills affordable for our customers can be a challenge in the best of times. It is a much bigger challenge in times like these.

The persistent economic recession has taken its toll on many in our community. The slowdown in the economy since late 2008 has meant that many of us have had to tighten our belts to compensate for reduced work hours or cuts to benefits. For some of our customers it has meant the loss of a job and an extended period of unemployment. In some cases it has meant the loss of a home.

The slow economic recovery has also impacted EWEB. When economic activity declines, so does demand for electricity and water.

In the past, a decrease in local electricity sales did not have a negative financial impact on EWEB, as surplus power could usually be sold to other regional utilities at a price higher than its cost to acquire. Revenue from surplus power sales has historically played an important role in keeping EWEB electric rates low by providing EWEB a revenue source that could offset investments in infrastructure that otherwise would otherwise have been borne by EWEB retail customers. It also helps justify an aggressive approach to energy efficiency and conservation as EWEB could acquire energy savings at a cost lower than the regional price for power so the more energy EWEB customers saved the more surplus power revenue EWEB generated.

In recent years, however, the price other regional utilities are willing to pay for EWEB's surplus power has fallen well below historic norms. As a result, revenue from surplus power sales has declined by more than \$35 million a year since 2008. Additionally, beginning in 2011, EWEB will start receiving less electricity from the Bonneville Power Administration (BPA), further eroding EWEB's ability to generate revenue from surplus power sales.

Concurrent with the decline in surplus power sales revenue, a number of EWEB's costs have also risen. The most significant is an increase in the cost to acquire electricity from BPA. Also in 2010, EWEB's latest wind



Electric line crew

generating project, Harvest Wind, came on-line with a cost of production above currently depressed market prices.

Finally, EWEB is planning for several major capital improvement projects over the next decade. Projects include:

- \$190 million investment in the water utility's aging infrastructure and the implementation of a strategy to secure a second water source, and
- \$135 million investment to meet the relicensing requirements for the Carmen-Smith hydroelectric project.

Current Strategies and Performance Highlights

Customer assistance

EWEB is committed to supporting customers in financial hardship during the ongoing economic downturn and to empower limited-income customers with the tools they need to effectively manage their utility bills. In 2010, EWEB provided more than \$3.8 million in customer assistance through our Community Care, Customer Care and Limited-Income Energy Management programs.

In response to the recent economic downturn, EWEB's elected Commissioners created Community Care in 2009, an economic assistance fund to help those struggling to pay their utility bills due to job loss, cutbacks in work hours and benefits or other factors. In 2009, the program provided more than \$4 million to families in need, over and above EWEB's regular limited-income assistance.

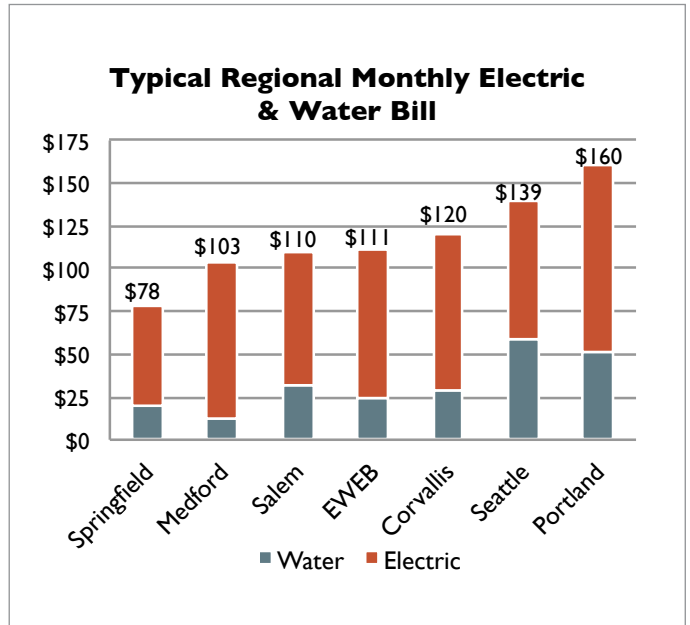
Recognizing the ongoing need, the Commissioners voted to extend the program, with an additional \$1.7 million provided in 2010. At the start of the recession, a significant amount of funding was put into the job loss program for individuals or families who were collecting unemployment, however as the recession wore on in 2010, EWEB adjusted the design of Community Care program to place a greater emphasis on supporting customers experiencing sustained economic hardship.

Through 2010, funding for the Community Care program came from revenue generated through the sale of surplus power. Rather than keep these funds in reserve, EWEB is returning them to our customers during a time of community need.

Financial management

Although there was a significant decrease in customer electricity and water consumption related to poor economic conditions, EWEB's financial position remains relatively strong. EWEB's ability to weather the economic downturn is the result of prudent business practices and conservative budgeting assumptions that deliberately yield cash reserves.

Due to recessionary pressures on our revenues and increased costs, EWEB undertook a series of measures that reduced our 2010 budget by about \$2 million, with plans to cut another \$2.5 million from our 2011 budget. However EWEB could not balance the budget with cuts alone without significantly affecting electric and water service reliability and other customer services. In response, EWEB augmented its financial position with retail rate increases for both the electric and water utilities.



EWEB regularly evaluates the typical monthly bill paid by our customers in order to ensure our rates are in line with other Pacific Northwest communities. This chart shows that the typical residential water and electric bill is comparable to other utilities in the region.



Carmen-Smith Power Plant

In 2010, EWEB's elected Board of Commissioners approved an overall increase in rate revenue of 7.3% for the water utility. The resulting revenue will allow EWEB to continue to finance investments in water capital improvements to ensure reliable service and the delivery of high quality water. The rate increase is expected to raise \$1.7 million in additional revenue.

The Board also approved a small electric rate increase of 1.9%. The need for the rate increase, which is expected to raise \$3.3 million in additional revenue, was driven by

- Lower surplus power revenues;
- Investments in major capital projects; and,
- New power generating facilities and power purchase contracts.

Opportunities and Challenges

Looking to the next few years, several factors will continue to put upward pressure on rates.

The prolonged and tentative pace of economic recovery means that EWEB's surplus power revenues are not expected to return to pre-recessionary levels for some time. The slow economic recovery is also likely to result in continued demand for customer assistance programs.

At the same time, EWEB's has an obligation to invest in critical infrastructure projects to provide adequate and reliable water and power to our customers.

These factors, taken together, will require additional revenue generated through retail rates. In order to meet forecasted revenue requirements and maintain adequate cash reserves, EWEB anticipates multiple rate increases over the next five years.

While it is anticipated that these rates will continue to remain competitive in comparison to neighboring utilities, some households will still have difficulty paying their water and electric bill. This underscores the need for continued co-investment—between EWEB and our customers—in energy and water efficiency measures and customer education programs that can lower total monthly bills.

If the economy does not return to pre-recessionary levels for some time, EWEB will also be faced with a decision about the appropriate level and source of funding for customer assistance programs. Historically those programs were funded by retail rates on the order of \$1.7 million per year. EWEB anticipates working with partner agencies to determine an approach to match program funding levels to community need based on changes in economic conditions.

Finding a balance in the rate structure that allows investment in infrastructure for the next century and maintains the affordability of EWEB power will be the challenge. EWEB will continue to explore opportunities for innovation in its rate structure. Reconsidering how customers are charged for electric and water services could better reflect the different social and economic costs associated with seasonal and hourly peak and off-peak demand and incentivize the efficient use of resources while keeping the utility financially sound.

Related GRI Indicators

For additional information regarding our performance related to this topic please read the following indicator summary reports.

EC 1: Direct Economic Value Generated and Distributed

EU 23: Customer Assistance Programs

EU 1: Power Resource Portfolio Capacity

EU 2: Power Resource Portfolio Output

EU 10: Long-term Electricity Supply and Demand

EU 3: Retail and Wholesale Electric Sales

EU 6: Short and Long-term Electricity Resource Planning

WU 1: Water Supply and Treatment Capacity

WU 15: Average Water Outage Duration

WU 16: Water Outage Frequency

WU 2: Finished Water Production

WU 3: Water Sales

WU 7: Short and Long-term Water Resource Planning

WU 9: Long-term Water Supply Planning

EU 28: Power Outage Frequency

EU 29: Average Power Outage Duration



Adams Elementary Greenpower grant recipient

2

Customer Partners

As a customer-owned municipal utility, EWEB sees our role in the community as more than just a provider of water and electricity—we are an active and contributing community member dedicated to serving the interests of the citizens of Eugene. Moreover, we recognize that improving our social and environmental performance requires deeper engagement with our customers and the community.

EWEB enjoys much more community engagement with utility decision-making than most of our peer publicly owned utilities. This is reflected in our legacy of investing in water and energy conservation and efficiency as well as clean, renewable energy sources—decisions driven by the desires and values of our customers.

In the future, it is anticipated that our customers will have an even more active relationship with EWEB. Rapidly developing smart meter and grid technologies hold the promise to transform the way electricity is delivered to our customers and how our customers interact with us. It is also likely that in the future, some of our customers will increasingly be generating their own power, by installing solar photovoltaic's on their rooftops or investing in community owned renewable energy projects.

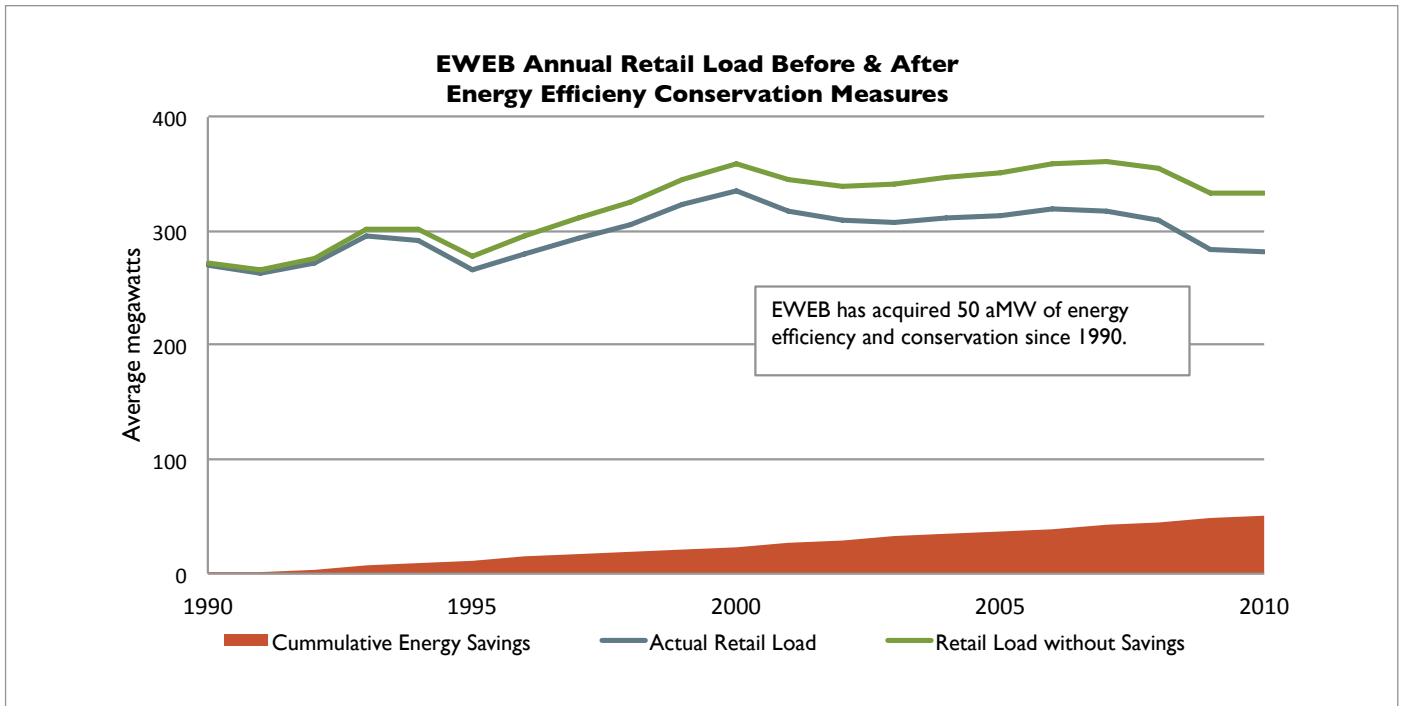
Current Strategies and Performance Highlights

Energy efficiency and conservation

Since 1982, EWEB and our customers have undertaken energy efficiency and conservation measures roughly equivalent to the firm annual energy output of EWEB's two McKenzie River hydroelectric projects, EWEB's share of the International Paper cogeneration project, and EWEB's share of the Foote Creek Wind and Harvest Wind projects combined.

In 2010 alone, EWEB acquired 25,566 megawatt-hours of electricity savings, an amount equivalent to the average annual electricity consumption of more than 2,000 homes, by investing \$6.8 million in programs targeting residential, commercial and industrial customers—exceeding our efficiency and conservation target of 2.38 average megawatts by 23%. These co-investments in weatherization and high efficiency appliances and lighting help lower customers monthly bills and reduce the region's dependence on fossil fuel-fired power resources.

Since 1990, these co-investments have resulted in more than 50 average megawatts in energy savings, roughly equivalent to one and a half times the firm annual energy output of EWEB's two McKenzie River Hydroelectric projects. That translates approximately to a 15% reduction in our community's electricity use, beyond what would have been expected, over the last 20 years.



Advanced metering and smart grid technologies

EWEB is actively exploring the possible deployment of “smart grid” technologies, such as advanced metering infrastructure, which allow for two-way communication between a utility and a customer. These technologies will improve the reliability and efficiency of the electric grid, allow for better integration of renewable resources and give customers greater control over how much electricity they use and when they use it. In 2010, EWEB’s staff began investigating technology options and associated costs and planning for community outreach and a “smart meter” pilot, anticipated in 2011.

Opportunities and Challenges

EWEB’s current surplus power position, access to very low cost power from the Bonneville Power Administration and uncertainty about the future of wholesale power prices together limits EWEB’s ability to aggressively invest in all cost-effective energy efficiency and conservation without significant near-term increases to retail rates. As EWEB considers the future of its energy efficiency and conservation programs, we will examine the trade-offs in acquiring different levels of energy savings and the impacts near-term higher rates would have on the broader community.

The anticipated deployment of smart meter and new metering technologies could help Eugene become a city where the sourcing and use of power react nimbly to market conditions of supply and demand, are efficient and

cost-effective, and further the community’s environmental and social values. However, new technologies and a new relationship to the use of energy in homes and businesses will require change, making it even more important to enhance our relationship with customers so that desired outcomes can be built in partnership.

EWEB has the opportunity to generate a comprehensive plan of action and educate customers and the community on the costs and benefits of a new way of utilizing energy. A carefully planned and open approach will reap both goodwill and a future worth aspiring to.

As part of our commitment to collaborate with our customers in shaping this energy future, EWEB began work on the latest version of its Integrated Electric Resource Plan in 2011. The plan development is to be informed by a 13-member community advisory panel that will share their perspectives on important future trends and community values that relate to resource-planning decisions.

Related GRI Indicators

For additional information regarding our performance related to this topic please read the following indicator summary reports:

EU 7: Energy Efficiency and Conservation

EU 19: Stakeholder Participation in Utility Planning and Infrastructure Development

Healthy Communities

EWEB recognizes that it relies on sensitive natural resources—including the McKenzie River—to support both our water and electric utility operations. We also know that the design, procurement, and operation of buildings, vehicles, equipment and supplies are significant opportunities to manage the life-cycle environmental, social and economic impacts associated with the operation of large public works organizations like EWEB.

We are therefore committed to minimize and mitigate our impact on the healthy functioning of important ecosystems and implementing practices that preserve natural resources, reduce waste, prevent pollution and demonstrate leadership in building a healthy, sustainable community.

Looking at business, operational and resource management issues in terms of efficiency and sustainability is consistent with EWEB's mission, vision and values. EWEB incorporates the principles of environmental, social and economic sustainability across all aspects of our operations.

Current Strategies and Performance Highlights

Sustainability policy and triple bottom line analysis

In November 2010, EWEB commissioners adopted a new Sustainability Policy, formally embracing a decision-making framework that proactively considers environmental, social and economic impacts and incorporates the risks, benefits, impacts and potential mitigation options of major project and policy decisions. This new policy includes a decision support methodology that we refer to as the triple bottom line (TBL) analysis framework. This framework is designed to help staff consider in a systematic way the risks and opportunities as well as the impacts and potential mitigation options of proposed projects or policy. Projects developed using the TBL framework provide more comprehensive information to aid more holistic decision making.

The TBL analysis framework has already been applied to a range of projects of very different scale including the potential relocation of customer service and administrative functions from EWEB's downtown headquarters to



Bull trout, McKenzie River

EWEB's Roosevelt location in West Eugene, to the use of 100% recycled content office paper, the conversion of woodstoves to ductless heat pumps and the consideration of bill paying functions. The framework will also play an important role in the evaluation of different power resources choices to be considered in the 2011 Integrated Electric Resource Plan.

Measure and manage our greenhouse gas emissions

EWEB has completed its second annual greenhouse gas inventory looking at the greenhouse gas emissions associated with both our operations and energy portfolio for 2010. The report is available online at www.eweb.org/sustainability/climatechange.

The large majority of these emissions were associated with EWEB's portfolio of owned, co-owned and contracted electric power resources. In 2010, EWEB was directly and indirectly responsible for nearly 397,000 metric tons of carbon dioxide equivalent* (MTCO₂e) from our portfolio of electric power resources. This increase of 70% above 2009 levels is primarily in contracted and purchased power resources (scope 3). The higher emissions are related to an increased volume of wholesale power purchases due to more hedge trading in 2010 compared to 2009 levels.

In 2010, the direct and indirect greenhouse gas emissions associated with our operations and facilities management activities—such as fleet and equipment use and the purchase of goods and services—totaled more than 28,000 MTCO₂e, compared to nearly 22,000 MTCO₂e in 2009. This increase is largely attributable to additional indirect GHG emissions in our supply chain associated

* Different greenhouse gasses have different levels of potency, for example methane has twenty-one times the heat trapping potential as carbon dioxide. Measurement in MTCO₂e represents the global warming potential of different greenhouse gasses expressed in terms of the global warming potential of one unit of carbon dioxide. In other words one metric ton of methane is equivalent to 21 MTCO₂e.

with capital infrastructure and building maintenance projects. Encouragingly, EWEB's direct operations emissions decreased 13% from 2009 levels.

While these operational emissions are modest relative to our energy portfolio, they represent some of the most readily available opportunities for climate mitigation action. To help focus greenhouse gas reductions efforts EWEB adopted goals to reduce our operations emissions by 25% below 2009 levels by 2020, reduce fossil fuel use 50% by 2030, and to achieve carbon neutrality for our operations by 2050.

These goals were developed by EWEB's Sustainability Action Team, a cross-departmental team, whose mission is to help the organization envision, plan and realize business practices that foster environmental stewardship, social equity, and economic strength, now and in the long term.

During 2010, EWEB partnered with the City of Eugene in the development of the Eugene Community Climate and Energy Action Plan. The Plan, approved for implementation by the Eugene City Council in September, sets out community-wide greenhouse gas reduction goals and establishes objectives and priority action items for six issue areas: buildings and energy; food and agriculture; land use and transportation; consumption and waste; health and social services; and urban natural resources. Many different community members, government and not for profit agencies,

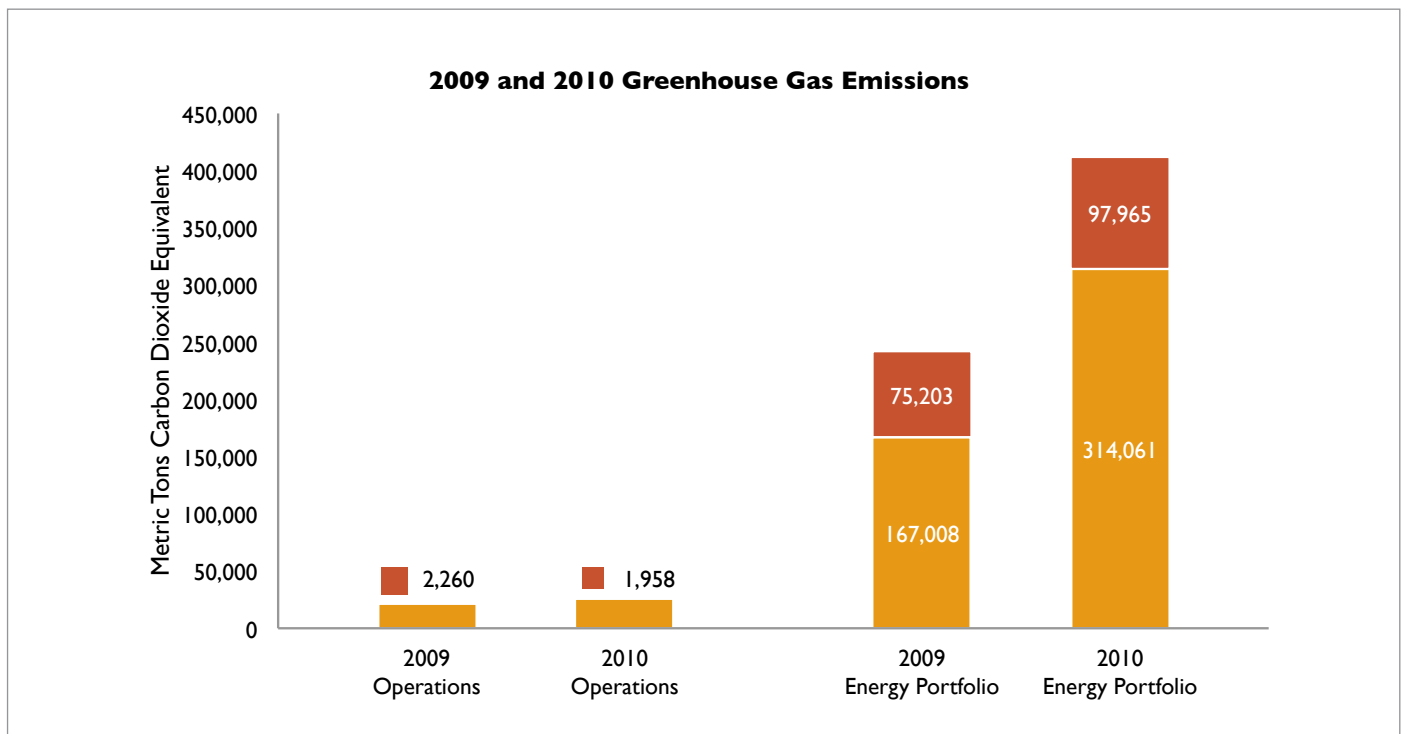
businesses and schools will be involved in implementing the actions to help prepare for increasing climate variability and fossil fuel price rises and availability fluctuations.

Water source protection

EWEB's water source protection program seeks to systematically identify potential threats to the safety and quality of the McKenzie River watershed and implement pollution prevention and resource conservation programs. In 2010, EWEB investments in source protection activities totaled more than \$610,000. In addition \$158,000 were leveraged from partner agencies including EPA, Oregon State University, United States Geological Survey, Oregon Governors Fund and the Oregon Department of Environmental Quality.

Among accomplishments in 2010, EWEB in partnership with the Bonneville Power Administration helped fund the acquisition by the McKenzie River Trust of a 92-acre parcel on the lower McKenzie near Walterville. Two-thirds of the property will be restored and managed as riparian habitat for fish and wildlife, while the other third will be used as a demonstration farm showcasing sustainable farming practices. EWEB, the McKenzie River Trust and Cascade Pacific Conservation and Development jointly manage the property.

The property, known as the Berggren Watershed Conservation Area, will provide opportunities for conservation education and the development of low-impact land



management approaches that encourage long-term solutions for protecting the excellent water quality of the McKenzie River for future generations.

In 2010, EWEB received a \$45,500 grant from the Oregon Governor's Fund for the Environment to continue the "Healthy Farms Clean Water" program and partner with other local agencies and organizations to assist farmers in reducing their agricultural runoff while increasing the economic vitality of their farms. As part of this grant project, EWEB held an open house for farmers in the winter of 2010 where they could learn about free services available to them from project partners.

Roosevelt Operations Center

In 2010, EWEB completed construction of its new \$71 million Roosevelt Operations Center. The project is located on a 52-acre site in West Eugene and includes three new buildings: an engineering and operation building, a warehouse and a fleet services building. The project also includes a 260-space employee and visitor vehicle parking lot and a 13-acre secure storage yard for equipment and staging. The project, which is expected to receive LEED Gold certification, features a number of energy and water sustainability features.

Renewable energy and energy efficiency features include:

- A 70-kilowatt solar photovoltaic system
- A solar hot water system
- Enhanced building insulation and passive solar design to reduce energy consumption for heating and cooling
- The extensive use of day lighting, high efficiency lighting fixtures and occupancy sensors to reduce energy consumption

In 2010, EWEB's Education Grant and Partners in Education programs provided nearly \$680,000 for water and energy education activities at four area school districts, Lane Community College and community nonprofit organizations. The grants fund programs that promote environmental awareness and an ethic of efficiency around water and energy use. Recipients have used the grants to fund curriculum materials such as science kits, hands-on experiments, field trips and the hiring of classroom aides and science educators.

Since the Education Grant program began in 1995, EWEB has distributed more than \$8.68 million to local schools and educators.



Cedar Waxwing

As a result of these and other features energy use is projected to be at least 35% less than a similar project built to current minimum state standards.

Sustainable water features include:

- An on-site natural wastewater treatment and recycling system that processes all wastewater from the buildings at the Roosevelt Operations Center
- A 14-acre wetland restoration and enhancement project
- Low-impact stormwater management features including bio-swales to reduce pollution in runoff
- Water smart plumbing including motion sensor controlled faucets and toilet flushing

Opportunities and Challenges

Each year, EWEB spends tens of millions of dollars on purchased goods and services yet does not systematically consider the sustainability impacts of these purchases or evaluate the social and environmental performance of our suppliers. Moreover, EWEB does not have the systems in place to analyze purchasing data and quantify the weight or volume of materials used, which in turn inhibits our ability to evaluate the efficiency of our resource consumption.

Over the next decade, EWEB anticipates embarking on several major infrastructure projects, including the Carmen Smith Improvement project associated with re-licensing the facility, electric and water meter upgrades and potentially a second water source and associated treatment and distribution capacity. These are major projects and present a significant opportunity to incorporate life-cycle thinking in design and construction. While green building practices have become accepted practice in commercial and residential construction, it is not as common in major utility infrastructure projects. These projects present EWEB the chance to lead and implement a wide range of best practices from environmentally and socially responsible purchasing, to fleet and transportation management, to waste minimization and recycling. Capitalizing on this opportunity will require a commitment of purpose and resources.

EWEB has taken important initial steps in acknowledging our contribution to climate change and articulated a greenhouse gas reduction target for our operational GHG emissions with an action plan to be developed in 2011. However, we still lack a strategy for reducing or offsetting the emissions associated with our power resource portfolio. This issue will be considered in the development of the 2011 IERP.

Protecting drinking water quality over the long term requires our community to develop strategies that address the risks associated with increased land-use development in sensitive riparian areas. While the effort in 2010 by the Lane County Board of Commissioners to address some of these issues was laudable, it was undermined by a lack of proactive public education and stakeholder engagement. EWEB remains committed to working with McKenzie River residents and Lane County to develop an approach that meets the community's needs.



Osprey

Related GRI Indicators

For additional information regarding our performance related to this topic please read the following indicator summary reports:

EN5: Internal Energy Efficiency

EN18: Initiatives to Reduce Greenhouse Gas Emissions

WU12: Source Water Protection Activities

EN22: Waste Management

EN23: Significant Spills



Customer Service

4

Responsive Workforce & Responsible Workplace

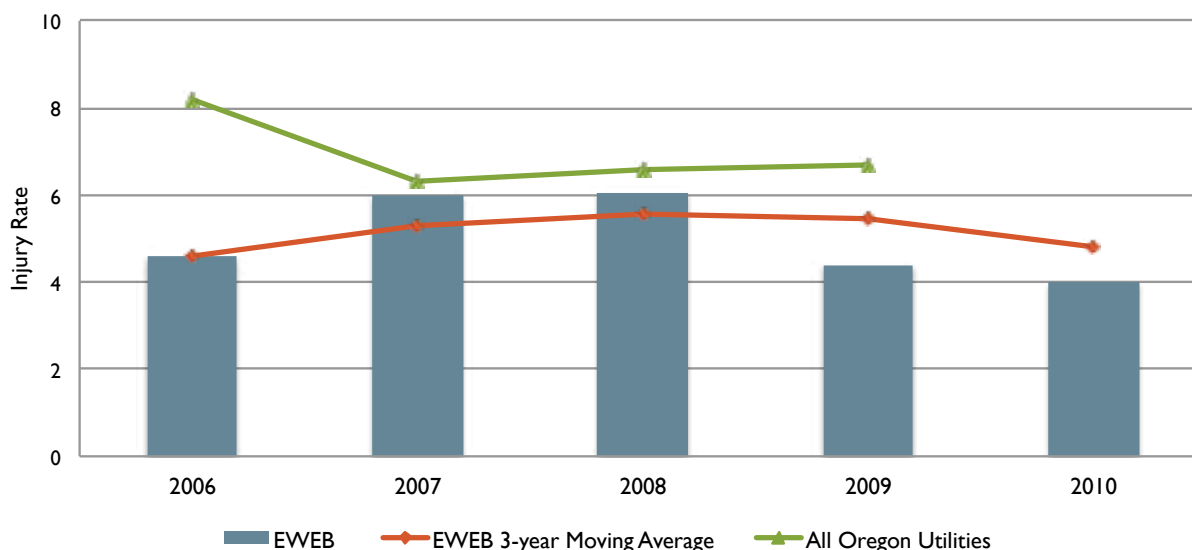
EWEB relies on the talents and skills of our employees to fulfill our mission to be an outstanding provider of energy and water products and services to our customers. That is why we are committed to recruiting, training and retaining a highly qualified, diverse workforce and cultivating a safe and respectful workplace.

Upholding our commitment to a responsive workforce and responsible workplace is more important than ever. The business models and technologies relied upon by EWEB in the

past will likely not meet our needs nor customer expectations in the future. To thrive as a utility in this changing environment, our workforce must be able to plan ahead, anticipate and adapt to change. More importantly, we need to recruit those with the relevant skills for our likely future.

Our success in attracting and retaining the skilled workers capable of rising to these challenges is dependent on our ability to foster a culture of excellence, safety, innovation, teamwork and diversity.

Frequency of Recordable Injuries Relative to the Total Time Worked by the Whole Workforce



Current Strategies and Performance Highlights

Workplace diversity

EWEB is an employer committed to equal opportunity and to fostering a supportive work environment that is open, diverse and embracing of our employees regardless of race, color, religion, sex, national origin, age, marital or veteran status, sexual orientation, the presence of a medical condition or disability, or any other legally protected status.

The composition of EWEB's workforce in terms of race became slightly more diverse in 2010 to more closely reflect the broader community, with non-whites representing 11% of EWEB's 2010 workforce as compared to non-whites representing 13% in the Eugene community.

However, the composition of EWEB's workforce in terms of gender performs less favorably when compared to the composition of the broader community. In the regional workforce, women make up 46% of the working population, yet in 2010 women only comprised 34% of EWEB's workforce. This discrepancy is particularly clear in job categories historically held by a particular gender, such as skilled craft workers—historically mainly men—and also administrative support—historically mainly women.

EWEB recognizes the challenge of recruiting and retaining women and minority applicants and employees, especially in historically non-minority, male-dominated professions. In

order to overcome these challenges, EWEB proactively seeks to attract a diverse pool of qualified applicants for all open positions and maintain fair, open and culturally competent hiring practices. In 2010, 37% of new hires were women and 21% of new hires were non-white.

Workplace safety

EWEB continues to be a leader in workplace safety. For the fourth consecutive year, the frequency of occupational health and safety incidents has decreased. In 2010, EWEB recorded a total of 20 workplace injuries and no workplace fatalities. This is a 13% reduction in recordable injuries over the previous year, 26% fewer than the benchmark 3-year average (2006-2008) established as an occupational health and safety goal, and well below the rate for other public utilities in Oregon. This trend is a result of an ongoing effort to improve safety awareness and trainings throughout the organization.

SAFETY AWARD

In recognition of our outstanding safety performance in 2010, the Northwest Public Power Association awarded EWEB its top workplace safety award for utilities with more than one million labor hours of exposure. The award is based upon a review of each utility's safety record, including the number of recordable injuries and lost workdays.

Workforce training

In 2010, EWEB continues to provide our employees training opportunities to enhance their professional and technical skills. These trainings are an important part of our strategy to enhance employee and organizational performance.

In addition to the trainings offered at the departmental level, EWEB facilitated 18 internal professional development and training courses in 2010, providing more than 7,000 hours of employee development. This translates into an average of 13.4 hours of internal training per employee. In addition, EWEB provided tuition reimbursements totaling over \$44,000 to 25 employees seeking continuing education through skilled trade organizations, community colleges and universities.

Claim settlement

In September 2010, EWEB settled a Bureau of Labor and Industries (BOLI) complaint and lawsuit with a female line technician apprentice. The claim and lawsuit made allegations of sexual harassment and discrimination. Prior to the claims being logged, one EWEB employee was terminated and several others were disciplined in conjunction with some of the allegations. Following the claims, a settlement was reached by mutual agreement and the EWEB employee complainant was awarded \$250,000.

The initial investigation and subsequent claims lead EWEB to understand that there were issues that needed to be addressed within parts of the organization. EWEB has a strong desire to move forward and ensure a more respectful workplace environment free from harassment and discrimination.

As part of the settlement with the former employee, EWEB committed to taking specific steps toward this end, particularly in the skilled trades. EWEB and the Joint Apprentice Training Committee (JATC) (also named in the complainant's lawsuit) committed to creating a plan that supports diversity and the mentoring of non-traditional employees in the apprenticeship program. The plan, which will seek to provide opportunities for the advancement of women and minorities in the trades, will be made in conjunction with the International Brotherhood of Electrical Workers (IBEW), Local 659, and will be shared with BOLI and other JATCs around Oregon.

To help facilitate the change at EWEB, in 2010 all employees were required to participate in a three-hour respectful work place training. In addition, EWEB's Labor Management Committee (LMC) previewed a module from IBEW's 8-hour Diversity and Inclusion training to determine its appropriateness for EWEB-sponsored delivery to segments of its trade workers. EWEB is also developing a Respectful Workplace plan that describes the steps taken to date and those planned for 2011.

Challenges and Opportunities

EWEB, like many organizations, is facing a major demographic shift in the workforce as long-term employees begin to retire. More than one-quarter of EWEB's existing workforce is already eligible to retire. This transition presents several challenges including the loss of institutional knowledge and increased competition for skilled workers as other utilities experience the same turnover due to retiring workers. On the other hand, as employees retire, EWEB has the opportunity to increase the diversity of the workforce, change the knowledge base of the utility and prepare for the future.

In particular, this calls for an increase in the recruitment and hiring of diverse candidates for managerial and executive level positions. The data indicates the highest levels of the organization are less diverse than either the community or the organization as a whole.

Many of EWEB's training programs are administered at the department level. This decentralization has allowed supervisors flexibility and discretion in the types of training and professional development programs offered to employees. However, it has proven difficult to track and analyze the efficacy of these offerings. The use of a new Human Resource Information System to track training and professional development programs at the department level starting in 2011 presents an opportunity to better understand where gaps in knowledge, skills and abilities exist.

Related GRI Indicators

For additional information regarding our performance related to this topic please read the following indicator summary reports:

EU 14: Ensuring Availability of a Skilled Workforce

LA 7: Injury Rate

LA 10: Employee Training and Continuing Education

LA 13: Diversity and Equal Opportunity

WHAT'S NEXT?

There are several reasons why we undertake sustainability reporting at EWEB. To offer greater transparency to our customer-owners through disclosure of information on how we operate is important, but improving performance on a wide range of sustainability indicators is the main motivator.

Reporting sustainability metrics and discussing what we are accomplishing across a variety of issues is not enough. We need to keep the focus on setting out a strategy and implementing it—then we can report on progress and the challenges as they arise.

Adoption of our Sustainability Policy and triple bottom-line analysis framework was a great step forward this year to help formalize the consideration of social, environmental and broader economic issues into decision making. We need to continue to train staff on its use and application in order to maximize its integration into EWEB processes and procedures.

Integration is one of the key issues in considering what's next to help improve our performance across a range of sustainability goals. Unless we fully integrate the consideration of our social and environmental impact into decision-making, it will always be an extra step and be vulnerable to not being given appropriate weight in decision-making.

We also need to keep refining and developing utility goals to help us focus on operating more sustainably. To date we have goals for operational greenhouse gas reduction, community-wide energy conservation and efficiency, water and electricity reliability, workplace safety, expanding water supply, and assistance to customers in need, and have set aspirations for staff diversity. Creation of goals and reporting of metrics brings issues into focus like no other process. We need to progress the internal discussions on other issues that would benefit from goals being established, including waste reduction, operations energy efficiency, major infrastructure development and possibly the formalizing of a diversity goal. Aligning sustainability improvement strategies and data with corporate goals and objectives is essential for progress. In 2011 and beyond, there will be new opportunities to integrate sustainable initiatives with the development of EWEB's Strategic Plan and discussion of business plan development, revising capital plans, and establishing sustainability goals for major infrastructure development such as the Carmen Smith Improvement relicensing project.



EWEB Career Day

We also need to keep in mind that achieving sustainability goals will require identifying and addressing risk, for example the potential shortage of well-trained skilled utility workers, the need to include the impact of climate changes on the ability of Pacific Northwest hydro facilities to generate electricity, or the future cost of carbon in decision making.

Major issues identified in the 2009 sustainability report remain the same:

- Planning and development of the utility and infrastructure for the 21st century;
- Enhanced customer relationship, including partnering and education; and
- Workforce skill transfer and development, and recruitment of diverse, innovative staff.



EWEB Career Day

These are not new challenges, as noted last year, and EWEB is actively working throughout the organization to respond to them. The inclusion of these issues in the sustainability report again this year highlights that they are long-term issues that will require creativity, innovation and attention as we re-orient, adapt and change to new ways of operating and delivering services.

Next year, rather than produce a sustainability report like this one we will be using the time to have a broader look at how to link up the established sustainability programs and projects into more of a sustainability management system that will help us measure and manage our performance on priority sustainability goals and enable enhanced integration with utility business planning. We anticipate this will be a crucial part of continuing to focus on our performance and make necessary adjustments to decrease our negative impacts.

We look forward to continuing sustainability reporting in future years with an increased emphasis on operational improvements and integration throughout EWEB practices and culture. We welcome any feedback from you on progress to date and priorities for the future at: sustainability@eweb.org.

LIST OF EWEB REPORTED GRI INDICATORS: 2008, 2009 AND 2010

The chart below shows the Global Reporting Initiative indicators EWEB has reported on for 2008, 2009 and 2010. Detailed summary reports for each indicator are available on-line at eweb.org/sustainability/report

[See all GRI indicator summary reports](#)

Category/Aspect	Description	GRI Indicator	2010	2009	2008
Profile Disclosure/Organization Profile	Power Resource Portfolio Capacity	EU1	X	X	X
	Power Resource Portfolio Output	EU2	X	X	X
	Retail and Wholesale Electric Sales	EU3	X	X	X
	Transmission and Distribution System Profile	EU4		X	
	Allocation of CO2 emissions permits by country or regulatory regime	EU5	n/a	n/a	n/a
	Water Supply and Treatment Capacity	WU1	X	X	X
Water Supply and Treatment Capacity	Finished Water Production	WU2	X	X	X
	Water Sales	WU3	X	X	X
	Water Distribution Infrastructure	WU4		X	X
	Number and volume of storage reservoirs	WU5		X	X
	Number and capacity of pumping stations	WU6		X	X
	Economic/Economic Performance	Direct Economic Value Generated and Distributed	EC1	X	X
Financial Implications of Climate Change		EC2		X	X
Retirement Benefit Obligations		EC3			X
Government Assistance		EC4			X
Economic/Market Presence	Wage Comparison	EC5		not reported	not reported
	Local Purchasing	EC6		X	X
	Local Hiring	EC7			X
Economic/Indirect Economic Impacts	Community Investments	EC8			X
	Indirect Economic Impacts	EC9		not reported	not reported
Economic/Availability and Reliability	Short and Long-term Electricity Resource Planning	EU6	X	X	X
	Long-term Electricity Supply and Demand	EU10	X	X	X
	Short and Long-term Water Resource Planning	WU7	X	X	X
	Long-term Water Supply Planning	WU9	X	X	X
Economic/Demand-Side Management	Energy Efficiency and Conservation	EU7	X	X	X
	Water Conservation and Efficiency	WU8		X	X
Economic/Research and Development	Research and Development for Sustainability	EU8			X
Economic/Plant Decommissioning	Decommissioning of Nuclear Power Sites	EU9			X
Economic/System Efficiency	Thermal Plant Efficiency	EU11			X
	Transmission and distribution losses as a percentage of total energy.	EU12	GHG Inventory	GHG Inventory	X

Category/Aspect	Description	GRI Indicator		2009	2008
Economic/System Efficiency	Water Treatment and Filtration Plant Efficiency Rate	WU10			×
	Water Distribution System Efficiency	WU11		×	×
Environmental/Materials	Materials Use	EN1		×	×
	Recycled Materials Use	EN2		×	×
Environmental/Energy	Direct energy consumption by primary energy source (fuel)	EN3	GHG Inventory	GHG Inventory	×
	Indirect energy consumption by primary source (electricity, steam)	EN4	GHG Inventory	GHG Inventory	×
	Internal Energy Efficiency	EN5	×	×	×
	Renewable Energy and Energy Efficiency Products and Services	EN6		×	×
	Indirect Energy Efficiency	EN7			×
Environmental/Water	Water Consumption and Diversions	EN8			×
	Impact of Water Withdrawals and Diversions	EN9			×
	Water Reuse and Recycling	EN10			×
Environmental/Drinking Water Source Quality & Protection	Water Source Protection activities	WU12	×	×	×
	Water quality at raw water intake	WU13			×
Environmental/Biodiversity	Owned Land in Areas of High Biodiversity	EN11			×
	Biodiversity of Offset Habitats	EU13			×
	Significant Biodiversity Impacts	EN12		×	×
	Habitats protected or restored	EN13			×
	Management of Biodiversity Impacts	EN14		×	×
	Special Status Species	EN15		×	×
Environmental/Emissions, Effluents, and Waste	Direct and Indirect Greenhouse Gas Emissions	EN16	GHG Inventory	GHG Inventory	×
	Other Indirect Greenhouse Gas Emissions	EN17	GHG Inventory	GHG Inventory	×
	Initiatives to reduce Greenhouse Gas Emissions	EN18	×	×	×
	Emissions of ozone-depleting substances by weight	EN19			not reported
	NO _x , SO _x , and other significant air emissions by type and weight	EN20			×
	Water Discharges	EN21			×
	Waste Management	EN22	×	×	×
	Significant Spills	EN23	×		×
	Transport of Hazardous Wastes	EN24			×
Environmental/Products and Services	Initiatives to mitigate environmental impacts of products and services	EN26	n/a	n/a	n/a
	Packaging Materials	EN27	n/a	n/a	n/a
Environmental/Compliance	Environmental Compliance	EN28			×
Environmental/Transport	Transportation Impacts	EN29		×	×

Category/Aspect	Description	GRI Indicator	2009	2008
Environmental/Overall	Environmental protection expenditures and investments	EN30		not reported
Labor Practices & Decent Work/ Employment	Recruiting and retaining a Skilled Workforce	EU14	X	X
	Retirement Eligibility	EU15		X
	Workplace Health and Safety Policies	EU16		X
	Total Workforce	LA1		X
	Contract Employee Hours Worked	EU17		X
	Contractor Workplace Health and Safety Training	EU18		X
	Employee Turnover	LA2		X
	Collective Bargaining	LA4		X
Labor Practices & Decent Work/ Labor: Management Relations	Minimum Notice Period	LA5		X
	Joint management-worker Health and Safety Committees	LA6		X
Labor Practices & Decent Work/ Occupational Health and Safety	Injury Rates	LA7	X	X
	Health Risk Prevention	LA8		X
	Health and safety topics covered under collective bargaining	LA9		not reported
Labor Practices & Decent Work/ Training and Education	Professional Development and Continuing Education	LA10	X	X
	Support for post employment job retraining	LA11		not reported
	Performance and career reviews	LA12		not reported
Labor Practices & Decent Work/ Diversity and Equal Opportunity	Diversity and Equal Opportunity	LA13	X	X
	Pay Equity	LA14		X
Human Rights/Investment and Procurement Practices	Human Rights Screening of Investment Agreements	HR1		X
	Human Rights Screening of Contractors	HR2		X
	Workforce Human Rights Training	HR3	reported in LA10	reported in LA10
Human Rights/Non-Discrimination	Reported Incidents of Discrimination	HR4		X
Human Rights/Freedom of Association and Collective Bargaining	Freedom of Association and Collective Bargaining	HR5		X
Human Rights/Child Labor	Child Labor	HR6		X
Human Rights/Forced and Compulsory Labor	Forced Labor	HR7		X
Society/Community	Assessment and Management of Community Impacts	SO1		X
	Stakeholder Participation in Utility Planning and Infrastructure Development	EU19	X	X
	Managing Impacts of Displacement	EU20		X
	Displacement	EU22		X

Category/Aspect	Description	GRI Indicator	2009	2008
Society/Community	Corruption Risk	SO2		X
	Ethics Training	SO3		X
Society/Community	Ethics Incidents	SO4		X
Society/Disaster: Emergency Planning and Response	Emergency Planning and Disaster Response Planning	EU21		X
Society/Public Policy	Lobbying Activity	SO5	X	X
	Political Contributions	SO6	n/a	n/a
Society/Anti-Competitive Behavior	Anti-competitive lawsuits	SO7	n/a	n/a
Society/Compliance	Compliance with applicable law	SO8		X
Product Responsibility/ Public Health and Safety	Life-Cycle Analysis of Product Health and Safety	PR1		X
	Compliance with consumer safety laws and regulations	PR2		X
	Injuries and Fatalities Involving Company Assets	EU25		X
	Water quality of finished water	WU14		X
Product Responsibility/Access	Customer Assistance Programs	EU23	X	X
Product Responsibility/ Provision of Information	Overcoming Customers Barriers	EU24		X
Product Responsibility/ Product and Service Labeling	Product Information Disclosure	PR3		X
	Compliance with Product Information Laws and Regulations	PR4		not reported
	Customer Satisfaction	PR5		X
Product Responsibility/ Marketing Communications	Marketing Communication Standards	PR6		X
	Compliance with Marketing Communication Standards	PR7	n/a	n/a
Product Responsibility/Customer Privacy	Customer Privacy	PR8		X
Product Responsibility/Compliance	Compliance with laws and regulations Concerning the Provision of Service	PR9		X
Product Responsibility/Access	Access to electric and water services	EU26		X
	Residential disconnections	EU27		X
	Power outage frequency	EU28	X	X
	Average power outage duration	EU29	X	X
	Plant Availability	EU30		X
	Average water outage duration	WU15	X	X
	Water outage frequency	WU16	X	X

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