

BPA Contract is a Building Block for Energy Partnership

We are securing a reliable, affordable energy supply for our customers, while keeping that energy largely carbon-free. Last year, EWEB signed a new contract with the Bonneville Power Administration (BPA) that runs through 2044, securing long-term access to almost \$3 billion worth of energy.

WHAT DOES THIS NEW CONTRACT MEAN?

BPA offered utilities like EWEB several contract options that spelled out how much power BPA would provide and how prices would be set. After carefully reviewing those options, EWEB chose the one that best matches our community's values and strengths.

"Our choice reflects a belief in our customers," said EWEB Chief Energy Resources Officer Brian Booth. "This contract gives us more flexibility to meet local energy needs—and with that flexibility comes responsibility."

When we looked closely at the costs, we found that combining this BPA contract with strong partnerships with our customers—through energy efficiency and conservation programs—can help keep costs lower over time than relying on BPA for all of our power.

COLD WINTER WEATHER TO DRIVE HIGH ENERGY



The cold winter months are here, meaning that local demand for electricity will soon hit its peak levels of the year as heating systems work harder to keep homes warm.

When planning energy supply, the peaks matter more than the averages. EWEB needs plans and contingencies in place to make sure that when conditions are most extreme, we have the electricity available to keep lights on and homes warm.

- ✓ **Saves money compared to full reliance on BPA**
- ✓ **Long-term access to clean, reliable power**
- ✓ **Flexibility to leverage local generation as needed**
- ✓ **Trusts EWEB customers to conserve and use energy efficiently, especially during peak times**



Imagine these lines represent your household energy use over time. On average, you might use about 1,000 kilowatt-hours in a month. But during very cold weather, your energy use might jump to 1,600 kilowatt-hours or more. Even if that peak happens only once a year, our power supply and infrastructure must be built to meet it, so your heat and lights stay on when you need them most. That's why partnering to reduce peak demand plays an important role in keeping energy reliable and affordable.

ENERGY SUPPLY SHORTAGES COULD STRAIN THE PACIFIC NORTHWEST

Studies show that the Pacific Northwest could face energy shortages during prolonged cold snaps in the years ahead. A recent two-part study commissioned by the Public Generating Pool found that the biggest risk occurs when extremely cold weather coincides with low river flows, which can limit the amount of hydropower available.

In those conditions, the region could face a significant gap between the energy people need and the energy available. By 2030, that shortfall could be as large as the amount of electricity used by the entire state of Oregon, if no new resources are added.

“As we plan for the future, our focus is on keeping people safe and warm,” said EWEB Chief Energy Resources Officer Brian Booth. “Hydropower already helps us respond quickly to winter demand, but the Northwest needs additional resources that can be activated when cold weather hits.”

WHAT IS PEAK POWER?

Peak power occurs when the highest level of electricity is consumed within a specific timeframe. There are seasonal peaks, daily peaks and even hourly consumption peaks.

On a daily basis, usage typically peaks in the evening and morning—when most people are getting ready for or returning from work and school—and is at its lowest in the middle of the day and late at night. Seasonally, Eugene's peak demand occurs in the winter months, when heaters are running continuously.

POWER PARTNERS

Curious about energy issues?

Sign up for EWEB's new email newsletter about energy supply and how we can work together to keep Eugene's power clean, reliable, and affordable.

Join at eweb.org/power-supply.



NOT JUST A COLD WEATHER PROBLEM

In August 2023 electricity was in short supply for several days as temperatures crested 100 degrees for four days in a row and several regional electricity generators were shut down due wildfire conditions, including EWEB's Carmen-Smith hydroelectric project. In response, EWEB issued our first-ever voluntary call for customers to safely conserve energy.

Customers responded in force by raising air conditioning temperatures, charging electric vehicles overnight rather than in the evening, delaying running large appliances until after 9 p.m., and turning off unnecessary lights and electronics. These actions helped keep demand 10-15 megawatts below forecast—a huge collective impact.

Future customer programs will improve this utility and customer partnership by incentivizing customers to use less electricity when overall demand is at its highest.

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