

## Balancing Reliability and Affordability

At EWEB, we understand that rates matter—and that every dollar counts, especially in today's challenging economic environment.

As a publicly owned utility EWEB exists to serve our community—not to generate profits. We're committed to transparency about how we plan our work, manage costs, and make strategic decisions to keep your rates as affordable as possible.

### CAREFUL PLANNING IN UNCERTAIN TIMES

The costs of delivering water and electricity are rising due to inflation, evolving regulations, and the urgent need to upgrade aging infrastructure. These investments are not optional—they are critical to protecting public health, ensuring community safety, and supporting a resilient local economy.

At the same time, we must consider what our community can realistically afford. In some cases, it may be appropriate to accept manageable risks to avoid placing too much cost burden on customers.

We're in the early stages of developing our 2026 budget and rate forecasts. At this point, we anticipate an average overall increase of 3.5% for electricity and 6.0% for water next year. These figures may change as we continue reviewing priorities and gathering input. We'll keep you informed throughout the process.

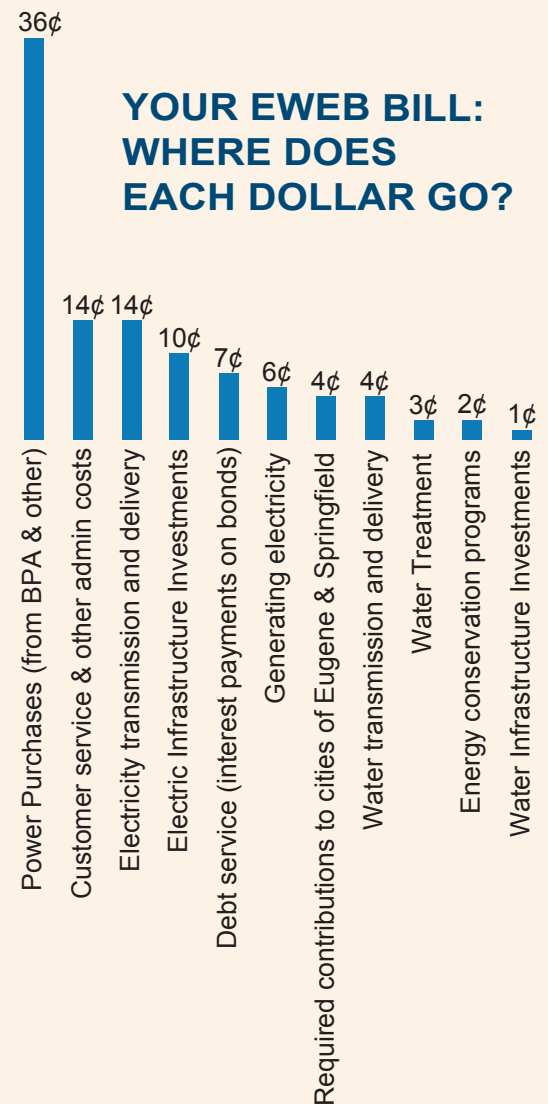
### HOW WE'RE CONTROLLING NEAR-TERM COSTS

To reduce pressure on future rates, we're actively seeking savings, improving efficiency, and prioritizing the most important projects. In the short-term, we plan to postpone:

- Replacement of the Hawkins Hill Reservoir
- Some water smaller tank and pump station upgrades
- A few major water pipeline improvements
- Certain information technology system upgrades

While these deferrals help us manage costs now, we must continue to evaluate the tradeoffs and risks of potential higher service disruption and long-term costs.

### YOUR EWEB BILL: WHERE DOES EACH DOLLAR GO?



## STRATEGIC INVESTMENTS WE'RE MOVING FORWARD

Some projects are too important—or carry too much risk—to delay. In making these decisions, we consider not only system performance and failure risk, but also public health and safety, regulatory requirements, environmental impacts, community resilience goals, and long-term cost avoidance. With these factors in mind, we plan to continue investing in:



Supporting future needs and mitigating seismic and wildfire risks

- Critical substation and electric infrastructure upgrades
- Carmen-Smith hydroelectric project relicensing
- Decommissioning the obsolete Leaburg hydroelectric facility



Meeting Oregon Resilience Plan long-term safety and reliability goals

- Targeted water pipeline replacements
- Planning for a second water source on the Willamette River
- Replacing College Hill Reservoir with seismically resilient tanks

## OTHER WAYS WE HELP KEEP RATES DOWN

- Providing about 80% of Eugene's electricity from federally-sourced, affordable hydropower
- Using debt strategically to minimize borrowing costs
- Investing in customer programs that reduce energy use and lower bills
- Managing inventory and supply chain challenges
- Pursuing state and federal funding to offset local costs
- Supporting workforce safety and wellness to reduce insurance expenses

### City of Eugene Fees Reflected on EWEB Bills



WASTEWATER



STORMWATER

In 2025, the City of Eugene implemented three separate stormwater fee increases, which will appear on EWEB water customer bills.

As a reminder, EWEB does not set or approve these fees. Under the City Charter, we are required to collect stormwater and wastewater charges on the City's behalf.

If you're having trouble with your bill, EWEB's Customer Service team is here to help. We can work with you to explore payment plans or bill assistance programs that may ease the impact.

### EWEB Earns Clean Financial Audit, Strong Credit Rating

EWEB received a clean independent financial audit for 2024 and maintained a strong credit rating, reinforcing our commitment to fiscal responsibility and transparent management of public funds.

Independent financial audits are an essential part of public accountability.

Maintaining a strong credit rating helps EWEB borrow at lower interest rates, which in turn reduces overall costs and helps keep customer rates more stable and affordable.

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