Strategic and Operational Report

2021 - Q1

Eugene Water & Electric Board

April 28, 2021



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Quarter in Review:

The Management of Eugene Water & Electric Board (EWEB) is pleased to provide this first quarter report, including preliminary unaudited financial results, operational performance measures, and the status of strategic initiatives and annual goals.

EWEB welcomed two new Commissioners in 2021, including John Barofsky (Wards 2 and 3) and Matt McRae (Wards 1 and 8), along with returning incumbent Sonya Carlson (Wards 6 and 7).

Entering the year, EWEB lowered the forecast for retail revenue in response to the expected impacts from COVID on the general economy. While this is still a concern, both electric and water retail consumption and revenue were above the seasonally adjusted budget for the quarter. Electric revenues were offset by higher-than-expected wholesale costs for electricity leading to lower than budget net income. Water net income was above budget, although this is not a high-consumption quarter.

In the first quarter, a landmark decision occurred when the EWEB Commissioners approved a \$3.95 million-dollar 2021 budget amendment and a unique landmark 5-year Watershed Recovery Fee to help finance investments in the recovery of the McKenzie Valley watershed. So far, the actions that were implemented by the Pure Water Partners (PWP) team as part of the initial emergency response to the Holiday Farm Fire is 95% complete and the final revegetation sites will be completed in mid-April. These actions and associated costs are cumulative from October 2020 through Q1 2021 (using the initial \$1 million the Board approved last October).

Generally, both water and electric reliability remained well within expected ranges, although the "availability" of EWEBowner hydro generation facilities remains significantly below our benchmark with Leaburg not operational due to the Canal closure and several disruptions at the Carmen-Smith and Stone Creek projects.

Water quality remained good in the first quarter. Powder Activated Carbon (PAC) was used for mitigation of any fire related contaminants during the first quarter. Monitoring indicated the watershed had flushed out many of the trace contaminants and PAC application during times of diminished rainfall was no longer necessary. On February 24th treatment discontinued the use of PAC in fair weather. PAC will continue to be applied during storm events. Treatment will shift focus in Q2 from organics loading from the fire to Hazardous Algae Blooms (HABs) and toxin treatment.

Some performance metrics are showing concerning trends, including electric service response time for customer's building and renovation projects, which has slipped to an eight (8) week turnaround time versus a target of 3 weeks. Additionally, preventative operations and maintenance programs are behind our goals including water system valve exercising, tree and vegetation management, and metering-related services. Several project deadlines within the Carmen-Smith Relicensing Program have been missed causing concern from some of the settlement parties to the License. Management recognizes the importance of these programs from a safety, compliance, reliability, and service perspective and considers many of these programs as prerequisites to strategic work. Management is formulating risk-based mitigation plans to address the concerns associated with the pace/rate of progress of the programs that are struggling.

Overall, EWEB continues to work on building organizational and customer confidence through the transparent communication of our results, including those discussed herein. We appreciate your ongoing support.

Frank Lawson, General Manager

Board Activity

Board Activity Report: During the first quarter, the Board of Commissioners took significant actions and held meaningful discussions including, but not limited to, the following:

- <u>Newly elected Commissioners John Barofsky (Wards 2 and 3), and Matt McRae (Wards 1 and 8), and incumbent</u> <u>Commissioner Sonya Carlson (Wards 6 and 7)</u> took the oath of office for their current four-year term.
- At the Board's annual business meeting <u>Mindy Schlossberg was appointed President</u> and <u>John Brown as Vice</u> <u>President</u> for the upcoming year. All Commissioners accepted assignments to assorted Board liaison roles.
- Commissioners <u>discussed the Leaburg/Walterville Evaluation Project including risk analysis associated with the canal</u>, financial, societal, and environmental considerations of potential scenarios. The Board provided near-term guidance to invest in the canal to reduce risk consistent with storm water conveyance (SWC); initiate dialog with FERC to help determine EWEB's obligations under a SWC scenario and decommissioning and/or return to service; incorporate the SWC scenario in the long term financial and power planning processes to inform future strategies for power supply and funding.
- Review and discussion of the State of the McKenzie Watershed Report and the McKenzie Watershed Recovery and Restoration Plan. The Board provided direction for financial planning to support the plan's objectives, and ultimately approved a \$3.95 million Water O&M budget amendment and the establishment of a new Watershed <u>Recovery Fee</u> to support a dedicated Watershed Recovery Fund.
- The Board held its first in a series of discussions around EWEB's Strategic Plan and future updates.
- Advanced Metering Infrastructure program background and updates. Approval of a Customer Service Policy revision to support the end state of full AMI deployment.
- Planning for the Board's upcoming meeting with McKenzie Valley residents.
- State of the Utility and year-end results for the Utility's organizational goals.

Management is obligated to report explicit information as guided by Board policy and voluntarily reports additional supplemental information, contained as follows:

REQUIRED REPORTING PER BOARD POLICY

Appendix A: Electric Utility Financial Statement (EL1)

Appendix B: Water Utility Financial Statement (EL1)

Appendix C: Electric Utility and Shared Services EL1 Report

Appendix D: Water Utility EL1 Report

Appendix E: Capital Spending Summary (Supplement to EL1 Reports)

Appendix F: Contracts Awarded Report (EL2)

Appendix G: Community Investment Report (EL3)

ADDITIONAL APPENDICES

Appendix H: Electric Division Metrics Scorecard

Appendix I: Water Division Details

Appendix J: Workforce Composition Appendix K: Fleet Sustainability Report

EWEB Strategy and Annual Goals

The *Eugene Water & Electric Board Strategic Plan (2017-2020)* was approved August 2, 2017, revised July 10, 2018, and provides the basis for policies, decisions, and the annual goals established for the organization. This Quarterly Report is organized to provide status and progress information based on those annual goals. On January 5, 2021 the EWEB Commissioners approved the annual goals for the organization.

Quarterly Update – Utility Operations (Annual Goal #1)

Goal #1 – Maintain or improve our "day-to-day" performance consistent with Board direction, policies, and organizational values, with an emphasis on increasing workforce resiliency.

Overall Status: On Target

Electric Utility Financial Report (Deborah Hart)

*See <u>Appendix</u> A – Electric Utility Financial Statements.

Financial	Financial Metrics – Governed by Board Policy (including Cash position)
	Revenue/ Net Income
	Budget Controls (Revenue/Rate/Affordability)

Item of interest: Electric consumption and income were higher than budget.

Financial metrics: The Rate of Return projection was well below target as of March. 2021 revenue assumptions were more conservative to account for continuing COVID economic impacts and lowered the metric for the current year.

FERC ordered EWEB to cease operation of the Leaburg project due to increased canal seepage and public safety concerns. The future of the project is uncertain and future discussion will determine if the project returns to service. The net book value of the project was moved from Plant in service to Property held for future use. Reclassification of Leaburg plant and a 2020 bond issuance increased the Debt as a Percent of Net Book Value ratio above target in 2020. This ratio moved 3% closer to the target range in March 2021 with large additions to plant.

Remaining metrics conform to Board targets.

8.0% Rate of return 6.0% Target: 5 - 7%. 4.0% Measures the utility's ability to pay current and future 2.0% 0.3% infrastructure costs. 0.0% Projected 2021 75% 70% 65% Debt as a % of NBV

Target: Less than or equal to 60

Measures overall leverage of

the system by aligning debt

assets.

service with the useful lives of





Net Income: For the three months ended March 31, 2021, net income for the Electric Utility was \$3.7 million.

Budget Controls: Year-end forecast for the O&M budget is \$800,000 favorable.



Water Utility Financial Report (Deborah Hart)

*See <u>Appendix</u> B – Water Utility Financial Statements.

Item of interest: The new water quality lab was completed at Hayden Bridge.

Financial metrics: The Rate of Return projection was below target as of March. 2021 revenue assumptions were more conservative to account for continuing COVID economic impacts. Additionally, the \$3.95 million budget amendment approved at the March Board meeting reduced the projection below target. A Watershed Recovery fee set to take effect later this year will offset increased spending from the budget amendment and improve the metric.

Rate of return	1
Target: 5 - 7%.	(
Measures the utility's ability to	1
pay current and future	-
infrastructure costs.	,



All other ratios conformed to Board targets through March.

Net Income: For the three months ended March 31, 2021 net income for the Water Utility was \$618,000.



Budget Controls: A \$3.95 million O&M budget amendment for watershed restoration was approved at the March Board meeting. Because of the timing, it is driving the year-to-date favorable operating variance.



Customer Programs & Services Report (Julie McGaughey)

Customer Services & Programs	Customer Operations Response & Effectiveness	
	Energy & Water Conservation and Bill Assistance Program Results	
	Communications Effectiveness	
	New Customer Connections	

Item of interest: Customer Experience Improvement Project (Shared) Status

Overall Status: Below Target

Milestones include:

- Testing progress changes for e-billing, autopayment scheduling, customer notifications, and payment processing were delivered, applied, and analyzed.
- Further testing is in progress for identified critical defects based on the recent changes.
- Soft Go-live on track for deployment and execution in April 2021.
- Upcoming Activities include:
 - 'Soft Go-Live' the internal to EWEB soft-launch of the new Customer Self-Service platform wherein EWEB staff will preview and develop more internal awareness and understanding of the new Customer Experience.
 - Customer Go-live customer release is currently scheduled for May pending test results and acceptance.

<u>Customer Operations Response & Effectiveness</u>: In Q1, Customer Service assisted 48,900 customers, down 9% from Q1 2020. All service KPIs were met.

Energy and Water Conservation and Bill Assistance Programs:

- Energy efficiency activity is steady and on track at 31% of target and 28% of budget. Some commercial site visits have resumed, with safety protocols.
- Septic pumping rebates are trending higher than usual due to submittals from the Q4 2020 Holiday Farm Fire area promotion.
- Bill assistance is on track, with planned overages to be covered by customer donations. Agency costs for income verification referrals are trending under straight line budget, as expected due to high deemed eligibility rates early in the year.

<u>Appendix</u> G lists community investment contributions through Q1 2021 categorized by type of investment: Sponsorships, Donations, Grants and Mutual Aid; Customer Solutions Products and Services; System Development Charge (SDC) Waivers; Contributions in Lieu of Taxes (CILT); EWEB Ambassador Efforts and Events (Paid).

Communications Effectiveness:



Click here to view above Showpiece: Direct Mail to Residential Customers

Energy Operations Report (Susan Ackerman, Lisa Krentz, Tyler Nice)

Energy Operations & Planning	EWEB Power Supply Performance (Availability)	
	Power Trading Performance	
	Power Planning Activity	

EWEB Power Supply Performance (Lisa Krentz)

Generation Type	Availability	Forced Outage	Notes
	Factor (AF)		
Target	>90%	<3.00%	
Wind	97.68%	N/A	The Harvest Wind Project turbines were available and
			operating during the quarter.
Hydro	73.93%	18.03%	Carmen Unit 1 was offline for an exciter upgrade in January.
			The Stone Creek unit was offline briefly during the northern
			Oregon ice storm. The Trail Bridge unit is currently offline due
			to a turbine bearing issue. Expected return to service is April
			22 nd . All other hydro resources were available and operating
			at the end of Q1 except for Leaburg.
Thermal	97.11%	0.31%	Both units were available and operating. Minor mill outages
			affected overall availability. This is the last quarter that the
			Wauna steam turbine generator is part of the EWEB fleet.

Q1 2021 Generation Reliability by Fuel Type

AF: Availability Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were available for operation. **FOF:** Forced Outage Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were forced offline due to an unplanned event.

Power Trading Performance (Susan Ackerman)

Financial and position limits are monitoring and reported to Risk Management Committee regularly. The last short term compliance report is presented below in slightly redacted form.

Power Trading Compliance (Susan Ackerman)

Both Short Term and Mid Term trade activities were within compliance limits throughout the first quarter of 2021.

Compliance Summary				
as of March 2021				
All compliance metrics below are within the limits set in the <u>Power Risk Management Procedures</u> .				
Compliance Metric: Limit In Compliance?				
Short-Term Market Position (Individual Months):	±100 a MW	0	throughout Q1	
Short-Term Market Position (Compliance Period):	±75 a MW	0	throughout Q1	
Short-Term Financial Pos. (VaR) (Compliance Period):	\$2,000,000	0	throughout Q1	
Mid-Term Firm Market Position (Months 3-60):	±25 MW	0	throughout Q1	

Power Planning Activities (Susan Ackerman)

- BPA has a schedule for regional engagement on upcoming 2028 contracts; Staff working with BPA and regional partners to develop key concepts for future negotiations.
- Preparing for the impact on our operations from BPA's decision to join the California ISO's Energy Imbalance Market in 2022. This will likely require investment in the information systems supporting trading operation.
- The Regional Resource Adequacy program is close to a detailed program structure and a governance approach to it, which will involve changes to the Northwest Power Pool governance structure.

Electric Division (Tyler Nice)

Customer Connections	Customer Inquiries	
	Design Turn Around times	
Capital Investments & Projects	Type I – General Program Results v. Scope, Schedule, Budget	
	Type II – Project Results v. Scope, Schedule, Budget	
	Type III – Project Results v. Scope, Schedule, Budget	
	Outage Frequency & Duration vs. 5-Year Averages	
Electric System Reliability	Significant Outages, Causes, Mitigation	
	Preventative Operations & Maintenance (e.g., Vegetation Management)	

New Customer Connections-Electric:

- Q1 2021 cumulative customer inquiries have seen a 46% increase over Q1 2020.
 Peak in inquiries appear to be seasonal, however trending suggests a sustained rise through the last 5 quarters over the average inquiry amount.
- Distribution Engineering is completing a Continuous Improvement Effort for the customer inquiry process to reduce effort as well as assessing roles and responsibility with this task within the department.



Electric Utility and Shared Services Capital Spending Summary & Project Updates:

*See <u>Appendix</u> C – Electric Utility EL-1 Capital Report. Shared Services project updates are provided within the Electric Utility Capital section, but the project budget and costs are split between Electric and Water in the appendices.



Overall capital plan projected to be under budget by about \$6 million, mainly from the delay of the Carmen Unit 2 rewind and EWEB Distribution capital work deferred to focus on customer facing capital work.

TYPE 1 – General Capital Projects (Electric and Shared Services):

Type 1 General Capital is budgeted year-by-year for routine capital expenditures totaling less than \$1 million and is funded with rates and customer contributions. Typical examples include "pole replacements" as part of Transmission & Distribution.



- Projected Year end: Over Budget
 - o IT system replacements transferred from type 2 to type 1
 - o Customer driven work increase
 - o Generation infrastructure replacements

TYPE 2 – Rehabilitation & Expansion (Electric and Shared Service):

Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over \$1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds.



- Projected Year End: Under Budget
 - o IT system replacements transferred from type 2 to type 1

<u>TYPE 3 – Carmen-Smith License Deployment (Electric and Shared Services):</u>

Type 3 projects are large strategic programs with long term impacts and are generally bond-funded.

Overall Status (Lisa Krentz): Below Target

2021 activity is focused on the completion of fish passage design, relocation of a section of the transmission line, rehabilitation of a turbine generator unit, and rebuilding the Chinook Salmon Spawning Channel.



- Projected Under Budget
 - o Delay in Turbine Generator replacements

Project Schedule:

- Majority of license deployment activities are on schedule.
- Several projects are currently behind schedule, as identified in the FERC operating license, primarily due to staffing limitations.
- Delays to construction of upstream and downstream fish passage projects are expected for several reasons, including unanticipated review and actions to satisfy FERC dam safety requirements.
- Four Settlement Parties initiated Dispute Resolution in 2020 due to delay of fish passage projects. EWEB is working with these Parties on mitigation actions to resolve the dispute.

Status	Number of	Proportion of Tracked	
	Projects	Projects	
Out of compliance ¹	5	12%	
On track for compliance ²	28	65%	
Completed	6	14%	
On hold, no fault ³	5	9%	

¹ Overdue License deadline. Does not include Extension of Time Requests (EOT) awaiting FERC approval.

² Projects that are scheduled/in progress and expect to be completed on time. Assumes FERC approval of EOT.

³ Awaiting Agency comments or submitted on time and awaiting FERC approval.

Electric Reliability Report

Outage Frequency & Duration vs. 5-Year Averages:



Significant Outages, Causes, Mitigation:



January - Uncontrolled Trees:

- January 4, a tree knocked down a primary conductor on Greenwood Drive upriver on a Holden Creek Substation feeder and blew the fuse resulting in an outage for 97 customers for a little more than 5 hours.
- January 13 early morning, there were 2 outages due to trees Upriver:
 - One tripped off a Holden Creek Substation feeder resulting in an outage for 329 customers for about 2 hours
 - o One knocked down a primary conductor on Booth Kelly Rd on a Walterville Substation feeder and blew the upstream fuse resulting in an outage for 238 customers for almost 3 hours.

March – Equipment Failure:

• Primary cable termination failure which tripped a Willamette Substation feeder causing an outage to 1,000 customer for 1.5 hours.

<u>Preventative Operations & Maintenance</u>: The Electric Utility has established a division wide 'Metrics Scorecard' for tracking key performance indicators associated with "Goal #1" operational metrics such as turnaround time, customer response, and compliance activities. **See <u>Appendix</u> H.*

Several Departments where Operational metrics are trending off track:

- Distribution Engineering: Customer related design work backlog is increasing. Target metrics are for 3-week turnarounds from contact to design completed, but current metrics are in the 7-8 week range. Delayed design times are due to:
 - o Staffing vacancies (vacancies for experienced design techs have been open over a year)
 - o Increased customer requests over the last several years. See '<u>New Customer Connections</u>' section for graph.

Mitigations to reduce turnaround times:

- EWEB driven capital work is being put on hold to shift resources to Customer facing work.
- o Increasing use of consultants to complete design work for PUC related designs
- o Increased focus with Human Resources to improve recruiting success.
- Electric Meter Shop: Increasing backlogs in Connect/Disconnect and Move in /Move Out workflows. Due to Staffing vacancies (vacancies for experienced meter techs have been open over a year). Mitigation efforts include:
 - o assessing shop organization structure, efficiencies, and process.
 - o Exploring contracting possibility for additional support if vacancies cannot be filled quickly
 - o Temporarily assigned additional staff within the Division to support Electric Meter shop workflow
- Systems Engineering: Increasing backlog of design projects and Operations and Maintenance Support projects due to multiple engineering vacancies. Increased recruiting efforts are in process.
- Vegetation Program: The Forestry team is 6 months behind in our 5-year program. There are 59.31 miles left of 2020's plan. Due to resources diverted to Holiday Farm Fire related tree removal and the early season focus on high fire risk circuits. Contract tree crews are in high demand on the west coast due to wildfire concerns.



Water Division (Karen Kelley)

<u>Water Quality & Reliability</u>: The Water Operations Section uses the Multiple Barrier Approach to Safe Drinking Water, an integrated system of procedures, processes and tools that collectively prevent or reduce the contamination of drinking water from source to tap. The purpose of this approach is to provide safe, reliable drinking water to customers 24/7/365 and to reduce the operational risks to public health while being good stewards of our customer/owner's infrastructure and funding resources. For more information: <u>http://www.eweb.org/outages-and-safety/water-safety-in-your-home-or-business/drinking-water-quality</u>

EWEB		Dri	nking W	/ater Qu Safe. Clean. I	lality Reliable.
Œ	Your tap water c But there's a lot	osts about a pe more to your wa	nny a gallon. ater bill than ju	ıst water.	۲,
			1	•	Å
Source Water Protection Programs	3-Step Treatment Process	800 Miles of Pipes	25 Pump Stations	22 Storage Tanks	85,000 Samples Each Year

Your water bill supports clean, safe, and reliable drinking water from source to tap. 3

Customer Connections	Number of New Service Requests	
	Design Time (Avg)	
	Time Waiting on Customer (Avg)	
	Construction Time (Avg)	
Water Quality & Reliability	Drinking Water Source Protection	
(Source to Tap)	Robust Water Treatment	
	Secure Water Supply Network Delivery System (Reliability, Customer Service, Compliance)	
	Preventative Operations & Maintenance (Water Service Disruptions, Compliance)	
	Water Quality Monitoring	
	Emergency Response & Preparedness	
Capital Investments & Projects	Type I – General Program Results v. Scope, Schedule, Budget	
	Type II – Project Results v. Scope, Schedule, Budget	
	Type III – Project Results v. Scope, Schedule, Budget	

Customer Programs & Services – Water:

Metric	2020 Quarterly Average	Q1 2021
Number of New Service Requests	22	19
Design Time (Avg)	7 Days	2 Days
Time Waiting on Customer (Avg)	19 Days	24 Days
Construction Time (Avg)	15 Days	21 Days

Watershed Monitoring Metrics: On Target

Monitoring runoff associated with the Holiday Farm Fire and from urban sources continued throughout the winter and targeted storm events. EWEB staff are maintaining 14 real-time water quality instruments in the field that help us track changing water quality conditions in our source water and prepare for any necessary treatment adjustments.

Cyanotoxins

EWEB began monitoring for harmful algal blooms (HABs) and cyanotoxins in mid-March 2021. Both Cougar and Blue River Reservoir were dominated by diatoms, and no toxigenic species of HABs were seen. For more information visit our Cyanobacterial Harmful Algae Blooms website.

Drinking Water Source Protection Metrics: Below Target

Pure Water Partners Program

The Pure Water Partners (PWP) program is an incentive-based strategy that aims to protect existing healthy riparian and floodplain areas and restore degraded riparian forests along the McKenzie River through voluntary actions with landowners. The PWP program was initially rolled out to McKenzie landowners in mid-2018. Work in this program area is below target due to focus on Watershed Restoration – see <u>Goal 4a</u>.

Landowners in PWP Program	Cumulative Totals	2021 Totals	2021 Goal	On Target?
Signed PWP Agreements	27	0	10	
Total Landowners in PWP	90	0	25	0
Total Acres in PWP Program	711	0	100	0
Total Riparian Acres Under PWP Agreements*	153	0	25	0

* Includes both Protection/Restoration and Naturescaping Landowners

Water Treatment Effectiveness: On Target

Powder Activated Carbon (PAC) was used for mitigation of any fire related contaminants during the first quarter. Monitoring indicated the watershed had flushed out many of the trace contaminants and PAC application during times of diminished rainfall was no longer necessary. On February 24th treatment discontinued the use of PAC in fair weather. PAC will continue to be applied during storm events.

Treatment will shift focus in Q2 from organics loading from the fire to Hazardous Algae Blooms (HABs) and toxin treatment. In Q1 Hayden Bridge procured Granular Activated Carbon (GAC) for a pilot testing partnership with the University of Toronto. The GAC will be added to the pilot filter as a third media referred to as a filter cap. This GAC will be monitored for its ability to separate and stratify during backwash. If the filter cap is successful for backwash in Q2 it will be tested as a second barrier for toxin treatment. The University of Toronto has provided an elaborate testing regime for future toxin testing of the GAC filter cap.

Production



Production levels for the first quarter were normal. See <u>Appendix</u> I for more details.

Filtration Performance

Increased turbidity loading, likely due to the Holiday Farm Fire impacts, was noticed. However, the finished water product was not impacted. See <u>Appendix</u> I for more details.

Delivery/System Reliability Metrics: On Target

<u>Items of note</u>: On January 7th, the distribution system in the Willamette 975 pressure zone went to low/zero pressure when the water crews inadvertently isolated a single feed system. Following Oregon Health Authority's guidelines, a boil water notice was issued to 51 customers. The boil notice was lifted on January 8th.

Reliability Metrics		Unit	AWWA Median Benchmark*	EWEB 2-Year Average	YTD Results	On Target?
Water Operations: System Integrity	Leaks and Breaks per 100 Miles of Pipe	#	9.6	11.1	1.8	۲
	Minimize Frequency of Unplanned Outages	#	61.1	101	14	٥
Customer	Average Duration of Unplanned Outages	Minutes	222	118.5	149	0
Water Service Disruptions	Percentage of Customers who Experience a Planned or Unplanned Water Outage	%	N/A	3.91%	0.39%	0
Water Operations: Regulatory Compliance	Boil Water Notices caused by EWEB	# of Notices	N/A	1.5	1	۲

* AWWA Median Benchmark from 2019 data.

Preventative Operations & Maintenance: Below Target

Item of note: Exercising values is important preventative maintenance because easily identifiable and properly functioning values can help reduce the size and duration of outages. Due to higher priority work, very little value exercising has taken place in 2020 and 2021. This work is currently below target but scheduled for later this year. Residential backflow testing is critical to ensuring backflow devices properly protect our system from contamination. Testing will increase as irrigation systems are turned on later in the spring.

Note that crews rebuilt a critical pump at the South Louis Lane Constant Run Pump Station in Q1. This work reduces the risk of an unplanned failure and system outage.

Reliability Metrics		Unit	Goal	EWEB 2-Year Average	YTD Results	On Target?
	Exercise distribution system valves (2-12")	18,522	20% Annually	650	0	0
	Exercise critical distribution valves (16-20")	292	Annually	163	55	0
Water Service	er Service untions Exercise arterial transmission valves (30"+)		Annually	9.4	0	0
	Exercise system pressure separation valves	84	Semi- annually	36.8	0	0
	Exercise reservoir and pump station valves	339	Semi- annually	84.8	0	0
Water Operations: Regulatory Compliance	Testing compliance on residential backflow devices	%	95%	93.3%	8%	9

Drinking Water Quality & Complaints Metrics: On Target

While raw water monitoring has shown an increase in aluminum, barium, and total organic carbon from the Holiday Farm Fire, our treatment plant has been able to reduce those levels in the finished drinking water and maintain compliance with all state and federal requirements for public health. For more information on the water quality impacts from the Holiday Farm Fire and on finished drinking water quality generally visit our <u>Water Quality Reports</u> website.

Safe Drinking Water Act		
Quarter	In Compliance?	
Q1	0	



Refer also to Emergency Water Supply in the Water Utility Capital Spending Summary and Project Updates. (Appendix E)

Emergency Preparedness Activities: On Target

Refer also to Emergency Water Supply in the Water Utility Capital Spending Summary and Project Updates. (Appendix E)

Metric	2021 Goal	YTD Status	On Target?
Finalize Enhanced Emergency Response Plan	Q2	In Process	0
McKenzie Watershed Spill Drill	Annual	Incomplete (Q3)	0
Emergency Well Drill (2 sites)	Annual	Incomplete (Q4)	0
Exercise Emergency Intertie (EWEB, SUB, Rainbow)	Annual	Incomplete (Q2)	0
Emergency Water Treatment Trailer Exercise	Quarterly	Completed Q1	0
Emergency Water Distribution Trailer Exercise	Semi-Annual	Completed Q1	0
Emergency Response Plan Testing & Exercise	Annual	Incomplete (Q3)	0

Water Utility Capital Spending Summary and Project Updates: *See <u>Appendix</u> D – Water Utility EL-1 Capital Report. Shared Services project updates are provided

Report. Shared Services project updates are provided within the Electric Utility Capital section, but the project budget and costs are split between Electric and Water in the appendices.

Overall, water capital expenditures are projected to match budget in 2021. Bids received later this year on the E. 40th Reservoir project and the timing of construction could affect this projection. Subsequent quarterly reports will reflect this.



<u>TYPE 1 – General Capital Projects (Water)</u>: On Target

Type 1 General Capital is budgeted year-by-year for routine capital expenditures totaling less than \$1 million and is funded with rates and customer contributions. Typical examples include "main replacements" as part of Distribution & Pipe Services.

Water Type 1 capital expenditures are projected to be slightly above budget driven largely by a projected overage in main replacements. These are offset in part by projected underages in main improvement and pump station work. Service work expenditures are anticipated to match budget.



TYPE 2 - Rehabilitation & Expansion (Water and Shared Services): On Target

Type 2 capital projects are discrete, with a defined completion period, and lifetime expenditures over \$1 million. Depending on the project, this work may be funded with rates, customer contributions, or bond funds.

Although water Type 2 Capital Expenditures are projected to match budget, there are several large changes. In 2021 water is constructing the second phase of a large transmission main project extending from the EWEB headquarters site across University of Oregon property. This was originally planned for construction in 2022 however it was brought forward a year to coordinate its construction with a City bike path improvement in the same area. The overage caused by this is offset by a change in the timing of construction expenditures of the E. 40th Reservoir Project.



TYPE 3 STRATEGIC - Emergency Water Supply: On Target

Type 3 projects are large strategic programs with long term impacts and are generally bond funded.

2021 water capital work in this area is focused on continued efforts to construct emergency water distribution sites. This year, this effort will largely be focused on the South Eugene site. Expenditures are anticipated to match budget.



Workforce Report (Lena Kostopulos)

Health and Safety	Injury Reporting, Safety Concerns, Good Catch Reporting
Workforce Management	Workforce Resiliency, Capacity/Resiliency Indicators, Attrition and Recruitment, Leave Usage

Health & Safety

Injury Reporting:



*OSHA Recordable Injury: Death, any injury resulting in days away from work "OSHA time loss days," any injury resulting in restricted duty or job transfer, or any injury requiring medical treatment beyond first aid.



*OSHA Time Loss Days: OSHA tracking for time loss reaches its maximum at 180 days. There was a 2020 incident which resulted in time loss exceeding that number which is not reflected in this data. That case remains in active Worker's Compensation management status.

Safety Concerns/Good Catch Reporting:



Good catch reporting continues to improve; Safety concerns continue to be largely Covid-driven.

Workforce Management

<u>Workforce Resiliency</u>: Definition: "The capacity of the workforce to respond to meet customer requirements under routine, emergency, and emerging business conditions."

2021 resiliency efforts will be directed toward assessing workforce capacity and resiliency in each division. Studies will measure the degree to which EWEB's workforce is positioned to meet business demands, as well as its ability to respond to unforeseen events and emergencies. Assessments will surface known or potential vulnerabilities and serve as the basis for prioritized mitigation plans and include:

- Clarifying what work is being performed; how it is planned and conducted; sustainability risk and single points of failure
- Current and projected skill profiles/levels and staffing requirements, both temporary or on-going and, potential for contracting
- Technologies, systems, process-redesign to enable capacity
- Exit risk and succession

<u>Capacity/Resiliency Indicators</u>: Attrition rates continue to be very low. The rate of recruitment to fill vacancies remains consistent with historical levels. Attrition and candidate application data continues to indicate that EWEB remains an attractive regional employer. The time to fill vacancies also continues to track within reasonable historical levels, at an average rate of approximately 45 days.

Other related key metric measures are tracked on an annual basis and will be reported at year-end.

Attrition & Recruitment:





Leave Usage: Supplemental FFCRA leave programs have been discontinued as current entitlements exceed those in the legislated standard and because EWEB is ineligible for off-setting tax credit incentives. The sunsetting of additional paid leaves coupled with school and day-care re-openings has dramatically reduced leave usage to support childcare and on-line learning.



Non-Covid-related protected leave usage was up slightly over Q1 2020 and was distributed throughout EWEB departments as expected.

Other Operational Updates

Security (Physical & Cyber) &	Intrusions
Compliance	Cyber Awareness
	Threat Detections
	Vulnerabilities
Compliance & Transparency Culture	Dam Safety
	NERC
	FERC
Information Services Division	Network Availability
	Meter Data Management (MDM) system tracking
Legislation Updates	Timely Items of Interest (See Description Below)

Security – Physical, Intrusions (Nate Wahto):

One major incident was the January 3rd forcible burglary at the HQ building. Suspect was caught by Security within hours and arrested by Eugene PD for several felonies.

Total contacts were down for 21Q1 due to a combination of COVID-19 and increased community-based alternative temporary shelter being available to chronically unhoused population. For those not participating in community access programs, proactive patrols have prevented large encampments from taking root on EWEB properties. Most folks appreciate the compassionate approach of the Patrol team.

Sadly, the unease and unrest in the community has been expressed by individuals by destruction, graffiti, and nuisance issues which reflects in more than a 660% increase of such activities over 2020-Q1.



We are working with Property and Facilities to produce and install hundreds of new No Trespassing signs and other exclusion notices on many properties.

Civil unrest concerns and protest related issues have been mitigated by a proactive approach to protecting our personnel and properties with fencing, additional patrol officer presence, and coordination with EPD.

Security – Cyber Intrusions Prevented (Ed Penn):

At the end of last year, the Cyber Security Department sent out a **phishing** simulation campaign to the entire Utility (493 Employees). This simulation was done to gauge the effectiveness of our training and to create a baseline for improvement. 20% percent of the participants clicked on the link, in the email, which brought them to a site with an explanation of phishing and a training video.

WEB uses an anti-malware application to detect **viruses** on Windows Servers and workstations. Last quarter no viruses were detected on the servers, and two viruses were detected and eradicated from two workstations.

EWEB scans the network every month looking for threats and **vulnerabilities**. Last quarter 501 unique critical vulnerabilities were discovered. Over the course of the last quarter all 501 of the identified critical vulnerabilities were mitigated.



<u>Compliance - Dam Safety</u> (Lisa Krentz): The Dam Safety Program continues to provide supporting services for hydro generation in the following key areas:

Key Performance Areas	Status and Progress
Implement Owner's Dam Safety	Of the ten ODSP elements listed in the Board Dam Safety
Program (ODSP) per FERC	Policy:
requirements and Association of	• Five are successfully executed.
Dam Safety recommendations	• Four areas are actively being pursued.
FERC dam safety regulatory	Forty correspondences were submitted to FERC on specific
compliance	dam and reservoir issues, incidents, and engineering
	deficiencies.
Dam Safety Surveillance and	Annual DSSM reports for both Carmen-Smith and Leaburg
Monitoring (DSSM)	Walterville Projects were submitted to FERC in March 2021.

Dam safety assessment, evaluation,	Major projects update:
and improvement activities	 Carmen Diversion sinkholes investigation was concluded in 1Q2021. Report and proposal for remedial repair was submitted to FERC. Program staff are focusing on several major CIP projects that impact dams and require extensive FERC review: Carmen Diversion flow release structures
	 Smith reservoir flood mitigation and flow release control structures Trail Bridge fish up/downstream passage improvements
	 Leaburg Canal semi qualitative risk assessment Walterville Canal safety evaluations under seismic and hydrologic conditions
Public requests and complaints	 EWEB is working with property owners along the Leaburg Canal to provide sufficient water depth for irrigation by installing seasonal check dams at four locations. Large public closure signs are being planned for Carmen- Smith Project campgrounds and access roads due to extended closure for construction activities.
Other major work items	 Preparing for Independent Consultant inspection on Walterville Project in 2022. Investigation of seepage pipe issues at Walterville Forebay. Preparing for upcoming Leaburg Canal risk reduction measures.

NERC Compliance (Tyler Nice):

During the first quarter, the following compliance violations were self-reported, or outstanding.

1. Generator modeling and testing of control function requirements remained behind schedule due to conflicts with ongoing construction activities at the Carmen power plant. These schedule delays have been self-reported to NERC as of late April 2020. It is anticipated the violation will end when EWEB submits final verification testing reports by the end of April 2021.

During the first quarter, the following NERC Standards were implemented.

- 1. PER-006 To ensure that personnel are trained on specific topics essential to reliability to perform or support Real-time operations of the Bulk Electric System. Operators at Carmen and the Real-time trading floor have received training. IP operators completed training via UltiPro.
- 2. PRC-027 Coordination of Protection Systems for Performance During Faults. EWEB has utilized a consultant help to develop philosophy documents to comply with the Standard.

FERC Compliance Tracking (Lisa Krentz): The Stone Creek Project's ramping rate limit was exceeded in August 2020. The non-compliance was self-reported to FERC, and no fines are anticipated. EWEB has completed equipment testing and additional operator training to minimize the likelihood of future deviations.



Information Services Operations (Bruce Debysingh. Daniele McCallum):



MDM Critical system errors is a sum, AMI Billing Process Uptime is a proportion, and AMI Read Validation Performance is an average. All KPIs within vendor recommendations



Legislative Updates (Susan Ackerman):

- **State:** The 2021 Oregon Legislature is in session. A 100% Clean Energy Standard is being discussed, but to date, all proposals would exempt consumer-owned utilities like EWEB from the measure.
- **State/Federal**: Significant progress has been made to reallocate the water storage space in the 13 Willamette Basin Project federal reservoirs, one of the few remaining water supplies to meet future needs within the basin.
- Federal: The American Rescue Plan of 2021 included \$4.5 billion in LIHEAP energy bill assistance, and \$500 million in low-income water bill assistance.

Legal Matters:

- Central Lincoln PUD v. Oregon Department of Energy et al.: EWEB has joined with other utilities, including cooperatives and people's utility districts, to challenge aspects of the Energy Supplier Assessments (ESA) imposed by the Oregon Department of Energy (ODOE). ODOE appealed the trial court's decision favoring the plaintiffs. The Court of Appeals issued their written decision on October 7, 2020, substantially ruling against the Petitioners, reversing refunds of past assessments, and remanding the case for further action by the trial court. However, the ruling in the lower court that the ESA is a tax was upheld, as a result future ESA increases must be approved by the legislature -- by a 3/5ths majority in both the House and the Senate. This higher threshold for the approval of any future ESA rate increase may result containing future growth of the ESA. The matter is pending reactivation at the Marion County Circuit Court.
- N. Harris Computer Corporation v. EWEB: In May 2018, EWEB issued a letter notice of termination on a vendor contract with a division of N. Harris Computer Corporation, relating to the installation and configuration of a replacement customer information system (CIS). Despite efforts to resolve the conflict by mediation, N. Harris Computer Corporation filed a lawsuit against EWEB on December 17, 2018, asserting Breach of Contract, seeking approximately \$740,000. EWEB filed an answer and counter complaint based on misrepresentation, breach of contract, and seeking rescission with restitution for financial damages. EWEB's response to the plaintiff's motions for summary judgment has been filed, and the court took the motions under advisement July 2019. The schedule for discovery and trial will be dependent upon the timing and scope of the court's decisions on the pending motions.

Quarterly Update – Advanced Metering (Annual Goal #2)

Goal #2 – Effectively execute and operationalize a multi-divisional information system program by successfully scaling-up **advanced metering** for revenue management purposes.

Overall Status (Rod Price) Below Target





See <u>Appendix</u> C – Electric Utility EL-1 Capital Report. Shared Services project updates are provided in the Advanced Metering Report, but the project budget and costs are split between Electric and Water in the appendices.

Meter Installations:

Meters Installed to date as of 3/31/2021. Meter deployment is on track to complete electric meter installations in

early 2022 and water meter installations the end of 2023.



AMI Billing Reads



AMI Billing Reads:

Successful meter reads remain consistently within targets at 98-99% for the last six months.

Quarterly Update – Revise and update the strategic plan (Annual Goal #3)

Goal #3 Revise and update the strategic plan in order to identify and prioritize the most impactful 3-5-year strategic issues, decisions, and projects.

Overall Status (Frank Lawson): On Target

Key Indicators & Measurements		
Project l	Milestones	
	Multiple Work Sessions	Q1/Q2 2021
	Plan Amendment Proposals/Discussions	July-Sept. 2021
	Plan (and Supporting Policies) Amended	Oct. 2021
Complet	ted:	
 Board Work Sessions were held on February 16 and April 20th to discuss a strategic review and carbon and energy, respectively. 		
In Progr	ess:	
Preparing for Policy Proposals/Discussions – May-July 2021		

Quarterly Update – Collaborate and align with the Board (Annual Goal #4)

Goal #4 – Collaborate and align with the Board to **develop directional guidelines and decision criteria** on issues having long-term strategic and policy-setting impacts, including development and approval of:

a) revised/updated **Watershed Recovery & Protection Program**, including appropriate 2021 budget amendments and future revenue mechanisms, and

Overall Status (Karl Morgenstern): On Target

Key Indicators & Measurements			
Program Monitors	Property Totals (First Authorization)		
	Budget tracking (2021 Budget Amendment)		

The following summarizes the risk-based actions that were implemented by the Pure Water Partners (PWP) team as part of the initial emergency response to the Holiday Farm Fire. This phase of the response is <u>95% complete</u> and the final revegetation sites will be completed in mid-April. These actions and associated costs are cumulative from October 2020 through Q1 2021 (using the initial \$1 million the Board approved on 10/7/2020).

Property Totals to Date (First Authorization):



Note: all budget and costs are in \$1,000.

Other activities completed in Q1 include water quality monitoring, GIS analysis/tools, and rolling out landowner incentive programs to encourage upgrading septic systems and moving building footprints out of riparian and floodplain areas.

<u>Budget Tracking (2021 Budget Amendment)</u>: In March 2021, the Board approved a \$3.9 million Water budget amendment to fund watershed recovery and restoration efforts (including carry over of \$500,000 from 2020) over this year. This level of investment will be sufficient to support this ongoing work and are being leveraged with other outside funds.

Items of Interest: The next phase of the watershed recovery and restoration (planned for Q2) includes the following:

- Fuel's reduction work on private properties under PWP agreements (Risk-Based).
- Launch Early Detection Rapid Response effort to identify and respond to invasive weeds using integrated pest management approach across ownerships and utility corridors (Risk-Based).
- Floodway property acquisitions with destroyed structures via McKenzie River Trust (Resiliency).
- Large scale floodplain restoration planning and design in Finn Rock reach and Quartz Creek (Resiliency).

b) TBL-based **plan for the lower McKenzie River Hydroelectric Projects** in compliance with FERC, and collaboration with the McKenzie Valley community

Overall Status (Lisa Krentz): On Target

Key Indicators & Measurements
Project Milestones
Completed:
 Social/Environmental/Economic issue list developed for stormwater conveyance vs. return to service (current license period) Water Rights research
In Progress:
Legal opinion on regulatory options
Roadmap for comprehensive TBL (prioritization list for items requiring further investigation)
 RFP for near term risk mitigation actions (design of safety measures for current operating conditions)
Board update scheduled for July

c) multi-year **Information System/Technology Investment Plan**, in support of both business continuity and strategic priorities, including 10-year annual spending projections for incorporation into EWEB's Long-Term Financial Plan and 2022 Annual Budget

Overall Status (Travis Knabe): On Target

Key Indicators & Measurements

Project Milestones

Completed:

- Developed introductory plan and presentation for business continuity and strategic priorities
- Presentation and review of draft plan by Executive Team
- Draft approved by ET

In Progress

- 10-year budget and Long-Term Financial Plan impacts
- Board presentation of draft plan, scheduled for June •

d) Initial risk-based Wildfire Mitigation Plan, for likely filing with Oregon Public Utility Commission

Overall Status (Tyler Nice): On Target

Key Indicators & Measurements
Project Milestones Board Update – May Work Session 2021
Completed:
Operational/Tactical Plan Development
 As-Is procedure/process/criteria documentation assembled. (Vegetation program, red flag responses)
 Internal resources assigned as subject matter experts for various plan aspects.
Community/Agency Communication
Draft communication plan developed
Updated of website information
 Initial contact with local partners has been initiated
In Progress
 In process of obtaining a Consultant to develop and guide full Wildfire plan and technical writing.
 Preparing Board presentation of current practices and draft plans, scheduled for May work session

e) first multi-year COSA, including revised ratemaking principles.

Overall Status (Deborah Hart): On Target

Key Indicators & Measurements									
Project Milestones									
	Multi-Year COSA/Pricing Recommendations Fall 2021 Board Meetings								
Comple	eted Tasks								
•	April Board presentation and discussion of ratemaking p	rinciples							
٠	Executed contract with consultant and commenced data	a gathering and validation							
Work i	Work in Progress								
•	Board COSA 101 Presentation, scheduled for September Board meeting								
•	Board COSA Rates Presentation (Budget Rates Process) for November Board meeting								

Quarterly Update – Continue electrification impact assessment (Annual Goal #5)

Goal #5 – Continue electrification impact assessment, specifically analyzing the future decarbonizing trends of electricity and natural gas, and the division of costs/benefits between participants, utilities, and society at-large -- a.k.a. who benefits and who pays?

Overall Status (Susan Ackerman): On Target

Key Indicators & Measurements								
Project Milestones								
Initial Results/Report – Board Presentation	August 2021							
Final Report November 2021								
Work in Progress								
 Draft cost/benefit analyses of EVs and Water 8 	& Space Heat conversions							
 Draft of Adoption Study tool awaiting cost/benefit results 								
 Draft "Proof of Concept" of impact of electrific 	cation on EWEB transformers							

Glossary

AF: Availability Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were available for operation.

BLM: Business Line Manager

CI: Continuous Improvement

CIA: Contributions in Aid of Construction

CIS: Customer Information System

CIP: Capital Improvement Plan

CIP: Critical Infrastructure Protection

CRM: Customer Relationship Manager

CSU1 and CSU2: Carmen-Smith turbine units 1 & 2

FERC: Federal Energy Regulatory Commission

FCRPS: Federal Columbia River Power System

FOF: Forced Outage Factor. Multiplied by 100, this factor indicates the percentage of time that the generating units were forced offline due to an unplanned event.

GCF: Gross Capacity Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating continuously at full capacity.

GIS: Geographical Information System

GOF: Gross Output Factor. Multiplied by 100, this factor indicates the percentage of megawatt hours generated relative to the maximum number of megawatt hours that could have been generated if the generating unit had been operating at full capacity when available to generate.

HW - Harvest Wind

ICS: Incident Command System

IP: International Paper

KGAL: 1,000 gallons

KPI: Key Performance Indicator

LBU1 and LBU2 - Leaburg turbine units 1 & 2

NERC: North American Electric Reliability Corporation

PERS: Public Employees Retirement System

PPE: Personal Protective Equipment

PSPS: Public Safety Power Shutoff

PUC: Public Utility Commission

RCP: Retail Cash Payment

RMC: Risk Management Committee

SAIDI: System Average Interruption Duration Index

SAIFI: System Average Interruption Frequency Index

STC - Stone Creek

TB - Trail Bridge

WGA: Western Generation Agency (WGA) is the name of the intergovernmental entity formed by EWEB and Clatskanie People's Utility District (CPUD). The WGA steam turbine generator is located at the Georgia Pacific paper mill named Wauna.

WV – Walterville

Appendices

Appendix A: Electric Utility Financial Statement Appendix B: Water Utility Financial Statement Appendix C: Electric Utility and Shared Services EL-1 Report Appendix D: Water Utility EL-1 Report Appendix E: Capital Spending Summary Appendix F: Contracts Awarded Report Appendix G: Community Investment Report Appendix H: Electric Division Metrics Scorecard Appendix I: Water Division Details Appendix J: Workforce Composition Appendix K: Fleet Services Sustainability Report

Disclaimer: The unaudited financial statements provided in this report are intended for management purposes only.

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APPENDIX A

ELECTRIC CONDENSED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION (Unaudited)

(In millions)	Thre	e Months Er	ded Ma	YTD Budget Comparison				
	;	2021	2020		Bu	dget \$	Variance	
Operating revenues	\$	69.4	\$	68.2	\$	67.7	\$	1.7
Operating expenses		64.8		64.3		62.5		(2.3)
Net operating income (loss)		4.6		3.9		5.2		(0.6)
Non-operating revenues		0.9		1.7		1.5		(0.6)
Non-operating expenses		1.8		1.8		1.9		0.1
Income before capital contributions		3.7		3.8		4.8		(1.1)
Capital contributions		4.2		3.1		0.6		3.6
Increase/(Decrease) in net position	\$	7.9	\$	6.9	\$	5.4	\$	2.5

ELECTRIC CONDENSED STATEMENT OF NET POSITION (Unaudited)

(In millions)		March	December 31,			
		2021	 2020	2020		
Current assets	\$	220.5	\$ 183.3	\$	147.5	
Net utility plant		421.1	407.0		429.2	
Other assets		62.6	59.8		126.0	
Total assets		704.2	650.1		702.7	
Deferred outflows of resources		43.9	52.1		43.9	
Total assets and deferred outflows	\$	748.1	\$ 702.2	\$	746.6	
Current liabilities	\$	30.4	\$ 32.8	\$	36.5	
Long-term debt		227.8	189.6		228.4	
Other liabilities		70.5	73.3		70.2	
Total liabilities		328.7	 295.7		335.1	
Deferred inflows of resources		24.0	21.2		24.0	
Total net position		395.4	385.3		387.5	
Total liabilities, deferred inflows, and			 			
net position	\$	748.1	\$ 702.2	\$	746.6	

ELECTRIC CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

In millions)	١	/TD		ing Budget	
	3/31	3/31/2021		dget \$	% of Budget
Type 1 - General capital	\$	2.8	\$	17.7	15.8%
Type 2 - Rehabilitation and expansion		1.7		12.7	13.4%
Type 3 - Strategic projects		1.4		20.9	6.7%
Total capital	\$	5.9	\$	51.3	11.5%

FINANCIAL STRENGTH MEASUREMENTS



210 200 Estimates the number of days 150 the utility can pay its daily O&M before running out of cash. 100



181

Age of system 60% Target: Less than 60 percent 50% Measures age of system 40% compared to how much has 30% been depreciated. 20% March 2021 2020



8.0% 6.0% 4.0% 2.0% 0.3% 0.3% 0.0% Projected 2020 2021

Debt as a % of NBV

assets.

Rate of return

Target: 5 - 7%.

Target: Less than or equal to 60 percent.

Measures overall leverage of

service with the useful lives of

Measures the utility's ability to

pay current and future

infrastructure costs.

the system by aligning debt

APPENDIX B

WATER CONDENSED STATEMENT OF REVENUES, EXPENSES, & CHANGES IN NET POSITION (Unaudited)

thousands)	Th	ree Months	Ended M	1arch 31,	Budget Comparison			
		2021		2020	Βι	ıdget \$	Variance	
Operating revenues	\$	7,732	\$	8,104	\$	7,605	\$	127
Operating expenses		6,639		7,243		7,862		1,223
Net operating income (loss)		1,093		861		(257)		1,350
Non-operating revenues		112		373		16		96
Non-operating expenses		587		528		574		(13)
Income before capital contributions		618		706		(815)		1,433
Capital contributions		633		770		400		233
Increase/(Decrease) in net position	\$	1,251	\$	1,476	\$	(415)	\$	1,666

WATER CONDENSED STATEMENT OF NET POSITION (Unaudited)

(In

(In millions)		Ma	December 31,			
		2021	 2020	2020		
Current assets	\$	62.2	\$ 46.3	\$	63.6	
Net utility plant		198.2	186.1		196.3	
Other assets		13.1	10.3		13.1	
Total assets		273.5	 242.7		273.0	
Deferred outflows of resources		13.2	15.2		13.2	
Total assets and deferred outflows	\$	286.7	\$ 257.9	\$	286.2	
Current liabilities	\$	5.6	\$ 4.8	\$	6.6	
Long-term debt		75.2	57.9		75.4	
Other liabilities		22.1	22.6		21.7	
Total liabilities		102.9	 85.3		103.7	
Deferred inflows of resources		7.3	6.4		7.3	
Total net position		176.5	166.2		175.2	
Total liabilities, deferred inflows, and net position	\$	286.7	\$ 257.9	\$	286.2	

WATER CONDENSED CAPITAL BUDGET COMPARISON (Unaudited)

In thousands)		YTD	Annual Working Budget					
	3/3	31/2021		Budget \$	% of Budget			
Type 1 - General capital	\$	2,071	\$	9,133	22.7%			
Type 2 - Rehabilitation and expansion	\$	1,451		11,575	12.5%			
Type 3 - Strategic projects	\$	50		412	12.1%			
Total capital	\$	3,572	\$	21,120	16.9%			

FINANCIAL STRENGTH MEASUREMENTS

Debt service coverage 5.00 Target: 2.0 - 2.50x 4.00 Measures the utility's ability to meet its annual long-term debt obligation. 3.00



Current ratio

Target: Minimum of 3.25x Measures the utility's shortterm liquidity (ability to pay bills).



Working capital days cash

Target: Greater than 150 days

Estimates the number of days the utility can pay its daily O&M before running out of cash.



Age of system

Target: Less than 60 percent Measures age of system compared to how much has been depreciated.



42%

March 2021

42%

2020

Debt as a % of NBV Target: Less than or equal to 60 percent.

Measures overall leverage of the system by aligning debt service with the useful lives of assets.



60%

55%

50%

45% 40%

35%

30%

3.8% 5.2%

EUGENE WATER & ELECTRIC BOARD ELECTRIC UTILITY EL-1 CAPITAL REPORT Q1 2021

	 ANNUAL	UAL BUDGET)GET		% OF	YEAR-END																					
	APPROVED		WORKING ACTUAL		BUDGET		PROJECTION																					
TYPE 1 - GENERAL CAPITAL																												
Generation Infrastructure	\$ 1,440,000	\$	1,440,000	\$	91,400	6%	\$	1,625,000.00																				
Substation Infrastructure	2,000,000		2,000,000		300,000	15%		2,000,000																				
Transmission & Distribution Infrastructure	7,211,000		7,211,000		1,777,500	25%		7,430,000																				
Telecommunications	1,319,000		1,319,000		80,400	6%		1,166,000																				
Information Technology	4,667,000		4,667,000		521,800	11%		6,333,000																				
Buildings, Land, & Fleet	 1,074,000		1,074,000		11,400	1%		1,152,464																				
TOTAL TYPE 1 PROJECTS	\$ 17,711,000	\$	17,711,000	\$	2,782,500	16%	\$	19,706,464.00																				
TYPE 2 - REHABILITATION & EXPANSION PROJECTS																												
Downtown Network	\$ 1,070,000	\$	1,070,000	\$	37,300	3%	\$	1,140,000.00																				
Consolidation of Operations	-		-		57,100	0%		60,000																				
Electric T&D - Master Plan	-		760,000		5,800	1%		-																				
Distribution Resiliency Upgrades	2,235,000		1,475,000		446,000	30%		678,000																				
Electric Meter Upgrade	6,900,000		7,630,000		999,100	13%		7,630,000																				
Information Technology	2,524,000		1,794,000		137,200	8%		339,000																				
Hayden-Bridge Lab & Backup Services Building	 -		-		76,400	0%		76,400																				
TOTAL TYPE 2 PROJECTS	\$ 12,729,000	\$	12,729,000	\$	1,758,900	14%	\$	9,923,400.00																				
TYPE 3 - STRATEGIC PROJECTS & PROGRAMS																												
Carmen-Smith Relicensing	\$ 20,900,000	\$	20,900,000	\$	1,425,000	7%	\$	15,380,000.00																				
TOTAL ELECTRIC CAPITAL PROJECTS	\$ 51,340,000	\$	51,340,000	\$	5,966,400	12%	\$	45,009,864.00																				

Type 1 - General Capital is budgeted Year-by-Year for recurring capital expenditures from January through December. Type 1 Capital includes categorized collections of projects of less than \$1 million, and typically involves dozens of individual projects that add up to \$3.5-4.5 million per year.

Type 2 projects have "discrete" scopes, schedules (launch through completion), and cost over \$1MM during the project life, and project life can span multiple years.

Type 3 projects are large strategic programs with long term impacts and are typically bond-funded.

EUGENE WATER & ELECTRIC BOARD WATER UTILITY EL-1 CAPITAL REPORT Q1 2021

	ANNUAL	BUDGET			2021	% OF		YEAR-END		
	APPROVED	_	WORKING		ACTUAL BUDGET		Р	ROJECTION		
TYPE 1 - GENERAL CAPITAL										
Source - Water Intakes & Filtration Plant	\$ 463,000	\$	464,004	\$	344,100	74%	\$	1,000,000		
Distribution & Pipe Services	5,769,000		5,767,999		1,546,700	27%		5,888,000		
Distribution Facilities	1,401,000		1,401,004		47,900	3%		1,000,000		
Information Technology	690,000		690,180		129,000	19%		1,163,000		
Buildings, Land, & Fleet	 810,000		810,000		2,800	0%		810,000		
TOTAL TYPE 1 PROJECTS	\$ 9,133,000	\$	9,133,187	\$	2,070,500	23%	\$	9,861,000		
TYPE 2 - REHABILITATION & EXPANSION PROJECTS										
Source - Water Intakes & Filtration Plant	\$ 100,000	\$	100,000	\$	162,400	162%	\$	300,000		
Distribution Facilities	7,416,000		6,694,999		72,000	1%		3,850,000		
Distribution & Pipe Services	-		721,002		28,700	4%		3,250,000		
Water Meter Upgrade	3,200,000		3,480,206		1,138,900	33%		3,200,000		
Information Technology	859,000		578,327		34,300	6%		84,000		
Consolidation of Operations	 -		-		14,300	0%		14,000		
TOTAL TYPE 2 PROJECTS	\$ 11,575,000	\$	11,574,535	\$	1,450,600	13%	\$	10,698,000		
TYPE 3 - STRATEGIC PROJECTS & PROGRAMS										
Emergency Water Supply	\$ 412,000	\$	412,000	\$	50,200	12%	\$	400,000		
TOTAL WATER CAPITAL PROJECTS	\$ 21,120,000	\$	21,119,721	\$	3,571,300	17%	\$	20,959,000		

Type 1 - General Capital is budgeted Year-by-Year for recurring capital expenditures from January through December. Type 1 Capital includes categorized collections of projects of less than \$1 million, and typically involves dozens of individual projects that add up to \$3.5-4.5 million per year.

Type 2 projects have "discrete" scopes, schedules (launch through completion), and cost over \$1MM during the project life, and project life can span multiple years.

Type 3 projects are large strategic programs with long term impacts and are typically bond-funded.

Capital Spending Summary

In accordance with Board Policy EL1, staff will provide the Board with quarterly updates for all current year projects on the Capital Improvement Plans.

General Capital Renewal and Replacement projects (Type 1) will be reported by category (e.g., substations, shared IT infrastructure, transmission & distribution mains).

Infrastructure Rehabilitation & Expansion (Type II) and Strategic Projects (Type III) will be reported individually. Type II and III projects are further defined as those that are projected to be greater than \$1 million for the life of the project.

Electric Utility and Shared Services Capital Spending Summary

TYPE 2 – Rehabilitation & Expansion (Electric and Shared Service)

Shared Services project updates are provided within the Electric Utility Capital section below, but the project budget and costs are split between Electric and Water in Appendix C and D.

Downtown Network

Project Initiation:	Sep - 2010	Initial Scope Budget:	\$ 15,000,000
Initial Planned Completion:	Dec - 2015	Actual Project Costs To-Date:	\$ 10,206,000
Projected Completion:	Dec - 2028	Total Final Cost Projection:	\$ 20,000,000

Consolidation of Operations

No significant activity occurred in Q1 2021.

Electric T&D – Master Plan

No significant activity occurred in Q1 2021.

Distribution Resiliency Upgrades

Project Initiation:	oject Initiation: Jan – 2019 I		\$ 1,862,000
Initial Planned Completion:	Dec – 2020	Actual Project Costs To-Date:	\$ 1,868,800
Projected Completion:	Mar - 2021	Total Final Cost Projection:	\$ 3,000,000

Electric Metering Upgrade

Project Initiation: Feb - 2018 Ir		Initial Scope Budget:	\$ 13,695,000
Initial Planned Completion:	Dec - 2021	Actual Project Costs To-Date:	\$ 15,939,764
Projected Completion:	May - 2022	Total Final Cost Projection:	\$ 24,675,305

Information Technology (Electric & Shared Services)

No significant activity occurred in Q1 2021.

Hayden Bridge Lab & Backup Services Building

No significant activity occurred in Q1 2021; the project was mostly complete in Q4 2020.

APPENDIX E

Leaburg Canal Risk Mitigation Improvements - Generation

Project Initiation:	Jul - 2021	Initial Scope Budget:	\$ 21,500,000
Initial Planned Completion:	Dec - 2028	Actual Project Costs To-Date:	\$0
Projected Completion:	Dec - 2028	Total Final Cost Projection:	\$ 21,500,000

TYPE 3 – Carmen Smith Relicensing (Electric and Shared Services)

The Carmen-Smith Relicensing Program Summary (below) is in process of being updated to reflect current scope, schedule, and budget and to reflect an accurate go-forward view of the work. This will be updated prior to the next Quarterly Report.

Project Initiation:	Sep - 2010	Initial Scope Budget:	\$ 135,000,000
Initial Planned Completion:	Dec - 2015	Actual Project Costs To-Date:	\$ 91,194,000
Projected Completion:	Dec – 2028	Total Final Cost Projection:	\$ 129,500,000

Water Utility Capital Spending Summary and Project Updates

TYPE 2 – Rehabilitation & Expansion (Water and Shared Services)

Shared Services project updates are provided within the Electric Utility Capital section above, but the project budget and costs are split between Electric and Water in Appendix C and D.

Source – Water Intakes & Filtration Plant

No significant activity occurred in Q1 2021.

Distribution Facilities and Distribution & Pipe Services

The E. 40th Ave. Reservoir and Riverfront Transmission Pipeline projects listed below are included in these categories on the EL1 report. No other significant activity occurred in Q1 2021.

E. 40th Ave. Reservoir (Compulsory)

Project Initiation:	2018	Initial Scope Budget:	\$10,250,000
Initial Planned Completion:	Dec 2021	Actual Project Costs To-Date:	\$520,000
Projected Completion:	Dec 2023	Total Final Cost Projection:	\$20,000,000

Final cost projection includes recent Board endorsed decision to construct two tanks in current project.

Riverfront Transmission Pipeline Phase 2

Project Initiation:	2020	Initial Scope Budget:	\$2,850,000
Initial Planned Completion:	Dec 2022	Actual Project Costs To-Date:	\$69,000
Projected Completion:	Dec 2021	Total Final Cost Projection:	\$3,250,000

Project was brought forward one year to coordinate with a City bike path improvement project.

Water Metering Upgrade

Project Initiation:	Project Initiation: Feb-2018 Ir		\$17,828,000
Initial Planned Completion: Dec-2021 A		Actual Project Costs To-Date:	\$10,118,529
Projected Completion:	Dec-2023	Total Final Cost Projection**	\$19,934,785

APPENDIX E

TYPE 3 - Emergency Water Supply

Project Initiation:	2018	Initial Scope Budget:	\$4,000,000
Initial Planned Completion:	2028	Actual Project Costs To-Date:	\$1,664,000
Projected Completion:	2023	Total Final Cost Projection:	\$2,500,000

Construction of new emergency distribution sites is anticipated to end in 2023 with an anticipated total of 8 sites. Efforts will then shift to operation and maintenance of established sites.

Quarterly Contract Report for Q1 2021

Contracts between \$40,000-\$150-000

Date Executed	Contractor	City, State	Description; Short Description of Services	Current Expiration	6	Estimated/Original Contract	Contract Process	Contract/Solicitation	Contract
				Date		Amount		Number (xx-001)	Manager/Administrator
1/5/2021	PGE	Portland, OR	Oakgrove Transmission and Distribution	12/31/2020	\$	100,000	Emergency Procurement	20-236	Rod Price
			Rebuild; Activities are to repair Transmission						
			poles and maintain vegetation after the						
			September wildfires that damage equipment and						
			vegetation. PGE has distribution lines on EWEB						
			transmission lines and a joint responsibility in an						
			Emergency Response.						
1/20/2021	OC Tanner	Provo, UT	Employee Recognition Program; Web-based	1/20/2026	\$	120,000	MSA	20-231	Lena Kostopulos
			recognition and award system for EWEB						
			employees that are meeting years of service or						
			retirement milestones.						
1/22/2021	Black & Veatch	Tualatin, OR	PRC Compliance; Testing and Evaluation of	4/30/2021	\$	50,324	Direct Negotiation	20-235	Rod Price
			Generator Relay Load Reliability Standards at the						
			Carmen Smith facitlities.						
1/22/2021	Energy and Environmental Economics,	San Francisco, CA	Phase II Electrification Analysis; Scenario-based	12/31/2021	\$	138,333	Direct Negotiation	21-007	Susan Ackerman
	Inc		study of the load and Greenhouse Gas emission						
			impacts of building and transporation						
			electrification in EWEB's service territory.						
					<u> </u>				
1/25/2021	Kronsberg Electric Inc	Redmond, OR	Willamette 800 Pump Station; Electrical and	4/30/2021	Ş	67,496	Informal ITB	20-241	Rod Price
1/22/2221		T 1 11 00	Control System Upgade; Electrical Work	40/20/2024				24.242	
1/28/2021	Black & Veatch	Tualatin, OR	Trailbridge Intake Gate Engineering Support;	10/29/2021	Ş	41,564	Direct Negotiation	21-012	Rod Price
			Supporting procurement, installation, and						
			commissioning of the refurbished intake gate						
1/20/2021	Law Offices of Jeromy Weinstein P.C.	Walnut Crook CA	and noist	12/21/202E	ć	100.000	Direct Negatistian	20.259	Susan Ackorman
1/29/2021	Law Offices of Jerenny Weinstein, P.C.	Wallful Creek, CA	Councel related to Dower Trading /Dick	12/51/2025		100,000	Direct Negotiation	20-236	Susan Ackennan
			Counsel related to Power Trading/Risk						
12/7/2020	Pacific Excavation		Onvy Street Water Main: Replace aging water	2/1/2021	ć	82.961	Change Order	21_023	Rod Price
12/7/2020		Lugene, OK	main. This contract was a change order to the	2/1/2021		82,501	Change Order	21-025	Nou Frice
			Willagillesnie Water Main Replacement see						
			Breach of the Small Procurement Threshold						
			listed below						
		1			1				

Procurement Threshold Overage

Water Engineering had a breach of the small procurement threshold of \$40,000 in December 2020. In August 2020, a contract was awarded for the Willagillespie Water Main Replacement, based on favorable pricing and availability of the contractor Water Engineering determined that work required at Onyx Street would also be provided under the Contract. This work was outside of the intended scope of work for the Willagillespie Water Main Replacement and a competitive process should have been completed. Purchasing has reviewed the breach with the project team and their supervisor to ensure that this type of work will be competitively bid as a separate project for future work.

Communications and Marketing had a breach of the small procurement threshold of \$10,000 in January 2021. The expense was for printing, folding, stuffing, postage, and mailing of a letter to all EWEB customers. A competitive process should have been completed as the total cost was \$23,682. Purchasing has followed up with the department to make sure that they follow the competitive process for future work.

Environmental, while supporting the Holiday Farm Fire restoration work, had a breach of the small procurement theshold of \$10,000 in February 2021. The expense was for Douglas Fir, Grand Fir, and Western Red Cedar Seedlings. During the purchase of materials for the Leaburg Forest Management activities, EWEB's Contractor had the opportunity to secure additional seedling stock for the fire revegetation work. Availability of seedlings are extremely limited and EWEB staff approved the contractor to purchase the extra stock that resulted in the procurement overage. A competitive process should have been completed as the total cost was \$10,970, the obligation for a comptetive process was reviewed with the supervisor of the department and management.

EWEB association for listed contracts-None

For questions please contact Sarah Gorsegner, 541-685-7348

Community Investment - Q1 2021

Total investment in Q1 2021 - over \$5.1 million (not including Energy Efficiency loans, Water Truck deployments, or volunteer/ambassador efforts and events)

Community Investment Program guidelines are in place to ensure consistency and transparency for how we invest our customers' dollars for the betterment and well-being of the community we serve. Requests that provide strong alignment between EWEB's discretionary community investment criteria and the Strategic Plan are vetted through the General Manager's office for consideration. Sponsorship dollars are focused on initiatives that are both closely connected to EWEB's core mission and provide the broadest benefit to our customers.

Sp	onsorships, Donations, Grants & Mutual Aid							
AG	ENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
	Emerald Valley Electric Vehicle Association	rEV Up! EV Education Workshops	Q1	<u>Multiple</u> <u>throughout</u> <u>2021</u>	\$5,000	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	As part of EV community EV educatio Q1 worksho
	Portland General Electric	Mutual Aid	N/A	02/15/21	N/A	PEOPLE: Safety Net	Discretionary	Three electr snow and ic several days
Q1	ShelterCare	Water service to ShelterCare facility	Q1	N/A	\$2,276	PEOPLE: Safety Net	Discretionary	The Water of private, non housing and with a comm associated of program, ho the application
	Eugene 4J School District	Jan-June 2021 Education Grant	01/28/21	N/A	\$130,000	ECONOMIC: Education	Board Directed	
	Bethel School District	Jan-June 2021 Education Grant	01/28/21	N/A	\$40,500	ECONOMIC: Education	Board Directed	
	McKenzie School District	Jan-June 2021 Education Grant	01/28/21	N/A	\$11,000	ECONOMIC: Education	Board Directed	
	Springfield School District	Jan-June 2021 Education Grant	01/28/21	N/A	\$24,500	ECONOMIC: Education	Board Directed	
	Leaburg Canal Property	Grant Match under EWEB's Healthy Farms Clean Water Program	01/07/21	N/A	\$3,925	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	Match for a Clean Water Water Conse ultimately th
				Q1 TOTAL	\$213,276			
Cu	stomer Solutions Products and Services							
	AGENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES
				ENER	GY EFFICIEN	CY INCENTIVES		
	EWEB Energy Efficiency Programs	Energy Efficiency Incentives - Residential	Q1	N/A	\$400,391	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	335 custom
	EWEB Energy Efficiency Programs	Energy Efficiency Incentives - Non-residential	Q1	N/A	\$322,780	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	40 non-resid
	EWEB Energy Efficiency Programs	Energy Efficiency Incentives - Efficient Growth	Q1	N/A	\$24,776	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	9 residentia
	EWEB Energy Efficiency Programs	Transportation Electrification	Q1	N/A	\$17,672	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	31 residenti
Q1	EWEB Greenpower Program	Solar Electric Incentives	Q1	N/A	\$36,375	ENVIRONMENTAL: Greenpower	Customer Voluntary	22 residenti not qualify.
	EWEB Water Conservation Programs	Hand Valve and Toilet Rebates, Septic Maintenance Incentives	Q1	N/A	\$17,775	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	35 residenti were payme
				Q1 TOTAL	\$819,769			

				LIM	ITED INCOM	E ASSISTANCE		
01	EWEB Customer Care Program	Limited Income Energy Assistance	Q1	N/A	\$522,886	PEOPLE: Safety Net	Board Directed	EWEB Custo customers. E COE and Lan
~	EWEB Limited Income Assistance	Electric Line Repair Grants (Income eligible)	Q1	N/A	\$1,128	PEOPLE: Safety Net	Discretionary	3 electric rep
	EWEB Water Conservation Programs	Water Line Repair Grants (Income eligible)	Q1	N/A	\$165	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	1 water leak
				Q1 TOTAL	\$524,179			
				EN	ERGY AND W	ATER LOANS		
	EWEB Energy Efficiency Programs	Energy Efficiency Loans - Residential	Q1	N/A	\$393,391	ENVIRONMENTAL: Energy Efficiency/Renewable	Discretionary	71 residentia
	EWEB Water Conservation Programs	Water Line Repair & Septic Repair/Replacement Loans	Q1	N/A	\$40,099	ENVIRONMENTAL: Water Quality/Reliability	Discretionary	12 residentia
Q1	EWEB Resiliency Program	Generator Loan Program	Q1	N/A	\$8,551	PEOPLE: Emergency Preparedness	Discretionary	3 residential
	EWEB Electric Service Line Upgrade Loan Program	Electric Service Line Upgrade Loan Program	Q1	N/A	\$2,445	PEOPLE: Safety Net	Discretionary	1 residential
				Q1 TOTAL	\$444,486			

WEB's transportation electrification efforts, EWEB is sponsoring rEV Up workshops for our through the Emerald Valley Electric Vehicle Association (EVEVA) group. These workshops provide on and secure dealership discounts for attendees. Monthly workshops will be provided in 2021; ops have already taken place.

ric line crews were dispatched to the Salem area to provide mutual aid to PGE during the February ce storm that saw roughly 300,000 PGE customers out of power system wide. EWEB crews spent s assisting in restoration efforts.

department has been working to expand water service to a ShelterCare facility. ShelterCare is a nprofit human-services agency directed by a board of community volunteers offering a range of d support services for individuals and families who are homeless, or on the verge of homelessness, mitted focus on individuals living with mental illness. Because this is not a "new" service, the development charge is not eligible to be waived under the System Development Charge Waiver owever, we feel it meets the spirit of the program therefore we are "waiving" the charge through tion of the discretionary community investment budget funds.

nutrient management project on a property near Leaburg Canal, under EWEB's Healthy Farms r Program. Other funding sources include OWEB, the landowner and the Upper Willamette Soil & ervation District. The composting facility reduces nutrients and runoff into the canal and he McKenzie River. EWEB is contributing \$3,925 of the overall \$14,764 project cost.

ers - 15% of projects (40% of dollars) were for limited income customers and 14% were in rentals.

dential customers.

l and 2 commercial customers.

al and 1 commercial customers received rebates for Level 2 EV Chargers.

tial net-metered projects were completed. 17 received Greenpower-funded incentives, and 5 did . 1 commercial direct generation project was completed (City of Eugene).

al hand valve rebates, 49 toilet rebates, and 43 septic pumping rebates (25 of the septic rebates ents for the Q4 2020 \$300 promotion).

omer Care (ECC) credited \$485,940 to 1,869 customers. Energy Share contributed \$36,946 to 208 EWEB credited federal LIHEAP funds to 1309 customers, and federal funds distributed through ne County to 74 customers. Total does not include federal funds.

pair grants.

k repair grant.

ial energy efficiency loans.

al water line repair loans.

I generator loans.

l electric service upgrade loan.

Sy	stem Development Charge (SDC) Waivers										
AG	ENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES			
	Homes for Good and Lane County	The Nel	Q1	N/A	\$6,829	PEOPLE: Safety Net	Board Directed	Homes for G experiencing (total develo			
Q	L 11th and Lincoln, LLC (Private developer)	The Lincoln Apartments	Q1	N/A	\$6,831	PEOPLE: Safety Net	Board Directed	The Lincoln construction water meter			
		·		Q1 TOTAL	\$13,660						
C	Contributions in Lieu of Taxes (CILT)										
AG	ENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES			
0	City of Eugene	Contribution in lieu of taxes (CILT)	Q1	N/A	\$3,420,398	Required	Mandated				
Q.	City of Springfield	Contribution in lieu of taxes (CILT)	Q1	N/A	\$128,525	Required	Mandated				
Q1 TOTAL \$3,548,924											
E١	NEB Ambassador Efforts and Events (Paid)										
AG	SENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES			
	CERT Northwest (Community Emergency Response Team)	Pledge to Prepare	N/A	03/13/21	N/A	PEOPLE: Emergency Preparedness	Discretionary				
Q	Consulate of Mexico in Portland > Mexican Mobile Consulate in Eugene	Assistance obtaining legal documents	N/A	02/20-02/21	N/A	PEOPLE: Safety Net	Discretionary	Based on fee language ma provided geo weatherizati			
		Locals Helping Locals Holiday Farm Fire event	N/A	02/05-02/06	N/A	PEOPLE: Safety Net	N/A	EWEB staffe provide info Fire. Staff wa			
EV	VEB Ambassadors provided over 25 hours of services to the Com	munity in Q1	:			•	:				
U	pdate to 2020 Q4 EWEB Ambassador Efforts and	l Events (Paid)									
AG	ENCY	EVENT/DESCRIPTION	PAYMENT DATE	EVENT DATE	AMOUNT	INVESTMENT AREA	CATEGORY	NOTES			
Q4	United Way Fire Relief Program	Run to Stay Warm / Fire Relief Partner Program	N/A	11/20-11/29	N/A	PEOPLE: Safety Net	Discretionary	The 14th An restrictions. curated loca Run to Stay			

Sood and Lane County have partnered to build 45 units of supportive housing for people g chronic homelessness. The Nel, at 1100 Charnelton St., qualified for a \$6829 water SDC waiver opment costs were about \$14.5M).

Apartments (11th and Lincoln) consist of 59 units of affordable housing. This project, to begin n in October 2021, qualified for a \$6831 water SDC waiver (like the project above, an existing 1.5" r will be replaced with a 2" meter, so the waiver is just for the increased capacity costs).

eedback from the community, the agency requested EWEB's participation. EWEB provided Spanish aterials offering guidance on accessing our limited income bill assistance program. EWEB also eneral information regarding weatherization programs available to customers including tion grants for qualifying households.

ed an information table at this event held at McKenzie High School to answer questions and prmation about what EWEB is continuing to do to help customers affected by the Holiday Farm ras able to connect with and support local upriver organizers.

The 14th Annual Run to Stay Warm was a virtual event this year due to the COVID-19 pandemic and related restrictions. Participants completed 5k, 10k or half marathon on any course of their choosing, including a curated local course. Total donation to Customer Care was \$4,681. \$10 from every registration went to the Run to Stay Warm Fire Relief Partner Program. *The total donation to the United Way Fire Relief Program was* \$9,010 - \$4,010 from the event, and \$5,000 from Jerry's Home Improvement.

Electric Division Metrics Scorecard

\$10,000,000

\$-

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Budget --- Projection --- Actual

10

8

4

Electric Safety Metrics 2021 Overall Electric Capital Cumulative 2021 SAIFI Cumulative 2021 SAIDI \$60,000,000 70 0.70 51739950 60 0.60 \$50,000,000 0.50 50 -----\$40,000,000 0.40 40 \$30,000,000 0.30 30 \$20,000,000 0.20



	Key Meeting target Not meeting target	-				
Dept	Category	Metric	Q1 Final	Q2 Final	Q3 Final	Q4 Explanation for Final Not Meeting Target
Substation	Customer Reponse Time: Work Queue: Turn Around:	Complete 39 NERC battery testing in Q1 Complete 12 Power Transformers Maintenance Complete all ECR's in 30 days	•	000	000	Competing Emergent Work
Relay	Customer Reponse Time: Work Queue: Turn Around:	Test 86 NERC Devices annually Test 331 non-NERC Devices annually Complete All ECR's in 30 days - (internal customer)	•	000	000	 Competing Emergent Work Competing Emergent Work
Transformer	Customer Reponse Time: Work Queue: Turn Around:	Stage crew material within 24 hours of request Prepare all Scrap Material Quarterly Complete Live line tool testing within 3 days	•	000	000	C Competing Emergent Work
Line	Customer Reponses Time Customer Reponse Time: Work Queue: Work Queue: Work Queue: Work Queue:	Customer driven project "wait time" less than 3 weeks Line crew emergent call out less than 30 minutes Backlog of "form 3" work less than 8 jobs Preventative Maintenance for Network completion Preventative Maintenance for Switch inspections Identified NESC feeders repaired per 2021 schedule		000000	000000	Competing Emergent Work
Meter	Customer Reponse Time: Work Queue: Work Queue: Work Queue: Work Queue: Work Queue: Work Queue: Work Queue: Work Queue:	Customer bills accuracy 40 Site Visits & PUC audits 10% Meter Testing (SPh) 100% Meter Testing (3Ph) 100% Meter Testing Refurbished 100% Tamper Checks 10 CT Sites per month 100% Investigating zero consumption 100% Recheck New installed CT jobs		0000000000	0000000000	 Staffing Limitations
Vegetation Management	Customer Reponse Time: Work Queue: Turn Around:	Back log for plan less than 8 weeks Vegetaion plan greater than 23 miles per month Customer Tags response less than 48 hours	•	000	000	 Staffing Limitations Staffing Limitations Staffing Limitations
Landscape	Customer Reponse Time: Work Queue: Turn Around:	Incoming Jobs - 15-20 per quadrant within 5 days Cycles of Daily work finish all stops in quadrant each month Customer Jobs within 3 days	• • •	000	000	0000
Dispatch	Customer Reponse Time: Work Queue: Turn Around:	Processing switching orders less than 3 days Posting 100% of completed switching orders to Outlook calendar Time between receiving a Hold Order and processing Hold less than 15 minutes	• • •	000	000	0 0 0
Coordinators	Customer Reponse Time: Turn Around:	Service Request pending approval to active within 10 minutes Taking action on Service Requests from other depts less than 2 days		000	000	0000
Troubleshooters	Customer Reponse Time: Turn Around:	First Responder Emergent Call out response within 10 minutes 100% completion of items scheduled	•	00	00	0 0
Service Crew	Customer Reponse Time: Turn Around:	After hours response completed within the same day 100% completion of items scheduled	•	00	00	0
Systems Engineering	Customer Reponse Time: Work Queue: Turn Around:	System Event Response by next business day No Engineering Change Requests greater than 1 year System Event Root Cause Analysis less than 30 days	•	000	000	 Staffing Limitations Staffing Limitations Staffing Limitations
Distribution Engineering	Customer Reponse Time: Work Queue: Turn Around:	90% of Customer Inquiries response within 24 business hours Customer (Internal/External) Design Requests assigned within 3 weeks 90% of High Level Estimates provided within 3 business days	•	000	000	Competing Emergent Work
NERC Compliance	Customer Reponse Time: Work Queue: Turn Around:	Completed Compliance Deadlines Complete 2 Compliant department Spot Checks monthly Train 50 empoloyees per year		000	000	0 0 0

APPENDIX H

Water Division Details

Drinking Water Source Protection

The purpose of the Source Water Protection Program is to minimize adverse impacts on the source of our community's drinking water. Specifically, the program aims to 1) identify and understand the threats to our drinking water through watershed monitoring and 2) reduce the risk of pathogens and pollutants entering the treatment plant through source water protection to ultimately manage or reduce the degree of treatment required.

Cyanotoxins

EWEB began monitoring for harmful algal blooms (HABs) and cyanotoxins in mid-March 2021. Both Cougar and Blue River Reservoir were dominated by diatoms, and no toxigenic species of HABs were seen. EWEB's website is updated whenever new test data becomes available. The current status is "Clear" and no cyanotoxins have been detected in the reservoirs, river, or intake in recent sampling. For more information visit our <u>Cyanobacterial Harmful Algae Blooms</u> website.



Cyanotoxin Detection Status

Robust Water Treatment

McKenzie River water is treated to drinking water standards using conventional treatment trains that include redundancy to protect from treatment failures. The treatment process is closely monitored and constantly adjusted to ensure production of safe drinking water prior to delivery to customers.

Production

Production levels for the first quarter were normal.

APPENDIX I

Finished Water Production													
1,	400												
1,	300 -												
1,	200 -												
[la]	100 -												
Ē 1,	000 -												
No:	900 -												
lal F	800 -												
Tot	700 -												
	600 -												
	500	-									-	č –	
		E.L. 0004						0004	0.1				
		Feb-2021	A	pr-2021	Ju	n-2021	Auş	g-2021	Oct	2021	Dec-	2021	
	Wionth												
	 FW Curr. FW Min												
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
2016	508.8	465.5	501.4	546.6	742.0	1070.1	1218.1	1342.1	973.2	598.0	493.6	488.2	
2017	521.8	450.2	495.4	500.7	682.2	969.7	1338.1	1360.6	966.3	636.3	511.0	495.9	
2018	497.4	457.3	501.8	521.9	778.1	1066.7	1393.7	1355.5	1001.1	734.6	529.1	498.6	
2019	511.0	456.7	513.3	532.8	851.9	1100.4	1242.8	1232.5	779.6	563.9	504.7	494.1	
2020	497.2	463.3	497.0	545.0	667.9	822.6	1253.1	1333.1	1021.8	661.8	507.5	504.4	
мах	521.8	465.5	513.3	546.6	851.9	1100.4	1393.7	1360.6	1021.8	734.6	529.1	504.4	
MIN	497.2	450.2	495.4	500.7	667.9	822.6	1218.1	1232.5	779.6	779.6 563.9		488.2	
CUR	498.2	457.6	505.2	<na></na>	<na></na>	<na></na>	<na></na>	<na></na>	<na></na>	<na></na>	<na></na>	<na></na>	
						Yearly Total		Daily Average		Peek Daily Flow			
					5 Ye	ar Max	933	85.8	25	5.6	5	2.1	
	5 Year Min				8774.8		24.0		46.0				
	Year to Date for 2021 1461.0					61.0	16.2 18.2						
	3 Day Consecutive Max Date								Tota	I Flow			
Jan 11							17.8						
Jan 12							Jan 12	18.2					
	Jan 13							16.6					
						3	B-Day A	verage		1	7.5		

From March 1, 2021 to March 31, 2021

Filtration Performance

Turbidity is a measurement of the clarity of water, which is an important indicator of filter performance that tells us if we are effectively removing microorganisms in the water. The Maximum Contaminant Level (MCL) for turbidity in drinking water is 0.3 NTU in 95% of the samples. The national performance optimization goal for turbidity in drinking water is 0.15 NTU in 95% of the samples. Filtration performance continues to show our filtration process is optimized.



Secure Water Supply Network

Once the water is adequately treated, the quality must be maintained as it is delivered to EWEB customers. Replacing aging infrastructure, repairing leaks, flushing, maintaining a disinfectant residual and positive pressure, and protecting against cross-connections are critical aspects of the program to ensure water quality, reliability and adequate fire flow.

Water Quality Monitoring

Monitoring the quality of our raw, treated and distributed drinking water is essential to ensuring safe water for EWEB's customer/owners. Monitoring data gives water operations staff the ability to adjust treatment and system operation to safeguard quality for human consumption. We track customer complaints as another means to evaluate long-term water quality trends in the distribution system.

Emergency Preparedness

Natural hazard and security response mitigation plans along with resiliency plans are a final barrier in place to protect the public if harmful contaminants should make it through the other water system barriers (source water protection, water treatment, water supply system reliability, and water quality monitoring). *Refer also to Emergency Water Supply in the Water Utility Capital Spending Summary and Project Updates.*

Q1 2021 Workforce Composition

The following charts are demographic snapshots of EWEB's workforce composition as compared to that of the State of Oregon and Lane County, as reported by the US Census Bureau in Q1 of 2021, the most recent quarter for which they have data.





Gender Distribution 99% 100% 90% 80% 68% 70% 60% 53% 51%49% 49%51% 47% 50% 40% 32% 30% 20% 10% 1% 0% MAPT IBEW EWEB Lane County Oregon Male Female

Women in EWEB Leadership



2021 Fleet Services Sustainability Progress Report

In support of EWEB's sustainability initiatives developed back in 2009, Fleet Services continues to use low CI alternative fuels throughout the fleet operation.

- By choosing to use low CI fuels in place of fossil based unleaded and diesel fuels, our exposer to GHG emissions decreased 34.0% under our 2009 baselines.
- By blending higher percentages of Ethanol and Renewable Diesel, we have been able to effectively reduce the fossil-based fuels used by EWEB's vehicles and equipment by 59.5%.

