

EUGENE WATER & ELECTRIC BOARD
WORK SESSION
April 15, 2025
5:30 p.m.

Commissioners Present: President, John Barofsky; Vice President, Mindy Schlossberg; and Commissioners Sonya Carlson, John Brown, and Tim Morris

Commissioners Absent: None

Others Present: Frank Lawson, EWEB General Manager; Brian Booth, Chief Energy Resource Officer; Ben Ulrich, Lead Energy Resource Analyst; Aaron Yale-Bush, Senior Energy Resource Analyst

WORK SESSION

Call to Order [00:00:00]

President Barofsky called the work session to order at 5:30 p.m.

Organizational Goal #3 – Initial Results: Energy Resource Study: BPA Product Election Analysis Update [00:01:09]

Brian Booth, Ben Ulrich, and Aaron Yale-Bush introduced the Energy Resource Study BPA Product Decision via PowerPoint presentation. They provided information about the product decision timeline, quantitative modeling results, qualitative considerations, and next steps. They recommended that in July 2025 the EWEB Board of Commissioners provide authorization to finalize the Bonneville Power Administration (BPA) contract. They recommended that in December 2025 the General Manager be authorized to sign the BPA contract.

Vice President Schlossberg inquired about BPA rates estimates and the cost of federal versus nonfederal resources.

Regarding BPA rates, Mr. Yale-Bush cited costs, billing determinates, and cost pools. He explained that the products share a lot of the same billing determinates. He said in a product decision context, there is not a huge separation.

Regarding the cost of federal versus nonfederal resources, Mr. Ulrich responded that risks and opportunities are two sides of the same coin. He referenced a line graph titled Range of Total Portfolio Costs (i.e. range of outcomes). He said EWEB will take actions to mitigate any risk.

Vice President Schlossberg stated that to her, the best option is the Block with Shaping plus PLVS.

Regarding EWEB being a winter-peaking utility, Commissioner Carlson asked if the way it models energy changes over time to account for climate change.

Mr. Ulrich responded that on the load forecast side it assumes that EWEB will become more summer peaking over the study period. The current load forecast indicates that EWEB will be dual peaking by 2050. He cited the air conditioner load.

Commissioner Brown asked about the purchasing of additional power, specifically if it must be bought contractually.

Mr. Ulrich said the Western Resource Adequacy Program (WRAP) is designed to hold everyone in the region to a standard. For EWEB to meet that standard, the utility will likely need to purchase some supplemental resources or market purchases. He said they anticipate falling short under the Block with Shaping product. They tried to quantify the cost of that compliance. He added that Load Following (LF) completely complies with WRAP; BPA takes care of that on behalf of LF customers.

Commissioner Brown asked if they factored in carbon neutrality.

Mr. Yale-Bush responded that the WRAP obligation is a capacity obligation for reliability. It is less attached to energy and more to capacity.

Mr. Lawson remarked that constraints were outlined in the modeling relative to the carbon direction that Commissioners have provided; thus, when EWEB seeks external resources, the total portfolio will remain within the stated guidelines.

Commissioner Brown mentioned that BPA historically has not been keeping up with replacements. He asked if they are confident that in the next twenty years there will not be big capital expenditures that will get passed onto EWEB.

Mr. Booth acknowledged BPA low staffing concerns, specifically regarding the Grand Coulee Dam. He said if BPA were to fail, they are likely to fail equally among all their products. The question for EWEB is less about which product they choose and more about what EWEB does to ensure that they are in a position to succeed if BPA were to fail.

Commissioner Morris shared a concern about the ability to change midstream. He mentioned generation capability during the 2024 ice storm. He encouraged flexibility.

President Barofsky asked for more clarification around the WRAP program.

Mr. Ulrich said there is a benefit to everyone being held to a standard that already assumes from sharing, so the bigger the WRAP map, the cheaper for all. For example, when another state has surplus, everyone may use it.

Mr. Yale-Bush and Mr. Lawson added more context about the WRAP program, including that there are significant economic benefits.

President Barofsky asked how many other utilities have joined WRAP.

Mr. Lawson responded that the major utilities across the Pacific Northwest, including BPA, have committed to WRAP.

Commissioner Carlson asked what EWEB currently pays to BPA per year.

Mr. Ulrich responded that EWEB pays BPA roughly \$80 million per year.

Commissioner Carlson asked how likely it is that new technologies will change the market and/or the demand for energy; and what could be done if that were to occur.

Mr. Lawson responded that the BPA product choice provides an opportunity mid-contract to change the product selection.

Commissioner Carlson asked if the Block with Shaping plus PLVS offers more flexibility versus the LF.

Mr. Lawson responded either choice; he said it comes down to how the risk is managed.

President Barofsky asked if there were any more questions for discussion. There were none.

President Barofsky requested adding an item to the May 6, 2025 meeting agenda regarding permitting non-utility-based fees on EWEB bills, specifically the City of Eugene fire fee.

Commissioner Carlson stated that she will likely not attend the May 6, 2025 meeting. She voiced opposition to EWEB billing for the City of Eugene fire fee as it currently stands, citing potential risk to EWEB's most vulnerable population.

Adjourn [01:24:08]

President Barofsky adjourned the work session at 6:54 p.m.

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President