



The following questions have been posed by Commissioners prior to the scheduled Board Meeting on September 1, 2020. Staff responses are included below, and are sorted by Agenda topic.

McKenzie Valley Service Territory & Ratemaking - (LAWSON/HART/PRICE) Is there anywhere else in our service territory that we charge customers differently? It's been alluded to that we charge a water fee for customers in the South Hills.

RESPONSE: *There are several areas in which we charge both water and electric customers differently based on the cost to serve those customers.*

For the Water Utility,

- *Customers located within the City limits are charged different rates than Outside the City limits;*
- *Elevation charges are assessed to customers at three different elevation levels, with higher elevations costing more than lower elevations. Those charges have a fixed, and a volumetric component to capture the costs of delivering water at elevation.*

For the Electric Utility,

- *Commercial customers are charged different rates based on service demand (i.e. up to 30 kW of demand, between 31 and 500 kW, between 501 and 10,000 kW, and over 10,000);*
- *Commercial customers are charged different rates based on voltage differential for Primary and Secondary service;*
- *New or Incremental demand received a Credit to offset costs on the Business Growth and Retention Credit;*
- *Commercial customer in the time of use pilot rate are charged different rates;*
- *Partial Requirements Service has been established (but no current participants) for customers with large generators;*
- *Customers with solar or other renewable generators (under 25 kW) are able to net their generation against their retail power costs;*
- *Customers with larger solar or other renewable generators are paid at a market-based rate for their generation and are not allowed to offset retail power costs.*

I'm a little hung up on the fact that we are assuming that what we provide upriver is considered the same as what we provide for in-town residents. Aren't our response times much different? It seems like part of what makes EWEB different from other utilities is our customer-oriented approach, but based on geography, do upriver residents benefit from the same services (other than their lights turn on when they flip the switch)? I did note that they are accessing our energy efficiency programs.

RESPONSE: *The outage frequency in the McKenzie Valley is slight over double (2.3X) EWEB's urban frequency, and response times are approximately 6 times (5.6X) longer, averaging 3.5 outages/year and slightly over 6.5 hours to re-energize. The distance, system configuration, terrain, and asset condition all contribute to this difference. However, with these outage statistics, the average McKenzie Valley customer's availability (uptime) is 99.73%. All McKenzie Valley EWEB customer-owners have access to the same energy assistance and other EWEB programs and services offered to urban customer-owners.*

Consent Calendar

CONTRACTS

Mason, Bruce & Girard, Inc. – for Carmen-Smith botanical consulting services - (PRICE) Please explain why we budgeted \$50,000 for these services yet the contract is for \$400,000.

RESPONSE: *This contract is a five-year task order contract with an estimated budget of \$50,000 in the first year. Tasks will be negotiated, signed and released over the course of the five years with a not-to-exceed value for the entire contract of \$400,000.*

When we say we “budgeted” \$50,000 per year for this service then we allocate a \$400,000 contract for five years are we setting ourselves up for more charges beyond the \$50,000 per year? When we have something as fluid as this should we be concerned that the costs will actually be a lot more than the \$250,000?

RESPONSE: *Because this contract is being put in place late in this year, the work in 2020 will be limited to 2 surveys. A full years’ work will vary but is expected to be 6 to 8 surveys per year with varying costs. The total contract amount is meant to cover the maximum expected work in a five-year period, with cost oversight included in the yearly budget process conducted in November and December.*

Also, it appears they will be inventorying plants; will this be ongoing for monitoring? It seems that if we are inventorying things it would imply future actions, I am curious if this will be an ongoing expense or a one-time inventory.

RESPONSE: *The work is all required under the Carmen settlement agreement and license and includes both initial deployment work and ongoing surveys under the license.*

This year’s botanical tasks are limited to a noxious weed and large downed wood survey of the project, focusing on the 19-mile transmission corridor and the reservoir edges. Beginning in 2021 and continuing through the life of the contract, there are numerous larger scale surveys and reports required under the FERC license including:

- *Full Project Survey Area survey for rare plants and the creation of GIS layers and reports.*
- *Botanical surveys on Leaburg Forest parcels included in the Carmen Smith Project area.*
- *Focused site surveys for project impacted areas.*
- *Downed woody recruitment plans and the creation of GIS layers and reports.*
- *Annual Noxious weed surveys and the creation of GIS layers and reports.*
- *Culturally significant plant surveys and the creation of GIS layers and reports.*
- *Snag creation (500) and monitoring, and the creation of GIS layers and reports.*
- *Studies and reports documenting weed management and habitat enhancement efforts.*
- *Wetland function and restoration assessments.*
- *Database updating and maintenance.*
- *Documentation of consultation.*

This looks like a lot of survey/inventory work, so is it fair to assume we will have to monitor long term and/or do additional work to keep things within certain standards?

RESPONSE: *Yes, based on the License requirements, the Vegetative Management Plan establishes EWEB’s obligations over the 40-year license period. Efforts center around the need to manage noxious weeds and encourage rare or threatened significant plant species and protect rare or threatened plants and encourage native plant species.*