



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris

FROM: Lisa Krentz, Generation Manager; Mark Zinniker, Generation Engineering Supervisor; and Jeremy Somogyi, Generation Engineering Planner IV

DATE: January 5, 2026

SUBJECT: Leaburg Decommissioning Action Plan Update

OBJECTIVE: Information

Issue

This memo provides an update on progress on the Leaburg Decommissioning Action Plan (LDAP). The LDAP involves several interdependent processes that are addressed in this memo, including:

- Near-Term Risk Reduction
- Walterville Strategic Evaluation
- Leaburg Decommissioning Program

Background

The Leaburg Decommissioning Plan (LDAP), approved by the Board in January 2024, continues to provide high-level guidance for the project team. To support staffing and resources for this substantial effort, EWEB hired McMillen, Inc. (McMillen) in December 2024. McMillen has been augmenting EWEB staff by providing program management and technical support since January 2025. The McMillen team is now involved in all aspects of EWEB's efforts to implement the LDAP.

Near-Term Risk Reduction

The Federal Energy Regulatory Commission, Division of Dam Safety and Inspections (FERC D2SI), requires EWEB to implement measures to mitigate risks associated with the Leaburg Canal conveying tributary and stormwater flows. This risk reduction work is to be completed as soon as reasonably practicable and prior to completing decommissioning.

EWEB staff, with the support of McMillen, continue to work on developing risk reduction measures that will mitigate the intermittent hydrological loading by focusing planning efforts on addressing tributary flows from Johnson and Cogswell Creeks. The McMillen team began assessing alternative approaches for managing flows from these major tributary creeks in June 2025 and is on schedule to select the preferred options for detailed design by Spring 2026.

Other ongoing efforts related to near-term risk reduction measures include:

- Utilization and monitoring of the increased low-level outlet discharge capacity at the Leaburg Canal forebay:
 - To ensure the continued safe operation of the low-level outlet, EWEB hired Wildish Building Company (WBC) in November 2025 to perform emergency repairs to the

trash rack system.

- Implementation of the geotechnical drilling program field exploration:
 - The first of two drilling phases, which commenced November 2025, will inform the design of canal system modifications to safely manage tributary flows from Johnson and Cogswell Creeks.
- Acquisition of advantageous properties located near the canal embankment when they go on the market:
 - In October 2025, EWEB opportunistically purchased a property near Cogswell Creek with vulnerable residential structures located near the toe of the Leaburg Canal. In addition to the immediate risk reduction, this property will provide value during the future decommissioning work.

EWEB staff continue to approach the near-term risk reduction work with the following goals:

- Implement measures separately from decommissioning while utilizing the results of the work to inform the decommissioning plan.
- Where feasible, develop near-term risk reduction design configurations that align with the ultimate decommissioning strategy.

The conceptual design alternatives for tributary flow modifications at Johnson and Cogswell Creeks are based on several assumptions that will need to be confirmed prior to final design. The primary areas of uncertainty are:

- Unknown subsurface conditions: Although the drilling program to explore subsurface conditions recently commenced, the detailed analysis and FERC review of the results will not be completed prior to the selection of the preferred alternatives in Spring 2026.
- Design criteria: FERC's design criteria for the tributary flow modifications are still unclear. Alternatives are being assessed using assumptions. EWEB will receive FERC guidance once the conceptual designs are developed with enough detail for review.
- FERC approval process: It is currently unclear if canal modifications to address urgent dam safety risks will require a standard FERC license amendment and the associated lengthy approval processes.

Walterville Strategic Evaluation

The LDAP efforts include a strategic evaluation of the Walterville Development to guide decisions related to relicensing or decommissioning this facility at the end of the current license term (2040). The strategic evaluation results for Walterville will determine the most appropriate regulatory pathway for decommissioning the Leaburg Development. Several technical studies related to the Walterville Development have been progressing in 2025 and remain on track for completion by the end of the year. These studies, which will provide foundational information for the Walterville Strategic Evaluation, include:

- Updated seismic stability assessments for concrete structures and earthen embankments along the high hazard reaches of the canal.
- Updated hydrological and hydraulic analyses of the canal during Probable Maximum Flood conditions.
- Canal breach modeling and consequence assessments.

In addition to advancing these technical studies, EWEB has been working with FERC staff on finalizing the design of liner improvements at the Walterville forebay to address the excessive seepage condition that triggered a drawdown of the facility in February 2024. EWEB reviewed the 60-percent design for the liner with FERC staff during a Potential Failure Modes Analysis (PFMA) workshop in October 2025 to identify issues that need to be addressed as part of the final design. Completion of the design work is targeted for early 2026 with the intent of constructing the liner improvements in late summer/early fall of 2026.

The technical studies and the liner PFMA results will inform estimates of the levels of investment needed for continued operation beyond the current license period. Using this information, the EWEB and McMillen team will begin a triple bottom line (TBL) analysis of the Walterville Development in early 2026. EWEB plans to complete the Walterville Strategic Evaluation by the end of 2026.

Leaburg Decommissioning Program

Beginning in early 2025, EWEB worked with McMillen to develop a baseline Program Management Plan (Program) that expands on concepts identified in the LDAP. The baseline Program was completed in May 2025, though it is necessarily a dynamic document that will require periodic updates to reflect the Program's current trajectory. The Program covers the following key topics:

- Organizational structure
- Roles and responsibilities
- File management guidelines
- Communication protocols
- Schedule and budget management
- Strategic objectives

This Program will guide the various interdependent and parallel planning efforts as needed to integrate critical path decision points throughout implementation of the overarching decommissioning process.

The conceptual design phase of the decommissioning effort kicked off in November 2025. McMillen will be working with EWEB staff to develop and assess alternatives for the future disposition of each element of the Leaburg Development. The work will consider construction sequencing and regulatory constraints that can affect implementation timelines so that alternatives can be compared in terms of cost and risk, as well as social and environmental criteria. The work will progress in parallel with regulatory and stakeholder engagement efforts, positioning staff to provide the Board with a comprehensive update on decommissioning costs and schedule by the end of 2026.

Leaburg Dam Transportation Analysis

Determining the long-term access across the McKenzie River, currently provided by Leaburg Dam, remains a critical path decision point for advancing the decommissioning planning. Since EWEB is not a transportation agency and does not make transportation decisions, EWEB has been coordinating with Lane County Public Works and the Oregon Department of Transportation to resolve access issues resulting from dam removal. To understand the long-term impacts to the

local transportation system and short-term impacts during decommissioning construction activities, EWEB, in coordination with Lane County Public Works, completed the river crossing alternatives evaluation that includes a Triple Bottom Line (TBL) analysis in late November 2025.

DOWL, LLC, a multi-disciplined engineering firm with extensive transportation and bridge experience, developed alternatives and the associated cost ranges. DOWL partnered with Parametrix (formerly Good Company) for the Triple Bottom Line portion of the analysis.

EWEB and Lane County are currently coordinating on next steps for publicly sharing the completed alternatives evaluation and TBL. Next steps are expected to include a presentation of the information to the Lane County Board of Commissioners to aid in the decision-making process. The presentation to the County Board is expected to occur early in 2026.

Budget Refinement

A decommissioning cost range was developed during the strategic evaluation process based on high-level concepts using various assumptions. Over the next year, McMillen will review the initial capital (CIP) and operations and maintenance (O&M) costs and assumptions and assist with cost refinement as interdependent processes and conceptual designs advance.

McMillen will develop a Baseline Cost Review Technical Memorandum (TM), which will be updated annually as more information becomes available. The annual cost review updates will be used to inform annual CIP and O&M budget projection updates as well as the quarterly reporting to the Board.

Timelines, Decisions, and Milestones

The timeline for decommissioning remains uncertain due to critical path decisions that are still in progress. For example, the timeline for determining the ultimate decommissioned configuration of the Leaburg Development is dependent on the following:

- Outcome of the long-term transportation plan for access across the McKenzie River
- Outcome of the near-term risk reduction tributary flow modifications

Completing the Walterville Strategic Evaluation will also help inform the regulatory approach and associated timeline for decommissioning. Work is underway to refine the scope and kickoff the evaluation early in 2026 to allow for completion by year end. EWEB staff will provide the EWEB Board with a progress update on the Walterville Strategic Evaluation during the summer of 2026 and expect to conclude the study for Board deliberation in Q4 2026. Additional updates will be provided prior to the 2026 McKenzie Valley Customer Appreciation event and as needed throughout 2026.

EWEB staff will inform the Board of the following milestones as they occur:

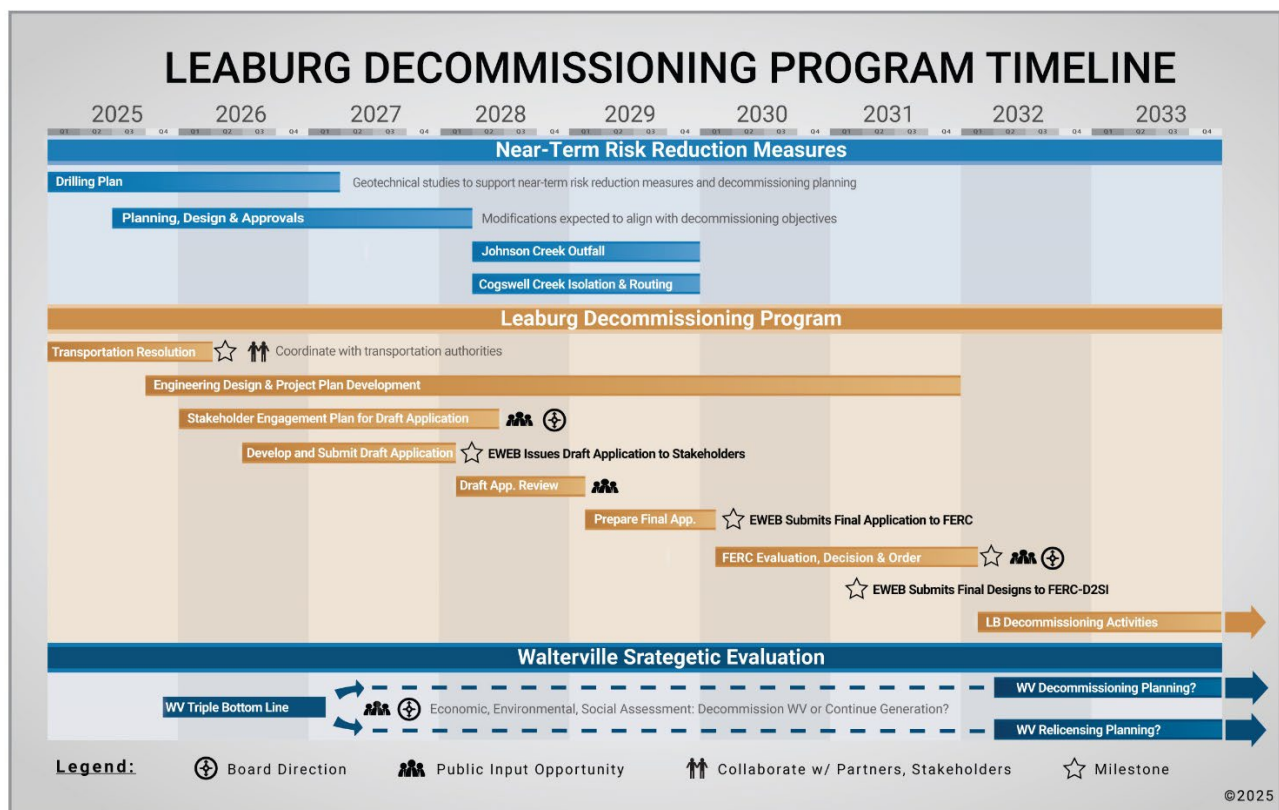
- Lane County's decision for the long-term transportation plan for access across the McKenzie River:
 - Approach to the decision expected to occur in Q1 2026.
- Issuance of the draft application to stakeholders detailing the approach for the ultimate disposition of both the Leaburg and Walterville developments:

- Currently expected to occur in Q1 2028
- Submission of the Final Application to FERC:
 - Currently expected to occur in Q1 2030
- Submission of the Final Designs to FERC:
 - Currently expected to occur in Q1 2031
- FERC approval to proceed with Decommissioning Activities:
 - Currently expected by Q1 2032

EWEB staff will seek Board guidance at the following milestones:

- Stakeholder Engagement Plan for the proposed draft application
- FERC Decision and Order

The project timeline below depicts the schedule based on current information and assumptions:



Public Outreach

The EWEB Communications team and project staff participated in various public outreach efforts and events over the past year that included meetings, listening sessions, press releases and direct mailers as summarized below:

- Letters mailed directly to residents potentially impacted by transportation system changes related to the Leaburg Dam Removal – September 6, 2024:
 - Topic: Leaburg Transportation Alternatives Analysis Notification of EWEB and Contractor work and overview of the various Transportation alternatives being evaluated.

- McKenzie River Reflections Press Release - December 9, 2024:
 - Topic - EWEB Board approval of McMillen, Inc. Program Support Contract
- Meeting with State Representative Darin Harbick - January 7, 2025
- McKenzie River Reflections Press Release – February 27, 2025:
 - Topic - Program Consultant (McMillen) kickoff tour of project sites
- General McKenzie Valley and Leaburg Program status update to the Association of Northwest Steelheaders – March 6, 2025
- Meeting with State Representative Darin Harbick and several upriver community members - March 7, 2025
- McKenzie River Reflections Press Release – April 29, 2025
 - Topic: Walterville Canal outage update
 - KEZI aired a subsequent story on the Walterville Canal outage on May 1, 2025.
- Leaburg Program status update with McKenzie River Discovery Center staff - March 14, 2025
- Letters mailed directly to residents potentially impacted by transportation system changes related to the Leaburg Dam Removal – April 16, 2025:
 - Topic: Leaburg Transportation Alternatives Analysis updates, notice of outreach events and feedback opportunities
- Virtual Transportation Alternatives Analysis Update and Q&A Session – May 5, 2025
 - Meeting materials and the session recording were posted on EWEB’s Leaburg information web page: <https://www.eweb.org/projects/mckenzie-river-hydro-projects/decommissioning-the-leaburg-hydroelectric-project/leaburg-transportation-alternatives-analysis>
- McKenzie Valley Customer Appreciation Dinner at the Walterville Grange – May 15, 2025
- Transportation Alternatives Analysis Outreach Session at Lloyd Knox Park – June 14, 2025
- McKenzie River Reflections Press Release – June 17, 2025
 - Topic: Transportation analysis update and request for public feedback
- Interpretive Exhibit for the Transportation Alternatives Analysis at Lloyd Knox Park - June 14th through July 27, 2025
 - Provided detailed information on the river crossing alternatives being evaluated
 - Provided information on how to provide feedback on the alternatives
- Leaburg Program Status Update and Q&A Session at the Vida Community Center – July 23, 2025
- McKenzie River Reflections Press Release – November 5, 2025
 - Topic: Near Term Risk Reduction geotechnical investigation kickoff and the related periodic canal trail closures for public safety

Requested Board Action

No Board action is requested at this time. We encourage questions, request feedback on approach, and welcome suggestions regarding ongoing work.