

## Planning for 2023 utility rates

Increased costs from inflation and the need to upgrade aging infrastructure will require an increase in the price of water and electric services in 2023. This letter explains how your rates are being used to provide you with safe, reliable services, maintain utility infrastructure, and invest in system improvements that make your services better.

### PROPOSED PRICE CHANGES

At the Dec. 6 public meeting, EWEB's Board of Commissioners will be asked to approve a 2023 budget that includes the following rate increases, which are **necessary to support utility operations and make needed infrastructure investments**:

#### SMALL GENERAL SERVICE CUSTOMERS

Up to 30 kilowatts (kW) per month

Electric: +4.0%      Water: +6%

#### LARGE GENERAL SERVICE CUSTOMERS

501-10,000 kilowatts (kW) per month

Electric: +1.6%      Water: +6%

#### MEDIUM GENERAL SERVICE CUSTOMERS

31-500 kilowatts (kW) per month

Electric: +4.0%      Water: +6%

Price changes include increases in the basic charge for both water and electric, an important part of our continuing efforts to better recover fixed costs the utility incurs regardless of the amount of electricity used, such as meter reading, billing and customer service.

### REASONS FOR PRICE CHANGES

The price adjustments in our budget projections will help cover inflation in our operating and capital expenses and investment in infrastructure.

Some of the major projects that we are planning and budgeting for include:

- Rebuilding substations to increase capacity and improve reliability
- Upgrading and supplementing water storage tanks
- Implementing wildfire safety and prevention programs
- Building a new water treatment plant to improve the resiliency of our water supply
- Upgrading the Carmen-Smith Hydroelectric Project
- Investing in updated meter technology to improve service
- Addressing the structural vulnerabilities of Leaburg Canal

## WE KNOW OUR RATES AFFECT YOU

We understand the economic pressures facing so many customers and we work hard to control costs and operate as efficiently as possible.

Some of the ways we manage costs and affordability include:

- Strong reliance on low-cost hydropower
- Using our trading floor to buy and sell electricity on the wholesale market to cost-effectively balance supply and demand
- Careful planning and analysis of spending on capital projects and operational requirements
- Using debt prudently to minimize borrowing costs
- Offering financial support to help customers manage their energy use and invest in energy efficiency improvements
- Carefully managing inventory and supply chain
- Leveraging state and federal funding to supplement programs and offset costs
- Supporting the health and safety of our workforce to keep insurance costs as low as possible
- Spreading costs for major improvement projects over many years to avoid significant rate increases in any one year
- Committing to continuous improvement to drive greater efficiency and lower costs

### **EWEB is a community-owned public utility with a citizen-elected Board.**

That means that unlike an investor-owned utility, there are no profit margins or shareholder dividends built into your EWEB rates.

Electric and water prices are based on the costs to:

- **Operate** and maintain the electric and water systems
- **Invest** in improvements that make services better
- **Protect** natural resources near facilities, and
- **Maintain** the financial health of the utility

## Your Board of Commissioners

Wards 4 & 5	John Brown (President)
Wards 6 & 7	Sonya Carlson (Vice President)
Wards 1 & 8	Matt McRae
Wards 2 & 3	John Barofsky
At-large	Mindy Schlossberg

The citizens of Eugene elect five commissioners to four-year terms. They dedicate their service to the utility as volunteers without pay. Commissioners hold regularly scheduled public meetings on the first Tuesday of each month, typically at 5:30 p.m. Our customer-owners are welcome and encouraged to participate. Meetings are streamed live and archived on [eweb.org/board](http://eweb.org/board).