



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Mital, Simpson, Helgeson, Manning and Brown
FROM: Mel Damewood, Engineering Manager, Jon Thomas, Planner III
DATE: March 26, 2015
SUBJECT: LTD EmX Project Update
OBJECTIVE: Information Only

Issue

EWEB is actively relocating water and electric infrastructure needed to accommodate the West Eugene EmX Extension Project. EWEB's partnership with Lane Transit District (LTD) continues to require significant EWEB staff resources to fulfill the commitment to relocate utilities; prior to street modifications.

Background

Lane Transit District initiated the West Eugene EmX project to extend express bus service from downtown to west Eugene. EWEB staff identified many conflicts between utility infrastructures and proposed street changes. Due to the length of the route, the project was broken into East and West sections (or "volumes" in LTD lingo). East section is approximately downtown bus station to Garfield, and West section extends from Garfield to the new terminus on West 11th and Commerce.

On the East section

EWEB Water Operations staff has completed about 85% of the water service relocations; has one fire hydrant (out of seven) left to move; and relocated all water mains projected to be in conflict with excavation limits. To date, EWEB has relocated 3,530 feet of water main in 10 locations along the EmX route.

EWEB Electric Operations staff has relocated all overhead facilities. These pole relocations were required to increase ground clearance to accommodate several new traffic signals and ADA ramps that will be installed along West Sixth and West Seventh avenues. All of the service extensions for bus stations, street lighting, and traffic signals still need to be completed.

On the West section

EWEB Water Engineering has completed a 90% design for work on 83 water services, 17 fire hydrants and 125 feet of water main. Most of the water mains were found to have adequate depth to avoid conflict with LTD's excavation limits. This data was gathered via

exploratory excavations (also referred to as *potholes*). Not all EWEB water facilities were potholed, so additional designs and relocations may be needed during road construction.

EWEB Electric Engineering has completed a 90% design. The West 11th corridor has a majority of the relocation efforts for existing overhead electric system. Conflicts created by the planned road widening will in part be resolved by shifting poles behind existing curbs. No construction work has yet occurred.

Under the terms of the intergovernmental agreement (IGA) between LTD and EWEB, LTD is responsible for acquiring the easements to facilitate the relocation effort. EWEB has provided LTD with all locations where easements are required to accommodate the relocation of EWEB's facilities. Where existing buildings or other facilities prohibit the simple relocation of poles to clear conflicts, EWEB will underground those facilities. Undergrounding electric service in the West 11th area will require approximately 6,000 feet of trenching for the installation of conduits and vaults.

Discussion

The water relocations along W. 11th Ave. are scheduled to begin in June 2015 and are likely to extend through Fall 2015. Depending on additional shallow water facilities found during LTD's construction, EWEB Water may be involved, to some extent well into 2016.

EWEB Electric Operation's remaining relocation activities are highly dependent on LTD's ability to secure easements along the W. 11th Ave. corridor. The tentative start date for electric relocations is also June 2015, with estimated 11-month duration to complete the work. EWEB is working with LTD to determine whether some work can begin before all easements are acquired, but segmenting the project adds more difficulties.

LTD continues to reimburse EWEB for the actual costs incurred for the utility relocations and service extensions. To date, EWEB has received about 63% of the \$3.1 million that LTD has authorized for utility relocations through March 2015. LTD has been very timely with making payments when billed. As the remaining designs are finalized and the scope of utility relocations is fully realized, EWEB will provide LTD with additional construction cost estimates. Preliminary estimates for the remaining EWEB Water and Electric relocation are \$1.6 million and \$4.8 million, respectively, bringing the total project cost to approximately \$9.6 million.

Requested Board Action

No action requested. This is an informational item only. Staff will be available to answer question at the April 7th 2015 Board Meeting. If you have any questions, please call Mel Damewood at 541-685-7145 or email mel.damewood@eweb.org.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Mital, Simpson, Brown, Helgeson and Manning
FROM: Erin Erben, Power & Strategic Planning Manager
DATE: March 27, 2015
SUBJECT: R&D Pilot Programs Semi Annual Summary
OBJECTIVE: Information Only

Issue

The purpose of this now semi-annual memorandum is to provide updates on research & development programs, including load management pilots being undertaken by a cross-departmental team of EWEB staff. This summary includes activities from Q4 2014 to end of Q1 2015. Additional summaries will be provided in Q2 and Q4 2015.

Background

Staff continues to research an array of energy efficiency and demand response programs as directed in EWEB's updated IERP and strategic plan. The proposed programs are also intended to better position EWEB to assist customers with bill saving opportunities in the future. Appendix 1 summarizes current status by pilot program.

Discussion

Following are updates on active pilots:

Residential Time-of-Use (R-TOU) / "Power Hours Pricing Study"

The implementation of the Residential Time-of-Use (R-TOU) Rate pilot, also known as the Power Hours Pricing Study, remains the primary focus of EWEB's R&D team. This pilot is the first investigation of the effects of pricing signals within the residential sector and their ability to change customer behavior. The R-TOU pilot team continues its work to fill the recruitment sample, complete the installation of the TOU meters, and maintain the highest level of quality assurance on the transition of customer bills from the current standard tiered rate to TOU rate.

At this time, 75% of the sample has been recruited. To complete the sample, the team addressed several factors that contributed to a longer-than-anticipated initial recruitment phase: college football season and end-of-year holidays negatively affected weekend recruitment phone calls; there were some unanticipated data integrity issues introduced by our initial recruitment contractor; and we experienced a low conversion rate of customers willing to sign our initial terms & conditions agreement for participation. Effective early April 2015, a new recruitment contractor will begin filling the remaining sample set of approximately 150 customers. The RTOU team has developed a more detailed advance letter to potential customer-participants, and revised the terms and conditions document into a more customer-friendly research agreement to help improve conversion rates.

The EWEB Meter Shop has been very responsive to supporting the study timeline as to addressing customer facing issues. They have completed extensive testing, documentation, and troubleshooting exercises throughout the past few months. In addition, the meter techs are also downloading the interval

data every 45 to 60 days. The billing data is still being collected by the Meter Readers. The interval data is being stored in the Study database, which is providing invaluable firsthand experience to EWEB's near future meter data management (MDM) development efforts.

Finally, the customer billing system has been modified to accommodate the study with the help of the Meter Shop and Billing Control. This has been no small effort to define and thoroughly test this process without subjecting customers to billing adjustments. 100% of all initial Study bills are being reviewed for accuracy and/ or presentation issues. Initial data indicates that most customers are shifting and saving on "Power Hours Pricing."

The revised timeline for achieving a full sample of 450 customers is early May, with all meters installed by early June. The Study officially begins once all meters are installed. The first evaluation report, focused on the planning phase of the Study will be published in Q2 2015.

Commercial & Industrial Demand Response (DR) Aggregation Demonstration Project

The "Aggregation" pilot project extends the successful concepts of the Metropolitan Wastewater pilot program, designed to provide signals to industrial customers to temporarily reduce load, by expanding the approach and studying the accumulated effect of multiple customers shedding load.

This Commercial Demand Response (DR) Aggregator Pilot is a regional demand response program that was anticipated to come online in February 2015, and then tested for one year with a possible one-year extension. EWEB worked with Energy Northwest (EN) and other public utilities in Idaho and Washington, and the Bonneville Power Administration (BPA) to develop a program that could shift between 25 and 35 megawatts of power off of the transmission grid up to six times per month with the help of participating utility customers. Such customers under consideration were industrial or large commercial operations that were willing and able to reduce their electric demand on short notice (i.e., within ten minutes). **EWEB intended to participate; however, due to BPA budget constraints and timelines, EWEB and EN mutually agreed to cancel the contract.**

There will be an evaluation report regarding the activities associated with this pilot published in Q2 2015.

Lessons Learned:

1. This was a large and complex project with multiple external and internal stakeholders and many potential contracts. The more people and organizations that are involved, the more slowly processes move forward.
2. The metering and telecommunication equipment and integration costs came in 400% over the original vendor phone quotes. These higher than expected costs fundamentally changed the direction of the pilot. EWEB lost valuable time by not moving contracts forward during the cost overrun negotiation period.
3. This project illustrates the importance of allowing more time for planning and contract review. In addition, the necessary technology (e.g. load control/ telecom modules, DRACS) was also not available within constrained timeline determined by BPA. So, project calendars should include adequate time for technology delivery and testing.

Requested Board Action

No action is required from the Board at this time. For additional questions or comments, please contact Erin Erben at (541)685-7615 or erin.erben@eweb.org.

Appendix 1: Active Research & Development Pilot Programs Status

	Residential Time-of-Use ("Power Hours Pricing Study")	Commercial Aggregation	Placeholder
			
Current Stage	Recruitment/ Meter Installation	Not Proceeding	TBD
Implementation	Recruitment and meter installation are 75% complete.	Per summary, pilot not proceeding.	TBD
Evaluation	First evaluation report, focused on the planning and recruitment phase will be published in Q2 2015. Data being collected currently.	Formal evaluation and lessons learned to be published Q2 2015.	TBD
External	New 3 rd party recruitment contractor will begin mid April. Continued ongoing collaboration with EPRI on pilot design and evaluation.	Per summary, pilot not proceeding.	TBD
Hypothesis & Findings	Determine how TOU participants can benefit from peak shifting strategies.	Determine the feasibility of using multiple loads to attain 2MW of group dispatch.	TBD
Eligible Population and/or Unit Savings	100% of the 78,000 residential customers would be eligible for a residential TOU rate. Unit savings to be determined in Evaluation phase. Participation in the pilot is voluntary.	This would impact C&I entities able to secure a min. dispatch at pre-undetermined signals. Dispatchable impact to be determined in Evaluation phase.	TBD



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TO: Commissioners Brown, Mital, Helgeson, Manning and Simpson
FROM: Cathy Bloom, Finance Manager and Sarah Gorsegner, Purchasing/Risk Manager
DATE: March 27, 2015
SUBJECT: Quarterly Contract Report for Q1 2015
OBJECTIVE: Information Only

Issue

The Board requested that staff provide a quarterly report of contracts between \$20,000 and \$150,000 which would have come to the board for approval under the previous threshold amounts.

Background

At the August 6, 2013 Board meeting, the Board ratified Resolution No. 1320, which increased the Board Approval Threshold for certain contracts to more closely align with solicitation thresholds. As a result, the processes and procedures were streamlined for the Board and staff. This change will result in the reduction of the number of items coming before the Board on the consent calendar and allow the Board to focus on higher level/higher risk contracts and other strategic initiatives. It will also allow purchasing staff to focus their energies on the higher risk/greater return projects and contracts.

The thresholds are:

Purchase of all Goods, Equipment, Services and Personal Services:	\$ 150,000 or greater
Purchase of Construction Services:	\$ 100,000 or greater

Discussion

Attached is the Contract report for the first quarter of 2015. The contracts listed are those that would have previously come to the Board for approval, but which are now below the Board approval threshold.

If you have any questions regarding the contracts, please contact the Purchasing Manager, Sarah Gorsegner.

Recommendation/Requested Board Action

None at this time. This information is provided for informational purposes only.

Contract Execution Date	Contract #	Contractor	City, State	Description	Contract Amount	Contract Term	Contract Process	LT Manager
3/3/2015	003-2015	Wesco Distribution	Portland, Oregon	Single Phase Pad Mounted Transformers	\$ 98,000.00	3/3/2015-3/2/2016	Invitation to Bid	Mel Damewood
1/6/2015	064-2014	Pioneer Waterproofing	Tigard, Oregon	Hayden Bridge Contact Basin Seam Seal	\$ 29,075.00	1/6/15-2/1/2015	Request for Quote	Brad Taylor
1/6/2015	068-2014	Brothers Plumbing LLC	Lowell, OR	HB Contact Basin & Filter Gallery Plumbing Improvements	\$ 33,984.00	1/6/15-2/27/15	Request for Quote	Brad Taylor
1/29/2015	066-2014	Barnes High Tech	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	1/29/15-12/31/2020	Request for Qualifications	Brad Taylor
1/22/2015	066-2014	Kevin Cohen	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	1/22/15-12/31/2020	Request for Qualifications	Brad Taylor
1/22/2015	066-2014	On-Call Plumbing	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	1/22/15-12/31/2020	Request for Qualifications	Brad Taylor
2/10/2015	066-2014	Pacific Plumbing & Rooter	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	2/10/15-12/31/2020	Request for Qualifications	Brad Taylor
1/22/2015	066-2014	Ready Rooter	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	1/22/15-12/31/2020	Request for Qualifications	Brad Taylor
1/22/2015	066-2014	Right-Way Plumbing	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	1/22/15 -12/31/2020	Request for Qualifications	Brad Taylor
3/27/2015	066-2014	John the Plumber	Eugene, Oregon	Water Service Line Replacement Program	\$ 100,000.00	3-27-15 to 12-31-20	Request for Qualifications	Brad Taylor
1/21/2015	15-0002	LCOG	Eugene, OR	EWEB Property Management Technical Assistance Activities	\$ 50,000.00	1/21/15 - 12/31/15	IGA	Steve Newcomb
2/9/2015	15-0004	Metropolitan Wastewater Management Commission	Springfield, OR	McKenzie Voluntary Incentives Program (VIP) Partnership	\$ 120,000.00	Perpetual	IGA	Steve Newcomb
1/28/2015	15-0001	Cascade Pacific RC&D	Corvallis, OR	Operation of demonstration farm and prgm participation	\$ 120,000.00	1/1/15 - 12/31/16	IGA	Steve Newcomb
2/19/2015	2416	Integra Realty Resources	Portland, Oregon	Riverfront Property Appraisal Services	\$ 45,000.00	6/30/2015	Informal RFP	Steve Newcomb
3/9/2015	2419	Summit Energy Tech Corporation	Bend, OR	System maintenance of EWEB Slice System	\$ 30,000.00	3-9-15 to 3-8-18	Direct Negotiation	Dave Churchman
3/23/2015	2420	Xtreme Consulting Group	Kirkland, WA	Candidate Placement Services	\$ 20,000.00	3/12/15 - 3/11/20	Direct Negotiation	Lena Kostopulos
02/10/15	1058-2014	C&S Fire-Safe Services	Eugene, Oregon	Portable Fire Extinguisher Services	\$ 30,000.00	1 yr with 5 year auto renew	Request for Quote	Todd Simmons
02/23/15	1062-2014	Gooden-Harrison Construction	Eugene, Oregon	Carmen Smith House 4 Site Prep	\$ 51,935.00	2-23-15 to 8-31-15	Request for Quote	Mel Damewood
03/18/15	1010-2015	Wildish Construction	TBD	Leaburg-Walterville Embankment Improvements	\$ 89,540.00	3-18-15 to 12-31-15	Request for Quote	Mel Damewood

Total # of Executed Contracts between \$10,000 - \$20,000 = 3

EWEB association for all above contracts = None

Questions? Please contact: Sarah Gorsegner, 541-685-7348



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Rely on us.

TO: Commissioners Mital, Simpson, Helgeson, Manning and Brown
FROM: Mel Damewood III, Engineering Manager,
Alan Fraser, Industrial Engineering Supervisor
DATE: March 25, 2015
SUBJECT: Update to EWEB Customer Service Policies & Procedures E-V and All Utilities
Glossary
OBJECTIVE: Information Only

Issue

EWEB Staff has conducted a review of Customer Service Policies & Procedures, Electric Section V.

Background

EWEB staff routinely review the Customer Service Policies & Procedures to ensure these documents meet the needs of both EWEB and its customers. In this revision, only minor language changes were made in order to clarify the policy.

Discussion

Staff reviewed and edited EWEB Customer Service Policies & Procedures, Section E-V Electric Service Charges and Rates to improve and update. The changes were not rate related; a high level summary of the changes includes:

- Updated language about Primary Service customers; delineating ownership and responsibilities.
- Eliminated some legacy language that was no longer germane.
- Provided some consistency between definitions such as active and reactive Demand. These definitions are also contained in the All Utilities Glossary which has also been updated for uniformity.
- Eliminated language that was redundant; such as available voltages which are listed elsewhere in the Policy and Procedures.
- Clarified language in regards to Dark Fiber ownership.

Recommendation

There is no recommendation or Board action required. This memo is for informational purposes only to inform the Board of non-rate updates to EWEB Customer Services Policies and Procedures Electric Section V.

Requested Board Action

There is no requested Board action. These minor revisions will be made available online on May 1, 2015 and can be viewed online at EWEB's webpage at <http://www.eweb.org/policies>.