

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
December 1, 2020
5:45 P.M.**

Commissioners may pose questions to staff prior to the scheduled board meeting. To view Commissioners' pre-meeting questions and staff responses, visit <http://www.eweb.org/about-us/board-of-commissioners/2020board-agendas-and-minutes>.

Commissioners Present: Steve Mital, President; Mindy Schlossberg, Vice President; John Brown, Sonya Carlson, Dick Helgeson, Commissioners

Others Present: Frank Lawson, General Manager; Susan Ackerman, Chief Energy Officer; Jason Heuser, Policy & Governance Program Manager; Deborah Hart, Chief Financial Officer; Adam Rue, Fiscal Services Supervisor

President Mital called the Regular Session to order at 5:45 p.m.

Agenda Check

There were no changes or additions to the agenda.

Items from Board Members & General Manager

Commissioner Brown reported he had recently attended a quarterly meeting at which the topic was Other Post-Employment Benefits (OPEB). He reported further that the financial health of OPEB was in good shape. Commissioner Brown said he received an email from representatives of Summit Bank who had participated in EWEB's Run to Stay Warm, and he added that organization had made a \$500 donation.

President Mital said he had scheduled a meeting with Springfield Utility Board (SUB) President John DeWenter and SUB to discuss both he and President DeWenter passing their respective Board Presidencies to other members of the two Boards. He added that Vice President Schlossberg would also be attending that meeting.

Mr. Lawson offered the Board a brief COVID update. He thanked the Board and the staff for their hard work and diligence during the very trying year that was 2020.

Public Input

Tana Shepard, of Eugene, and representing School District 4J, thanked EWEB for collaborating with 4J during virtual teaching brought about by the COVID pandemic. She reported she had developed and continues to work with 4J's Climate Justice Team (CJT), which is comprised of 4J staff and high school students. Ms. Shepard offered the CJT had been in close collaboration with the State concerning local and regional climate matters.

Steven Goldman, of Eugene, requested EWEB adopt an annual net metering policy for domestic solar producers. He also requested that EWEB drop or change their solar access standard of 85%. Mr. Goldman said there should definitely be financial incentives from EWEB for the surplus energy he generates on his property, but he felt the rate EWEB paid for surplus electricity (2.8 cents per kWh), was too low, and the 9.1 cents per kWh he has to pay when he needs to purchase power from the utility was too high.

Stephen Anderson, of Eugene, addressed the Board concerning the Hilyard reservoir project. He asserted the EWEB Board should get more involved in the siting of the project as to protect the old growth woodland on the property. Mr. Anderson said now that the geological report was available, EWEB should utilize site two for the first tank. He asserted that EWEB should be busying itself creating habitat now, to replace all that will be destroyed when the utility removes the big timber from the site for the second tank.

Sandra Bishop of Eugene, addressed the Board and General Manager about the Hilyard reservoir project. She asked the Board to direct staff to come back to them with alternative locations for the tank slated to be built next year. She agreed with Mr. Anderson that EWEB should utilize site two for the first tank.

Joe Moll, Executive Director of the McKenzie River Trust, stated that EWEB was the best organization to take a leadership role in recovery for the river and the community on the river, in the wake of the Holiday Farm fire, and he thanked the utility for their tireless work (long term and short term) in this mitigation/recovery effort.

Joe Harwood for Jim Neu of Eugene, offered appreciation to EWEB for their rooftop solar rebate program, however, he expressed disappointment at the rebate check having been issued by US Bank. He asserted that US Bank was notorious for contributing to, and financing large fossil fuel projects which greatly contributed to climate disruption. Mr. Neu was surprised and disappointed that EWEB would do business with an organization with such a poor climate record, and he urged the Board to divest from US Bank, and seek other, more environmentally-friendly institutions.

Commissioner Carlson appreciated the comments and questions, especially those of Mr. Goldman concerning EWEB's net metering policies for surplus domestically-generated solar electricity. She said it was worth the utility's time to look into, and possibly make adjustments to, their current net metering policy.

Commissioner Helgeson agreed with Commissioner Carlson, that it was reasonable for EWEB to revisit their solar net metering policy. He offered that the value of power in the summer—when most domestic surpluses are generated—was quite different than the value of power in the winter.

Commissioner Brown agreed with Mr. Neu's sentiments about US Bank, but he said changing financial institutions would be no easy feat for an organization as large and economically diverse as EWEB. He did agree the Board should look into it.

President Mital said the contract between EWEB and US Bank was up for review/renegotiation in 2022, and certainly the utility could add environmental criteria (or sets of environmental criteria) for future business with a financial institution.

On the topic of solar incentive, Mr. Lawson said the incentive was based on the connected kilowatts, and not the produced kilowatts, and could be changed, but, since it comes out of the Green Power Program, it would require a vote of Green Power customers to change it.

Approval of Consent Calendar - A MINUTES AND ROUTINE CONTRACTS

MINUTES

1 a. November 2, 2020 Executive Session Minutes

1 b. November 2, 2020 Regular Session Minutes

CONTRACTS

2. Burns & McDonnell - for as-needed electric distribution design services. \$625,000 (over 5 years) based on competitive RFP.

3. Inter-Fluve, Inc. - for environmental engineering services associated with the FERC-required implementation of the fish habitat enhancements at the Carmen-Smith Project. \$1,635,000 based on Qualifications Based Selection (QBS) process.

4. SPX Transformer Solutions, Inc.- for the purchase of three power transformers. \$3,750,000 based on competitive RFP.

Commissioner Brown moved to approve Consent Calendar - A. The motion passed unanimously 5:0.

Approval of Consent Calendar - B NON-ROUTINE CONTRACTS AND OTHER CONSENT ITEMS

INTERGOVERNMENTAL AGREEMENTS

5. Lane Council of Governments (LCOG) - to provide orthoimagery and LiDAR acquisition services in support of Electric Generation, Drinking Water Source Protection, and watershed recovery and restoration efforts. \$210,000 based on Direct Negotiations/State Contract.

RESOLUTIONS

6. Resolution No. 2019 - Electric and Water Budget Amendments.

7. Resolution No. 2027 - Authorizing General Manager to Approve Sale of WGA Steam Turbine Generator.

8. Resolution No. 2032 - Authorizing Acquisition of Real Property near Leaburg Canal.

9. Resolution No. 2033 - Authorizing General Manager to Negotiate and Execute a Purchase Agreement for West Eugene Property.

10. Resolution No. 2034 - MGP Site Declaration of Surplus and Authorizing General Manager to Execute Sale to the City of Eugene or City of Eugene Urban Renewal Agency.

Commissioner Brown moved to approve Consent Calendar - B. The motion passed unanimously 5:0.

Items Removed from the Consent Calendar

There were no items removed from the Consent Calendar.

2021 Proposed Budgets and Prices - Update

Ms. Hart, et al. Offered the Board an update and PowerPoint presentation on 2021 Proposed Budgets and Prices.

Public Hearing on 2021 Proposed Budgets and Prices

President Mital opened the Public Hearing on 2021 Proposed Budgets and Prices at 6:39 p.m.

There were no members of the public wishing to speak on 2021 Budgets and Prices.

President Mital closed the Public Hearing on 2021 Proposed Budgets and Prices at 6:40 p.m.

2021 Proposed Budgets and Prices - Action (Resolution No. 2028 - 2021 Budgets, Resolution No. 2029 - Electric Customer Service Charges & Prices, and Resolution 2030 - February 2021 Revised Water Prices)

Commissioner Carlson asked why purchased power costs were up, while CILT (contributions in lieu of tax) and transmission costs were down.

Mr. Rue said the CILT cost was a function of retail revenue, and the lowering of revenue was offset by the lowering of CILT costs that EWEB remits to the City. He added that the biggest part of EWEB's transmission cost was Bonneville's NT transmission purchases which are billed on peak demand, therefore if EWEB has lower demand it results in lower BPA transmission cost. Also, when retail demand is down, EWEB has more to sell in the wholesale market.

Commissioner Brown asked if EWEB was still budgeting at a 90% water year.

Ms. Hart said yes.

Commissioner Carlson moved to approve Resolution No. 2028. The motion passed unanimously 5:0

Commissioner Carlson moved to approve Resolution No. 2029. The motion passed unanimously 5:0.

Commissioner Carlson moved to approve Resolution No. 2030. The motion passed unanimously 5:0.

Resolution No. 2031 - 2021 State Legislative Agenda

Mr. Heuser offered the Board a report and PowerPoint presentation on Resolution No. 2031.

Commissioner Mital asked for clarification on the pros and cons of flow accounting.

Mr. Heuser opined that flow accounting amounted to a type of verification so the State could be assured that clean energy was indeed utilized. He opined that it was not actually necessary.

Both President Mital and Commissioner Helgeson were in support of hydropower being treated congruously with other low-carbon energy resources.

Commissioner Carlson moved to adopt Resolution No. 2031. The motion passed unanimously 5:0

Correspondence & Board Agendas

Mr. Lawson offered the Board a report on correspondence and Board agendas.

Appreciation of Commissioners Helgeson and Mital

Vice President Schlossberg, the Board, and Mr. Lawson praised President Mital and Commissioner Helgeson for their years of work and dedication to the EWEB Board. President Mital and Commissioner Helgeson were presented with commemorative plaques and gilded water meters to honor their service to the utility.

Board Wrap-Up

Commissioner Carlson asked Commissioner Helgeson about the end of his tenure not only on the EWEB Board, but also a Board member of the Northwest Public Power Association (NWPPA). She wondered about the process for a different EWEB Board member joining the NWPPA Board after his tenure was ended.

Commissioner Helgeson said he would work with Mr. Lawson to make sure there was a path forward if any existing or incoming EWEB Board members are interested in the role.

Commissioner Carlson asked her colleagues to let her know if any of them were interested in positions on the Lane Council of Governments (LCOG) Board, and/or its Executive Committee.

Commissioner Brown said the liaison position with OPEB wasn't a voting position, and was mostly informational. He said he was open to passing that position to another Board member, if any of his colleagues were interested in the position.

Vice President Schlossberg said there would be an opening for a liaison position to the City of Eugene.

President Mital adjourned the meeting at 7:48 p.m.

Recorded by Rodney Cimburke

Assistant Secretary

President