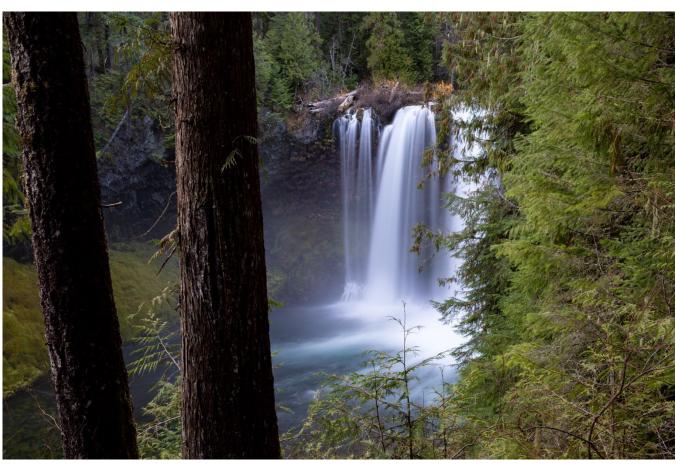


EWEB Climate Guidebook

Release v1.1 | August 2023



The McKenzie River. Adam Spencer, EWEB

CONTENTS

Acl	knowl	ledge	ements	1		
A۱	Лessa	ge fr	om EWEB's General Manager, Frank Lawson	2		
Exe	cutiv	e Su	mmary	3		
ı	Introduction to the Climate Guidebook					
(Climate Policy					
• • • • • • • • • • • • • • • • • • • •			oply & Transmission	5		
			Decarbonization	6		
(Climat	limate Impacts on EWEB – Resiliency & Adaptation				
ı	EWEB	WEB's Internal Operations				
1	Intr	odu	ction	10		
:	1.1	Cli	mate Guidebook Purpose, Structure and Release Schedule	10		
	1.1.1		Background leading to the Development of the Climate Guidebook	10		
	1.1.	.2	Timing for Future Updates	10		
	1.2	Wł	no Should Use this Document	11		
	1.3 Pub		blic Outreach Plan	11		
	1.3.	.1	Phase 1: January 2023 – March 2024	11		
	1.3.	.2	Phase 2: April 2024 – December 2024	12		
2	Clin	13				
2	2.1 Climat		mate Policy Introduction and Policy Language from SD15	13		
2	2.2	Glo	obal / Federal Initiatives	15		
	2.2.1		Global Efforts & the Paris Accord	15		
	2.2.2		U.S. Federal Policy	16		
2	2.3	Re	gional Initiatives	17		
	2.3.1		The U.S. Electricity Grids	17		
	2.3.2		Regionalization and Organized Markets	19		
	2.3.3		Regional Climate Policies	20		
	2.3.	.4	Regional Climate Forecasts & Analyses	20		
	2.3.	.5	Neighboring State Initiatives	21		
2	2.4	Sta	te of Oregon Initiatives	25		
	2.4.1		Climate Action Plan (CAP) – Executive Order 20-04	25		
	2.4.2		HB 2021 - Oregon Clean Electricity Standard	25		
	2.4.3		Oregon Clean Fuels Program (CFP)	26		
	2.4.4		SB 1547, Clean Electricity and Coal Transition Plan	27		

	2.4.5	Renewable Portfolio Standard (RPS)	27
	2.4.6	Emissions Performance Standard (EPS)	27
	2.4.7	7 Advanced Clean Car II Rule	28
	2.5	Local Eugene Initiatives	29
	2.5.1	Eugene Climate Recovery Ordinance (CRO) and Climate Action Plan (CAP) 2.0	29
	2.6	EWEB's Climate Guidebook Principles to Guide Policy and Programs	30
	2.6.1	EWEB's Carbon Policy & GHG Reduction Principles	32
	2.6.2	EWEB's Distributed Generation Principles	
	2.6.3	B EWEB's Green Hydrogen Principles	35
3	Pow	er Supply & Transmission	37
	3.1	Power Supply and Transmission Introduction and Policy Language from SD15	37
	3.2	Electrification Study (Phase 1 – 2020, Phase 2 – 2021)	37
	3.3	Integrated Resource Planning (IRP) Process	39
4	Cust	omer Decarbonization	41
	4.1	Customer Decarbonization Introduction and Policy Language from SD15	41
	4.2	Green Options Programs	42
	4.2.1	Live Green – Energy Conservation for Residential Customers	42
	4.2.2	Work Green – Energy Conservation for General Service Customers	42
	4.2.3	Move Green – Transportation Electrification	42
	4.2.4	Lead Green – Advanced Solutions for Climate Innovators	42
5	Clim	ate Impacts on EWEB – Resiliency & Adaptation	47
	5.1	Climate Impacts on EWEB Introduction and Policy Language from SD15	47
	5.2	Expected Physical Changes for Lane County	49
	5.3	Natural Hazards Mitigation Plan	50
	5.4	EWEB's Wildfire Mitigation Plan and Associated Policies	52
	5.5	Watershed Protection Programs	53
	5.6	Second Source of Drinking Water Development	54
6	EWE	B Internal Operations GHG Reductions	56
	6.1	EWEB Internal Operations Introduction and Policy Language from SD15	56
	6.2	EWEB's Internal Greenhouse Gas Inventory, 2021 and 2022	
Αŗ	pendix	A: Glossary	1
Αŗ	pendix	B: EWEB's Climate Change Policy (SD15)	1
Αŗ	pendix	C: EWEB's Resiliency Policy (SD22)	1
		D: EWEB's Diversity, Equity, and Inclusion Policy (SD23)	
Αŗ	pendix	E: EWEB's Carbon Intensity Guidance	1

The (Challenges of the Existing Policy Context for GHG Reporting	1
Com	nmon Protocols and Resources for GHG Reporting	3
W	orld Resources Institute (WRI) GHG Protocol	3
Th	ne Climate Registry	5
Relev	vant Emissions Factors	8
	esources for Entities Seeking Emissions Factors for Scope 2 GHG Calculations from Purchased EWEB ectricity	8
	esources for Entities Seeking to Estimate Emissions Reduction Benefits from Energy Efficiency or Clean nergy Projects	13
	esources for Entities Seeking to Estimate the GHG Impact of Transportation Electrification Projects and otential Credit Generation Under the Oregon Clean Fuels Program	15
Append	dix F: EWEB's Role in City of Eugene's CAP2.0	1
Histo	ory and Implementation of Eugene's Climate Action Plan (CAP) 2.0	1
Euge	ene Climate Collaborative (ECC), Large-Lever Shareholders	1
EWE	B's Commitments in CAP2.0	2
Tra	ransportation	3
Bu	uilding Energy2	10
Re	esiliency2	23

ACKNOWLEDGEMENTS

EWEB believes in a triple bottom line approach to sustainability that includes the economy, social impacts and equity, and the environment. EWEB's sustainability journey has been long, and it is expected to continue for years to come, building on a culture of continuous improvement as we learn and find new ways to apply that learning. The Climate Guidebook is an output of EWEB's sustainability efforts, focused on the ways the work of the utility intersects with climate issues.

Staff from many departments across the utility have contributed to the creation of this document and will be involved in providing future updates. Sincere thanks go out to all EWEB staff for their engagement in this process. Thanks also to YOU, the reader, for making the Climate Guidebook and its goal of providing useful information to a diverse set of audiences, into a reality.

For questions about the Climate Guidebook, to request new content, or if you have suggestions for future changes, please contact:

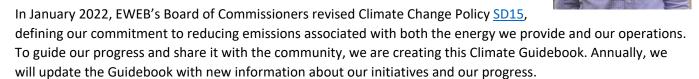
Kelly Hoell (she/her)
Climate Policy Analyst & Advisor
Kelly.hoell@eweb.org

Direct: 541-685-7379

A MESSAGE FROM EWEB'S GENERAL MANAGER, FRANK LAWSON

EWEB recognizes that climate change presents significant challenges and opportunities, and is changing our physical, political, and social landscapes. Already, we're seeing more frequent and extreme heat waves, prolonged droughts, reduced snowpack, and more frequent and severe fires. This matches projections for Lane County, according to the Oregon Climate Change Institute. Legislation, regulations, and customer expectations are also being modified in response to climate change.

To adapt to this changing landscape, the energy sector must take steps to reduce emissions of planet-warming greenhouse gases (GHGs). At EWEB, we believe that taking these actions is imperative.



In Oregon, electricity is <u>the second largest source</u> of greenhouse gas emissions, after transportation. And as electricity needs grow because of the electrification of transportation, the actions of electric utilities such as EWEB will only become more important.

Our commitment to addressing climate change is built on five pillars: climate policy, power supply and transmission, customer decarbonization, EWEB-owned asset resiliency, and internal operations. These five pillars each make up a chapter in the Climate Guidebook.

- **Climate policy:** EWEB will participate in local, state, and regional efforts to encourage, develop, and enact measures to minimize and mitigate greenhouse gas emissions.
- **Power supply and transmission:** EWEB has committed to sourcing a low-carbon electric power portfolio that targets over 95% of annual energy from carbon-free resources by 2030, on a planning basis. Our energy is already approximately 90% carbon free.
- **Customer decarbonization:** EWEB has pledged to assist customers with achieving their GHG emission reduction goals. We do this by helping customers with energy efficiency, alternative fuels, electric and water conservation, and many other programs.
- **EWEB-owned asset resiliency:** EWEB will seek to minimize the effects of climate change, such as more severe wildfires and droughts, that could impact EWEB's water and electric supply and infrastructure.
- Internal operations: EWEB has promised to minimize and mitigate GHG emissions from EWEB's operations by achieving carbon neutrality by 2050. We will meet other intermediate benchmarks along the way.

The guidebook will serve as a comprehensive reference document for EWEB staff as well as community stakeholders who care about EWEB's climate programs and progress. By compiling all relevant information about EWEB's climate work and impacts in a document that is easy to access, we can raise community awareness about EWEB's progress and role as an environmental steward.

Thank you for browsing this Guidebook. We look forward to partnering with our community to fulfill our mission and values.

Frank Lawson, CEO/General Manager

EXECUTIVE SUMMARY

INTRODUCTION TO THE CLIMATE GUIDEBOOK

EWEB's Climate Guidebook is a reference document that articulates how EWEB is implementing its Board-approved Climate Change Policy (Strategic Direction Policy #15 – SD15) and how EWEB's work intersects with climate issues. It is structured based on the five areas outlined in SD15, with a chapter for each:

- 1. Climate Policy
- 2. Power Supply & Transmission
- 3. Customer Decarbonization
- 4. Climate Impacts on EWEB Resiliency & Adaptation
- 5. EWEB's Internal Operations.

The Guidebook seeks to serve the needs of a variety of internal audiences (EWEB staff) and external audiences (customer-owners and community members). It is a "living document" that will be updated periodically. Annually, readers can expect significant updates in April, in celebration of Earth Day.

EWEB staff have developed a public outreach plan to solicit and document public feedback and refine future content within the Guidebook to meet community needs.

The sections below contain the specific language from each of the five areas outlined in SD15, as well as their importance to the Guidebook and how they are addressed in this version as well as what is planned for future versions.



Restoration work on the McKenzie River. Courtesy of Brent Ross, McKenzie River Trust

CLIMATE POLICY

Strategic Importance & Connections with Other Guidebook Sections

Policy actions at the federal, regional, state, and local levels influence EWEB's work on climate change and progress in meeting climate goals. Those policies connect to all the other areas of SD15 including power supply and transmission, customer decarbonization, climate impacts on EWEB, and even EWEB's internal operations.

EWEB Climate Change Policy SD15 – Climate Policy Section

The Board authorizes, delegates, and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and enact measures to minimize and/or mitigate GHG emissions that contribute to climate change. Consistent with Board Policy (GP13), prior to legislative sessions the Board develops and guides EWEB's positions relative to legislation, including those related to climate and environmental policy supporting this directive.

Recent policies passed in Oregon and in neighboring states (especially in Washington and California) impact the types, costs, and quantities of available power supplies within regional power markets, as well as how we must account for power purchases to track progress towards policy goals. Regulatory and voluntary initiatives aimed at improving regional power adequacy and resiliency are also changing how western power markets operate.

The Bipartisan Infrastructure Law (BIL) (sometimes known as the Infrastructure and Investment in Jobs Act, or the IIJA) and the Inflation Reduction Act (IRA), as well as state incentive programs, are offering significant new funding sources for energy efficiency, electrification, new technology solutions, and much more. These relate to the programs EWEB offers our customers and those that EWEB can take advantage of, to decarbonize our own operations. Many of these programs also seek to leverage opportunities to improve climate adaptation and climate resiliency while simultaneously addressing environmental justice and equity issues in our communities.

Content currently included in v1.1:

- Policy summaries and links for climate initiatives at the federal, regional, state, and local levels
 - Global/Federal: The Paris Accord, BIL/IIJA, IRA, SEC Enforcement Task Force on Climate & ESG
 - Regional: Western Energy Imbalance Market; Western Climate Initiative (WCI); Regional Greenhouse Gas Initiative (RGGI); Regional Climate Forecasts and Analyses
 - California: AB-32 Cap-and-trade; Low Carbon Fuels Standard; SB-100 100 Percent Clean Energy Act; Tailpipe Emissions Standards; California Independent System Operator (CAISO), and the Western Energy Imbalance Market
 - Washington: I-937 Energy Independence Act, Clean Energy Transformation Act (CETA), Climate Commitment Act (CCA), Clean Fuels Standard, Hydrofluorocarbon Transition
 - Oregon: Executive Order 20-04; Clean Electricity Standard; Clean Fuels Program; Clean Electricity and Coal Transition Plan; Renewable Portfolio Standard; Emissions Performance Standard
 - Eugene: Climate Recovery Ordinance; CAP 2.0
- Principles to guide EWEB investment of staff time and financial resources:
 - Carbon Policy & GHG Reduction Principles
 - Distributed Generation Principles
 - Green Hydrogen Principles

- Additional details about federal funding opportunities under the BIL/IIJA and IRA
- Additional principles to guide EWEB investment of staff time and financial resources:
 - o Rate Design Principles, and other topics to be determined

POWER SUPPLY & TRANSMISSION

Strategic Importance & Connections with Other Guidebook Sections

EWEB is unique in Oregon as a public utility that both owns generation resources and relies on the Bonneville Power Administration (BPA) for a share of the federal power system. EWEB is also an active participant in the regional energy market.

EWEB's long-term power supply decisions must be made within the context of state and regional climate policy and changing regulations, rising energy demands via customer decarbonization / electrification efforts, and the physical realities of a changing climate on temperatures and hydro conditions. Additionally, EWEB must live our values and maintain a focus on affordability.

The climate benefits of electrification depend on both the cost and the carbon content of electric power. Keeping rates low is climate action. If the shift to lowcarbon power supplies causes a material increase in

electric rates, customers will feel less incentive to electrify, and the overall cost burden on average customers will increase.

The Board is committed to supporting a low-carbon electric power portfolio that maintains, on a planning basis, over 90% of annual energy from carbon-free

EWEB Climate Change Policy SD15 -

Power Supply & Transmission Section

resources and targets over 95% of annual energy from carbon-free resources by 2030 to the extent possible and practical without distinct adverse impacts to customer-owners.

Using the Integrated Resource Plan (IRP) process including final adoption by resolution (GP7), the Board will work with the General Manager to establish the long-term (20-year) principles, priorities, approaches, definitions (including carbon-free, carbon intensity), measurements, and goals for the electric generation portfolio, demand response, conservation and energy efficiency, and customer impact limitations (including but not limited to reliability, cost, and equity) supporting this directive.

Since power purchases represent the largest share of each customer dollar EWEB receives, this is especially important when thinking about how we source our power. Additionally, any carbon reduction benefit of electrification is directly related to the carbon emissions associated with generating electricity. EWEB's Integrated Resource Plan (IRP) contains a requirement to meet the SD15 goal of getting to 95% carbon-free

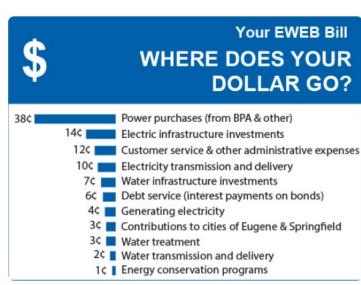
resources on a planning basis. Actual annual emissions will be influenced by real customer demand (driven by local weather patterns and customer behavior) and EWEB's changing need to rely on market purchases to meet that demand.

Content currently included in v1.1:

- EWEB's 2020 and 2021 Electrification Studies showing expected load growth through 2040
- EWEB's 2023 Integrated Resource Plan (IRP)

- Conservation Potential Assessment and **Demand Response Analysis**
- 2025 Integrated Resource Plan

Figure 1: Your EWEB Bill - Where Does Your Dollar Go? (2023)



CUSTOMER DECARBONIZATION

Strategic Importance & Connections with Other Guidebook Sections

Since 2011, EWEB has worked to offset load growth (community electricity demand) with investments in conservation and energy efficiency. Current circumstances require a deeper look at how EWEB will move forward with initiatives to support community and customer decarbonization goals. New drivers are changing both the availability of low-carbon energy options and the timeline that such alternatives might be implemented within EWEB's customer base. These drivers include new regulations, new expectations from regulatory bodies (e.g., Securities and Exchange Commission), as well as end consumers, new ambitious corporate GHG reduction goals, federal and state incentive programs, and changing prices.

EWEB Climate Change Policy SD15 – Customer Decarbonization Section

The Board further authorizes, delegates, and directs the General Manager to assist customers with achieving their GHG emission reduction goals through partnerships, technical assistance, resources, and programs that support, but are not limited to, energy efficiency, alternative fuels, electric and water conservation, electrification, and carbon offsets and sequestration.

Long-term conservation, energy efficiency, and demand-response goals are established as part of the IRP process. Additional program objectives, incentives and budgets will be established annually, as applicable, and/or through revisions to the strategic plan.

Connections also exist between EWEB's IRP power supply planning process and our approach to customer programs as EWEB seeks to define the relevant price thresholds for "cost-effective" energy efficiency and demand response programs. As society undergoes the largest energy transformation since the industrial revolution, there are additional opportunities to simultaneously understand and mitigate impacts to diverse community populations and increase our resilience to natural disasters.

Content currently included in v1.1:

- Information on existing Green Options customer programs and incentives that help customers decarbonize:
 - o Live Green: Energy Conservation Programs for Residential Customers
 - Work Green: Energy Conservation for Commercial Customers (General Service)
 - Move Green: Programs to Support Electric Mobility
 - Lead Green: Advanced Solutions for Climate Innovators
- Appendix E EWEB's Carbon Intensity Guidance
- Appendix F EWEB's Role in City of Eugene's CAP2.0

- Board-approved Diversity, Equity, and Inclusion Policy
- Definitions and metrics regarding how EWEB programs reach and support diverse segments of our customer base
- EWEB Enterprise Solutions (EES) implementation: the technology and process transformation needed to enable EWEB's ability to deliver drinking water and electric services in a dynamic future
- Rate design analysis

CLIMATE IMPACTS ON EWEB — RESILIENCY & ADAPTATION

Strategic Importance & Connections with Other Guidebook Sections

EWEB defines resiliency as "the ability to reduce the likelihood, magnitude, and duration of sudden or gradual disruptive events through risk mitigation, emergency preparedness and response, and recovery strategies.".

More than 100 years ago, EWEB was created to enable local control of vital community resources in the face of a public health emergency when a typhoid epidemic struck Eugene in the early 1900s. Now, the Oregon

EWEB Climate Change Policy SD15: Climate Impacts on EWEB — Resiliency & Adaptation Section

Consistent with resiliency initiatives included in EWEB's approved strategic plan, the Board directs the General Manager to evaluate and enact measures, as necessary and appropriate, to prepare for and minimize the effects of climate change that could impact EWEB's water and electric supply and infrastructure, damaging EWEB's resiliency and reliability.

Climate Change Research Institute (OCCRI) has identified a series of specific threats expected for Lane County based on best practices in climate modeling. These threats include heat waves, heavy rains, flooding, wildfire, changes in ocean temperatures and chemistry, coastal hazards, drought, expansion of non-native invasive species, reduced air quality, and loss of wetlands. EWEB is planning for these threats in coordination with local partners through the Eugene-Springfield Natural Hazard Mitigation Plan, as well as through EWEB's Wildfire Mitigation Plan. EWEB also has a robust watershed protection program to reduce the threats to the McKenzie River, which is Eugene's sole source of drinking water, while simultaneously planning for a second drinking water source on the Willamette River.

These resiliency initiatives are influenced by climate policy and incentive programs and provide EWEB with an opportunity to adapt to climate change within our own operations and in ways that can provide us with knowledge that could support EWEB customers in their climate adaptation efforts as well.

Content currently included in v1.1:

- Expected physical changes for Lane County, via Oregon Climate Change Research Institute
- Eugene-Springfield Natural Hazard Mitigation Plan (NHMP)and other planning efforts at the State and County levels
- EWEB's Wildfire Mitigation Plan
- EWEB's Watershed Protection Program
- Second Source of Drinking Water Development on the Willamette River
- Appendix C EWEB's Resiliency Policy (SD22)

Content planned for future Guidebook Versions:

• Research results from EWEB's Forest Carbon Lab investments in partnership with University of Oregon

EWEB's Internal Operations

Strategic Importance & Connections with Other Guidebook Sections

EWEB has been tracking our internal GHG emissions annually since 2009, in accordance with industry best standards and the World Resources Institute Greenhouse Gas Protocol. EWEB's Climate Change Policy (SD15) set specific GHG reduction goals for EWEB's internal operations – see box.

In 2020, EWEB not only met but exceeded its GHG reduction target of 25% reduction over 2010 baseline emissions, by achieving a 55% reduction in annual emissions. Some of this reduction can be attributed to the COVID-19 pandemic as some business travel in owned vehicles and some building energy use declined due to changes in business travel requirements and staff working from home.

As EWEB began to recover from the pandemic, in 2021 emissions rose slightly compared to 2020, but dropped again in 2022. In 2021, EWEB achieved a 35% reduction in emissions over the 2010 baseline. In 2022, the reduction over baseline increased to 44%.

EWEB Climate Change Policy SD15: Internal Operations Section

The Board further authorizes, delegates, and directs the General Manager to continue efforts to minimize and/or mitigate GHG emissions from EWEB's operations that contribute to climate change. As initially established in 2010, EWEB adopted a goal to reduce the Scope 1 and 2 (direct GHG emissions and energy) greenhouse gas emissions associated with its operations and facility management activities.

Accordingly, and as formally established by this directive, EWEB plans to reduce our net Scope 1 and 2 GHG emissions from operations relative to 2010 levels by:

- 25% by 2020,
- 50% by 2030,
- Achieve carbon neutrality from our operations by 2050.

Figure 2: EWEB Greenhouse Gas Emissions from Internal Operations and progress towards climate goals (MT CO2e), 2010-2022 Electricity Fleet (Fossil Fuels) Steam Natural Gas Refrigerants/SF6 - 2020 Goal - 25% reduction 2030 Goal - 50% reduction 4,000 3,500

Metric Tons CO₂ Equivalent 3,000 2,500 2,000 1,500 1,000 500 0 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

EWEB is well on its way to meeting the ambitious goal of 50% reduction over baseline by 2030. Progress towards EWEB's internal GHG goals is calculated using a market-based approach to electricity emissions and using the EWEB-specific emissions factor as calculated by Oregon DEQ's GHG reporting program.

EWEB's voluntary Board-approved goals align with goals set by both the State of Oregon and the City of Eugene, and EWEB seeks to be an active partner in these efforts to decarbonize our operations and support our community in further decarbonization efforts. By developing a plan for carbon neutrality by 2050 and piloting various technologies in our operations, EWEB can gain the kind of firsthand knowledge that will be helpful as we support our customers in their decarbonization efforts. Additionally, since EWEB's internal electricity consumption makes the utility one of the largest electricity consumers in our community, we also have an opportunity to apply new rates, programs, policies to our own bills first – giving us valuable insights from a customer perspective.

EWEB also seeks to stay aware of all relevant grant, tax, and incentive programs available from state and federal programs to maximize GHG reduction opportunities and simultaneously improve resilience and climate adaptation.

Content currently included in v1.1:

Greenhouse gas emissions inventory results for calendar years 2021 and 2022

Content planned for future Guidebook Versions:

Internal Climate Action Plan and Roadmap to Carbon Neutrality by 2050

1 Introduction

1.1 CLIMATE GUIDEBOOK PURPOSE, STRUCTURE AND RELEASE SCHEDULE

Welcome to EWEB's Climate Guidebook! The Climate Guidebook is a reference document to articulate how EWEB is addressing climate change throughout the utility and how EWEB's work intersects with climate issues generally. It is

EWEB Climate Guidebook Purpose

The Climate Guidebook is a reference document to articulate how EWEB is addressing climate change in accordance with EWEB's Board-approved Climate Change Policy (SD15). It also demonstrates how the work of the utility intersects with climate issues, broadly.

structured based on the five areas outlined in EWEB's Climate Change Policy (SD15) with a chapter for each. See Appendix B, EWEB's Climate Change Policy SD15 for the full text of SD15. The Guidebook will provide a climate lens for the organization's goals, helping to make connections between EWEB's projects and initiatives and how they relate to climate change and SD15.

The Climate Guidebook is a living document and will be updated at regular intervals, to serve as a resource for internal and external stakeholders. Different sections will meet the needs of different audiences by providing guidance on EWEB's strategy, information on existing programs, education on current events, and tools to be used in ongoing work.

1.1.1 Background leading to the Development of the Climate Guidebook

EWEB's Board of Commissioners developed its Climate Change Policy (SD15) in 2007 with updates in 2018 and 2022. SD15 directs the General Manager to act on climate change in the following five areas: Power Generation, Climate Policy, EWEB Operations, Customer Decarbonization, and Impacts on EWEB. In this document, the order of the chapters was organized according to the scale of the impact of each category, with the areas with the largest impact first. Also in this document, the chapter related to what SD15 calls Power Generation has been broadened in its focus and renamed to Power Supply & Transmission. This change still reflects the intent from SD15 but expands beyond what power EWEB owns to reflect all decisions about EWEB's power supply and how it gets to EWEB customers via the transmission and distribution system.

In May 2022, EWEB hired our first Climate Policy Analyst & Advisor to provide strategic and technical insights and identify impacts to EWEB's business lines and strategic and operational plans. The development of the Climate Guidebook has come out of this work. Staff throughout the organization have contributed to this resource.

1.1.2 Timing for Future Updates

The first release, Version 1.0, was discussed at the March 2023 regular Board meeting and was limited in scope, with additional content planned for future versions. This version is 1.1, indicating minor updates within a calendar year. The first minor update will be indicated as version 1.1, the second as 1.2, etc. Annually, readers can expect significant updates in April, in advance of Earth Day. These more significant updates will be indicated as version 2.0, 3.0, and so on.

1.2 Who Should Use this Document

EWEB's Climate Guidebook is designed for a wide array of internal and external audiences. This document is not designed for cover-to-cover reading. Rather, it is set up to be more of an encyclopedia style, where readers can look up key information provided in various sections. Some content is more general in nature. Other content is highly technical and designed for analysts or practitioners accustomed to using similar information or data.

If you have questions or suggestions about the content and/or the way it is presented, please see the Acknowledgements section for how to reach EWEB staff and provide your feedback about the Climate Guidebook.

1.3 Public Outreach Plan

Our public outreach efforts for the Climate Guidebook will occur in two phases.

1.3.1 Phase 1: January 2023 – March 2024

Goals:

- Solicit feedback regarding Guidebook content and structure from key stakeholders who will use the Guidebook regularly to ensure usefulness of final deliverables.
- Teach key stakeholders, subject matter experts, and technical users how to navigate the Guidebook and use the content to support their work.



Image by Rudy and Peter Skitterians from Pixabay

Audiences:

- EWEB Board of Commissioners
- EWEB employees, especially those directly involved in accounting for EWEB's own carbon emissions and those who assist EWEB customers in calculating their own emissions.
- Key stakeholders, including representatives of local agencies such as Lane County and the City of Eugene, who are responsible for reducing community-wide carbon emissions.
- Local environmental groups who have an interest in helping our community reduce carbon emissions.

Methods:

- 1. Build a public website on eweb.org containing the Guidebook and supporting materials.
- 2. Conduct one-on-one and small group meetings with identified audiences to share initial content and future planned content, educate key stakeholders on how existing content can support their work, and solicit direct feedback.
- 3. Present updates on the Guidebook to EWEB's Board of Commissioners and staff groups.
- 4. Publish Employee News stories sharing relevant updates.

1.3.2 Phase 2: April 2024 – December 2024

Goals:

- Increase customer trust and confidence by demonstrating shared values and priorities relating to the environment, public health, reliability, and affordability.
- Raise public awareness of EWEB's efforts to reduce greenhouse gases contributing to climate change and protect natural resources.
- Establish EWEB as a community and industry leader on carbon/climate action.

Audiences:

- All customers
- Phase 1 audiences

Methods:

A robust communications campaign utilizing all EWEB's available communications channels, emphasizing EWEB's climate commitments and describing progress towards reducing carbon emissions including successes and challenges. Specific tactics to include:

- Media release(s) and interviews about the Guidebook publication, as well as progress on specific goals.
- A social media campaign highlighting specific actions EWEB has taken to reduce carbon emissions.
- Content in EWEB's email newsletter about progress on climate goals.
- A bill insert (mailed to all residential and business customers) detailing EWEB's climate actions and how they can get involved and use the Guidebook.
- Community events and presentations when possible and when invited, including neighborhood meetings, environmental group meetings, and the Chamber of Commerce.

2.1 CLIMATE POLICY INTRODUCTION AND POLICY LANGUAGE FROM SD15

Climate policy passed at the federal, regional, state, and local levels provides the setting for our work on climate change. Much is evolving at these various levels. EWEB actively engages in this area to meet and go beyond our compliance obligations, educate policymakers about the intricacies of the electric power sector, and partner with key stakeholders to build the future that we want to see based on the values of our customer-owners.

EWEB Climate Change Policy SD15 – Climate Policy Section

The Board authorizes, delegates, and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and enact measures to minimize and/or mitigate GHG emissions that contribute to climate change. Consistent with Board Policy (GP13), prior to legislative sessions the Board develops and guides EWEB's positions relative to legislation, including those related to climate and environmental policy supporting this directive.

EWEB's Climate Change Policy SD15 highlights the importance of participating in policy discussions at various levels to minimize and mitigate GHG emissions. This chapter seeks to outline a high-level summary of the activities happening at various levels of government from the federal to the local level, while providing readers with relevant links and resources for additional reading as well as describing the impacts to EWEB.

Additionally, EWEB seeks to articulate guiding principles that staff aim to follow in their work. Principles can relate to any topic where EWEB invests effort, staff time, or resources. Principles on topics related to climate change will be included in this chapter of the Guidebook. Focus areas for EWEB Principles can range from policy advocacy work, program development, or even research and application of new technologies. The last section of this chapter seeks to publish these established principles for transparency and ease of reference.

Content currently included in v1.1:

- Policy summaries and links for climate initiatives at the federal, regional, state, and local levels
 - Global/Federal: The Paris Accord, BIL/IIJA, IRA, SEC Enforcement Task Force on Climate & ESG
 - Regional: Western Energy Imbalance Market; Western Climate Initiative (WCI); Regional Greenhouse Gas Initiative (RGGI); Regional Climate Forecasts and Analyses
 - California: AB-32 Cap-and-Trade; Low Carbon Fuels Standard; SB-100 100 Percent Clean Energy Act; Tailpipe Emissions Standards; California Independent System Operator (CAISO), and the Western Energy Imbalance Market
 - Washington: I-937 Energy Independence Act, Clean Energy Transformation Act (CETA), Climate Commitment Act (CCA), Clean Fuels Standard, Hydrofluorocarbon Transition
 - Oregon: Executive Order 20-04; Clean Electricity Standard; Clean Fuels Program; Clean Electricity and Coal Transition Plan; Renewable Portfolio Standard; Emissions Performance Standard
 - o Eugene: Climate Recovery Ordinance; CAP 2.0
- Principles to guide EWEB investment of staff time and financial resources:
 - Carbon Policy & GHG Reduction Principles
 - Distributed Generation Principles
 - Green Hydrogen Principles

- Additional details about federal funding opportunities under the BIL/IIJA and IRA
- Additional principles to guide EWEB investment of staff time and financial resources:
 - o Rate Design Principles, and other topics to be determined

2.2 GLOBAL / FEDERAL INITIATIVES

2.2.1 Global Efforts & the Paris Accord

The past three decades have produced a series of international multilateral treaties, agreements, and frameworks on climate change policy as part of a worldwide effort to reduce GHG emissions and the impacts of global climate change. These international efforts have been based on the research produced by the Intergovernmental Panel on Climate Change (IPCC), the United Nations body for assessing the science related to climate change that represents 195 member organizations.

The first notable and binding of these international agreements was the Kyoto Protocol, signed in 1997 and building upon the 1992 United Nations Framework Convention on Climate Change (UNFCCC). The Protocol sought to reduce GHG emissions in the atmosphere to "a level that would prevent dangerous anthropogenic interference with the climate system". There were two compliance periods. The first ran from 2008-2012 and the second from 2012-2020. As of 2020, the United States was the only signatory that did not ratify the Protocol. Currently there are 192 parties to the Kyoto Protocol.

Most recently, the Paris Agreement, an international treaty intended to keep the rise in mean global temperature to well below 2 °C (3.6 °F) above pre-industrial levels, and preferably limit the increase to 1.5 °C (2.7 °F), was signed in 2016. It is estimated that to stay below 1.5 °C of global warming, global emissions need to be cut by roughly 50% by 2030. As of 2023, 195 members of the UNFCCC are parties to the agreement. The United States signed the Paris Agreement in 2016, subsequently withdrew in 2020, and rejoined in 2021. Recently enacted federal GHG investments (see U.S. Federal Policy) have lent credibility to the U.S. readmission to the treaty and its leadership role in global efforts to address climate change.

While these international agreements are notable progress in an international response to global climate change, they are also generally viewed by experts as not binding with sufficient rigor and not always practicable (i.e., some countries lack sufficient financing capability to reach targets) to the extent required to ensure targets are reached. Further global coordination and commitment to GHG reduction efforts is essential.

Why does this matter to EWEB?

Since current international agreements are nonbinding, direct impacts on EWEB will be minimal. However, if world leaders continue to delay on robust climate action, the resulting physical changes to the climate will impact every community around the globe, including EWEB's. Federal efforts in the United States to demonstrate commitment to the Paris Accord have led to new federal investments in funding for programs to reduce emissions (Inflation Reduction Act and Infrastructure Investment in Jobs Act). These grant programs are available to groups like EWEB.

Links and Relevant Resources:

- Intergovernmental Panel on Climate Change (IPCC) and Assessment Reports (include AR6 from 2023)
- United Nations work on Climate Change
- Kyoto Protocol Text
- United Nations Framework Convention on Climate Change, Information about the Paris Agreement

2.2.2 U.S. Federal Policy

At a national level, the United States has recently made a major change in its approach to national climate policy. This change comes a decade after the U.S. House of Representatives approved a national emissions trading program, the American Clean Energy and Security Act of 2009, a bill that then languished in the U.S. Senate, failing to become law. After subsequent repeated failures of national market-based emissions trading programs in Congress, national climate policy efforts have pivoted away from market-based emission trading programs towards investment and regulatory efforts. In particular, a clean energy investment approach to national GHG reduction policy has been politically successful recently as evidenced by key climate provisions advanced in the passage of the Infrastructure Investment and Jobs Act (IIJA) in Nov. 2021 and the Inflation Reduction Act (IRA) in Aug. 2022.

National regulatory efforts to cap emissions may yet be forthcoming but face significant hurdles, given that such efforts would likely require 60 votes to overcome a filibuster in the U.S. Senate. In the meantime, using the



The U.S. Capitol building. Image by Trev Adams from Pexels.

national budget reconciliation process, which only requires a simple majority vote in Congress, the federal government has enacted provisions in IIJA and IRA that are estimated by Princeton University to reduce national GHG emissions by at least 40% relative to 2005 levels over the next decade.

Simultaneously, in the U.S. investors are demanding disclosure of climate and environmental, social and governance (ESG) information. The Securities and Exchange Commission (SEC) has proposed a new climate disclosure rule. Many companies and governments currently disclose climate, water, and forestry risks and impacts to investors via CDP, a nonprofit organization that runs a global disclosure system.

Why does this matter to EWEB?

The IIJA and IRA are poised to have profound impacts on the clean energy economy. Energy producers – such as developers and owners of wind farms and other renewable energy generators – will be able to access tax credits leading to greater investment in renewable energy and lower prices. Energy consumers – such as EWEB customers – will be able to take advantage of rebates and incentives to install high-efficiency electric heat pumps and to buy electric vehicles, among other electric products. Due to this legislation, it is expected that renewable energy will be more abundant and cheaper for EWEB to procure, while demand for electricity will be higher as EWEB's customers continue to electrify.

Links and Relevant Resources:

- United States Department of Energy, Inflation Reduction Act of 2022
- Congress.gov Infrastructure Investment in Jobs Act
- IIJA Implementation Resources from Government Finance Officers Association
- US Securities and Exchange Commission Climate and ESG Risks and Opportunities
- CDP Global Disclosure System

2.3 REGIONAL INITIATIVES

2.3.1 The U.S. Electricity Grids

People often refer to "the electricity grid" in the United States as if it were a single network of generating resources and infrastructure to deliver electricity from where it is produced to where it is consumed. In reality, in North America, there are four grids, or major electric system networks, as shown in the map below. The Western Interconnection (of which EWEB is part) and the Eastern Interconnection are the two major networks. Texas and Quebec are served by two smaller networks. The Western and Eastern Interconnections are divided by the Rocky Mountains and very little, if any, electricity is passed between them.



Figure 3: Four North American Electricity Interconnections Map. Source: WECC.org

Electricity in the United States is managed under the Federal Energy Regulatory Commission (FERC). FERC is an independent agency responsible for regulating the interstate transmission of electricity, natural gas, and oil. The North American Electric Reliability Corporation (NERC) is a nonprofit international regulatory authority whose mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid¹. FERC and Canadian governmental agencies oversee NERC's operations.

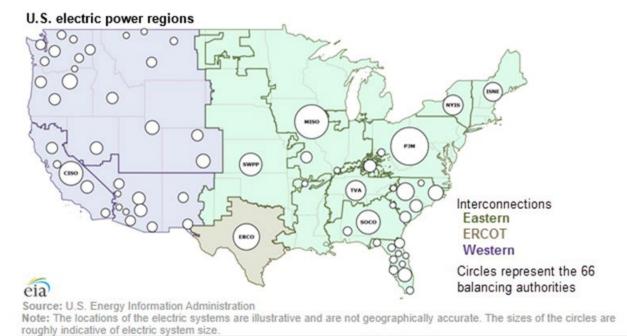
The Western Interconnect includes two Canadian provinces, 14 Western U.S. states, and northern Baja Mexico. It has several unique characteristics that distinguish it from the other North American interconnects. Within the Western Interconnect, 87% of land is public or protected compared to only 27% within the Eastern Interconnect. In the West, we also have longer transmission lines compared to the East that connect remote electricity generating facilities to population centers. This pattern allows the West to take advantage of different supply-and-demand patterns, and different renewable energy sources, as electricity is transported over long distances.

¹ https://www.nerc.com/AboutNERC/Pages/default.aspx

Another difference between the East and West has to do with how electricity supply and demand is managed. The map from The U.S. Energy Information Administration (EIA) shows the balancing authorities within each of the U.S. interconnections. Per EIA, a Balancing Authority is an entity that, "ensures, in real time, that power system demand and supply are balanced. This balance is needed to maintain the safe and reliable operation of the power system. If demand and supply fall out of balance, local or even wide-area blackouts can result." All the regional transmission organizations (RTOs) or independent system operators (ISOs) in the U.S. also function as balancing authorities.

- The Eastern Interconnection includes 36 balancing authorities, of which five are in Canada and the rest are in the United States.
- ERCOT, or the Electric Reliability Council of Texas, contains one balancing authority.
- The Western Interconnection has 37 balancing authorities, including two in Canada, one in Mexico, and the remainder located in the U.S.

Figure 4: Map of US Electric Power Regions and Balancing Authorities, Courtesy of US Energy Information Administration (2023)



Why does this matter to EWEB?

EWEB is part of the Western Interconnection and therefore the electricity EWEB delivers to customers comes from this large, subnational grid. In some circumstances, it makes sense to calculate the carbon intensity of electricity based on the overall makeup of this large Western grid, since electrons flow freely across it. In other circumstances, it makes more sense for EWEB to calculate the carbon intensity of electricity based just on the energy EWEB generates or buys.

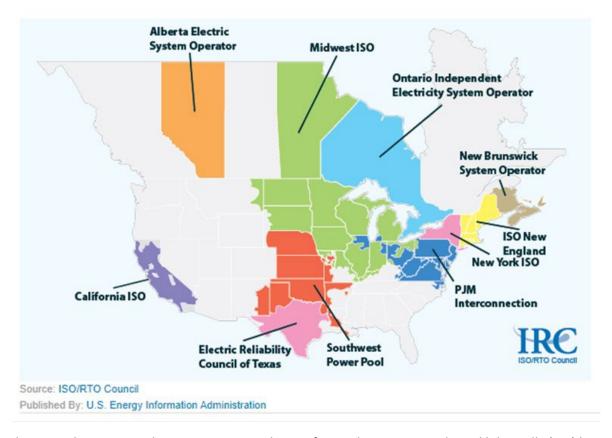
Links and Relevant Resources:

- Federal Energy Regulatory Commission (FERC)
- North American Electric Reliability Corporation (NERC)
- Western Electricity Coordinating Council (WECC)
- Energy Information Administration, U.S. Electric Power Regions

2.3.2 Regionalization and Organized Markets

While approximately 60% of the U.S. electric supply is managed by an Independent System Operator (ISO) or a Regional Transmission Organization (RTO), Pacific Northwest utilities do not presently participate in an organized market, except for those utilities that voluntarily participate in the real-time Western Energy Imbalance Market (EIM).

Figure 5: Map of US Independent System Operator / Regional Transmission Organizations, Sourced from US Energy Information Administration (2023)



Currently, most electricity market transactions in the Pacific Northwest are conducted bilaterally (1:1) between utilities, independent power producers, and marketers. Similarly, the Pacific Northwest's transmission system is operated by individual transmission owners, requiring projects to pay separate charges (often referred to as "wheeling" charges) to deliver power across each transmission system. There are approximately three dozen balancing authorities (BAs) currently operating across the Western United States, with each responsible for balancing supply and demand within their footprint. Over the last 25 years, the region has considered several utility-led initiatives to coordinate transmission planning and operations or to centralize electricity market functions. The only initiative that has been implemented to date is the Western EIM.

There are multiple regional efforts and initiatives underway past and present that endeavor to fulfill multiple functions that an organized/centralized market can provide:

- Shared transmission planning by a single entity
- Single transmission provider and tariff administrator
- Single transmission operator
- Single Balancing Authority
- Common Resource Adequacy Standard

 Market Operator: a single independent entity and centralized day ahead and/or within-hour optimization and dispatch with reliability

The Western EIM has achieved success with a low-cost, voluntary option using available and free transmission and leveraging the existing California Independent System Operator (CAISO) infrastructure. However, the Western EIM serves only a small portion of the functions that are offered by traditional ISOs and RTOs, and free transmission is not replicable in future approaches. Regional efforts to advance a Pacific Northwest organized market have been hampered by the uniqueness of the Bonneville Power Administration, statutory preference power rights for publicly owned utilities in the region, and proper valuation of hydropower resources.

Agreement on governance models and the equitable allocation of costs and benefits in an organized market is a complicated task to successfully complete. However, utilities and stakeholders continue work on initiatives because of the significant societal and environmental benefits in grid efficiency, consumer savings, and decarbonization that will result from optimizing load and generation diversity over large geographical and climate footprints. Initiatives can also use the existing transmission system more efficiently and work on planning, investing, and building needed new transmission more effectively to move energy from where it is plentiful to where it is not, at any given time.

Why does this matter to EWEB?

Organized markets or other regional initiatives could carry with them requirements around resource adequacy. This means that EWEB may be required to plan to have a buffer of extra energy resources available, so that shortages don't occur during times of high demand. EWEB is tracking the evolving requirements that may arise and is accounting for them in our Integrated Resource Planning process.

Links and Relevant Resources:

- Western Energy Imbalance Market website
- Western Resource Adequacy Program

2.3.3 Regional Climate Policies

In the absence of national direct and binding emissions cap and reduction targets, state efforts to accomplish regional equivalents have been established, including the Western Climate Initiative (California, Quebec, Novia Scotia, and Washington, which is pending) and the electric sector only Regional Greenhouse Gas Initiative (RGGI) including Maine, New Hampshire, Vermont, Connecticut, New York, New Jersey, Delaware, Massachusetts, Maryland, and Rhode Island.

Why does this matter to EWEB?

Regional climate policies could affect the price of carbon and the availability of certain kinds of energy resources.

Links and Relevant Resources:

- Western Climate Initiative (WCI) website
- Regional Greenhouse Gas Initiative (RGGI) website

2.3.4 Regional Climate Forecasts & Analyses

In 1980, The Northwest Power Act authorized the states of Montana, Idaho, Washington, and Oregon to plan for the energy future of the Pacific Northwest and to balance energy requirements with environmental concerns. The Northwest Power and Conservation Council was created to do this work. The Act required the new

organization to both create a fish and wildlife program and also to develop a 20-year, least-cost power plan to be updated every five years. The Power Plan includes forecasts for both future electricity demand as well as future electricity and natural gas prices. It also includes an assessment of the amount of cost-effective energy efficiency that can be acquired over the 20-year term of the plan, and an assessment of a least-cost generating resources portfolio. The plan supports Bonneville Power Administration's resource decision-making.

Other regional organizations in the Pacific Northwest are in the process of evaluating the patchwork of state-level policies within the region and how they intersect, as well as various pathways to get to net-zero greenhouse gas emissions within the Pacific Northwest.

Links and Relevant Resources:

- 1980 Northwest Power Act
- Northwest Power and Conservation Council
- 2021 Northwest Power Plan (March 2022)
- Pacific Northwest Power Supply Adequacy Assessment for 2027 (January 2023)
- Net-Zero Northwest: Technical and Economic Pathways to 2050 (NZNW) (June 2023)
- The Brattle Group Greenhouse Gas and Clean Energy Accounting Methodology Catalogue (June 2023)

2.3.5 Neighboring State Initiatives

2.3.5.1 California: AB 32 – Cap and Trade and Low Carbon Fuel Standard (LCFS)

The California legislature passed AB 32 in 2006 requiring the California Air Resources Board (CARB) to undertake a statewide effort to reduce global warming pollution. After extensive stakeholder input, research and analysis,



Smog in Los Angeles. Image by misterfarmer from Pixabay.

CARB decided that cap-and-trade regulation should be the centerpiece of the 70 separate measures used to cut GHG emissions. Other measures included statewide regulations on building, vehicle, and appliance energy efficiency standards. AB 32's cap-and-trade rule became active Jan. 1, 2013. The sunset date of the cap-and-trade program was extended from 2020 to 2030 through the passage of AB 398 in 2017 and the program is now designed to meet a target of reducing emissions by at least 40% below 1990 levels by 2030.

The Low Carbon Fuel Standard (LCFS) was also a key measure recommended

through AB 32 that began implementation in

2011. Oregon's Clean Fuels Program is modeled after the California LCFS.

Links and Relevant Resources:

- California Air Resources Board, AB-32 Global Warming Solutions Act of 2006
- California Air Resource Board, AB-32 Climate Change Scoping Plan

2.3.5.2 California: SB 100 – 100 Percent Clean Energy Act

Passed in 2018, SB 100 marks California's firm commitment to developing renewable electricity infrastructure to replace fossil fuel-powered electricity. Its two main goals are: a) by 2030, 60% of all electricity generated will be from renewable sources; b) by 2045, 100% of electricity for the whole state will be renewable. Legacy hydropower is not eligible for the 60% target, but after 2030 hydropower may qualify for the remaining 40% of SB 100 compliance.

Links and Relevant Resources:

California Energy Commission SB 100 Joint Agency Report

2.3.5.3 California: Tailpipe Emissions Standards

Under Section 209 of the Clean Air Act (CAA), California was given the ability to apply for special waivers to apply its own emission standards for new motor vehicles, rather than the federal standard. In 1967, the California Air Resources Board (CARB) was formed and enacted the nation's first stringent vehicle emission standards. Other states began to consider their own standards. Fearing a patchwork of differing state standards, automakers lobbied successfully for the passage of a National Emissions Standards Act that restricted states from enacting standards more restrictive than the new national standard. However, the existing stringent California standard was granted a permanent waiver; legal precedent has determined that other states may exceed federal standards if they adopt an equivalent facsimile of the California standard. Oregon is one of 16 states to adopt the California standard.

In August 2022, California set new targets requiring 100% new car sales to be zero emission by 2035. Oregon followed suit and adopted California's rule just a few months later.

Links and Relevant Resources:

California Air Resources Board

2.3.5.4 California: CAISO and Western Energy Imbalance Market (EIM)

In 1998, the California Legislature created the California Independent System Operator (CAISO), a nonprofit Independent System Operator (ISO) that oversees the majority of California's bulk electric system, transmission lines, electricity market, and infrastructure planning on behalf of members, instead of individual entities. CAISO forecasts electrical demand and dispatches the lowest cost generator to meet demand while ensuring enough transmission capacity for delivery of power.

In 2014 the Western Energy Imbalance Market (EIM) was launched by the CAISO, to establish lower cost and cleaner approaches to integrating fluctuations in intermittent renewable power generation into supply and demand by automatically finding lower-cost resources over broader geographical footprints to meet real-time power needs. While the CAISO was directed by the California legislature to participate in the EIM, non-CAISO entities may also join the Western EIM. PacifiCorp was the first initial volunteer, and today there are 19 EIM participants, with three pending participants to be added in 2023.

The Enhanced Day Ahead Market (EDAM) has been proposed and would use a framework similar to EIM in pursuit of additional market



Courtesy of Western Energy Imbalance Market.

efficiency by integrating renewable resources using day-ahead unit commitment and scheduling across a larger area. The EDAM proposal is in an advanced stage of development through a public/stakeholder process as of November 2022.

Links and Relevant Resources:

California Independent System Operator (CAISO)

2.3.5.5 Washington: I 937 Energy Independence Act (EIA)

The Energy Independence Act (EIA), approved by the voters in 2006 through the passage of Initiative 937, requires Washington electric utilities serving at least 25,000 retail customers to use renewable energy and energy conservation. There are 18 Washington utilities subject to the EIA. They provide 80% of the electricity sold to Washington retail customers.

The EIA established a renewable portfolio standard (RPS) with renewable energy targets as a percentage of customer load. The targets increased over time, from 3% in 2012, to 9% in 2016, to 15% in 2020. Eligible resources include water, wind, solar energy, geothermal energy, landfill gas, wave, ocean or tidal power, gas for sewage treatment plants, and biodiesel fuel and biomass energy. Hydropower eligibility is limited to incremental generation due to efficiency improvements made after 1999, and the hydro project must be either owned by one of the 18 EIA-qualifying utilities or marketed by the Bonneville Power Administration.

Significantly, EIA requires that utilities must pursue all conservation that is cost-effective, reliable, and feasible. They need to identify the conservation potential over a 10-year period and set two-year targets.

Links and Relevant Resources:

Washington State Department of Commerce, Overview Energy Independence Act (EIA or I-937)

2.3.5.6 Washington: Clean Energy Transformation Act (CETA)

SB 5116, the Clean Energy Transformation Act (CETA) was approved by the Washington Legislature in 2019, committing Washington to an electricity supply free of greenhouse gas emissions (all non-emitting electricity sources qualify) by 2045 via staged compliance:



2025 NO COAL STANDARD



2030 GHG NEUTRAL STANDARD



2045 100% CLEAN STANDARD

Key elements of the Washington Clean Energy Transformation Act (CETA). Courtesy of the Washington Department of Commerce.

- By 2025 utilities will remove coal-fired generation from Washington's allocation of electricity
- By 2030, Washington retail sales will be carbonneutral (20% of compliance can be achieved using Renewable Energy Certificates, alternative compliance payments (\$100 per ton of carbon), or Energy Transformation Projects that decarbonize other sectors of the economy.
- By 2045, Washington retail sales will be 100% renewable and non-carbon-emitting.

CETA has other notable provisions. It grants the Washington Utilities and Transportation

Commission (UTC) the authority to shift investor-owned utilities from a return-on-capital model to a performance-based model. Rather than profit (and returns to shareholders) coming purely from investments in capital projects, utilities' returns could be determined based on their performance against metrics set by the UTC, such as carbon reduction or equity. The bill also requires utilities to consider equity in electric system benefits and increase customer bill assistance.

Links and Relevant Resources:

• Washington State Department of Commerce, Clean Energy Transformation Act (CETA)

Why does this matter to EWEB?

Initiatives in neighboring states have varying levels of impact on EWEB. Broadly speaking, policies in California and Washington can increase or decrease the availability of certain kinds of energy resources, affecting region-wide energy markets.

2.4 STATE OF OREGON INITIATIVES

2.4.1 Climate Action Plan (CAP) – Executive Order 20-04

Gov. Kate Brown signed Executive Order 20-04 on March 10, 2020, directing multiple state agencies to take actions to reduce greenhouse gas emissions to avoid the worst effects of climate change. EO 20-04 outlines State of Oregon GHG reduction goals of at least 45% below 1990 emissions levels by 2035 and at least 80% below 1990 levels by 2050.



The centerpiece of EO 20-04 is the establishment of the Climate Protection Program (CPP). The Climate Protection Program sets a declining limit, or cap,

on greenhouse gas emissions from fossil fuels used throughout Oregon, including diesel, gasoline, natural gas, and propane used in transportation, residential, commercial, and industrial settings. The program also regulates site-specific greenhouse gas emissions at manufacturing facilities, such as emissions from industrial processes, with a best available emissions reductions approach. Notably, the program does not apply to electricity, a decision made because the legal authority of the program did not extend to electricity imported from out of state and there would be complications from applying the program only to in-state electric generating units. The CPP requires that covered entities reduce greenhouse gas emissions and allows covered entities to comply in part with Community Climate Investments – contributing funds to authorized third-party entities to implement projects that reduce greenhouse gas emissions in Oregon.

Why does this matter to EWEB?

The Climate Protection Program will affect the market for fossil fuel-based technologies, contributing to electrification of transportation and other sectors. This is likely to increase demand for the electricity that EWEB supplies.

Links and Relevant Resources:

- State of Oregon, Executive Orders
- Oregon Department of Environmental Quality, Climate Protection Program, Background on Executive
 Order 20-04
- Oregon Public Utility Commission, Executive Order 20-04 Resources
- Oregon Department of Energy, Reducing Greenhouse Gas Emissions, State GHG reduction goals

2.4.2 HB 2021 - Oregon Clean Electricity Standard

Oregon's Clean Electricity Standard (CES) was enacted in 2021 and sets targets requiring Oregon's two largest and investor-owned utilities, Portland General Electric and PacifiCorp, as well as assorted Electricity Service Suppliers (ESSs), to reduce the greenhouse gas emissions associated with their retail electricity sold in Oregon to:

- 80% below baseline emissions levels by 2030;
- 90% below baseline emissions levels by 2035; and
- 100% below baseline emissions levels by 2040

The CES also enacted a permanent moratorium on the siting of new natural gas power plants in Oregon and established an annual statewide Community Energy Grant Program.

Why does this matter to EWEB?

Though EWEB is not subject to the emissions reduction requirements of HB 2021, those requirements will prompt Oregon's two largest utilities (Portland General Electric and PacifiCorp) to build increasing amounts of carbon-free resources, such as wind and solar which will affect regional energy markets in hard to predict ways.

Links and Relevant Resources:

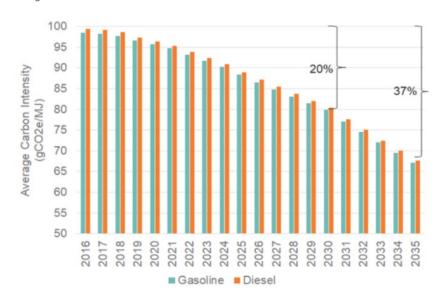
- HB 2021 Oregon Clean Electricity Standard
- Oregon Clean Energy Targets (Oregon Department of Environmental Quality)

2.4.3 Oregon Clean Fuels Program (CFP)

The Oregon CFP is a program designed to reduce the carbon intensity of transportation fuels. The original CFP legislation set a target of a 10% reduction in carbon intensity by 2025. Under Executive Order 20-04, the program was expanded, and additional targets were set: a 20% reduction by 2030 and 37% reduction by 2035.

Regulated entities include transportation fuel producers and importers of fossil gasoline, fossil diesel, ethanol, biodiesel, and renewable diesel. They are required to meet the declining carbon intensity cap for the fuels they sell.

Figure 6: Oregon Clean Fuels Program Basic Structure, Sourced from Oregon Clean Fuels Program



One way to meet the program requirements is to purchase credits from entities that generate credits by developing low-carbon transportation fuels. Credits are measured in metric tons of GHGs. Credits can be sold to regulated entities, which in turn produces revenue to pay for projects that lower GHGs. For information about how to estimate credits or to which entities the credits will flow under the program, please see Appendix E: Resources for Entities Seeking to Estimate the GHG Impact of Transportation Electrification Projects and Potential Credit Generation Under the Oregon Clean Fuels Program.

Why does this matter to EWEB?

Under the Oregon Clean Fuels Program (CFP), EWEB is authorized to be an aggregator of credits attributed to residential EV charging. EWEB may use the revenue from these credits to make investments in transportation electrification and decarbonization. Additionally, EWEB owns EV charging infrastructure at the Roosevelt Operations Center (for our owned fleet vehicles and for public use in our employee parking lot), and at our Carmen-Smith hydroelectric facility located along the McKenzie River. EWEB generates additional CFP credits from these owned charging stations.

Links and Relevant Resources:

Oregon Department of Environmental Quality, Oregon Clean Fuels Program website

2.4.4 SB 1547, Clean Electricity and Coal Transition Plan

Enacted in 2016, SB 1547 requires Oregon's two largest investor-owned utilities, Portland General Electric and PacifiCorp, to phase out coal-fired electricity from their retail sales in Oregon by 2030 and double their original Oregon RPS targets from 25% to 50% by 2040.

Why does this matter to EWEB?

Fewer coal plants result in less dispatchable (able to be turned on and off) energy on the grid, making regional grid reliability more challenging. EWEB, like utilities across the region, will have to adapt to these new dynamics.

Links and Relevant Resources:

- Oregon State Legislature SB 1547 bill information and overview
- Oregon Public Utility Commission 2021 Report to the Oregon Legislatures on SB1547 (2016): Impact of Increased Renewable Portfolio Requirements

2.4.5 Renewable Portfolio Standard (RPS)

The Oregon RPS requires large electric utilities (over 3% of Oregon electric load), including EWEB, to meet 25% of their electric load with qualifying renewable electricity. Two tiers of small electric utilities are required to meet 10% or 5% of electric load with qualifying renewable electricity respectively. Although legacy hydropower is not a qualifying renewable source of electricity under the RPS, legacy hydropower is exempt from displacement and carries no compliance/mitigation requirement.

Why does this matter to EWEB?

Because of EWEB's hydropower-dominant portfolio, the utility has been exempted from RPS requirements. However, this exemption is not guaranteed if EWEB's portfolio mix changes.

Links and Relevant Resources:

Oregon Department of Energy, Renewable Portfolio Standard website

2.4.6 Emissions Performance Standard (EPS)

The EPS sets a greenhouse gas emissions limit of 1,100 pounds (0.5 metric tons) of greenhouse gases per megawatt-hour (MWh) of electricity for the siting of any new electricity generation facility in Oregon, effectively prohibiting the construction of any new coal-fired electricity generating unit in Oregon. Though natural gas electric generating units would meet the 1,100 pounds threshold, they are now prohibited by the recently enacted Oregon Clean Electricity Standard (see above).

Why does this matter to EWEB?

The prohibition on these carbon-intensive dispatchable fossil fuel sources of electricity in Oregon can affect reliability across the entire region, especially during peak times of high electricity demand when dispatchable power is often required, if they can't be replaced with low-carbon dispatchable sources.

Links and Relevant Resources:

• Oregon Department of Energy, Oregon Energy Facility Siting Council's Carbon Dioxide Emissions Standards (March 2018)

2.4.7 Advanced Clean Car II Rule

In 2022, the Oregon Department of Environmental Quality adopted the Advanced Clean Car II Rule, which is modeled after California's Tailpipe Emissions Standards. Both rules require that 100% of new, light-duty vehicle sales in their states be zero emission by 2035.

Why does this matter to EWEB?

EWEB's electrification forecasts already assume high levels of electric vehicle adoption in the next 20 years. The Advanced Clean Car II Rule effectively formalizes that demand increase. EWEB predicts that vehicle electrification will be the greatest driver of increases in demand for electricity in the next 20 years. It will be critical for EWEB to manage EV charging to avoid significant increases to peak demand as EV adoption increases.

Links and Relevant Resources:

• Oregon Department of Environmental Quality Advanced Clean Cars II Rule



Aerial view of Eugene. Courtesy of City of Eugene.

2.5 LOCAL EUGENE INITIATIVES

2.5.1 Eugene Climate Recovery Ordinance (CRO) and Climate Action Plan (CAP) 2.0

Eugene has a long history of climate action within both city government operations and the community. The city conducted its first Community Climate and Energy Action Plan in 2010. In 2014, City Council passed the first version of its Climate Recovery Ordinance (CRO), which was updated to its current form in 2016. The CRO includes four bold goals – two focused on the community, including residents and businesses, and two focused on city operations (see box).

To implement the CRO and determine what actions are already planning and/or underway, and what actions are still needed to reach the goals of the CRO, Eugene launched its Climate Action Plan (CAP) 2.0 process beginning in 2018. EWEB was an active participant in the CAP 2.0 development process from 2018-2019 as a large-lever shareholder. Large-lever shareholders participating in the Eugene Climate Collaborative (ECC) were deliberately defined as "organizations who have significant oversight and impact on community-wide

Eugene's Climate Recovery Ordinance

Community goals:

- Reduce community fossil fuel use by 50% of 2010 levels by 2030.
- Reduce total community greenhouse gas emissions to an amount that is no more than the City of Eugene's average share of a global atmospheric greenhouse gas level of 350 ppm by 2100, which was estimated in 2016 to require an annual average emission reduction level of 7.6%.

City Operation goals:

- All City of Eugene owned facilities and operations shall be carbon neutral by 2020, meaning no net release of greenhouse gas emissions.
- Reduce the City of Eugene's use of fossil fuels by 50% compared to 2010 usage.

Source: City of Eugene, Climate Recovery Ordinance

fossil fuel use and emissions or have the ability to affect or alter systems that will enable the community to adapt and prepare for climate change."²

ECC partners include: the City of Eugene, Lane County, Bethel School District, Eugene 4J School District, Lane Community College (LCC), University of Oregon, Lane Transit District (LTD), **Eugene Water & Electric Board** (EWEB), Metropolitan Wastewater Management Commission (MWMC), Northwest Natural, PeaceHealth, and the Eugene Area Chamber of Commerce.

CAP 2.0 was published in summer 2020 and includes many voluntary commitments within the document from Eugene Climate Collaborative partners, including 15 commitments from EWEB. Please see Appendix F for specific reporting on EWEB's commitments in CAP2.0.

Why does this matter to EWEB?

EWEB supports the objectives of the Climate Recovery Ordinance and is committed to advancing our commitments in Eugene's CAP 2.0, including tracking our progress through this Guidebook.

Links and Relevant Resources:

- City of Eugene, Climate Recovery Ordinance
- City of Eugene, CAP2.0 Home
- City of Eugene, CAP2.0 Data Dashboard

² Eugene CAP2.0, page 15, Eugene Climate Collaborative Partners. Downloaded from https://www.eugene-or.gov/4284/Climate-Action-Plan-20.

2.6 EWEB'S CLIMATE GUIDEBOOK PRINCIPLES TO GUIDE POLICY AND PROGRAMS

Within the Climate Guidebook, EWEB wishes to include a set of principles meant to define the general direction EWEB seeks to move towards on issues, mostly public policy, related to climate change. These principles are built on EWEB's values, which are set by the Board of Commissioners and in alignment with established best practices in the utility industry.

EWEB's organizational core values per Strategic Direction Board Policy SD1 include:

- SAFE: We value the safety, physical and psychological wellness, of our workforce and the public, the security and integrity of cyber assets and data, and the protection of our customers' assets
- RELIABLE: We value the ongoing continuous on-demand delivery of drinking water and electricity, and the dependability of our response to our customers.
- AFFORDABLE: We value and respect our customer-owners' financial resources by making wise investments and controlling costs and rates.
- ENVIRONMENTAL: We value the prudent and sustainable stewardship of the environment and natural resources, including preserving our watershed, and our role in reducing the greenhouse gases (GHGs) contributing to climate change.
- COMMUNITY/CULTURE: We value a culture of intentional actions and outcomes, continuous improvement, diverse perspectives, that is trustworthy, respectful, equitable, and inclusive to employees and community members. We are dedicated to our public service, professions, local governance, and commitment to serve our community honestly and with integrity.

As noted at the beginning of this chapter, within EWEB's Climate Change Policy (SD15), the Board "authorizes, delegates, and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and enact measures to minimize and/or mitigate GHG emissions that contribute to climate change." Developing a set of principles will guide the General Manager, and thus the organization, in fulfilling this directive from the Board.

A "principle" is a North Star – a position towards which EWEB seeks to move, based on our values. A principle is not a rulebook. As EWEB seeks to make positive changes in our community, we must first define the nature of those positive changes. Clearly articulated and transparent principles help us get there by orienting us in a certain direction. Policy development, program implementation, investment of EWEB staff time and/or investment of financial resources is the mechanism by which we move towards these principles.

As we better define our principles on various topics, we may discover that some of EWEB's existing policies and programs do not currently meet all our aspirations. Recognizing that some policies and programs don't currently align with our principles may be the first step in eventually ensuring that they do. Identifying any areas of potential misalignment may also help us identify and articulate to our stakeholders what barriers might exist and must be overcome before alignment is possible.

As EWEB further articulates its principles on a variety of topics, they will be included here for transparency and ease of reference. The topics can span from providing guidance on how to advocate for policy in Salem or Washington D.C, to informing internal program development, to articulating how a new technology relates to EWEB's long-term interests. Topics submitted for inclusion could relate to climate change and the role the energy industry plays in decarbonizing society. Additional topics that merit development of their own set of principles will undoubtedly arise in the future and will be added over time. Context on the various topics and why / how the draft principles were developed is included here:

<u>Carbon Policy & GHG Reduction Principles</u>: Through the years, EWEB has worked with many regional partners on supporting climate and carbon policies at the state, regional, and federal levels. EWEB has been guided by a set of principles supported by previous Boards of Commissioners and in coordination with other public utility members of the Public Generating Pool. The principles included here are a refined version of the existing principles.

<u>Distributed Generation Principles</u>: EWEB's customers are increasingly interested in installing distributed energy generation and/or storage at their homes and businesses. How we compensate customers for the energy they produce and/or access through distributed technologies will become more important in the years ahead. The Distributed Generation Principles are in alignment with information staff has been providing verbally to the Board over time, are used to guide EWEB positions on relevant public policy and are based on work done in coordination with best practices among comparable public utilities in the region.

<u>Green Hydrogen Principles:</u> Electric utilities are increasingly interested in how hydrogen can play a role in decarbonizing the economy. Here in Eugene, discussions have arisen about whether hydrogen should be blended into natural gas pipelines as a method of lowering the carbon content of the gas system. At the same time, regional coalitions are seeking funding for green hydrogen projects that may involve transportation fueling or other uses. A set of principles will help EWEB define and articulate our interest in hydrogen, as well as the types of projects we may pursue. The principles included here are based on alignment with principles advocated by U.S. Department of Energy, Oregon Department of Energy, and several regional partners.

2.6.1 EWEB's Carbon Policy & GHG Reduction Principles

Revision date: February 2023

Policies and laws to reduce greenhouse gas (GHG) emissions are a viable tool if society is to avoid the worst effects of climate change. Because electric utilities rely on an interconnected grid, policies that impact this grid also impact local electric utilities. Electric utilities rely on the grid to meet customer needs, sell surplus resources, and ultimately work together to keep rates as low as possible. Even with EWEB's ambitious voluntary internal climate policy goals for our owned and contracted resources, there are times when we buy power from the market. Getting to a fully decarbonized Western grid – the Western Interconnect (WECC) – and ultimately a fully decarbonized economy will require policies to reduce GHG emissions at the federal, regional, state, and/or local levels.

The most ambitious proposed federal policy on GHG reductions died in 2009 when Congress failed to pass a bill that would have instituted a nationwide plan to cap carbon emissions and allow emitters to trade pollution credits - a cap-and-trade system. Since then, only minor federal action occurred, until 2022 when Congress passed the Inflation Reduction Act (IRA). The IRA signaled a change in the federal approach to GHG emissions - rather than punish emitters, the IRA subsidizes emissions-free energy such as wind and solar.

In the absence of comprehensive federal legislation, Oregon has attempted to implement GHG policies. In 2019 and 2020, Republican legislators walked out of the Capitol to prevent votes on cap-and-trade legislation. So, Gov. Kate Brown implemented executive orders. In 2022, the Climate Protection Program took effect, setting a declining cap on emissions from fossil fuels - but it does not apply to electricity generation, which already must meet goals under the State's Renewable Portfolio Standard. At the same time, the state's Clean Electricity Standard, which was enacted in 2021, requires the state's two largest utilities - but not publicly owned utilities such as EWEB - to achieve net-zero GHG emissions by 2040. Additionally, the State's Clean Fuels Program addresses GHG emissions from transportation fuels and provides credits for entities that invest in transportation electrification among other low-carbon transportation fuel choices.

As EWEB advocates for comprehensive climate policies as directed in EWEB Board Policy SD15, we will be guided by the following principles.

Relating to climate policy, EWEB prefers and supports policies that:

- facilitate the reduction of GHG emissions most efficiently and at the least overall cost to society.
- are technology-neutral, economy-wide, and market-based.
- recognize the role of legacy hydropower in limiting GHG emissions, ensure that existing hydropower resources will not be disadvantaged relative to newer renewables, and are compatible with a variety of future physical climate and hydropower production conditions.
- measure carbon emissions as far upstream and nearest to the point of production as possible and are as
 resource specific as possible; in pursuit of more effective signals favoring the dispatch of cleaner
 resources and simpler and/or reduced administrative burden.
- preserve a path for load/resource growth and flexibility for utilities that pursue cross-sector decarbonization.
- are regionally consistent.
- consider the equity of the impacts on diverse segments of the population [consistent with EWEB's Diversity, Equity, and Inclusion Policy in development].

2.6.2 EWEB's Distributed Generation Principles

Revision date: February 2023

Traditionally, power plants have been large and centralized structures such as hydroelectric, nuclear, coal, or natural gas plants, usually located far from where most of the power output will be consumed and connected to these load centers via a long-distance transmission and distribution system.

The U.S. EPA³ defines the term distributed generation to include a variety of technologies that are decentralized and often located close to where the power will be consumed. Due to the decentralized nature, these resources tend to be smaller in size than traditional centralized power sources. Distributed generation technologies may serve a single building such as a home or business or participate in a microgrid (a smaller grid that is connected into the larger electricity delivery system) that could serve a wider area such as an industrial facility, a college campus, a military base, or a downtown district for example.

Per EPA, in the residential sector, common distributed generation systems include:

- Solar photovoltaic panels
- Small wind turbines
- Fuel cells, usually fueled by natural gas
- Emergency backup generators, usually fueled by gasoline or diesel fuel

Per EPA, in the commercial and industrial sectors, distributed generation can include resources such as:

- Combined heat and power systems
- Solar photovoltaic panels
- Wind
- Biomass combustion or cofiring
- Municipal solid waste incineration
- Fuel cells fired by natural gas or biomass or hydrogen
- Emergency backup generators, usually fueled by diesel fuel

Local development of distributed generation technologies is allowing EWEB's customers to generate their own electricity and even generate surplus electricity that they can sell to EWEB via a process called net metering. These distributed generation technologies seek to make our community more resilient to disasters, reduce losses from the long-distance transmission system, and give customers choices about where to get their energy.

At the same time, customers with distributed energy resources are still connected to EWEB's grid. These customers rely on EWEB's grid for energy when their generators aren't producing and to distribute excess energy to other consumers connected to the grid. Solar homes, for instance, still need energy from EWEB's grid at night. And these customers also rely on EWEB's grid of distribution and transmission lines when they sell surplus energy to EWEB.

EWEB incurs significant costs maintaining a robust grid and procuring energy for all customers, even those with distributed generation technologies. EWEB believes that these costs should be equitably shared among all customers.

³ US Environmental Protection Agency, Energy, and the Environment: Distributed Generation of Electricity and its Environmental Impacts. <u>Distributed Generation of Electricity and its Environmental Impacts | US EPA</u>

With that goal in mind, EWEB has developed the following principles:

- EWEB supports and facilitates customer choice to install non-utility owned distributed generation equipment and infrastructure.
- EWEB recognizes that some distributed generation technologies are better at meeting the community's historical electricity demand (load) than others.
- EWEB supports pricing mechanisms that fairly compensate customers for electricity they supply to the grid and that do not transfer unpaid costs to other customers.
- EWEB strives for the equitable allocation of costs among all customers to maintain the electric grid.
- EWEB will need a rate design that fairly assigns the costs of procuring energy (including peak energy needs) and maintaining the electric grid to the customers who cause those costs.
- EWEB prioritizes the safety of utility workers and customers and will develop interconnection standards that ensure safety and reliability.
- EWEB supports policies and practices that consider the equity of the impacts on diverse segments of the population [consistent with EWEB's Diversity, Equity, and Inclusion Policy in development].



Solar panels are installed at St. Vincent de Paul in Eugene. EWEB photo.

2.6.3 EWEB's Green Hydrogen Principles

Revision date: February 2023

The most abundant element in the universe – hydrogen – is evolving as a tool to decarbonize sectors of the economy that have few or no other low-carbon options. In 2021, the federal government set a goal of reducing the cost of hydrogen to one dollar for one kilogram within one decade $(1\ 1\ 1)^4$. Also in 2021, the Oregon legislature passed SB 333 that directed the







1 Dollar

1 Kilogram

U.S. Department of Energy <u>Hydrogen Shot initiative</u>.

Oregon Department of Energy to conduct a study on the potential benefit of, and barriers to, production and use of renewable hydrogen in Oregon.⁵

The Oregon Department of Energy provides an overview of renewable hydrogen as follows:

"Hydrogen is currently used in several industrial processes – it is a fundamental input for manufacturing ammonia, which is then used for fertilizer production; it is used to process crude oil into refined fuels, like gasoline and diesel; and it is also used in the metallurgic industry. However, most of the hydrogen produced today is derived from natural gas or coal, which is "grey" hydrogen. "Blue" hydrogen is also derived from fossil fuels but with the associated carbon emissions captured and stored. Most "green" or renewable hydrogen is produced using renewable electricity to power an electrolyzer that splits water into its component parts of oxygen and hydrogen. SB 333 refers to renewable hydrogen as "hydrogen derived from energy sources that do not emit greenhouse gases." Renewable hydrogen could be used to replace grey hydrogen where it is currently used, as a transportation fuel, or as a replacement for natural gas in some applications."

Recently, the U.S. Department of Energy committed \$7 billion in competitive funding for entities and groups forming regional hubs to pursue research and deployment of clean hydrogen. And the 2022 Inflation Reduction Act contains tax credits for both investing in hydrogen projects and producing hydrogen using renewable energy.

The energy storage capabilities of hydrogen offer intriguing possibilities for utilities planning to incorporate more intermittent, renewable energy resources into their portfolios. Excess electricity from renewables such as wind and solar can be used to create hydrogen and that hydrogen can be converted back to electricity when it's needed later or sold for use in other secondary applications. Producing hydrogen, rather than curtailing resources during times of surplus, will reduce the overall cost and justify further investment in intermittent renewable energy sources. By storing energy, hydrogen can help balance fluctuations in renewable energy production, while also fostering a secondary market for abundant renewable energy.

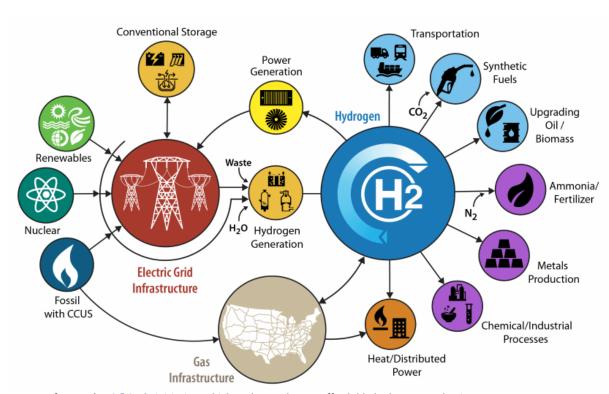
The technology for hydrogen is advancing rapidly. While more than 95% of hydrogen used in the U.S. today is generated using fossil fuels, researchers are improving methods of creating clean, green, renewable hydrogen. And utilities are launching pilot projects to test hydrogen's energy storage potential.

⁴ US Department of Energy, Hydrogen Shot: <u>Hydrogen Shot</u> | <u>Department of Energy</u>

⁵ Oregon Department of Energy, Renewable Hydrogen Study

To guide us in proactively pursuing technologies to harness the power of hydrogen produced from non-emitting sources, EWEB supports policies that:

- support hydrogen production that results in the lowest possible lifecycle greenhouse gas emissions⁶ and facilitates the use of and/or investment in non-carbon emitting electricity generation resources.
- provide opportunities for electric utilities, or independent power producers, to use hydrogen production to capture value from otherwise curtailed intermittent renewable generating resources, further incentivizing investment in renewables.
- consider hydrogen and other non-emitting options as generic alternatives for energy storage applications.
- does not exclude hydrogen, including other non-emitting chemistries, fuel cells, and/or direct combustion, as a decarbonizing energy alterative in other sectors such as industrial processes and medium/large vehicle transportation.
- provide options for utilities to use hydrogen or other storage alternatives to improve the reliability and/or performance of local and/or distributed portions of the grid.
- provide for diverse forms of clean energy storage to improve the resiliency of local communities.
- consider the equity of the impacts on diverse segments of the population [consistent with EWEB's Diversity, Equity, and Inclusion Policy in development].



U.S. Department of Energy's <u>H2@Scale initiative</u>, which seeks to advance affordable hydrogen production, transport, storage and use to decarbonize sectors of the economy.

Page | 36

⁶ Lifecycle greenhouse gas emissions are the overall GHG impacts of the production of a particular fuel. Depending on the boundaries of the analysis, this could include the GHG impact of feedstock production and transportation, fuel production and distribution, and use of the finished fuel. There are different lifecycle GHG emissions associated with different hydrogen production methods. For example, using renewable power to split a water molecule via electrolysis has a different lifecycle GHG value compared to a process that uses fossil-based energy to crack fossil natural gas molecules via steam methane reformation technology. EWEB seeks to be technology agnostic and move towards ever-evolving technologies that result in the lowest climate impacts.

3.1 Power Supply and Transmission Introduction and Policy Language from SD15

EWEB is unique in Oregon as a public utility that both owns generation resources and relies on the Bonneville Power Administration (BPA) for a share of the federal power system. EWEB is also an active participant in the regional energy market. EWEB is the third largest electric utility (behind Portland General Electric and

PacifiCorp) and the largest consumer-owned municipal utility in the state.

EWEB's long-term power supply decisions must be made within the context of state and regional climate policy and changing regulations, rising energy demands via customer decarbonization / electrification efforts, and the physical realities of a changing climate on temperatures and hydro conditions.

Content currently included in v1.1:

- EWEB's 2020 and 2021 Electrification Studies showing expected load growth through 2040
- EWEB's 2023 Integrated Resource Plan (IRP)

Content planned for future Guidebook Versions:

- Conservation Potential Assessment and Demand Response Analysis
- 2025 Integrated Resource Plan

3.2 ELECTRIFICATION STUDY (PHASE 1 – 2020, PHASE 2 – 2021)

EWEB Climate Change Policy SD15 – Power Supply & Transmission Section

The Board is committed to supporting a low-carbon electric power portfolio that maintains, on a planning basis, over 90% of annual energy from carbon-free resources and targets over 95% of annual energy from carbon-free resources by 2030 to the extent possible and practical without distinct adverse impacts to customer-owners.

Using the Integrated Resource Plan (IRP) process including final adoption by resolution (GP7), the Board will work with the General Manager to establish the long-term (20-year) principles, priorities, approaches, definitions (including carbon-free, carbon intensity), measurements, and goals for the electric generation portfolio, demand response, conservation and energy efficiency, and customer impact limitations (including but not limited to reliability, cost, and equity) supporting this directive.

In early 2020, EWEB's management and Commissioners agreed to develop a better understanding of the impacts of electrification on EWEB's future planning efforts. EWEB's first report (released in November 2020), focused on the potential impacts of electrification without analyzing the costs to customers choosing to electrify. The Phase 2 report built on that initial analysis by considering the economics of electrification from multiple perspectives.

In both studies, the sources of electrification analyzed within the transportation sector focused on light-duty vehicle electrification, while the building sector analysis focused on the electrification of space and water heating technologies for existing residential and small commercial buildings. Heavy-duty transportation electrification and industrial electrification were outside the scope of the analysis.

EWEB Average Load Forecast 380 360 340 320 [®] 300 ≥ 380 260 240 220 200 2030 2029 2018 2019 2020 2021 202 2025 2026 2027

Figure 7: EWEB's Average Load Forecast with Electrification through 2042

Load with electrification

These reports reflect EWEB's ongoing assessment of evolving electricity consumption patterns that will help guide decisions and investments associated with electricity generation, delivery infrastructure, utility rate design, and customer program development. These studies do not advocate a position, or necessarily fully align with other agency targets or assumptions, but are an attempt to inform and prepare EWEB for a range of different future conditions.

— Historic system load

- - Load without electrification

Prior to 2028 when a new contract with the Bonneville Power Administration (BPA) will be put into place, EWEB will need to reassemble an electric supply portfolio for the long-term economic, environmental, and social benefit of our community. These electricity supply decisions can be improved by effectively aligning time-of-use consumption, distributed generation, demand response, and efficiency programs with the increasingly dynamic future of clean energy resources and evolving storage technologies.

Consistent with EWEB's stated values, EWEB will need to align our electricity supply portfolio with the evolving energy needs of our community, considering the potential effects of climate change, economics, technology, customer behavior, industry variations, and policy changes. All these factors, including the likelihood, degree, and pace of electrification, will be used as planning criteria in EWEB's Integrated Resource Plan (IRP), which began in early 2022 and was completed in mid-2023.

- EWEB Website: EWEB is Exploring the Impacts of Widespread Electrification in our Community
- EWEB Electrification Study Phase 1 Report (Oct 2020)
- EWEB Electrification Study Phase 2 Report (Nov 2021)

3.3 INTEGRATED RESOURCE PLANNING (IRP) PROCESS

EWEB began a process to update its Integrated Resource Plan (IRP) in 2022. An IRP is a long-term plan to assess EWEB's energy needs over the next 20 years and identify the best mix of resource options to meet those needs. Best resource options will be identified in accordance with EWEB's organizational values.

EWEB's long-term power supply decisions are made within the context of state and regional climate policy and changing regulations, rising energy demands via

What is an IRP?

An Integrated Resource Plan is a long-term planning document to identify EWEB's energy needs and the best resource options to meet those needs. The IRP relies on modeling, analysis, and public input to provide a 20-year look at future portfolio options and identify a nearer-term (2-5 year) action plan.

customer decarbonization / electrification efforts, and the physical realities of a changing climate on temperatures and hydro conditions. Additionally, EWEB must live our values and maintain a focus on affordability. The climate benefits of electrification depend on both the cost and the carbon content of electricity. If the shift to low-carbon power supplies causes a material increase in electric rates, the incentive to electrify will be reduced, and the overall cost burden on average customers will increase. **Keeping EWEB rates low is climate action.**

Power purchases represent the largest share of each customer dollar EWEB receives, so we must be especially cognizant of how we source our power. Additionally, any carbon reduction benefit of electrification is directly related to the carbon emissions associated with generating electricity.

Through EWEB's IRP, EWEB will be able to meet the SD15 goal for getting to 95% carbon-free resources on a planning basis. Actual annual emissions will be influenced by real customer demand (driven by local weather patterns and customer behavior) and EWEB's changing need to rely on market purchases to meet that demand. For example, EWEB's current portfolio is

Figure 8: Your EWEB Bill - Where Does Your Dollar Go? (2023)

predominantly hydro power, so poor water years with low supply will likely cause EWEB to make additional market purchases to meet our needs.

EWEB's IRP process will be iterative with a new IRP being completed on roughly 2-year cycles. The 2023 IRP used modeling software to determine a reference case, built on a set of assumptions. The reference case modeling results along with various sensitivities and the resulting near-term Action Plan were published in July 2023. The 2025 IRP will focus on the new power products that the Bonneville Power Administration is planning to offer when the existing regional contract expires in 2028. This second IRP will build off the initial analysis and assumptions used in the 2023 IRP.

Key Insights from 2023 IRP Modeling and Analysis

Energy demand will rise. While our overall demand has fallen or remained flat in recent years due to conservation investments, we expect this trend to change starting around 2030 due to electrification.

Peak needs will continue to occur during the winter. EWEB's capacity needs are calculated using a 1-in-2 peak hour standard, meaning the portfolio of resources should be sufficient to meet EWEB's highest hour of load in a typical year. For the next 20 years, EWEB is expected to be a winterpeaking utility and the primary driver for increased peak energy use is unmanaged electric vehicle charging behavior.

EWEB will have small peak winter capacity needs starting in 2026. Based on an average single-hour winter peak, EWEB begins to need a small amount of capacity starting in 2026. This small need can be met through market purchases or extension/re-negotiation of existing contracts.

Hydropower is a good fit. Currently, more than 80% of EWEB's energy comes from hydropower, both from the Bonneville Power Administration (BPA) and EWEB-owned projects on the McKenzie and Clackamas Rivers. IRP analysis points towards BPA hydropower remaining as a cost-effective, low-carbon way to meet most of EWEB's needs.

Wind and batteries are promising options. The IRP modeling software selected primarily a combination of wind and batteries to meet growing demand in the future.

Customer partnerships will be vital. Customers are likely to play an integral role in helping reduce peak energy usage. Programs such as conservation, demand response, and new rate designs, such as time-of-use rates, were all selected across various portfolios.

Zero-carbon, dispatchable resources will likely be necessary in the future. As EWEB and the Pacific Northwest region pursue full decarbonization, there will likely be a need for dispatchable resources like small modular nuclear reactors (SMR) or geothermal that do not create emissions and can be relied upon for extended periods of time.

- EWEB Website: Integrated Resource Plan
- IRP Fact Sheets:
 - <u>Is Solar a Good Fit for Our Community's Energy Needs?</u>
 - o How can EWEB's IRP Incorporate Diversity, Equity, and Inclusion?
 - o What are Considerations Around Utility-Scale Storage in EWEB's Future Portfolio?
 - o IRP Next Steps: How and When Will EWEB Acquire New Resources?
 - o Planning for Long-term Carbon Reduction Goals in the IRP

4.1 Customer Decarbonization Introduction and Policy Language from SD15

Since 2011, EWEB has worked to offset load growth (community electricity demand) with conservation and energy efficiency investments. Current circumstances require a deeper look at how EWEB will move forward with initiatives to support community and customer decarbonization goals. New drivers are changing both the availability of low-carbon energy options and the timeline that such alternatives might be implemented within EWEB's customer base. These drivers include new regulations, new expectations from regulatory bodies (e.g., Securities and Exchange Commission), new demands and behaviors from end consumers, federal and state incentive programs, and changing prices.

Connections also exist between EWEB's Integrated Resource Plan power supply planning process and our approach to customer programs as EWEB seeks to define the relevant price thresholds for "cost-effective" energy efficiency and demand response programs

EWEB Climate Change Policy SD15 – Customer Decarbonization Section

The Board further authorizes, delegates, and directs the General Manager to assist customers with achieving their GHG emission reduction goals through partnerships, technical assistance, resources, and programs that support, but are not limited to, energy efficiency, alternative fuels, electric and water conservation, electrification, and carbon offsets and sequestration.

Long-term conservation, energy efficiency, and demand-response goals are established as part of the IRP process. Additional program objectives, incentives and budgets will be established annually, as applicable, and/or through revisions to the strategic plan.

within these broader changing conditions. As society undergoes the largest energy transformation since the industrial revolution, there are additional opportunities to engage with our community, reduce harm to disadvantaged populations, and increase our resilience to natural disasters simultaneously.

Content currently included in v1.1:

- Information on existing Green Options customer programs and incentives that help customers decarbonize:
 - Live Green: Energy Conservation Programs for Residential Customers
 - Work Green: Energy Conservation for Commercial Customers (General Service)
 - o Move Green: Programs to Support Electric Mobility
 - Lead Green: Advanced Solutions for Climate Innovators
- Appendix E EWEB's Carbon Intensity Guidance
- Appendix F EWEB's Role in City of Eugene's CAP2.0

Content planned for future Guidebook Versions:

- Board-approved Diversity, Equity, and Inclusion Policy SD23
- Definitions and metrics regarding how EWEB programs reach and support diverse segments of our customer base
- EWEB Enterprise Solutions (EES) implementation: the technology and process transformation needed to enable EWEB's ability to deliver drinking water and electric services in a dynamic future
- Rate design analysis

4.2 GREEN OPTIONS PROGRAMS



EWEB has a long history of offering robust conservation programs that support community,

customer, and utility decarbonization efforts. Through EWEB's Climate Change Policy SD15, the Board directed staff to expand on options for customer decarbonization. Staff responded with the development and roll out of Green Options, which are voluntary programs designed to help customers reduce their carbon footprint in a variety of ways. The Green Options programs includes four areas of focus: Live Green, Work Green, Move Green, and Lead Green as described.

4.2.1 Live Green – Energy Conservation for Residential Customers

Incentives and zero interest loans for home investments that can save energy, reduce carbon emissions, and improve the safety and comfort in homes.

Links and Relevant Resources:

• EWEB Website: Residential Energy Conservation Programs

4.2.2 Work Green – Energy Conservation for General Service Customers

Incentives and loans for commercial investments that can save energy, reduce carbon emissions, and improve the operational efficiency of businesses. These may include standardized measures or custom projects specific to the facility.

Links and Relevant Resources:

• EWEB Website: Commercial Energy Conservation Programs

4.2.3 Move Green – Transportation Electrification

With support from the State of Oregon Clean Fuels Program, EWEB offers various incentives and efforts to support the switch from fossil fuel-based transportation options to electric options. According to the Oregon Department of Energy and its Oregon Electric Vehicle Dashboard, as of October 2022, there were 3,096 electric vehicles in EWEB service territory resulting in over 8,500 MT reduction in annual greenhouse gas emissions.

Links and Relevant Resources:

- EWEB Website: Residential Transportation Electrification Programs
- EWEB Website: Commercial Transportation Electrification Programs
- State of Oregon Website: Clean Fuels Program
- State of Oregon Website: Oregon Electric Vehicle Dashboard

4.2.4 Lead Green – Advanced Solutions for Climate Innovators

For customers that have done all they can to maximize energy efficiency at home and at work, or adopt electric transportation, EWEB offers programs for customers eager to do more. EWEB's Lead Green program includes a suite of additional product offerings including:

- Greenpower
- Cleanpower
- Carbon Offsets
- Carbon Forestry Lab

Figure 9: Annual Lead Green New Enrollments and Total RECs Retired on Behalf of EWEB Customers (MWh)

Lead Green - Participation and Carbon Impacts

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Lead										
Green										
Enrollments	47	29	32	47	15	14	16	17	46	101
Total Lead										
Green										
Participants	1,908	1,878	1,826	1,821	1,741	1,707	1,629	1,590	1,590	1,622
Renewable										
Energy										
Credits										
(MWh)	31,187	29,898	28,973	26,359	24,545	22,593	20,439	18,578	18,520	19,392
Carbon										
Offsets										
(MT CO2e)			Carbor	Offset pr	ogram lau	nched Apr	il 2022			16
EWEB										
Carbon										
Intensity*										
(MT CO2e /										
MWh)	0.02	0.014	0.013	0.01	0.017	0.015	0.055	0.026	0.040	0.040
Total MT										
CO2e	624	419	377	264	417	339	1124	483	741	791

^{*} Oregon DEQ GHG Reporting Program published carbon intensity is currently available through 2021 only. 2021 value used as a placeholder for 2022 until new data is available.

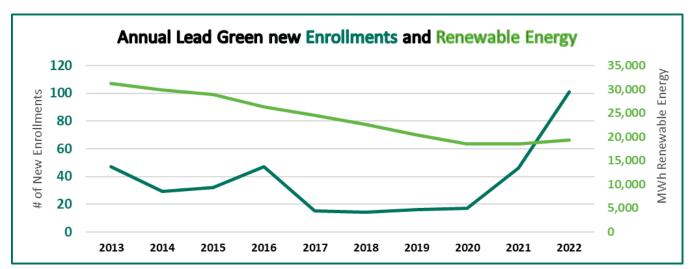


Figure 10: Lead Green Program Information: New Enrollments by year (Participants) and REC purchases by year (MWh)

Cleanpower

EWEB Cleanpower invites customers to voluntarily match their energy usage with the purchase of Renewable Energy Certificates (RECs). Investing in RECs allows developers of wind, solar and other renewable energy resources to build more zero-emission generation, because they know they will be supported financially.

Cleanpower is EWEB's most cost-effective program for the bulk purchase of RECs to enable large customers to address the carbon emissions from electricity use through investment in new renewable electricity sources.

Cleanpower 2022 Program Details

• Participants: 9

Consumption: 807 MWh

• Total carbon emissions reduction: 20 MT CO2e

Links and Relevant Resources:

• EWEB Lead Green Program Options

• EWEB Cleanpower Program Details

• US EPA – Offsets and RECs: What's the Difference?

Greenpower

EWEB Greenpower is a voluntary program for customers who want to support the development of local renewable energy. Like Cleanpower, Greenpower customers also can match their electricity usage with the purchase of Renewable Energy Certificates (RECs) to address the carbon emissions from electricity use by investing in new renewable energy sources. But Greenpower goes beyond simply purchasing RECs by supporting the development of local solar projects and providing grants for community environmental projects.

Greenpower funds support EWEB's rooftop solar incentive program (see below). Greenpower funds have allowed 700 residents, businesses and community organizations to install rooftop solar since 2001.

Greenpower funds also provide annual \$50,000 Greenpower Grants to local non-profit organizations for renewable energy projects, clean energy education, the adoption of emerging technologies, or projects that increase carbon sequestration. Greenpower customers vote on which projects they want to fund. Greenpower is available to all EWEB customer categories.

For every one dollar invested in Greenpower:

- \$0.63 goes to local solar installations
- \$0.27 goes to grants to nonprofit agencies
- \$0.07 goes to REC retirement
- \$0.03 goes to program administration

Greenpower 2022 Program Details

Participants: 1,730

Consumption: 18,585 MWh

Total carbon emissions reduction: 457 MT CO2e*

* The impact of local solar installations is provided separately from the Greenpower Total carbon emissions reductions reported here.

- EWEB Lead Green Program Options
- <u>EWEB Greenpower Program Details</u>
- EWEB Greenpower Grant Recipients

Solar Electric Program

Greenpower customers help support local solar installations by funding EWEB Solar Electric Program. Commercial and Residential customers can receive incentives for installation and may receive bill credits during periods where solar generation exceeds energy use.

Figure 11: Eugene Solar Installations, Residential and Commercial, 2001-2022

System Type	Total Projects	Total Capacity (MW)	Annual Energy (MWh)
Net Metered	1,084	6.8	6,991.0
Direct Generation	47	2.6	2,684.5
Total	1,131	9.5	9,675.5

New Solar Projects by Year, 2010-2022

180
160
140
100
80
60
40
20
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

Figure 12: EWEB Solar Electric Program New Installations by Year, 2010-2022

Links and Relevant Resources:

- EWEB Solar Electric Program
- <u>EWEB Commercial Solar Electric Program</u>
- EWEB Residential Solar Electric Program

Carbon Offsets

Customers can become carbon neutral with EWEB's voluntary carbon offset program. For customers who seek to reduce their full carbon footprint from sources such as energy, travel, and waste, EWEB offers a program to purchase carbon offsets, with the cost of the offsets simply added to customers' EWEB bill. A carbon offset broadly refers to a reduction in GHG emissions or an increase in carbon storage that wouldn't otherwise happen without customer investment.

EWEB offsets are currently sourced from a Carbon Forestry project in Alaska which, in addition to sequestering carbon in the atmosphere, promotes healthy wildlife habitat, enhances biodiversity, protects water quality, and supports the local indigenous community.

EWEB Carbon Offset 2022 Program Details

Participants: 10

Total carbon emissions reduction: 16 MT CO2e

Links and Relevant Resources:

- <u>EWEB Lead Green Program Options</u>
- EWEB Carbon Offsets Program

Carbon Forestry Lab

The Carbon Forest Lab is an opportunity to invest in local carbon forestry projects aimed at expanding our understanding of natural climate solutions and enhancing the McKenzie Watershed, EWEB's sole source of drinking water. EWEB has partnered with cutting-edge researchers at the University of Oregon to explore ways to quantify and enhance natural climate solutions (NCS). The World Economic Forum defines natural climate solutions as, "actions that avoid greenhouse gas emissions and increase carbon storage in forests, grasslands, and wetlands."

The project seeks to answer a few core questions:

- What kinds of plants and trees sequester the most carbon?
- How can we maximize carbon sequestration in the soil to ensure long term capture that is impervious to wildfire?
- What is the best planting method for long-term planting success?
- How do we balance the benefit of more trees with the risk of wildfire?

Customers can support the development of carbon forestry technologies, improve McKenzie Watershed habitat, and develop local jobs and research training, while protecting the watershed. Voluntary revenues augment and expand project capacity, leveraging existing funds from University of Oregon grants and EWEB watershed protection programs.

EWEB Carbon Forest Lab 2022 Program Details

Participants: 22

Direct Project Impact: 5,459 trees and 8,700 shrubs planted

- EWEB Lead Green Program Options
- EWEB Carbon Forest Lab Program
- YouTube Video explaining EWEB High Banks Carbon Forest Lab project
- <u>University of Oregon, Soil Plant Atmosphere Lab</u>

⁷ What are natural climate solutions? | World Economic Forum (weforum.org)

5.1 CLIMATE IMPACTS ON EWEB INTRODUCTION AND POLICY LANGUAGE FROM SD15

What is resiliency?
EWEB defines resiliency
as, "the ability to reduce
the likelihood,
magnitude, and
duration of sudden or
gradual disruptive
events through risk
mitigation, emergency

EWEB Climate Change Policy SD15: Climate Impacts on EWEB - Resiliency & Adaptation Section

Consistent with resiliency initiatives included in EWEB's approved strategic plan, the Board directs the General Manager to evaluate and enact measures, as necessary and appropriate, to prepare for and minimize the effects of climate change that could impact EWEB's water and electric supply and infrastructure, damaging EWEB's resiliency and reliability.

preparedness and response, and recovery strategies." The U.S. EPA, within its Regional Resilience Toolkit⁸ says, "Resilience is about building the capacity of the community, at various scales, to prepare for, withstand, recover, and maintain its identity in the face of actual or anticipated hazard occurrences, allowing for continuity of community and quick recovery if a disaster occurs."

When thinking about resiliency to disruptive events, it's helpful to remember EWEB was created to enable local control of vital community resources in the face of a specific public health threat. When a typhoid epidemic struck Eugene in the early 1900s, the outbreak was traced to the privately owned water company. In response, outraged citizens voted in 1908 to buy the system and create a municipal, citizen-owned water utility. The Eugene City Council ordered the construction of a hydroelectric power plant that would power the pumps necessary to bring water to the people and then transferred control of the utility to a separate citizen board in early 1911. When the Walterville Power Plant (still in operation today) generated surplus electricity beyond what was needed for the water pumps, EWEB took the necessary steps to become the full-service electricity and water provider that it is today.

One hundred years later, EWEB continues to be forward-thinking in its long-range planning. The utility strives to continually serve our community with life-sustaining water and electricity every minute of every day. Flexibility and adaptability in our plans and operations will be necessary to remain resilient to a wide-variety of natural and human-caused threats if we are to maintain this level of reliability for the next 100 years.

While there are many threats the utility must prepare for and work to avoid that are *not* directly due to climate change (such as domestic terrorism and/or cyber security threats), we know that climate change is already impacting our physical environment, our human capital, our public health, our policy landscape, and our resource availability in new and challenging ways. Often, stresses from these new challenges are layered on top of one another, and deciphering cause and effect to determine effective responses is becoming more complicated. The layering of simultaneous challenges taxes the capacity of any organization's response. Never was this more apparent as our community struggled to respond to the intense stresses of the COVID-19 pandemic and the devastating Holiday Farm fire simultaneously in September 2020. While everyone in our community will be impacted by the physical effects of climate change in one way or another, EWEB also recognizes that the most vulnerable members of our community will be least able to prepare and adapt to this wide range of changing conditions. No matter where the challenges originate, EWEB must find new ways to

⁸ EPA Regional Resilience Toolkit, July 2019: <u>Regional Resilience Toolkit: 5 Steps to Build Large-Scale Resilience to Natural Disasters (epa.gov)</u>



Road damage on Highway OR 126 during the Holiday Farm Fire in September 2020. Courtesy of Oregon Department of Transportation.

increase redundancy and resiliency across the organization and throughout our infrastructure. In doing so, EWEB must consider how to support members of our community who have been historically under-served and/or are most vulnerable to service disruption, bringing an equity focus to the work.

SD15 requires the General Manager to evaluate and enact measures to prepare for and minimize the effects of climate change on EWEB's water and electric supply and infrastructure. Therefore, in initial versions of the Climate Guidebook, this chapter will focus on resiliency initiatives

related to expected changes to our physical environment in Lane County, our drinking water quality and water availability for both drinking and hydropower production, and the ability of our EWEB-owned infrastructure to adapt to changing physical conditions. This section will be expanded over time in response to stakeholder needs and feedback and as our programs grow and change in response to where the need is greatest.

Content currently included in v1.1:

- Expected physical changes for Lane County, via Oregon Climate Change Research Institute
- Eugene-Springfield Natural Hazard Mitigation Plan (NHMP) and other planning efforts at the State and County levels
- EWEB's Wildfire Mitigation Plan
- EWEB's Watershed Protection Program
- Second Source of Drinking Water Development on the Willamette River
- Appendix C EWEB's Resiliency Policy (SD22)

Content planned for future Guidebook Versions:

Research results from EWEB's Forest Carbon Lab investments in partnership with University of Oregon

5.2 EXPECTED PHYSICAL CHANGES FOR LANE COUNTY

In July 2022, the Oregon Climate Change Research Institute (OCCRI) finished a report for the Oregon Department of Land Conservation and Development called, "Future Climate Projections: Lane County, OR." The study evaluated 12 natural hazards and related climate metrics to determine if the risk from those hazards was increasing, remaining unchanged, or decreasing and the confidence level of each. The Executive Summary of this report states:

"Climate change is expected to increase the occurrence of many climate-related natural hazards. Confidence that the risk of heat waves will increase is very high (Table 1) given strong evidence in the peer-reviewed literature, consistency among the projections of different global

Figure 13: Image from Oregon Climate Change Research Institute July 2022 Report, "Future Climate Projections: Lane County, OR". Introduction Table 2.

Table 2. Selected natural hazards and related climate metrics.

- *** -	Heat Waves Hottest Day, Warmest Night Hot Days, Warm Nights	*	Cold Waves Coldest Day, Coldest Night Cold Days, Cold Nights
(Heavy Rains Wettest Day, Wettest Five Days Wet Days, Landslide Risk Days		River Flooding Annual Maximum Daily Flows Atmospheric Rivers Rain-on-Snow Events
B	Drought Summer Flow, Spring Snow Summer Soil Moisture Summer Precipitation	<u>&</u>	Wildfire Fire Danger Days Extremely Dry Air Days
Ţ	Reduced Air Quality Days with Unhealthy Smoke Levels	æ	Coastal Erosion and Flooding Sea Level Rise Waves
K	Changes in Ocean Temperature and Chemistry		Loss of Wetlands
=	Windstorms	並	Expansion of Non-native Invasive Species

climate models, and robust theoretical principles underlying increasing temperatures in response to ongoing emissions of greenhouse gases. Confidence that the risk of many other natural hazards will increase as climate changes is high or medium (Table 1), reflecting moderate to strong evidence and consistency among models, yet these risks are influenced by multiple secondary factors in addition to increasing temperatures. Confidence in changes in risks is indicated as low if projections suggest relatively few to no changes or evidence is limited.

This report presents future climate projections for Lane County relevant to specified natural hazards for the 2020s (2010–2039) and 2050s (2040–2069) relative to the 1971–2000 historical baseline. The projections are presented for a lower greenhouse gas emissions scenario and a higher greenhouse gas emissions scenario and are based on multiple global climate models. All projections in this executive summary refer to the 2050s, relative to the historical baseline, under the higher emissions scenario. Projections for both time periods and emissions scenarios are included in the main report."

Figure 14: Image from Oregon Climate Change Research Institute July 2022 Report, "Future Climate Projections: Lane County, OR" Executive Summary Table 1.

Table 1. Projected direction and level of confidence in changes in the risks of climate-related natural hazards. Very high confidence means that the direction of change is consistent among nearly all global climate models and there is robust evidence in the peer-reviewed literature. High confidence means that the direction of change is consistent among more than half of models and there is moderate to robust evidence in the peer-reviewed literature. Medium confidence means that the direction of change is consistent among more than half of models and there is moderate evidence in the peer-reviewed literature. Low confidence means that the direction of change is small compared to the range of model responses or there is limited evidence in the peer-reviewed literature.

	Low Confidence	Medium Confidence	High Confidence	Very High Confidence
Risk Increasing		Drought Expansion of Non-native Invasive Plants Reduced Air Quality Loss of Wetlands	Heavy Rains Flooding Wildfire Changes in Ocean Temperature and Chemistry Coastal Hazards	Heat Waves
Risk Unchanging	Windstorms			
Risk Decreasing				₩ Cold Waves

The report provides ranges of impacts from the above projected hazards in tangible form. For example, related to the very high confidence of the increasing risk of impact from heat waves, the report states, "In Lane County, the number of days per year with temperatures 90°F or higher is projected to increase by an average of 18 days (range 5–30 days) by the 2050s, relative to the 1971–2000 historical baselines, under the higher emissions scenario."

Links and Relevant Resources:

- Oregon Climate Change Research Institute (OCCRI): Future Climate Projections for Lane County, Oregon
- Oregon Climate Change Research Institute (OCCRI): Oregon Climate Assessments

5.3 NATURAL HAZARDS MITIGATION PLAN

The Eugene- Springfield Area Multi-jurisdictional Natural Hazard Mitigation Plan (NHMP) serves as a comprehensive natural hazard mitigation framework for the Cities of Eugene and Springfield, as well as the Sub-

Plan Holders including EWEB, the Springfield Utility Board and Rainbow Water District. Natural hazard mitigation is defined as permanently reducing or alleviating the losses of life, property, and injury resulting from natural hazards through long and short-term strategies. The NHMP was most recently updated in 2020 and is due for revision and subsequent EWEB Board adoption in 2025.

The NHMP examines and prioritizes hazards to help focus risk reduction activities to protect critical infrastructure and public safety. Once approved by the Federal Emergency Management Agency, plan holders can qualify for federal and state funds appropriated specifically for NHMP mitigation projects.

EWEB has evaluated the probability of potential natural disasters occurring and its response capabilities to develop a natural hazard risk rating. Highest on this list are the threat of:

- Earthquake
- Windstorm
- Winter storm
- Wildfire

While climate change is not defined as a natural hazard, it is a contributing factor that elevates the probability and severity of different natural hazards. Risk mitigation action items identified in the NHMP include seismic upgrades to existing infrastructure, emergency water distribution equipment, and watershed recovery activities to mitigate future wildfires. These activities are typically reflected and funded through EWEB's ten-year electric and water capital improvement plans.

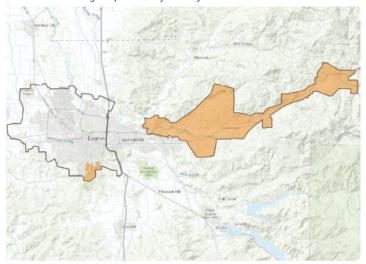
- City of Eugene Emergency Plans: Eugene Springfield Multi-Jurisdictional Emergency Operations Plan,
 Eugene Springfield 2020 Natural Hazards Mitigation Plan, Oregon Resiliency Plan, and Neighborhood
 Radio Communications Response Guide
- Lane County, Oregon's Office of Emergency Management
- Natural Hazard Mitigation Plan for Lane County, 2018-2023
- Natural Hazard Mitigation Plan for Oregon, 2020-2025 Oregon Department of Land Conservation and <u>Development</u>

5.4 EWEB'S WILDFIRE MITIGATION PLAN AND ASSOCIATED POLICIES

EWEB's first Wildfire Mitigation Plan (WMP) was adopted in July 2022 and the current plan was adopted in, July 2023. The plan meets legislative rules outlined in SB 762 and similar rules from the Public Utility Commission to protect public safety and reduce risks to utility customers and infrastructure.

Understanding areas of high wildfire potential across the electric system is critical to effectively target key locations and mitigation investments. Most of EWEB's electric infrastructure is in urban areas with relatively low risk for wildfire. Areas deemed to have heightened risk include the McKenzie River Valley and a portion of southeast Eugene.

Figure 15: EWEB Wildfire Risk Map. Orange sections are intended to show areas in EWEB service territory where electric lines and equipment are sited in terrain with higher potential for wildfire.



This plan's comprehensive approach to wildfire risk reduction includes:

- System Operations and Maintenance: Includes design standards, inspections and equipment diagnostics, and equipment repair and replacement.
- Vegetation Management: Enhanced pruning in HFRZs, as well
 As fuels reduction and select green infrastructure projects
 with wildfire risk reduction co-benefits.
- Grid Hardening: A broad array of equipment upgrades and capital investments to make utility infrastructure more resilient to wildfires.
- Situational Awareness: Operational practices, tools and monitoring of weather conditions to inform field activities and utility response to wildfire threats.
- PSPS: Encapsulates changes to system operational settings and Public Safety Power Shutoffs (PSPS) for specific circuits during extreme fire risk conditions.

PSPS
s, as well bjects
Season Situational Awareness
s and Fe Grid Hardening

Targeted Vegetation Mgmt

Year-Round System Maintenance

In response to weather forecasts for severe fire risk, and in coordination with stakeholders such as Lane County Emergency Management, EWEB (along with 3 other OR utilities) enacted its first PSPS September 9-11, 2022, affecting about 3,000 upriver customers for over 36 hours. The WMP will be updated annually and include metrics to review progress and/or identify gaps in meeting the plan's risk reduction objectives.

- EWEB website: Wildfire Safety and Prevention
- EWEB Wildfire Mitigation Plan, 2023-2024 (adopted July 11, 2023)
- <u>EWEB Wildfire Mitigation Plan, 2022</u> (approved July 5,2022)

5.5 WATERSHED PROTECTION PROGRAMS

The overarching goal of EWEB's Drinking Water Source Protection (DWSP) program is to measure the balance between watershed health and human use over time and implement actions that maximize the benefits EWEB receives through its investments in the McKenzie River Watershed. The primary objectives to accomplish this goal include:

- Plan and implement actions that maintain source water quality in a way that balances risks with benefits in partnership with others.
- Prioritize source protection efforts that provide the greatest benefit to water treatment and electric generation in the McKenzie Watershed.
- Promote public awareness and stewardship of a healthy watershed through targeted actions and programs.

Activities included in the Drinking Water Source Protection program include:

1. Water Quality Monitoring

- a. EWEB has developed a Continuous Monitoring Network that operates year-round to measure a variety of parameters and alert EWEB staff of upstream water quality issues that could impact watershed health and/or impacts at the drinking water intake.
- b. Harmful Algal Bloom Monitoring from April to October.
- c. Baseline Water Quality Monitoring quarterly to track spatial and temporal watershed trends.

d. Storm Data Monitoring during first fall flush, large winter events, and spring rain on snow events

outflows.

2. Hazardous Materials and Spill Releases

 a. Tracking Hazardous Spills to respond for mitigation, assess watershed impacts, and notify water treatment operations of potential impacts.

in the watershed and from urban

b. Conduct Annual Spill Drill with a wide array of partners.

3. Illegal Camping

 a. Conduct Illegal Camp Surveys in coordination with Willamalane, City of Springfield, and Lane County to remove trash and waste from riparian areas immediately upstream of the intake.

4. Pure Water Partners

- a. Working with landowners to restore and protect riparian areas as well as those impacted by the Holiday Farm Fire in the McKenzie Watershed through watershed stewardship agreements.
- Private land-owner treatments include riparian planting, invasive vegetation removal, fire fuels reduction, and erosion control.



EWEB's Karl Morgenstern examines damage from the Holida; Farm Fire at Fern Creek.

5. Septic System Assistance Program

a. EWEB offers a rebate program for maintenance, and a loan program for septic repair or replacement withing the Holiday Farm Fire footprint, and a zero-interest loan program for septic systems outside of that footprint.

Links and Relevant Resources:

- EWEB Watershed Restoration Dashboard
- EWEB Website: Fire Recovery and Watershed Restoration
- EWEB State of the Watershed Report

5.6 Second Source of Drinking Water Development

For nearly 90 years, the community of Eugene has relied on the McKenzie River as our only source of drinking water. Some other cities in the valley get their drinking water from the Willamette River. After years of careful planning for the future, EWEB will join Corvallis, Wilsonville, Hillsboro, Beaverton, and other communities by tapping into this high-quality water source.

Of the 20 largest cities in the Northwest, Eugene is the only one with a single source of drinking water. While the McKenzie River will continue to be Eugene's primary water source, EWEB is in the early stages of developing an additional water supply on the Willamette River.

EWEB has made numerous attempts to build a second water treatment plant over the last several decades. In 2017, Commissioners directed staff to postpone planning and funding for the project, and instead focus short-term efforts on developing Emergency Water Stations. Since then, EWEB has worked with community partners to construct five emergency water distribution sites throughout the community, see the map for locations.

Figure 16: Map of EWEB Emergency Water Stations



Accessing the Willamette River as a redundant source is an important next step to ensure we can provide drinking water to our customers in case an emergency impacts the Hayden Bridge Filtration Plant or McKenzie River supply.

- <u>EWEB Website: Willamette Water Treatment Plant</u>
- EWEB's emergency water distribution sites

6 EWEB INTERNAL OPERATIONS GHG REDUCTIONS

6.1 EWEB Internal Operations Introduction and Policy Language from SD15

EWEB seeks to lead by example. By developing and implementing strategies for reducing internal emissions, EWEB can share lessons learned with customers that seek to decarbonize, take advantage of federal or state incentive programs, and/or add resiliency measures and best practices to internal operations.

EWEB has been measuring and reducing its internal GHG emissions since 2009. Included here are the results of EWEB's internal GHG inventory from both calendar years 2021 and 2022.

Content currently included in v1.1:

 Greenhouse gas emissions inventory results for calendar years 2021, and 2022

Content planned for future Guidebook Versions:

 Internal Climate Action Plan and Roadmap to Carbon Neutrality by 2050

EWEB Climate Change Policy SD15: Internal Operations Section

The Board further authorizes, delegates, and directs the General Manager to continue efforts to minimize and/or mitigate GHG emissions from EWEB's operations that contribute to climate change. As initially established in 2010, EWEB adopted a goal to reduce the Scope 1 and 2 (direct GHG emissions and energy) greenhouse gas emissions associated with its operations and facility management activities.

Accordingly, and as formally established by this directive, EWEB plans to reduce our net Scope 1 and 2 GHG emissions from operations relative to 2010 levels by:

- 25% by 2020,
- 50% by 2030,
- Achieve carbon neutrality from our operations by 2050.

6.2 EWEB'S INTERNAL GREENHOUSE GAS INVENTORY, 2021 AND 2022

EWEB has been tracking our internal greenhouse gas emissions annually since 2009, in accordance with industry best standards and the World Resources Institute Greenhouse Gas Protocol. EWEB's Climate Change Policy (SD15) set specific GHG reduction goals for EWEB's internal operations (see box). EWEB's goals are in alignment with goals set by the State of Oregon and the City of Eugene (see Chapter 2) and in line with the science-based targets to keep warming below 1.5 degrees C as outlined as part of the Paris Accord and recommendations from climate scientists. EWEB seeks to be an active partner in these efforts to decarbonize our operations and our community.

In 2020, EWEB not only met but exceeded both its 2020 and 2030 GHG reduction targets by achieving a 55% reduction in annual emissions. Some of this reduction can be attributed to the COVID-19 pandemic as some business travel in owned vehicles and some building energy use was reduced due to stay-at-home orders.

As EWEB began to recover from the pandemic, the artificially depressed emissions from 2020 went back up in 2021, which still shows a decrease over pre-pandemic conditions in 2019. Emissions continued to decrease in 2022. In 2021 and 2022, EWEB achieved a 35% and 44% reduction in emissions over the 2010 baseline respectively. EWEB is well on its way to meeting and sustaining the ambitious goal of 50% reduction over baseline by 2030. Progress towards EWEB's internal GHG goals is calculated using a market-based approach to

electricity emissions that uses the EWEB-specific emissions factor for purchased electricity as calculated by Oregon DEQ's GHG reporting program.

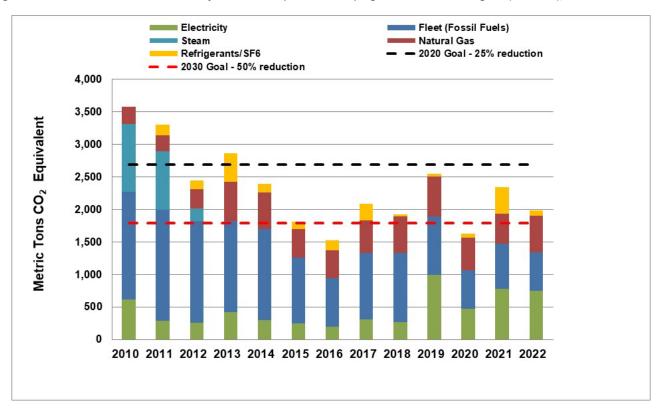


Figure 17: EWEB Greenhouse Gas Emissions from Internal Operations and progress towards climate goals (MT CO2e), 2010-2022

EWEB's electricity consumption (MWh) declined by 8% between 2010 and 2022. The annual changes in GHG emissions from EWEB's electricity consumption as shown above comes from both changes in the electricity emissions factor as well as changes from electricity consumption. Changes in the emissions factor are especially significant in 2019 and 2021.

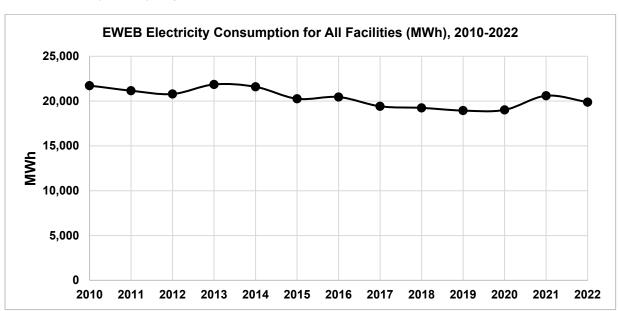


Figure 18: EWEB Electricity Consumption for All Facilities (MWh), 2010-2022

EWEB Utility-Specific Emissions Factor (Oregon DEQ GHG Reporting Program) 0.060 0.055 0.050 0.040 MT CO2e / MWh 0.040 0.029 0.030 0.026 0.020 0.020 0.017 0.015 0.014 0.014 0.013 0.013 0.010 0.010 0.000

Figure 19: EWEB Utility-Specific Emissions Factor, Oregon DEQ GHG Reporting Program, 2010-2022

As explained in Chapter 3, EWEB seeks to meet the SD15 goal for getting to 95% carbon-free resources on a planning basis. Actual annual emissions are influenced by real customer demand (driven by local weather patterns and customer behavior) and EWEB's changing need to rely on market purchases to meet that demand. The high emissions factor in 2019 was reflected throughout the west as there was decreased water availability in the western hydro system.

2015

2016

2017

2018

2019

2020

2021

In conducting our annual internal GHG inventory, EWEB follows the guidance outlined in the World Resources Institute's GHG Protocol as well as The Climate Registry's General Reporting Protocol. Emissions factors come from The Climate Registry's 2022 Default Emissions Factors. EWEB uses a financial control approach, meaning that we report emissions for assets that we financially own. These protocols outline 3 scopes of emissions coming from different types of business activities and defined as follows:

- <u>Scope 1 emissions</u>: Direct emissions from EWEB owned assets including from fuels used in owned fleet vehicles, natural gas used for building heat in owned facilities, and industrial gases including HFCs in owned facility HVAC systems and owned vehicles, as well as SF6 used in electrical substation equipment.
- <u>Scope 2 emissions</u>: Indirect emissions from electricity consumption in owned facilities, vehicles, and equipment.
- Scope 3 emissions: Indirect emissions from equipment that EWEB does not own, but has some shared responsibility for generating. Scope 3 emissions include things like business travel in rental vehicles, trains, buses, or airplanes, or commute travel in employee-owned vehicles to get to work; EWEB-generated solid waste disposed of at Short Mountain Landfill that is owned by Lane County; or purchased goods and services manufactured at vendor locations around the world.
- Emissions exclusions: This GHG inventory does not include Scope 1 emissions from owned electricity generation sources, as those emissions are reported annually to the Oregon Department of Environmental Quality under their Greenhouse Gas Reporting Program and turned into an annual utility-specific emissions factor for EWEB customers to use in their GHG inventories for emissions from purchased electricity.

2010

2011

2012

2013

2014

EWEB's internal emissions reduction goals for 2020, 2030, and 2050 in SD15 are focused on Scope 1 and 2 emissions only and so those are the emissions that are reported here in this chapter. Emissions from Scope 1 owned electricity generation equipment will be managed under the 95% carbon-free goal under SD15 and so are reported separately. See Appendix E about EWEB's Carbon Intensity Guidance.

EWEB sees an opportunity to lay out a plan to achieve carbon neutrality by mid-century and pilot various technologies and opportunities within our own operations so that we gain firsthand knowledge that can be helpful as we support customers in their decarbonization efforts. Additionally, as EWEB's internal electricity consumption is at a scale to make it one of the largest electric utility customers in our community, EWEB also has an opportunity to apply any new rates, programs, policies to our own bills first, so we can gain insights from a customer perspective.

EWEB also seeks to stay aware of all relevant grant, tax, and incentive programs available from state and federal programs to maximize GHG reduction opportunities and simultaneously improve resilience and climate adaptation for key resources and infrastructure.

- EWEB's website: Our Commitment to the Environment
- March 7, 2023 Regular Board Meeting: Climate Guidebook Part 2: GHG Inventory and CAP2.0

APPENDIX A: GLOSSARY

aMW	Average megawatt is calculated by totaling the annual power consumed in a year (in this case megawatts or MW) and dividing that total annual consumption by the number of hours in given year (typically 8,760 during non-leap years). In Electricity Supply Planning, the average megawatt can provide useful context for understanding the average energy required to meet demand on an annualized basis.
Advanced	Advanced metering infrastructure (AMI) is an integrated system of meters,
Metering	communications networks, and data management systems that enables two-way
Infrastructure	communications between utilities and customer meters.
(AMI)	
Balancing	Balancing or matching load with resources to meet demand. Commonly referred to as load/resource balance.
Annualized Fuel	Annualized Fuel Utilization Efficiency (AFUE) Furnaces are rated by the Annual Fuel
Utilization	Utilization Efficiency (AFUE) ratio, which is the percent of heat produced for every
Efficiency (AFUE)	dollar of fuel consumed. Any furnace with an efficiency of 90% or higher is considered
, ,	high efficiency.
Benefit/Cost Ratio	A ratio used to summarize a benefit-cost analysis to determine if a proposed project's
(BCR)	benefits outweigh the costs. If the BCR is greater than one, the net present value of
(-)	acting is expected to be positive. If the BCR is less than one, the costs outweigh the
	benefits.
BTU and BTUH	British Thermal Unit (BTU) is a measure of heat energy. BTUH is British Thermal Unit
	per hour. One BTU is the amount of energy needed to raise 1 pound of water by one
	degree Fahrenheit.
Capacity Utilization	Capacity utilization measures the maximum rate of potential output used over a set
	period.
Carbon	Short for carbon dioxide, a greenhouse gas produced by burning fossil-based fuels and
	other sources.
Carbon Intensity	The amount of carbon emitted per unit of energy consumed.
Capacity	The maximum output or electrical rating, commonly expressed in megawatts (MW).
Capacity Factor	The ratio of the net electricity generated, for the time considered, to the energy that
	could have been generated at continuous full-power operation during the same
	period. ⁹
Climate Change	The rise in average surface temperatures on Earth due primarily to the human use of
-	fossil-based fuels, which releases carbon dioxide and other greenhouse gases into the
	air.
CEJST	The Climate and Economic Justice Screening Tool (CEJST) is a geospatial mapping tool
	to identify disadvantaged communities and is used to support the Federal
	Government's Justice40 Initiative
Coefficient of	An efficiency ratio that measures useful heating or cooling provided relative to the
Performance (COP)	work required. In electric heat pumps, this is the relationship between the energy that
` '	is delivered from the heat pump as cooling or heat (BTUh is converted to equivalent
l	is actively a moniture near painty as cooling of fleat (b) on is converted to equivalent
	power kW), and the power (kW) that is supplied to the compressor.
Coincident	, , , , , , , , , , , , , , , , , , , ,

⁹ <u>Capacity Factor (net) | NRC.gov</u> ¹⁰ <u>https://www.eia.gov/tools/glossary</u>

Cold Climate Heat	The most efficient type of air source heat pump designed for cold climates using
Technology	variable speed drive compressor technology.
Commodity	An economic good that can be bought and sold and interchangeable with other goods
	of the same type.
Controlled	Controlled or managed EV charging enables the utility and customer to align charging
Charging	behavior that will potentially mitigate higher costs and carbon impacts during peak
	demand hours.
Cost-parity	Same price for product that is equivalent in value.
Critical Peak Pricing	Critical peak pricing is a price-responsive mechanism designed to incentivize customers
	to reduce or shift electricity usage during a critical event.
Demand	The rate at which energy is being used by the customer.
Demand Response	Demand response is a measure to reduce or shift electricity usage during peak periods
(DR)	or as a response to supply constraints.
Demand Side	An action to effectively reduce or modify the demand for energy. DSM is often used to
Management	reduce load during peak demand and/or in times of supply constraint.
(DSM)	
Direct Air Capture	A technology to capture CO2 from the atmosphere.
Direct Load Control	The consumer load that can be interrupted at the time of peak load by direct control of
(DLC)	the utility ¹¹ .
Discounted Cash	A method to estimate the present value of an investment based on the expected future
Flow	cash flows.
Discount Rate	The interest rate used to determine the present value of future cash flows.
Dispatchable	The operating control of an integrated electric system involving operations such as the
	assignment of load to specific generating stations and other sources of supply to affect
	the most economical supply as the total or the significant area loads rise or fall ¹² .
Distributed	Distributed generation (sometimes call Distributed Energy Resources – DER) refers to
Generation (DG)	systems that generate electricity at or near the load it is intended to serve (thereby
	reducing transmission needs/costs) and connected to the distribution system.
Distribution Assets	The portion of the electric system's poles, transformers, and other equipment
	dedicated to delivering electricity at the required voltage for the end-user.
Distribution	The installed capacity and capable load of individual circuits within the distribution
Capacity	asset system.
Diurnal	Diurnal variation refers to daily fluctuations.
Disadvantaged	By the <u>Justice 40 Federal definition</u> , disadvantaged communities are those that are
Communities (DAC)	marginalized, underserved, and overburdened by pollution.
Duct System	A system of tubes and pipes used for heating, ventilation, and air conditioning
Electric Panel	The electric service panel or circuit breaker box connects the main power line and
	distributes electrical currents to circuits within a home or building.
Electric Vehicle	A vehicle that derives all or part of its power from electricity supplied by the electric
(EV)	grid. Primary EV options include battery, plug-in hybrid, or fuel cell.
	Battery Electric Vehicles (BEV) typically do not have an internal combustible engine
	(ICE) or fuel tank and rely solely on its battery charged by electricity to operate the
	vehicle. Typical driving ranges are less ICE vehicle options but newer models with
	advanced battery technology support higher ranges.
	1
	Plug-in Hybrid Electric Vehicles (PHEV) are powered by an on-board battery and

¹¹https://www.eia.gov/tools/glossary ¹²https://www.eia.gov/tools/glossary

	 both. When the battery is fully charged and gasoline tank full, the PHEV driving range is comparable to a conventional ICE vehicle. Fuel Cell Electric Vehicles (FCEV) run on compressed liquid hydrogen. Combining hydrogen with oxygen generates the electrical energy that either flows to the motor or to the battery to store until it's needed. FCEVs have a driving range comparable to a conventional ICE vehicle.
Electric Vehicle	EV charging stations typically fall under three primary categories: Level 1, Level 2, and
(EV) Charging	Level 3 also referred to as DC Fast Chargers 13.
Stations	 Level 1: Provides charging through a 120 V AC plug and does not require installation of additional charging equipment. Can deliver 2 to 5 miles of range per hour of charging. Most often used in homes, but sometimes used at workplaces. Level 2: Provides charging through a 240 V (for residential) or 208 V (for commercial) plug and requires installation of additional charging equipment. Can deliver 10 to 20 miles of range per hour of charging. Used in homes, workplaces, and for public charging. DC Fast Charge: Provides charging through 480 V AC input and requires highly specialized, high-powered equipment as well as special equipment in the vehicle itself. (Plug-in hybrid electric vehicles typically do not have fast charging
	capabilities.) Can deliver 60 to 80 miles of range in 20 minutes of charging. Used most often in public charging stations, especially along heavy traffic corridors.
End Use	The use of energy for a specific purpose where electricity is converted into useful work. Examples include transportation, heating, or cooling.
Energy Efficiency	Refers to programs that are aimed at reducing the amount energy used in homes and
(EE)	other buildings. Examples include high-efficiency appliances, lighting, and heating systems.
Energy Efficiency	The Energy Efficiency Ratio (EER) of an HVAC cooling device is the ratio of output
Ratio (EER)	cooling energy (in BTU) to input electrical energy (in watts) at a given operating point.
Energy Factor (EF)	The energy factor (EF) indicates a water heater's overall energy efficiency based on the amount of hot water produced per unit of fuel consumed over a typical day.
Fossil Fuel	An energy source formed in the Earth's crust from decayed organic material. The
	common fossil fuels are petroleum, coal, and natural gas ¹⁴ .
Generation	The process of producing electricity from water, wind, solar, fossil-based fuels, and other sources.
Generation	The maximum output, commonly expressed in megawatts (MW), that generating
Capacity	equipment can supply to system load 15
Green	Green or clean electricity produced with little-to-no environmental impact or
	contributes to global warming caused by greenhouse gas emissions.
Greenhouse Gas	GHG emissions are gases, such as carbon dioxide, that trap heat in the atmosphere. The
(GHG) Emissions	largest source of GHG emissions from human activities in the U.S. is from burning fossil-based fuels for electricity, heat, and transportation ¹⁶ .
Grid	The electricity grid, or grid, refers to the system that moves electricity from its source
	through transformers, transmission lines, and distribution lines to deliver the product
	to its end-user, the consumer.
Heat Pump	Heating and/or cooling equipment that, during the heating season, draws heat into a building from outside and, during the cooling season, ejects heat from the building to

¹³ https://www.energy.gov/eere/electricvehicles/charging-home

https://www.eia.gov/tools/glossary

https://www.eia.gov/tools/glossary https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions

	the outside. Heat number are vanor compression refrigeration systems where
	the outside. Heat pumps are vapor-compression refrigeration systems whose
	indoor/outdoor coils are used reversibly as condensers or evaporators, depending on
Haating assessed	the need for heating or cooling ¹⁷ .
Heating seasonal	Heating seasonal performance factor (HSPF) is a term used in the heating and cooling
performance factor	industry. HSPF is specifically used to measure the efficiency of air source heat pumps.
(HSPF)	HSPF is defined as the ratio of heat output (measured in BTUs) over the heating season
	to electricity used (measured in watt-hours).
HVAC	HVAC is an acronym for heating, ventilation, and air conditioning.
Incremental Cost	See Marginal Cost
Inflation	The growth rate of a price index. Inflation occurs when the purchasing power of your
	dollars decreases due to rising prices.
Integrated	An IRP is a plan that outlines how a utility will meet its future electricity needs over a
Resource Plan (IRP)	long-term planning horizon.
Interval Metering	Interval metering data is a series of measurements of energy consumption, taken at
	pre-defined intervals, typically sub-hourly. In end-use studies, energy consumption is
	measured in 15-minute or 1-minute granularity.
Intra-day Net Load	Net load ramping occurs within the day when renewable generation decreases at the
Ramping	same time load rises.
Justice 40 Initiative	The goal set by the Federal Government under the Biden Administration that 40% of the
	overall benefits of certain Federal investments (IIJA, IRA, etc.) flow to disadvantaged
	communities that are marginalized, underserved, and overburdened by pollution. These
	communities are mapped in the US using the Climate and Economic Justice Screening
	Tool (CEJST).
Light-duty Vehicles	Light duty refers to gross vehicle weight rating and includes passenger cars, SUVs,
	trucks, and vans that weigh up to 10,000 pounds.
Line-loss	The amount of electricity lost during the transmission and distribution phases as it
	travels across the grid.
Load	The amount of electricity on the grid at any given time, as it makes its journey from the
	power source to all the homes, businesses.
Load Shape	A method of describing peak load demand and the relationship of power supplied to
	the time of occurrence ¹⁸ . Interval metering of end-uses is one method used to develop
	a load shape.
Marginal Cost	The change in cost associated with a unit change in quantity supplied or produced ¹⁹ .
Marginalized	Communities that experience discrimination and exclusion from social, economic,
Communities	and/or cultural life.
Market-based	Prices of electric power or other forms of energy determined in an open market system
pricing	of supply and demand under which prices are set solely by agreement as to what
	buyers will pay and sellers will accept. Such prices could recover less or more than full
	costs, depending upon what the buyers and sellers see as their relevant opportunities and risks ²⁰ .
Market Liquidity	Market liquidity refers to the extent a market, such as the wholesale electricity market
, , , , , , , , , , , , , , , , , , ,	or real estate market, allows assets to be bought and sold with price transparency.
Megawatt (MW)	The standard term of measurement for bulk electricity. One megawatt is 1 million
	watts. One million watts delivered continuously 24 hours a day for a year (8,760 hours)
	, , , , , , , , , , , , , , , , , , , ,
	is called an average megawatt.

https://www.eia.gov/tools/glossaryhttps://www.eia.gov/tools/glossary

https://www.eia.gov/tools/glossary https://www.eia.gov/tools/glossary

Mini-Split Ductless	A ductless heating and cooling system for use in smaller spaces or individual rooms. Mini-
System	split systems have two main components: an outdoor compressor/condenser and an indoor
	air-handling unit(s).
MPGe	Miles per gallon of gasoline equivalent. Think of this as being like MPG, but instead of
	presenting miles per gallon of the vehicle's fuel type, it represents the number of miles
	the vehicle can go using a quantity of fuel with the same energy content as a gallon of
	gasoline. This allows a reasonable comparison between vehicles using different fuels ²¹ .
MSRP	MSRP is the acronym for manufacturer's suggested retail price.
MTCO2e	Metric tons of carbon dioxide equivalent are a unit of measurement. The unit "CO2e"
WITCOZC	represents an amount of a GHG whose atmospheric impact has been standardized to
	that of one unit mass of carbon dioxide (CO2), based on the global warming potential
	(GWP) based on the global warming potential (GWP) of the gas.
NESC	National Electric Safety Code
Nominal Dollar	Nominal or current dollars have not been adjusted for inflation.
Noncoincident	Sum of two or more demands on individual systems that do not occur in the same
Demand	demand interval ²² .
1-in-2 or 1-in-10	A statistical measure used for risk analysis. The probability or chance of something
	occurring one year such as a one-hour peak in year 2, 1-in-2 year, is 1 / 2 or 50%. A 1-
	in-10 year has 1/10 or 10% chance of occurring in any one year.
Peak Demand	The largest instance of power usage in a given time frame.
Peak Diversity	Peak Diversity Factor is the ratio of coincident peak demand to the non-coincident peak
Factor	demand over a given period. This ratio illustrates the relationship between the peak
	electricity use of a population relative to the sum of all individual peak electricity use within
	the population. A high peak diversity factor (100%) indicates that the individual units within
	the population peak simultaneously, whereas a low peak diversity factor illustrates that
	individual units within the population peak at different times.
Peak Time Rebate	A pricing mechanism designed to incentivize reducing energy during peak time events by
	offering a rebate.
Peaker Plant	Peaker plant, also known as a peaking power plant or simply peaker, is a power plant
	that generally runs during times when demand for electricity is high or at its peak time.
	Peaker plants are typically gas turbines that burn natural gas.
Photovoltaic (PV)	PV is the process of converting sunlight into electrical energy using semiconducting
	materials.
Power	The rate of producing, transferring, or using energy, most associated with electricity.
	Power is measured in watts and often expressed in kilowatts (kW) or megawatts
	(MW) ^{23.}
PUC	Public Utility Commission
Quad	Quadrillion Btu 10 ¹⁵ Btu. The quantity 1,000,000,000,000(10 to the 15th power). ²⁴
Qualitative	Qualitative data is descriptive, conceptual, and is non-numerical.
Quantitative	Quantitative data is anything that can be counted, measured, or quantified using a
	numerical value.
Real-time	Actual time of occurrence.
Real-time Pricing	Real-time Pricing is designed to charge each kWh delivered based on fluctuating wholesale
	prices or production costs.
Renewable Natural	RNG is derived from the decomposition of organic waste and has lower carbon
Gas (RNG)	emissions than conventional natural gas.
• •	,

https://www.epa.gov/fueleconomy/text-version-electric-vehicle-label
 https://www.eia.gov/tools/glossary

https://www.eia.gov/tools/glossary

²⁴ https://www.eia.gov/tools/glossary

Residential	An assessment developed to capture the residential building sector that considers
Building Stock	building practices, fuel choices, and diversity of climate across the region.
Assessment (RBSA)	
Resource Adequacy	Ensuring there are sufficient generating resources when and where they are needed to serve the demands of electrical load in "real time" (i.e., instantaneously). An adequate physical generating capacity dedicated to serving all load requirements to meet peak demand and planning and operating reserves, at or deliverable to locations and at all times.
Resource Portfolio	All the sources of electricity provided by the utility.
Scenario	A projection or forecast that provides a framework to explore plausible outcomes. Scenario analysis is the process of analyzing plausible outcomes and typically includes base-case, expected-case, and worst-case scenario analysis.
Sector	Group of major energy consumers developed to analyze energy use. Commonly referred to as residential, commercial, industrial, and transportation sectors.
Segment	Customer segmentation or segment means separating the diverse population of enduse customers in groups based on similarities in customer needs and preferences.
Sensitivity	Sensitivity analysis is a method to determine how changes in methods, models, values of variable or assumptions may lead to different interpretations or conclusions by assessing the impact, effect or influence of key assumptions or variable.
Social Cost of Carbon	The estimated economic damage in dollars from emitting one ton of carbon dioxide.
Therms	A measurement of heat energy in natural gas. One unit of heat is equal to 100,000 British thermal units (BTU).
Time of Use (TOU)	Time of use rates are rate structures which incent a customer to change their electric usage
Rate	patterns, because they typically charge higher prices for consumption during peak periods.
Total Lifecycle	Lifecycle of a targeted measure refers to the expected life from the time the product is introduced in the market until it's removed.
Transformer	An electrical device for changing the voltage of alternating current ²⁵ .
Transmission	An interconnected group of lines and associated equipment for the movement or
	transfer of bulk energy products from where they are generated to distribution lines that carry the electricity to consumers.
Transmission	The maximum line and associated equipment available to move or transfer bulk energy
Capacity	across a transmission system.
Uncontrolled	Uncontrolled charging allows for charging at any time of time without restraints
Charging	including differences in price to charge. Also known as unmanaged charging.
Uniform Energy	A water heater's UEF rating is a measure of its energy efficiency, with higher numbers
Factor (UEF)	denoting more efficient units. The UEF calculation is based off how much energy the
	water heater uses and how much energy is used to power the water heater itself.
Upstream Emissions	Upstream typically refers to accounting for the all the emissions associated with
	extracting and processing resources used to create energy.
Variable Generation	Variable generation is produced using renewable resources (e.g., solar, wind, or run-of-
	river hydro) that is intermittently available.
Voltage	The difference in electrical potential between any two conductors or between a
	conductor and ground. It is a measure of the electric energy per electron that electrons
	can acquire and/or give up as they move between the two conductors. ²⁶ .
Wholesale Market	The market for buying and selling of electricity before it is sold to the end-user.
	· · · · · · · · · · · · · · · · · · ·

https://www.eia.gov/tools/glossaryhttps://www.eia.gov/tools/glossary

APPENDIX B: EWEB'S CLIMATE CHANGE POLICY (SD15)

Strategic Direction Policies (SD Policies)

SD15 Climate Change Policy

Effective Date January 3, 2023

The Board recognizes that climate change presents ongoing environmental, economic, and social risk to EWEB, our customers, community, and the world. Greenhouse gas (GHG) emissions from human activity are known to be the primary cause of climate change, with the energy, industrial, construction, agricultural and transportation sectors generally identified as the primary sources of greenhouse gas emissions in the United States.

The primary direct impacts to EWEB operations from climate change include changes in streamflow –quantity and timing— affecting hydroelectric generation, impacts to water quality and watershed health, increased risk of wildfires, changes in consumption patterns, and increasing threats from extreme weather events. The Board also recognizes that EWEB, as a water and electric utility, impacts our climate through electric generation resource choices, business practices, and the operation and maintenance of our assets, lands, buildings, and transportation fleet.

Consistent with EWEB's Vision, Mission, and Values (SD1), the Board supports EWEB taking an active role in combating and mitigating the impacts of climate change, within the context of and while executing our strategy and ongoing operations.

Accordingly, the following primary directives are adopted,

- POWER GENERATION: The Board is committed to supporting a low-carbon electric power portfolio that maintains, on a planning basis, over 90% of annual energy from carbon-free resources and targets over 95% of annual energy from carbon-free resources by 2030 to the extent possible and practical without distinct adverse impacts to customer-owners. Using the Integrated Resource Plan (IRP) process including final adoption by resolution (GP7), the Board will work with the General Manager to establish the long-term (20-year) principles, priorities, approaches, definitions (including carbon-free, carbon intensity), measurements, and goals for the electric generation portfolio, demand response, conservation and energy efficiency, and customer impact limitations (including but not limited to reliability, cost, and equity) supporting this directive.
- CLIMATE POLICY: The Board authorizes, delegates, and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and enact measures to minimize and/or mitigate GHG emissions that contribute to climate change. Consistent with Board Policy (GP13), prior to legislative sessions the Board develops and guides EWEB's positions relative to legislation, including those related to climate and environmental policy supporting this directive.
- EWEB OPERATIONS: The Board further authorizes, delegates, and directs the General Manager to continue efforts to minimize and/or mitigate GHG emissions from EWEB's operations that contribute to climate change. As initially established in 2010, EWEB adopted a goal to reduce the Scope 1 and 2 (direct GHG emissions and energy) greenhouse gas emissions associated with its operations and facility management activities. Accordingly, and as formally established by this directive, EWEB plans to reduce our net Scope 1 and 2 GHG emissions from operations relative to 2010 levels by 25% by 2020, 50% by 2030, and achieve carbon neutrality from our operations by 2050.

- CUSTOMER DECARBONIZATION: The Board further authorizes, delegates, and directs the General Manager to assist customers with achieving their GHG emission reduction goals through partnerships, technical assistance, resources, and programs that support, but are not limited to, energy efficiency, alternative fuels, electric and water conservation, electrification, and carbon offsets and sequestration. Long-term conservation, energy efficiency, and demand-response goals are established as part of the IRP process. Additional program objectives, incentives and budgets will be established annually, as applicable, and/or through revisions to the strategic plan.
- IMPACTS ON EWEB: Consistent with resiliency initiatives included in EWEB's approved strategic plan, the Board directs the General Manager to evaluate and enact measures, as necessary and appropriate, to prepare for and minimize the effects of climate change that could impact EWEB's water and electric supply and infrastructure, damaging EWEB's resiliency and reliability.

IMPLEMENTATION:

In support of the primary directives identified above, major decisions and actions, including those related to this policy, will be evaluated based on a triple-bottom-line methodology, including assessments of consistency with the organization's values, including safety, reliability, affordability, environmental stewardship, transparency, and equity.

The Board and General Manager will work together to develop annual goals, consistent with Board Policy BL4 and BL5, related to the primary directives, as applicable, including milestones and measurements, and reporting frequency.

So that EWEB's actions are visible to our community, at least annually EWEB will compile and report GHG emission reduction and/or mitigation activity, including a greenhouse gas inventory (Scope 1 and 2, along with Scope 3 where impactful, applicable, and practical), and will calculate and publish the carbon intensity of our energy portfolio. Definitions, GHG emission reduction and/or mitigation details (e.g., fuel mix, use of offsets, etc.) and carbon accounting methods will be published, consistent with industry standards and/or official reporting requirements where applicable.

Source: Steve Newcomb, Environmental Manager, Approved 09/18/07; Revised 07/10/18, Resolution No. 1820; Revised 01/04/22, Resolution No. 2204; Revised 01/03/23, Resolution No. 2303.

- EWEB Board Policies
- December 6, 2022 Regular Board Meeting: Annual Board Policy Review (including SD15)
- December 7, 2021 Regular Board Meeting: Board Policy SD15 Climate Change Policy
- July 10, 2018 Regular Board meeting: Consent Calendar See page 35 of 42 in Consent Calendar PDF
- June 5, 2018 Regular Board Meeting: Draft Revisions to Board Policy SD15, Climate Change

APPENDIX C: EWEB'S RESILIENCY POLICY (SD22)

Strategic Direction Policies (SD Policies)

SD22 Resiliency Policy

Effective Date August 1, 2023

EWEB is committed to providing essential services that protect and enhance our community's vitality and strives to maintain these services without disruption. With the goal of sustaining safe, reliable, affordable, and environmentally responsible drinking water and electricity services, EWEB faces the challenge of effectively planning and operating in an environment of a changing climate, new technology, developing markets, political and regulatory flux, natural and human-caused threats, and evolving community expectations.

Meeting our ongoing obligation to provide essential services requires an organizational culture that fosters sustainability and resiliency of our infrastructure, finances, workforce, information, and decisions. In addition, EWEB acknowledges its role in furthering community resiliency so that our customer-owners can self-sustain through periods of disruption, recognizing the broad and unique needs of members of the community.

EWEB defines resiliency as follows.

Resiliency: The ability to reduce the likelihood, magnitude, and duration of sudden or gradual disruptive events through risk mitigation, emergency preparedness and response, and recovery strategies.

Consistent with EWEB's Vision, Mission, and Values (SD1) and other Strategic Direction (SD) policies, along with other policies guiding Governance Process (GP), Board-Staff Linkage (BL) and Executive Limitations (EL), the Board supports a comprehensive approach to organizational and community resiliency, as defined above, using the following primary guidance.

1. Infrastructure and Systems (including service delivery, financial, and information systems)

The Board authorizes, delegates, and directs the General Manager to ensure that infrastructure design and construction, communication and information systems, and operational and maintenance processes use risk-assessment methodologies to identify and achieve resilient outcomes under both normal operating conditions and disruptive events.

2. Workforce

The Board further authorizes, delegates, and directs the General Manager to build workforce resiliency through transfer of knowledge and skills across the organization, creating redundancy, flexibility, and depth in mission-critical functions. The organization shall facilitate employee and family emergency preparedness, improving EWEB's response to and recovery from disruptive events.

3. <u>Finance</u>

The Board further authorizes, delegates, and directs the General Manager to ensure that the organization considers resiliency in the development of budgets and financial plans under a range of potential future conditions, including but not limited to, the variability of economic and market forecasts, and the impacts of regulatory changes.

4. **Community**

The Board further authorizes, delegates, and directs the General Manager to cultivate partnerships that enhance community resiliency, leveraging unique capabilities with the potential to plan, mitigate adverse impacts of, or respond and recover from a variety of operating conditions or disruptive events. EWEB shall educate and encourage the community at-large, including vulnerable and/or historically marginalized customer-owner segments, to plan and prepare to self-sustain through periods of disruption, as well as other options for response and recovery.

Implementation

The guidance outlined in this policy are acknowledged as results or conditions that are acceptable to the Board in the process of establishing policy and approval of Strategic Plans, Long-Term Financial Plans, Capital Improvement Plans, annual budgets, and goals, as established in Board Policy BL4 "Delegation to the General Manager". According to this policy, the aforementioned plans will include resiliency considerations by incorporating content showing the sensitivities of recommendations, actions, and/or outcomes to variables impacted by relevant changing future conditions.

Implementing the guidance provided in the policy will include the development and maintenance of risk mitigation and recovery plans for major potential threats (e.g., wildfires, chemical spills, etc.), and others in partnership with local agencies (e.g. Natural Hazard Mitigation Plan).

Triple-Bottom-Line (TBL) assessments of plans, designs, and processes will include resiliency criteria to highlight each alternative's performance and/or outcome under both normal and disruptive event conditions. The resiliency of major decisions will be evaluated by assessing the sensitivity of outcomes under a variety of different future conditions.

So that EWEB's actions related to this policy are visible to the Board and our community, at least annually EWEB will compile and report on the status of strategic initiatives and annual goals associated with the implementation of this policy, as applicable.

Source: Lawson, Board Approved 08/01/23, Resolution No. 2313

- EWEB Board Policies
- August 1, 2023 Regular Board Meeting agenda item: SD22 Resiliency Policy Approval; Resolution No.
 2313
- June 6, 2023 Regular Board Meeting agenda item: Draft Resiliency Board Policy

APPENDIX D: EWEB'S DIVERSITY, EQUITY, AND INCLUSION POLICY (SD23)

EWEB has a goal of having a Board-Approved Diversity, Equity, and Inclusion Policy developed within 2023. This space is being held as a place to publish this policy once finalized.

This will relate specifically to content in Chapter 4: Customer Decarbonization and Appendix F: EWEB's Role in Eugene's CAP2.0 (especially CAP2.0 indicator B11 related to EWEB's low-income assistance programs), as the policy will relate to how EWEB's programs can better serve all EWEB customer-owners, and especially historically and currently minoritized communities within our service area.

- EWEB Board Policies
- August 15,2023 Board Work Session: SD23 Draft Diversity, Equity, and Inclusion (DEI) Policy Review and Discussion
- June 14, 2023 Board Work Session: Introduction to DEI Training
- April 18, 2023 Board Work Session: 2023 Organizational Goal #2 Diversity, Equity, & Inclusion (DEI)
- April 4, 2023 Regular Board Meeting: Correspondence item Diversity, Equity, and Inclusion (DEI) Board
 Policy April Work Session Overview See Page 14-16 of PDF packet
- March 7, 2023 Regular Board Meeting: Correspondence item EWEB Participation in Equity Community
 Consortium See Page 1-2 of PDF packet
- July 5, 2022 Regular Board Meeting: Correspondence Item DEI Board Policy Development Background
 Information See Pages 13-17 of PDF packet
- February 15, 2022 Board Work Session: Goal #2(e): New Board Policy Diversity, Equity, and Inclusion

APPENDIX E: EWEB'S CARBON INTENSITY GUIDANCE

THE CHALLENGES OF THE EXISTING POLICY CONTEXT FOR GHG REPORTING

Over the last twenty years, the practice of carbon accounting has emerged as an important component of fighting climate change. The question has been, "How many emissions is an entity responsible for and what can be done to reduce those emissions?". In that statement, an "entity" could be an individual, a household, a business, a school, a government, a non-profit, a utility, a city, a state, a nation, a world, or more. The practice of quantifying the emissions an entity is responsible for has led to questions of boundaries, levels of direct responsibility vs. influence, methods, and standards.

Within the world of *financial* accounting, there is a set of Generally Accepted Accounting Principles (GAAP) that represent a common set of accounting rules, standards, and procedures that are set by the Financial Accounting Standards Board (FASB) and that public companies in the US must follow when reporting their financial statements. It is recognized that something similar is needed for carbon accounting.

There is a set of existing protocols and methods that make up the backbone of carbon accounting standards today that has been developed by several international non-governmental organizations (NGOs), such as the World Resources Institute among others. Within the next sections of this Appendix there will be links included to access this guidance as well as call out boxes explaining how this relates to EWEB. These standards often provide a tiered hierarchy of methods and emissions factors to use in an entity's carbon accounting practice, depending on the given circumstances and available data for the context in which it is being used. Because these international NGOs are trying to provide guidance that can be fit to a wide variety of entities, situations, contexts, and geographic locations, it is difficult to make a one-size fits all set of standards and guidance. As a result, many entities (including EWEB) have GHG accounting protocols that are informed by multiple international NGO's.

The United States lacks a comprehensive system specifically designed for GHG emissions accounting and data tracking. Throughout its history, electricity has been traded as a commodity without differentiating one MWH from another based on any characteristics. As carbon accounting has grown and developed, consumers increasingly want to differentiate a MWH with a high emissions profile from another MWH that was generated by zero-carbon resources. In the United States, in the absence of comprehensive national climate accounting standards or legislation, individual states have been left to build their own laws, policies, reporting requirements, and accounting methods, or to do nothing. This has led to a patchwork of practices across the Western Electricity Coordinating Council (WECC) that makes up the western electricity grid. Across the US WECC today there are:

- State-specific programs dedicated to market development of new renewable energy, including Renewable Portfolio Standards and clean energy targets. These programs are often focused on incentivizing the development of new renewable resources, which has led to tracking *some* qualifying low/zero-carbon electricity production, but not all. For example, legacy hydro power is often excluded as a RPS qualifying resource, but Oregon RPS does provide an exemption which reduces RPS targets based on energy received from legacy hydro from BPA²⁷.
- State-specific programs dedicated to electricity fuel-mix disclosure. Only some of these programs require that emissions rates be included.

²⁷ https://www.oregon.gov/energy/energy-oregon/Documents/EWEB-RPS-compliance-report-2020.pdf

- Mandatory GHG Emissions Reporting Programs that apply to entities in the West. Some of these are federal while others are state-specific. Some of them require reporting of only direct emissions sources while other require reporting of both direct and indirect emissions. Some are specifically focused on the electricity sector and others are economy-wide. Some have mandatory reduction targets, and some include a cap-and-trade program.
- Voluntary utility and electricity consumer GHG reporting and commitments. Many utilities, like EWEB, have made voluntary commitments and voluntarily disclose GHG emissions inventories annually based on existing reporting frameworks and protocols.

The contractual path of electricity tracking doesn't always match the physical flow of energy. In addition to the patchwork of federal and state, as well as mandatory and voluntary programs mentioned above, there is the added challenge that electricity has been managed by both a contractual path that tracks the ownership of a MWH of electricity by contract or financial ownership, and the physical flow of electricity on the transmission system. The contractual and the physical pathways sometimes diverge in ways that contribute to difficulty in calculating which generation source produced the electricity that flows into EWEB's service territory and who gets to claim the environmental attributes or "low-carbon-ness" of renewable electricity generation owned by the utility.

Links and Relevant Resources

The Brattle Group Greenhouse Gas and Clean Energy Accounting Methodology Catalogue (June 2023)



Grand Coulee Dam in the winter. Courtesy of the Bureau of Reclamation.

COMMON PROTOCOLS AND RESOURCES FOR GHG REPORTING

Since the late 90s/early 2000's, several protocols, tools, resources, and guidance documents have been developed to support carbon accounting at different levels and for different industries or contexts. Many are complementary and build off one another.

The most common resources utilized in the United States are linked here. The links included in this section are not comprehensive but are provided to give EWEB customers and community members an easy way to find resources that could fit their reporting and disclosure needs.

Resources included:

- World Resources Institute
 - The GHG Protocol Corporate Accounting and Reporting Standard
 - o The Scope 2 Guidance
 - The Corporate Value Chain (Scope 3) Accounting and Reporting Standard
 - The GHG Project Protocol
- The Climate Registry
 - o The Climate Registry's General Reporting Protocol
 - The Climate Registry's Local Government Operations Protocol
 - The Climate Registry's Electric Power Sector Protocol
 - The Climate Registry's Default Emissions Factors (updated annually)
- CDP formerly called the Carbon Disclosure Project, is an environmental disclosure system that was created on behalf of investors to document environmental risks, opportunities, and leadership that could impact an organization's financial performance.
- The Task Force on Climate Related Financial Disclosures

How does this relate to EWEB?

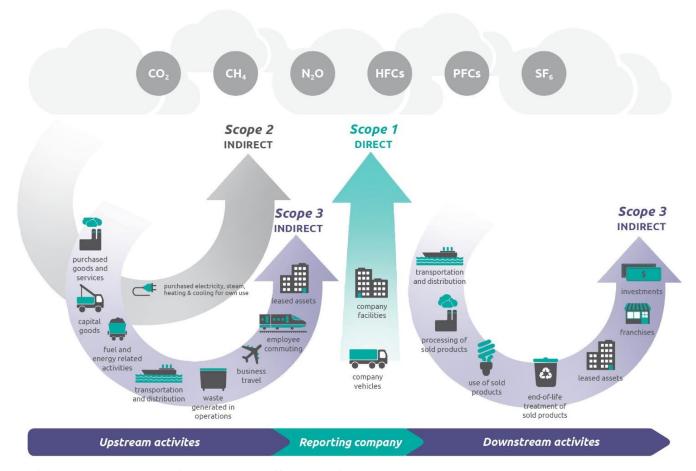
EWEB currently reports its internal operations emissions in accordance with the World Resources Institute Greenhouse Gas Protocol, and The Climate Registry's General Reporting Protocol. EWEB uses the World Resource Institute Scope 2 Guidance document to guide our calculations of Scope 2 emissions from purchased electricity. EWEB's internal GHG inventory excludes emissions from Scope 1 direct emissions from electricity generating activities. This is because EWEB separately reports our emissions associated with electricity generation to Oregon DEQ in accordance with requirements under DEQ's GHG Reporting Program. Therefore, EWEB does not currently follow guidance published under The Climate Registry's Electric Power Sector Protocol. We may choose to do this in addition to our DEQ reporting in the future.

In 2023, EWEB submitted our first response to CDP's Supply Chain Climate Disclosure.

World Resources Institute (WRI) GHG Protocol

The World Resource Institute Greenhouse Gas Protocol is the de factor international leader in GHG accounting and standard setting. It defined the types of gases that must be reported, and the Scopes of emissions that come from different types of business activities that have also become standard in GHG accounting nationally and internationally. See figure below.

Figure 20: Overview of Scores and Emissions throughout an Organization's Operations. Source: World Resources Institute and World Business Council on Sustainable Development GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.



WRI's website describes its formation and offerings as follows:

"The Paris Agreement commits countries to reduce GHG emissions to keep the global temperature rise below 1.5 degrees C to avoid the worst impacts of climate change. GHG Protocol arose out of the need to help countries and companies account for, report, and mitigate emissions, based on a report that identified an action agenda to address climate change that included the need for standardized measurement of GHG emissions.

Greenhouse Gas Protocol provides accounting and reporting standards, sector guidance, calculation tools and trainings for businesses and local and national governments. It has created a comprehensive, global, standardized framework for measuring and managing emissions from private and public sector operations, value chains, products, cities, and policies to enable greenhouse gas reductions across the board.

WRI and the World Business Council on Sustainable Development (WBCSD) created the GHG Protocol as an international standard for corporate accounting and reporting emissions, categorizing greenhouse gasses into Scope 1, 2 and 3 based on the source. In 2016, 92% of Fortune 500 companies responding to the Climate Disclosure Project (CDP) used GHG Protocol directly or indirectly through a program based on GHG Protocol. GHG Protocol also provides webinars and e-learning courses on its standards and tools."²⁸

²⁸ WRI GHG Protocol: Greenhouse Gas Protocol | World Resources Institute (wri.org)

Links and Relevant Resources

- World Resources Institute GHG Protocol website
- <u>The GHG Protocol Corporate Accounting and Reporting Standard</u> provides requirements and guidance for companies and other organizations preparing a corporate-level GHG emissions inventory.
- <u>The Scope 2 Guidance</u> standardizes how corporations measure emissions from purchased or acquired electricity, steam, heat and cooling (called "scope 2 emissions").
- <u>The Corporate Value Chain (Scope 3) Accounting and Reporting Standard</u> allows companies to assess their entire value chain emissions impact and identify where to focus reduction activities.
- <u>The Project Protocol</u> provides specific principles, concepts, and methods for quantifying and reporting GHG reductions—i.e., the decreases in GHG emissions, or increases in removals and/or storage—from climate change mitigation projects (GHG projects).

The Climate Registry

With protocols and guidance based on WRI's GHG Protocol, The Climate Registry (TCR) provides North American entities a way to report and verify their emissions and therefore demonstrate their commitment to fighting climate change. TCR was created prior to many of the state regulations that required government and business GHG reporting and still allows for voluntary, standard-based, rigorous and verified emissions reporting for all types of organizations whether they are located in a state with GHG reporting requirements or not.

TCR's website describes its formation and offerings as follows:

"The Climate Registry (TCR) is a non-profit organization that empowers North American organizations to do more in the fight against climate change. We provide best-in-class services and tools that help companies, governments and institutions reduce their emissions.

Established in 2007, The Climate Registry was formed to continue the work of the California Climate Action Registry (CCAR). CCAR was developed by the State of California in 2001, to promote and protect businesses' early actions to manage and reduce their greenhouse gas emissions. Recognizing that climate change is a global issue and success in emissions reporting must be based on consistent data in an integrated system that stretched beyond California's borders, The Climate Registry was established to expand CCAR's emissions reporting work to include all of North America.

The Climate Registry is empowering organizations in all sectors to reduce their carbon footprint. Working with a coalition of climate leaders from state and provincial governments, corporations, nonprofits and universities, we have made tremendous progress to date."

5.1 TABLE 5.1 Expected Emissions Categories for Various EPS Organizations

EPS Report Entity Type

	Fossil Generator¹	Other Generator ²	Transmission Company, Balancing Authority, ISO ³	Local Distribution Company ⁴	Marketer/ Intermediary/ Retail Provider ⁵
Direct Emissions (Scope 1)					
Stationary Combustion	√	√			
Process Emissions	√	√			
Fugitive Emissions	√	√			
Direct Emissions (Biogenic)					
Stationary Combustion		√			
Process		√			
Indirect Emissions (Scope 2)					
Bulk Power Transmission Losses			√		
Wheeled Power			√		
Local T&D Losses				√	√
Purchased and Consumed Electricity	√	√	√	√	√
Other Indirect Emmisions (Scope 3) 6					
Specified Purchases			√	√	√
Other Purchases			√	√	√
Direct Access			√	√	
Power Exchanges			√	√	
Wheeled Power			√		

Notes:

- 1. Fossil Generator is an entity that owns, controls or shares ownership in a facility that uses fossil fuels for power generation, including coal, oil, waste oil fuel or waste tires. These entities will report emissions and power output for these facilities.
- 2. Other Generator is any entity that generates power at facilities using fuels and technologies that are not fossil fuels. Relevant facilities include nuclear, hydro, geothermal, biomass, biogas, and other renewable power generation. These entities will report anthropogenic and biogenic emissions, if applicable, and power output by facility.
- 3. Transmission companies, Balancing Authorities and Independent System Operators are required to report indirect emissions if they control the bulk power transmission systems they oversee.
- 4. Local Distribution Companies are required to report indirect emissions if they control a local transmission and distribution system.
- 5. Power Marketers, intermediaries and retail service providers that do not own or control physical assets (such as generation facilities or transmission or distribution systems) are not responsible for reporting Scope 1 emissions. The only Scope 2 emissions these entities are expected to have are those associated with purchased and consumed electricity. These entities may opt to report emissions associated with the power they purchase for resale (Scope 3). This is a necessary step for marketers, intermediaries or retail service providers that choose to report power deliveries metrics and do not already report their purchases as part of a T&D loss calculation.

The Figure above, pulled from The Climate Registry's Electric Power Sector Protocol, provides additional guidance, beyond the 3 Scope definitions provided by the World Resources Institute GHG Protocol that is specific for Electric Utilities.

How does this relate to EWEB?

EWEB does not currently report its emissions in accordance with The Climate Registry's Electric Power Sector Protocol. Instead, EWEB reports its emissions associated with electricity generation to the Oregon Department of Environmental Quality's Greenhouse Gas Reporting Program and DEQ publishes a carbon intensity metric for EWEB customers to use when calculating their carbon footprints from purchased EWEB electricity.

Based on the Electric Power Sector Protocol's Table 5.1 excerpted above, EWEB is considered an "Other Generator", a "Transmission Company", a "Local Distribution Company" and a "Retail Provider".

Links and Relevant Resources

- The Climate Registry's Website
- The Climate Registry's Protocol Documents page. Includes links to:
 - The Climate Registry's General Reporting Protocol
 - The Climate Registry's Local Government Operations Protocol
 - o The Climate Registry's Electric Power Sector Protocol
 - The Climate Registry's Default Emissions Factors (updated annually)

CDP, formerly called the Carbon Disclosure Project, is an environmental disclosure system that was created on behalf of investors to document environmental risks, opportunities, and leadership that could impact an organization's financial performance. It has expanded to government entities and now includes disclosures on climate, water, and forestry. As of March 2022, more than 680 financial institutions with US\$130+ trillion in assets call on nearly 10,400 companies to disclose environmental data through CDP. CDP's disclosure platform is in alignment with the Task Force on Climate-Related Financial Disclosures, launched in 2017. CDP's Climate questionnaire asks reporting entities to disclose its GHG emissions and asks which reporting protocol is being used for the disclosure process. Both WRI's GHG Protocol and The Climate Registry's General Reporting Protocols, among others, are accepted for this disclosure. Reporting entities receive scores on their disclosures, thus incentivizing action and driving change. CDP's website describes its formation and offerings as follows:

"Founded in 2000, CDP was the first platform to leverage investor pressure to influence corporate disclosure on environmental impact. Now with the world's largest, most comprehensive dataset on environmental action, the insights that CDP holds empowers investors, companies, cities, and national and regional governments to make the right choices today to build a thriving economy that works for people and planet in the long term."

How does this relate to EWEB?

In 2023, a large industrial customer requested that EWEB complete CDP's Supply Chain Climate Questionnaire. Once scored, this disclosure will become publicly available. This was EWEB's first CDP disclosure.

- CDP
- <u>Task Force on Climate-related Financial Disclosures</u>. The Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information.
- CDP Scores for Companies and Cities

RELEVANT EMISSIONS FACTORS

EWEB recognizes that entities within our service area may have questions about which emissions factors they should use in their own GHG calculations when they buy electricity from EWEB. In this section of the Guidebook, EWEB seeks to provide access to information and emissions factors available for this work.

Please Note: This section is intended for GHG accounting professionals engaged in technical analysis on behalf of their organizations. The resources provided are not exhaustive. EWEB recognizes that other resources may be appropriate to use in different contexts. EWEB is not responsible for misuse of this information, nor is EWEB responsible for updating emissions factors at the source locations included in this section. EWEB provides the links/references here only as a service to our customers to support their decarbonization efforts.

Several potential use-cases are included in this section of the report, including guidance and resources for:

- Entities seeking emissions factors for calculating Scope 2 emissions from purchased EWEB electricity.
- Entities seeking to estimate emission reduction benefits from energy efficiency & clean energy projects.
- Entities seeking to estimate the GHG impact of transportation electrification projects and potential credit generation under the Oregon Clean Fuels program.

Resources for Entities Seeking Emissions Factors for Scope 2 GHG Calculations from Purchased EWEB Electricity Often, the first step in determining the appropriate emissions factor to use in calculating Scope 2 emissions from purchased electricity is to follow the guidance offered in **Chapter 6 of the World Resources Institute Scope 2 Guidance Document (see link below)** to determine if your organization will be reporting using the location-based method or the market-based method.

Figure 22: WRI Scope 2 Guidance, Chapter 6, Figure 6.1 Decision Tree to Determine which Accounting Method to Use for Scope 2

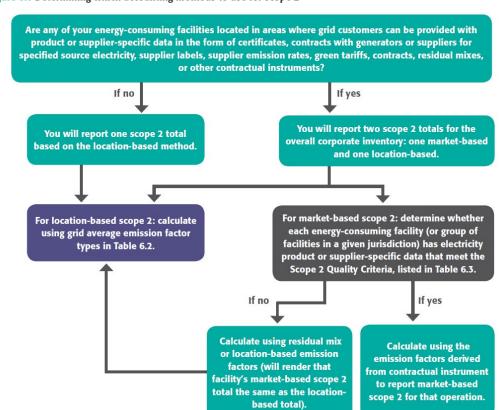


Figure 6.1 Determining which accounting methods to use for scope 2

How does this Decision-Tree relate to EWEB?

As can be seen in the excerpted decision tree from Chapter 6 of WRI's Scope 2 Guidance document, the answer to the first question is **yes** for EWEB's customers. Oregon DEQ calculates supplier emissions rates by utility provider. Therefore, for most EWEB customers, **the guidance recommends reporting Scope 2 emissions using both the location-based and the market-based methods**.

Continuing in the decision tree under the market-based scope 2, it asks if the supplier-specific data meets the Scope 2 quality criteria listed in Table 6.3. For EWEB's DEQ utility-specific emissions factor, the answer to this question is also **yes**.

In EWEB's internal GHG inventory, we report our emissions using both the Location-Based Method and the Market-Based Method. Progress towards EWEB's internal emissions reduction goals is usually tracked using the Market-Based Method.

Continuing in Chapter 6 of the World Resources Institute Scope 2 Guidance Document (see link below), the guidance provides a hierarchy of data sources that can be used to calculate both the Location-Based and the Market-Based methods. Excerpted below is the location-based method emissions factor hierarchy. As can be seen, the eGRID regional total output emissions rate is considered more precise than using a national emissions factor. This resource is linked below.

Figure 23: WRI Scope 2 Guidance, Chapter 6 Table 6.2 Location-Based Method Emissions Factor Hierarchy

Table 6.2 Location-based method emission factor hierarchy

Data forms listed here should convey combustion-only (direct) GHG emission rates, expressed in metric tons per MWh or kWh.

Emission factors	Indicative examples
Regional or subnational emission factors	
Average emission factors representing all electricity production occurring in a defined grid distribution region that approximates a geographically precise energy distribution and use area. Emission factors should reflect net physical energy imports/exports across the grid boundary.	eGRID total output emission rates (U.S.) ^a Defra annual grid average emission factor (U.K.) ^b
National production emission factors Average emission factors representing all electricity production information from geographic boundaries that are not necessarily related to dispatch region, such as state or national borders. No adjustment for physical energy imports or exports, not representative of energy consumption area.	IEA national electricity emission factors ^c

Notes:

- a Although eGRID output rates represent a production boundary, in many regions this approximates a consumption or delivery boundary, as eGRID regions are drawn to minimize energy imports/exports. See: http://www.epa.gov/cleanenergy/energy-resources/egrid/index.html.
- b See Defra: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/224437/pb13988-emission-factor-methodology-130719.pdf.
- c IEA emisison factors do not adjust for imports/exports of energy across national boundaries. See: http://data.iea.org/ieastore/product.asp?dept_id=101&pf_id=304.

For the Market-based method emissions factor hierarchy from Chapter 6 (Table 6.3), Oregon DEQ's EWEB-specific GHG Reporting Program emissions factor would be considered a Supplier/Utility Emissions Rate. This resource is also linked below.

Table 6.3 Market-based scope 2 data hierarchy examples

Data forms listed here should convey combustion-only (direct) GHG emission rates, expressed in metric tons per MWh or kWh. Reporting entities should ensure that market-based method data sources meet Scope 2 Quality Criteria. Instruments listed here are not guaranteed to meet Scope 2 Quality Criteria, but are indicative of instrument type.

Emission factors	Indicative examples	Precision
Energy attribute certificates or equivalent instruments (unbundled, bundled with electricity, conveyed in a contract for electricity, or delivered by a utility)	 Renewable Energy Certificates (U.S., Canada, Australia and others) Generator Declarations (U.K.) for fuel mix disclosure Guarantees of Origin (EU) Electricity contracts (e.g. PPAs) that also convey RECs or GOs Any other certificate instruments meeting the Scope 2 Quality Criteria 	Higher
Contracts for electricity, such as power purchase agreements (PPAs) ^a and contracts from specified sources, where electricity attribute certificates do not exist or are not required for a usage claim	 In the U.S., contracts for electricity from specified nonrenewable sources like coal in regions other than NEPOOL and PJM Contracts that convey attributes to the entity consuming the power where certificates do not exist Contracts for power that are silent on attributes, but where attributes are not otherwise tracked or claimed 	
Supplier/Utility emission rates, such as standard product offer or a different product (e.g. a renewable energy product or tariff), and that are disclosed (preferably publicly) according to best available information	 Emission rate allocated and disclosed to retail electricity users, representing the entire delivered energy product (not only the supplier's owned assets) Green energy tariffs Voluntary renewable electricity program or product 	
Residual mix (subnational or national) that uses energy production data and factors out voluntary purchases	• Calculated by EU country under RE-DISS project b, c	
Other grid-average emission factors (subnational or national) – see location-based data	 eGRID total output emission rates (U.S.).^d In many regions this approximates a consumption-boundary, as eGRID regions are drawn to minimize imports/exports Defra annual grid average emission factor (UK) IEA national electricity emission factors^e 	Lower

Notes.

- a Because PPAs are the primary example of this type of instrument used in the markets consulted in this TWG process, this class of instrument may be referred to in shorthand as "PPAs" with the recognition that other types of contracts that fulfill a similar function may go by different names.
- b See: http://www.reliable-disclosure.org/static/media/docs/RE-DISS_2012_Residual_Mix_Results_v1_0.pdf.
- c The Norwegian authority also publishes a residual mix emission factor that can be found here: http://www.nve.no/en/Electricity-market/ Electricity-disclosure-2011/.
- d See: http://www.epa.gov/cleanenergy/energy-resources/egrid/index.html.
- e See: http://www.epa.gov/cleanenergy/energy-resources/egrid/index.html.

Figure 25: Oregon Department of Environmental Quality EWEB Utility-Specific Emissions factors, 2010-2021

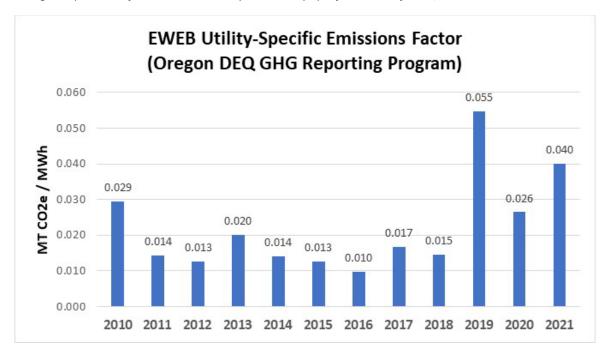


Figure 26: US EPA's eGRID Regional Total Output Emissions Rate for NWPP, 2010-2021. Note: data for years 2010-2018 was only calculated every other year. Annual reporting began in 2018.

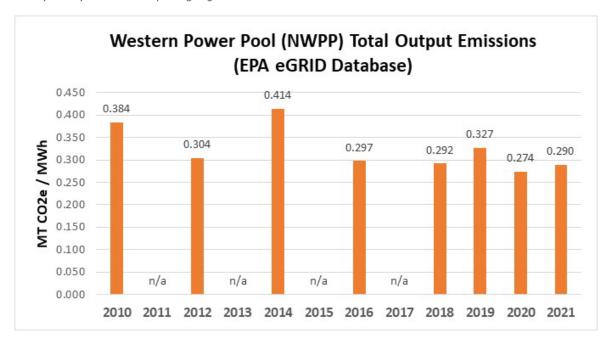
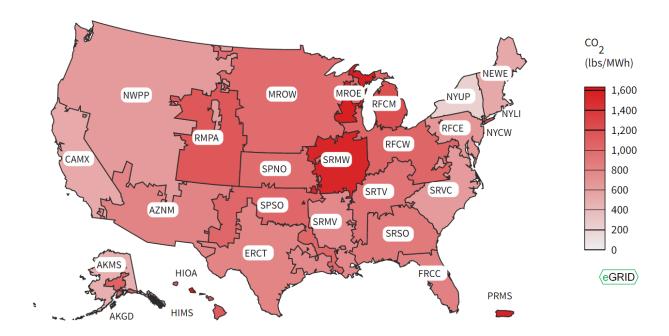


Figure 27: US EPA's eGRID Subregion Map showing Carbon dioxide in Pounds / MWh for 2021. Source: Power Profiler | US EPA

This map provides <u>eGRID subregion</u> average emission rates in pounds per <u>MWh</u>.



- WRI GHG Protocol Scope 2 Guidance for Market-Based vs. Location-Based Scope 2 accounting methods.
- US EPA Emissions & Generation Resource Integrated Database (eGRID) Home
- EPA eGRID's regional Total Output Emissions Rate for the Northwest Power Pool (NWPP)
- Oregon DEQ's Greenhouse Gas Reporting Program
- Oregon DEQ's 2010-2021 Greenhouse Gas Emissions from Electricity Use.
- US EPA Green Power Partnership: Offsets and RECs What's the Difference?

Resources for Entities Seeking to Estimate Emissions Reduction Benefits from Energy Efficiency or Clean Energy Projects

Entities engaged in estimating the emissions reduction benefits from energy efficiency or clean energy projects may seek to understand the marginal or peak carbon reductions associated with their efforts. EPA eGRID database provides a different set of emissions factors for this use-case, called the **Non-Baseload Emissions Rate**. These Non-Baseload Emissions Rates are different from the EPA eGRID Total Output Emissions Rates that were referenced in the previous section.

US EPA recommends using non-baseload emissions factors when you estimate the carbon impacts of projects that reduce electricity emissions, like conservation or energy efficiency. However, the non-baseload emissions factors should NOT be used when calculating annual greenhouse gas inventories or carbon footprints. As described in the previous section, for calculating annual greenhouse gas inventories or carbon footprints, the EPA eGRID Total Output Emissions Rates are more appropriate.

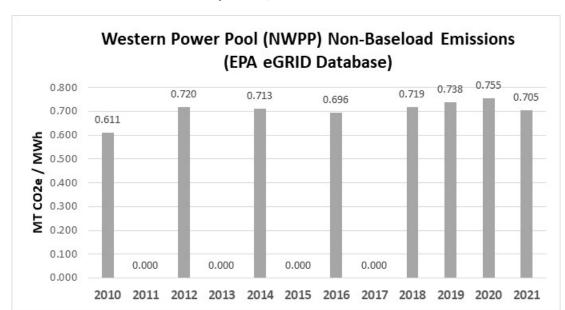


Figure 28: US EPA eGRID Non-Baseload Emissions Rate for NWPP, 2010-2021

Links and Relevant Resources:

EPA eGRID's regional Non-Baseload Output Emissions Rate for the Northwest Power Pool

Additional Notes and References:

This set of emissions factors is defined by EPA as follows:

"Non-baseload output emission rates were developed to provide an improvement over the fossil fuel output emission rates as an estimate of emission reduction benefits from energy efficiency and clean energy projects. Demand for electricity changes diurnally and seasonally. The term "baseload" refers to those plants that supply electricity to the grid when demand for electricity is low. Baseloaded plants are usually called upon to provide electricity to the grid no matter what the demand for electricity is during any given period of time, and generally operate continually except when undergoing routine or unscheduled maintenance.

Non-baseload emission rates are a slice of the system total mix, with a greater weight given to plants that operate coincident with peak demand for electricity. In eGRID, the capacity factor of each plant is used as a surrogate for determining whether a plant is baseloaded and how much of each plant's generation is considered

to be non-baseloaded. Non-baseload emission rates are the output emission rates for plants that combust fuel and have capacity factors less than 0.8, weighted by generation and a percent of generation determined by capacity factor. The non-baseload emissions and generation include only emissions and generation from combustion sources and exclude emissions and generation from plants that have high capacity factors. The remaining emissions and generation are weighted by a factor which is a function of capacity factor. These data values are derived from plant level data and factor out baseload generation, which is generally unaffected by measures that affect marginal generation. This rate is the sum of the non-baseload emissions divided by the sum of non-baseload net generation, divided by a unit conversion factor.

In eGRID, these values are displayed beginning at the state aggregation level. eGRID subregion CO2 non-baseload output emission rates are the underlying data in <u>EPA's Greenhouse Gas Equivalencies Calculator</u> since the results of the calculation is the potential amount of avoided CO2 emissions. These rates are also the underlying data for <u>EPA's Green Power Equivalency Calculator</u>, which helps to translate a green power kWh purchase into more understandable everyday terms such as equivalencies to coal plant CO2 emissions or greenhouse gas emissions from passenger vehicles or CO2 emissions from electricity use in American homes, for example.²⁹

While non-baseload emissions rates can be used to estimate the emissions reductions associated with projects that displace electricity generation, such as energy efficiency and/or renewable energy, these rates should not be used for assigning an emission value for electricity use in carbon-footprinting exercises or GHG emissions inventory efforts. Rather, eGRID subregion-level total output emission rates are recommended for estimating emissions associated with electricity use (scope 2 emissions). 30 "

²⁹ https://www3.epa.gov/ttnchie1/conference/ei18/session5/rothschild.pdf

³⁰ eGRID Technical Guide: https://www.epa.gov/system/files/documents/2022-01/egrid2020 technical guide.pdf

Resources for Entities Seeking to Estimate the GHG Impact of Transportation Electrification Projects and Potential Credit Generation Under the Oregon Clean Fuels Program

Entities engaged in transportation electrification or other types of transportation related fuel-switching to lower carbon fuels may be interested in estimating the carbon impact of their project or the potential for credit generation under the Oregon Clean Fuels Program.

In this case, Oregon DEQ calculates a *lifecycle* utility-specific emissions factor for utility providers in the state that is based on the total output emissions rate calculated under the Oregon DEQ GHG Reporting Program but includes upstream emissions from fuel feedstocks procurement, fuel manufacturing and transportation of finished product to the point of consumption. This is sometimes known as a well-to-wheels lifecycle analysis.

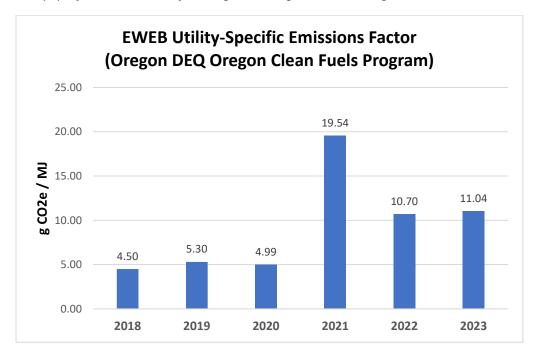


Figure 29: EWEB Utility-Specific Emissions Factors from Oregon DEQ Oregon Clean Fuels Program

Note: Please note that even though the Oregon Clean Fuels emissions factors are based on the emissions factors calculated as part of the DEQ GHG Reporting Program (discussed above), the years of emissions factors don't match between the two programs. There is a 2-year lag in calculations. For example, the 2023 Clean Fuels Program emissions factor is calculated based on the 2021 GHG Reporting Program Emissions Factors.

Regulated entities include transportation fuel producers and importers of fossil gasoline, fossil diesel, ethanol, biodiesel, and renewable diesel. They are required to meet the declining carbon intensity cap for the fuels they sell. One way to meet the program requirements is to purchase credits from entities that generate credits by developing low-carbon transportation fuels. Credits are measured in metric tons of GHGs. Credits can be sold to regulated entities, which in turn produces revenue to pay for projects that lower GHGs.

For credit generators, the credits flow to the following entities³¹:

- For compressed natural gas (CNG), liquified natural gas (LNG), and liquified petroleum gas (LPG), the credits flow to the owner of the dispenser.
- For renewable natural gas (RNG), propane, and jet fuel, the credits flow to the producer or importer.

³¹ Oregon Clean Fuels Program Overview: <u>Department of Environmental Quality: Clean Fuels Program Overview : Oregon Clean Fuels Program : State of Oregon</u>

For electricity:

- o For fixed light rail, streetcars, aerial trams, buses, credits flow to the transit agency.
- o For forklifts, the credit flows to the forklift owner.
- o For residential EV charging, the credits flow to the electric utility.
- For non-residential EV charging, credits flow to the charger owner or the operator if the owner does not register.
- o For transportation refrigeration units, credits flow to the owner of the refrigeration unit.
- o For cargo handling equipment, credits flow to the owner of the charging equipment.
- For ocean-going vessels, credits flow to the owner of the equipment that provides electrical power from the shore.
- o For ground-support equipment, credits flow to the owner of the charging equipment.
- For hydrogen, credits flow to the owner of the fuel.
- For alternative or sustainable jet fuel (SAF), credits flow to the fuel producer or importer.

- OR Clean Fuels Program Electricity Guidance Documents
- OR DEQ Clean Fuels Program Electricity Carbon Intensity Values for 2023.
- OR Clean Fuels Program Fuel Pathways Carbon Intensity Values
- OR Clean Fuels Program Current List of Carbon Intensity Values
- Guidance on Utility-Specific Electricity Carbon Intensity Calculations in GREET
- OR Clean Fuels Credit Estimator. Excel spreadsheet to estimate expected credits.

APPENDIX F: EWEB'S ROLE IN CITY OF EUGENE'S CAP2.0

HISTORY AND IMPLEMENTATION OF EUGENE'S CLIMATE ACTION PLAN (CAP) 2.0

Eugene has a long history of climate action within both city government operations and the community. The city conducted its first Community Climate and Energy Action Plan in 2010. In 2014, City Council passed the first version of its Climate Recovery Ordinance (CRO), which was updated to its current form in 2016. The CRO includes 4 bold goals – two focused on the community including residents and businesses and two focused on city operations (see box).

In 2017-2018, Eugene updated its climate action plan for city operations and kicked off the process to engage the broader community to develop an update to their 2010 Climate and Energy Action Plan 1.0.

In summer of 2020, Eugene published CAP2.0. This was the culmination of a two-year process to engage with a broad coalition of stakeholders to identify and quantify opportunities and commitments to move towards reduced fossil fuel use, carbon neutrality, and climate change adaptation.

Eugene's Climate Recovery Ordinance

Community goals:

- Reduce community fossil fuel use by 50% of 2010 levels by 2030.
- Reduce total community greenhouse gas emissions to an amount that is no more than the city of Eugene's average share of a global atmospheric greenhouse gas level of 350 ppm by 2100, which was estimated in 2016 to require an annual average emission reduction level of 7.6%.

City Operation goals:

- All City of Eugene owned facilities and operations shall be carbon neutral by 2020, meaning no net release of greenhouse gas emissions.
- Reduce the City of Eugene's use of fossil fuels by 50% compared to 2010 usage.

Source: City of Eugene, Climate Recovery Ordinance

EUGENE CLIMATE COLLABORATIVE (ECC), LARGE-LEVER SHAREHOLDERS

As part of the CAP2.0 coalition building process, the City of Eugene explains on its website, "the project team focused its engagement on systems-level actors across the community, creating the Eugene Climate Collaborative Partners (ECC). ECC Partners were deliberately defined as organizations who have significant oversight and impact on community-wide fossil fuel use and emissions or can affect or alter systems that will enable the community to adapt and prepare for climate change." 32

ECC partners include City of Eugene, Lane County, Bethel School District, Eugene 4J School District, Lane Community College (LCC), University of Oregon, Lane Transit District (LTD), **Eugene Water & Electric Board** (EWEB), Metropolitan Wastewater Management Commission (MWMC), NW Natural, PeaceHealth, Eugene Area Chamber of Commerce.

³² Eugene CAP2.0, page 15, Eugene Climate Collaborative Partners. Downloaded from https://www.eugene-or.gov/4284/Climate-Action-Plan-20.

Figure 30: City of Eugene CAP2.0 List of Eugene Climate Collaborative Large-Lever Shareholders



EWEB's COMMITMENTS IN CAP2.0

One of the guiding principles of the CAP2.0 is to "start with a foundation of commitments". The plan records a set of voluntary commitments from participating ECC members. By documenting and quantifying the impact of these action items and commitments, our community can identify leaders and create accountability for follow-through.

EWEB submitted a series of commitments in CAP2.0 throughout the categories of Transportation, Building Energy, and Resiliency. These are summarized below with their CAP2.0 assigned action item numbering (example T38 is the 38th action item within the Transportation section). The text in italics is directly from the CAP2.0 document. In the time since publication in summer of 2020, some items have changed and notes to that effect are listed for each section.

Transportation

The table below provides a summary of EWEB's Transportation commitments in CAP2.0.

Transport	tation Action Item	is
Action Item #	Topic	Description Details from CAP2.0
T24	EV marketing & awareness	COE and EWEB to increase the number of EV-centered ride and drive consumer education events. This action is scheduled to be completed between 2023 and 2025.
T36	EV market transformation	EWEB will focus on an evolution of targeted market transformation programs and efforts to increase EVs in the community, including dealership engagements and incentives, education campaigns, and ride and drive events. Funding for this action primarily comes from the Clean Fuels Program (CFP).
Т37	EV infrastructure incentives	EWEB to incentivize commercial and residential charging infrastructure and to support regional efforts to expand available charging network, including EWEB-owned stations at its properties. Funding for this action primarily comes from the Oregon Clean Fuels Program (CFP).
T38	EV support to underserved communities	EWEB to explore ways to increase EV use in underserved populations through efforts and programs including partnerships with key agencies, grants, culturally appropriate outreach and education, and non-ownership models like multi-family car sharing. Funding for this action primarily comes from the Clean Fuels Program (CFP).
T40	EWEB owned fleet GHG reduction goals	LCC, Lane County, and EWEB continue to invest in fuel efficient motor pools. Public agencies are focused on purchasing electric vehicles when practical and high efficiency hybrids or diesels when necessary. These vehicles require less maintenance and have lower operating costs than the vehicles they are replacing.

Each of these commitments are discussed in detail in the coming sections.

T24 and T36: EV Market Support Initiatives
Under the Oregon Clean Fuels Program, credits
associated with residential vehicle electrification are
calculated by the Oregon Department of
Environmental Quality (DEQ). For EWEB, credit
calculations are based on:

- The number of EVs registered in a EWEB's service area, using vehicle registration data from Department of Motor Vehicle (DMV).
- An estimate of the amount of electricity used per EV, derived from direct and non-direct metered data.
- The carbon-intensity of the EWEB's utilityspecific average (see Appendix E).

T24: EV Marketing & Awareness

COE and EWEB to increase the number of EV-centered ride and drive consumer education events. This action is scheduled to be completed between 2023 and 2025.

T36: EV Market Transformation

EWEB will focus on an evolution of targeted market transformation programs and efforts to increase EVs in the community, including dealership engagements and incentives, education campaigns, and ride and drive events. Funding for this action primarily comes from the Clean Fuels Program (CFP).

This has provided EWEB with a new source of funding, separate from ratepayer funds, that EWEB can use to support and advance electric mobility within our service territory. These programs are supported via funding from the Oregon Clean Fuels Program and are not supported using ratepayer dollars. **Per the Oregon Department of Energy EV Dashboard, as of March 2023, EWEB has 3,170 registered electric vehicles within its service territory**³³.

EWEB supports electric mobility education and market transformation in several ways (T24/32, T37, and T38 below). Key 2022 EV market support initiatives included:

- **rEV Up! Eugene Workshops**: EWEB and our community partners, such as the Emerald Valley Electric Vehicle Association, host events to provide customers the opportunity to ask questions and experience electric transportation firsthand. Support for rEV Up electric vehicle education workshops
- **Electric vehicle test-drive events:** Through Electric Car Guest Drive events, community members can test drive an electric vehicle and learn about the benefits of switching to an EV from existing EV owners. EWEB held two events in 2022 in May and August, reaching 231 drivers.
- Free charging stations: EWEB has installed free public level 2 electric vehicle charging stations at its headquarters building at 5th near the Willamette River in downtown Eugene, at its Roosevelt Operations Center in West Eugene, and at its Leaburg facility up the McKenzie River. They are available for community and employee use.

- EWEB Oregon Clean Fuels 2021 Clean Fuels Credits Revenue Spending Report (April, 2022)
- Oregon Clean Fuels Program: Electric Utilities and the Clean Fuels Program
- Oregon Clean Fuels Program: Electricity Guidance Documents
- Oregon Department of Energy Electric Vehicle Dashboard

³³ https://www.oregon.gov/energy/Data-and-Reports/Pages/Oregon-Electric-Vehicle-Dashboard.aspx

T37: EV Infrastructure Incentives

Replacing a fossil fuel-burning car with an allelectric model powered by EWEB's clean electricity is a great way to lower a household's carbon footprint. But to achieve the greatest environmental benefit, it is important to charge your EV at the right time. Charging an EV right after work, when power consumption is highest,

T37: EV Infrastructure Incentives

EWEB to incentivize commercial and residential charging infrastructure and to support regional efforts to expand available charging network, including EWEB-owned stations at its properties. Funding for this action primarily comes from the Oregon Clean Fuels Program (CFP).

increases use of fossil fuel-burning generators in the region required to meet peak demands, and leads to higher power prices and infrastructure costs.

For the cleanest power, charge your car between 10 p.m. and 6 a.m. Charging during off-peak times, such as late evening, helps avoid or delay costly infrastructure investments and reduce market purchases at peak energy use times. Off-peak hours also coincide with the time when some renewable power sources are at their strongest—at night when the wind blows hardest and during mid-day when the sun shines brightest.

Most electric cars and Level 2 home chargers allow users to program the charge time, making it easy to fuel up with the cleanest possible power. It is for these reasons that EWEB offers incentives on electric vehicle charging infrastructure that allows users to program their charge times.

EWEB offers electric vehicle supply equipment (EVSE) incentives for residential and commercial applications. These programs are supported via funding from the Oregon Clean Fuels Program and are not supported using ratepayer dollars. Incentives offered and the 2022 incentive adoption rates include:

- \$500 Residential EVSE Rebates (Level 2): 228 installations completed in 2022
- \$1,500 Commercial EVSE Rebates (Level 2): 3 installations completed in 2022
- \$2,000 Commercial EVSE Rebates (Level 2) Affordable Housing: 1 installation completed in 2022
- \$10,000 Commercial EVSE Rebates (Direct Current Fast Charging) Single Port: 0 installations in 2022
- \$15,000 Commercial EVSE Rebates (Direct Current Fast Charging) Multi Port: 0 installations in 2022

Figure 31: 2022 Residential EV Incentive Adoption by Month

2022 Residential EVSE Incentive Adoption by Month										Totala			
Month	1	2	3	4	5	6	7	8	9	10	11	12	Totals
Rebates	18	13	17	20	15	24	13	29	13	22	25	19	228

Figure 32: Residential EV Incentive Adoption by Year 2020-2022

2020-2022 Residential EVSE Projects						
Year Projects						
2020	92					
2021	175					
2022	228					

For the Cleanest Power:

Charge your car between 10 p.m. and 6 a.m.

- Oregon Electric Vehicle Dashboard
- EWEB Website: EV Incentives
- US Department of Energy: Alternative Fuels Data Center Information about Federal and State Incentives

T38: EV Support to Underserved Communities
EWEB recognizes that not everyone has equal opportunity to purchase a new or used electric vehicle, either due to upfront cost of the vehicle or due to charging challenges, among other barriers. EWEB seeks to offer electric mobility and transportation programs that help bring equitable access to the technology.

T38: EV Support to Underserved Communities

EWEB to explore ways to increase EV use in underserved populations through efforts and programs including partnerships with key agencies, grants, culturally appropriate outreach and education, and non-ownership models like multi-family car sharing. Funding for this action primarily comes from the Clean Fuels Program (CFP).

These programs are supported via funding

from the Oregon Clean Fuels Program and are not supported using ratepayer dollars. Current equity-focused initiatives include:

- **GoForth Car Share**: EWEB has partnered with Forth, a non-profit organization supporting vehicle electrification to implement an electric car sharing program in Eugene. Forth offers similar programs throughout Oregon. The goal of the GoForth program is to provide access to affordable all-electric cars to test drive and use for errands, shopping, or appointments. Working in connection with St. Vincent de Paul and Lane Transit District, EWEB and Forth have placed two car share vehicles near affordable housing and the Santa Clara Transit Station to provide low-cost electric mobility and charging. A third vehicle is planned to be added in downtown Eugene. The first 4-hour ride with GoForth is free. Recurring rentals are \$4/hour. See table for 2022 usage information.
- Electric Mobility Community Grants: EWEB offered its first round of electric mobility community grants.
 The grants can be up to a maximum of \$25,000 and can be awarded to tax-exempt, academic, or public institutions in the Eugene community. In 2022, six grants were awarded see table for selected entities.
 Special consideration was given to projects that advanced electric mobility in underserved communities or with a defined equity component to their program, including areas without ample access to public charging.
- **Electric Bicycle Rebates**: EWEB offers a \$300 e-bike incentive to increase access to more affordable, zero-emission electric bikes and support our community's commitment to transportation electrification, and active transportation options.

Figure 33: Eugene GoForth Car Share User Information, 2022

2022 GoForth Car Share User Data							
Car Share Location Miles Driven Trips Users							
Saint Vincent de Paul Affordable Housing: Iris Place	2,529	109	10				
Lane Transit District: Santa Clara LTD Station	1,360	93	11				

Figure 34: EWEB Transportation Electrification Community Grant Recipients, 2022

2022 Transportation Electrification Community Grant Winners						
Community Entity	Project					
McKenzie School District	McKenzie Students Ride the E-Bus					
Lane County Public Works	EV Charging at the Public Service Building Parking Structure					
University of Oregon	E-Bike Lending Program					
Shift Community Cycles	E-Cargo Bike Loan & Education Program					
Lane Community College	EVSE Installation for LCC's Main Campus East Side					
Cascadia Mobility	Electric Trikes to support Bike Share Maintenance and Operations					

Figure 35: EWEB e-Bike Rebate Program Participation by Month, 2022

2022 EWEB E-Bike Program Adoption by Month (Program Started in April)									Totale		
Month	4	5	6	7	8	9	10	11	12	Totals	
Incentives	0	47	109	74	168	144	231	105	93	971	

- Forth Website: GoForth Car Share Information
- EWEB Electric Mobility Grants
- EWEB E-Bike Rebates

T40: EWEB Owned Fleet GHG Reduction Goals From 2010 and 2022, EWEB reduced its GHG emissions from owned fleet vehicles by 64%.

In 2022, EWEB had a fleet of 392 active pieces of equipment. Of that, 224 were vehicles (including pick-up trucks, dump trucks, bucket trucks, etc), there were 64 units of power

operated equipment, and 104 trailers. The fleet size increased nearly 6% in 2022 over 2021. EWEB's GHG reductions have been driven by a switch from fossil to renewable biofuels. The biggest impact has come from switching from fossil diesel to renewable diesel (R99) since 2015. Other gains in recent years have come from increased use of E85 ethanol vehicles. While EWEB has invested in electric passenger vehicles, the COVID-19 pandemic depressed EWEB's use-case for passenger vehicles and electric technology is not as mature for the other heavy-duty vehicle applications that make up the remainder of EWEB's fleet.

T40: EWEB-Owned Fleet GHG Reduction Goals

LCC, Lane County, and EWEB continue to invest in fuel efficient motor pools. Public agencies are focused on purchasing electric vehicles when practical and high efficiency hybrids or diesels when necessary. These vehicles require less maintenance and have lower operating costs than the vehicles they are replacing.

Figure 36: EWEB Fleet GHG Emissions, 2010-2022 (MT CO2e)

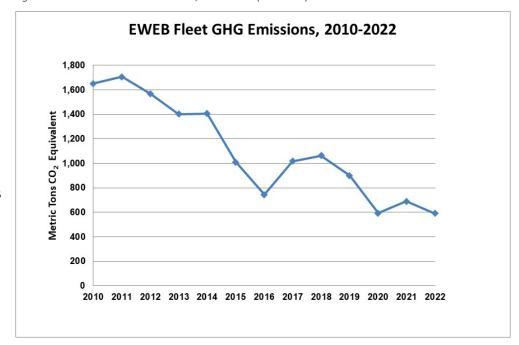


Figure 37: EWEB Fleet Fuel Consumption by Fuel Type, 2010-2022 (Gallons)

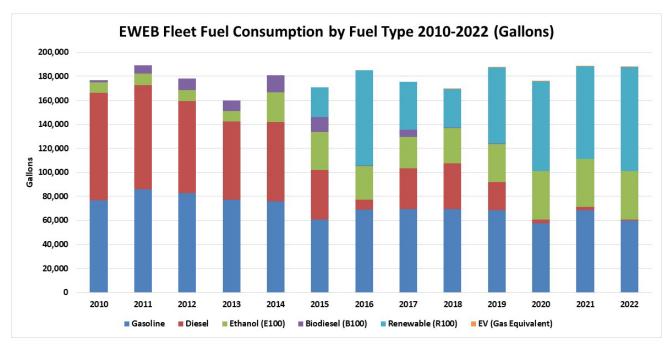


Figure 38: EWEB Fleet Fuel Consumption 2010-2022 (Gallons)

	Gallons									
Year	Fossil Gasoline	Fossil Diesel	Ethanol (E100)	Biodiesel (B100)	Renewable Diesel (R100)	EV (Gas Equivalent)	Total			
2010	76,670	89,684	8,518	1,830	0	0	176,702			
2011	86,149	86,565	9,573	6,835	0	0	189,122			
2012	82,760	76,435	9,196	9,580	0	0	177,971			
2013	77,127	65,201	8,569	9,002	0	0	159,899			
2014	75,897	66,159	24,596	14,331	0	0	180,983			
2015	60,740	41,374	31,741	12,026	25,024	0	170,905			
2016	68,883	8,462	27,974	403	79,492	0	185,214			
2017	69,651	33,837	25,842	6,136	39,917	0	175,383			
2018	69,311	38,394	29,184	496	32,023	25	169,433			
2019	68,617	23,468	31,284	587	63,353	25	187,334			
2020	57,718	3,164	40,218	127	74,529	15	175,770			
2021	68,556	2,660	39,789	99	77,132	48	188,284			
2022	59,782	1,136	40,128	51	86,480	103	187,680			
% Change 2010-2022	-22%	-99%	371%	-97%	n/a	n/a	6%			

Building Energy

The table below provides a summary of EWEB's Building Energy commitments in CAP2.0.

Building	Energy	
Action	High Level	Details from CAP2.0
Item#	Description	
Guiding	EWEB's	EWEB's IRP helps EWEB understand the resources, technology, and infrastructure
Policy	Integrated	that will be needed to meet customers' future electricity needs. EWEB's ongoing
	Resource Plan	electricity supply planning effort is aimed at optimizing power resources, assets,
	(IRP)	infrastructure, and customer products and services so that EWEB can continue to
		serve the community with clean, affordable, and reliable power, consistent with the
		values of EWEB's customer-owners.
B8	EWEB owned	EWEB is implementing adopted GHG reduction goals, which call for EWEB to reduce
	facility GHG	our net Scope 1 and 2 GHG emissions from operations relative to 2010 levels by:
	reduction	• 25% by 2020
	goal*	• 50% by 2030
		Achieve carbon neutrality from our operations by 2050
B9	Electrification	EWEB to complete an Electrification Impact Study in 2020-2021. The study will
	Study	explore the impacts of widespread electrification on our community. In this study,
		EWEB will hypothesize various electrification scenarios and assess potential impacts
		to power supply, demand, local infrastructure, and community greenhouse gas
		(GHG) emissions.
B10	Energy	EWEB working with community partners to support building upgrades with
	Efficiency	incentives for smart electrification and energy efficiency.
B11	Limited	EWEB and NWN limited income assistance programs and energy conservation
	Income	education programs, which provide eligible customers with rebates and incentives
	Programs	to lower and pay their bills.
B12	Load Growth	EWEB's commitment to conservation includes meeting all new base load growth
	via	through acquiring conservation rather than new energy resources. Each year, the
	Conservation	utility targets between 1.4 and 1.6 MW for acquisition, dedicating appropriate
		budget and human resources to those targets.
B13	Advanced	Once fully deployed, EWEB's advanced metering program will facilitate demand side
	Metering	management programs with customers to reduce energy use during peak periods.
	Infrastructure	EWEB has begun consumer education on the value of reducing energy use during
		peak periods and plans to develop programs to help consumers shift energy use off-
		peak through a combination of technology and pricing signals.

^{*}Text for B8 has been updated since CAP2.0 was published to reflect EWEB's current goals for GHG reduction from internal operations per EWEB's Board-approved Climate Change Policy, SD15.

Guiding Policy: EWEB's Integrated Resource Plan

EWEB began a process to update its Integrated Resource Plan (IRP) in 2022. An IRP is a long-term planning document to identify EWEB's energy needs over the next 20 years and the best resource options to meet those needs.

For more information about EWEB's 2023 IRP base-case results and

Guiding Policy: EWEB's Integrated Resource Plan

EWEB's IRP helps EWEB understand the resources, technology, and infrastructure that will be needed to meet customers' future electricity needs. EWEB's ongoing electricity supply planning effort is aimed at optimizing power resources, assets, infrastructure, and customer products and services so that EWEB can continue to serve the community with clean, affordable, and reliable power, consistent with the values of EWEB's customer-owners.

additional analysis, please see Section 3.3 in the Climate Guidebook above or see the links below.

- EWEB Website: Integrated Resource Plan
- IRP Fact Sheets:
 - o Is Solar a Good Fit for Our Community's Energy Needs?
 - o How can EWEB's IRP Incorporate Diversity, Equity, and Inclusion?
 - o What are Considerations Around Utility-Scale Storage in EWEB's Future Portfolio?
 - o IRP Next Steps: How and When Will EWEB Acquire New Resources?
 - o Planning for Long-term Carbon Reduction Goals in the IRP

B8: EWEB-owned facility GHG Reduction Goal

EWEB has been tracking our internal greenhouse gas emissions annually since 2009, in accordance with industry best standards and the World Resources Institute Greenhouse Gas Protocol. EWEB's Climate Change Policy (SD15) set specific GHG reduction goals for EWEB's internal operations (see box).

B8: EWEB-Owned Facility GHG Reduction Goal

EWEB is implementing adopted GHG reduction goals, which call for a reduction of Scope 1 and 2 GHG emissions from operations relative to 2010 levels by:

- 25% by 2020
- 50% by 2030
- Achieve carbon neutrality from our operations by 2050

In 2020, EWEB not only met but

exceeded both its 2020 and 2030 GHG reduction targets by achieving a 55% reduction in annual emissions. Some of this reduction can be attributed to the COVID-19 pandemic as some business travel in owned vehicles and some building energy use was reduced due to stay-at-home orders.

In 2021 and 2022, EWEB achieved a 35% and 44% reduction in emissions over the 2010 baseline respectively. EWEB is well on its way to meeting the ambitious goal of 50% reduction over baseline by 2030. Progress towards EWEB's internal GHG goals is calculated using a market-based approach to electricity emissions that uses the EWEB-specific emissions factor for purchased electricity as calculated by Oregon DEQ's GHG reporting program.

For more information about EWEB's internal GHG inventory results, please see section 6.2 above.

- <u>EWEB's website</u>: Our Commitment to the Environment
- March 7, 2023 Regular Board Meeting: Climate Guidebook Part 2: GHG Inventory and CAP2.0

B9: EWEB Electrification Study

In early 2020, EWEB's management and Commissioners agreed to develop a better understanding of the impacts of electrification on EWEB's future planning efforts. EWEB's first electrification study (November 2020), focused on the potential impacts of electrification without analyzing the costs to customers choosing to electrify. The Phase 2 report built on that initial analysis by considering the economics of electrification from multiple perspectives.

B9: EWEB Electrification Study

EWEB to complete an Electrification Impact Study in 2020-2021. The study will explore the impacts of widespread electrification on our community. In this study, EWEB will hypothesize various electrification scenarios and assess potential impacts to power supply, demand, local infrastructure, and community greenhouse gas (GHG) emissions.

For more information about EWEB's Phase 1 and Phase 2 Electrification Studies, please see Section 3.2 in the Climate Guidebook above or see the links below.

- EWEB Website: EWEB is Exploring the Impacts of Widespread Electrification in our Community
- EWEB Electrification Study Phase 1 Report (Oct 2020)
- EWEB Electrification Study Phase 2 Report (Nov 2021)

B10: EWEB Energy Efficiency Initiatives

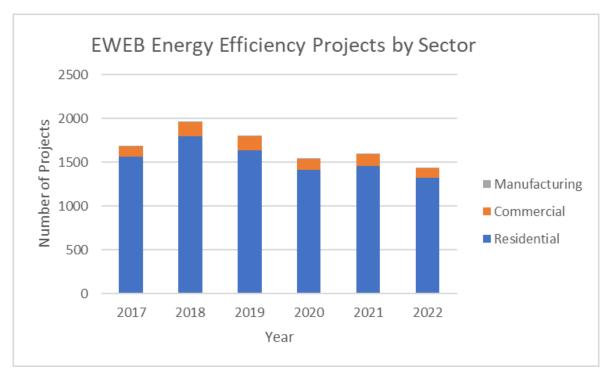
One way to reduce greenhouse gas emissions from energy use is to improve energy efficiency within buildings. This is especially true for energy that uses fossil fuels. EWEB works with customers to complete over 1,000 energy efficiency projects per year. The majority are in the residential sector,

B10: EWEB Energy Efficiency Initiatives

EWEB working with community partners to support building upgrades with incentives for smart electrification and energy efficiency.

due to the proportionally higher number of customers. The graph below shows number of EWEB energy efficiency projects by sector over the past six years.

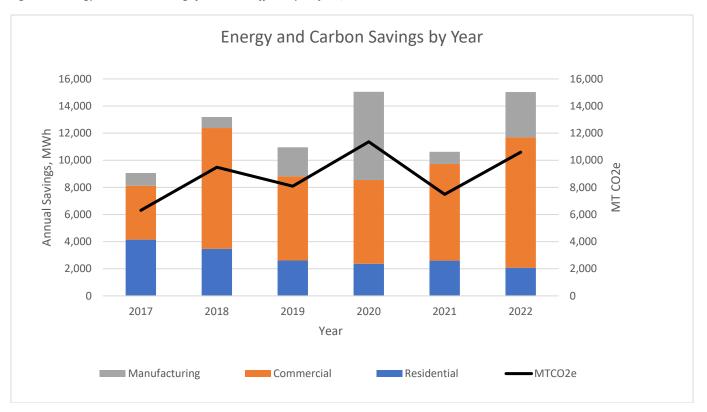
Figure 39: EWEB Energy Efficiency Projects by Customer Type, 2017-2022



The impact of energy savings from projects in the commercial and manufacturing sectors is typically higher than that the residential sector, due to the proportionally higher energy usage. These projects are much larger and involve much more intense energy use than residential projects. This is true for both electricity and natural gas.

GHG emissions are measured in Metric Tons (MT CO_2e). The below line graph shows CO_2 savings from electric energy efficiency projects completed between 2017-2022. The overlaid bar graph comparatively demonstrates savings in MWh from efficiency projects in each sector. Note that carbon savings is proportional to energy savings but also varies due to the estimated emissions factor per MWh of energy savings, which varies from year to year. EWEB used the EPA eGRID Non-Baseload Emissions Rate for the Northwest Power Pool (NWPP) in these calculations.

Figure 40: Energy and Carbon Savings from EWEB Efficiency Projects, 2017-2022



Since 2010 (the baseline year for the City of Eugene CAP 2.0) through 2022, EWEB conservation and efficiency programs have achieved a cumulative energy savings of about 1,208,000 MWhs, representing about 378,000 metric tons of avoided carbon emissions during that period. That's enough energy to power over 73,000 typical all-electric single-family homes for a year.³⁴

³⁴ <u>Greenhouse Gas Equivalencies Calculator | US EPA</u>

B11: EWEB Limited Income Programs

Affordability is one of EWEB's stated values. We understand the financial challenges customers are facing, and we want to find solutions to help customers to pay their bills.

Any customers struggling to pay their bills should call EWEB at 541-685-7000 from 8:30 a.m. to 5 p.m. Monday - Friday.

EWEB offers the following programs for customer financial support:

- EWEB Customer Care Program
- Community Partner Care Program (pilot, launched in 2023)
- Income-based Efficiency Rebates and Loans

Additionally, EWEB works with government partners to administer additional support through the following:

- Limited Income Home Energy Assistance Program (LIHEAP)
- Limited Income Home Water Assistance Program (LIHWAP)

EWEB Customer Care Program

<u>Income-eligible</u> customers can apply for bill assistance once per calendar year. Those who qualify will receive a \$280 bill credit. Social security numbers are not required on the application, as legal status is not an eligibility criterion. Applications for Customer Care open on the first business day of each month and funds are available on a first-come, first-served basis until fully committed for the month.

EWEB Customer Care (ECC) Program Results								
Q1 Q2 Q3 Q4 YTD								
2022 Actual	\$534,240	\$300,160	\$251,405	\$249,795	\$1,335,600			
2022 Recipients	1908	1072	898	892	4770			
2021 Actual	\$485,940	\$326,400	\$218,400	\$269,080	\$1,299,820			
2021 Recipients	1867	1051	780	961	4659			

The pacing of Customer Care activity was relatively consistent with higher numbers of customers applying in the first quarter as the program year renews. Consistent with 2021, EWEB was able to maintain continuous access to bill assistance through the end of the year. Even given a slight increase (2.7%) in ECC spending in 2022 compared to 2021, administrative fees for income verification in 2022 were just \$84k (38% under budget), representing an overhead cost of 6% of the total benefit distributed.

In addition to the Customer Care Program, EWEB collects community donations via the Energy Share program for funds to support customers who have difficulty paying their bills, and to supplement Customer Share's budget to assist additional customers. In 2022, the funds collected from Energy Share amounted to \$230,000 and were distributed to 1,100 customers. These customers do not have the same eligibility requirements as the Customer Care Program.

B11: EWEB Limited Income Programs

EWEB and NWN limited income assistance programs

and energy conservation education programs, which

lower and pay their bills.

provide eligible customers with rebates and incentives to

2020 Actuals ### 2021 Actuals ### 2022 Actuals ### 2022 Actuals ### 2020 Actuals ### 20

Figure 41: EWEB Customer Care Funding Distributed by Month 2020-2022

Community Partner Care Program

Electricity is an essential service that enables local organizations to provide safe housing for those experiencing homelessness or extended outages. In addition to existing housing disparities, climate change is impacting our community beyond severe cold weather events. Extended fire seasons, hotter days and air quality events impact the unhoused community disproportionally and will demand a larger community support system that targets resources outside of Warming Centers.

This is an opportunity for EWEB to proactively assist organizations that are on the front lines of providing services during a crisis or year-round. Beginning January 2023 eligible organizations can apply for EWEB bill credits to cover 10% of annual EWEB utility charges with a grant cap based on duration of operations.

Qualifications

- Organizations must have 501(c)(3) status and be able to provide proof upon request.
- The facility's primary focus must be assisting the unhoused population.
- The facility must have at least one year of energy consumption data.
- Part-time facilities are defined as those who operate as a crisis or emergency housing shelter for less than 120 days per calendar year.
- Full-time facilities are defined as those who operate a crisis or emergency housing shelter more than 120 days per calendar year.

Assistance will be in the form of a bill credit, issued no more than one time per account per calendar year. Awards will be determined by 10% of the previous year's total utility charges, with caps based on duration of operations.

Launched in 2023, through Q2, EWEB served more than 16 Community Partner entities for a total of \$12,437.

Income-based Efficiency Rebates and Loans

The best way to reduce your overall utility bill is to use less energy and water. Efficient appliances and weatherization upgrades can help. EWEB's rebate and loan programs support efficiency investments. Incomequalifying customers may be eligible for expanded rebates or loans to upgrade home systems (HVAC, water heating, windows and insulation).

Qualifications

- Qualification is based on household income and size. View the <u>income guidelines</u>. Total household income includes gross income for all adults over the age of 18, including roommates.
- Documented qualifying income level for the previous month is required.
- For owner-occupied homes, only the qualifying account holder's primary residence may qualify. For rentals, the tenant must be income qualified and be the current EWEB account holder.
- Maximum aggregated income-based rebates are \$8,000 per customer (recipient) and \$8,000 per premises (residence) over a 10-year period. Each individual product may have a limit as well.
- Applications may be denied for closed accounts, abusive behavior toward EWEB, tampering with any EWEB property, or any evidence of fraud.
- Income-based efficiency rebates & loans are for homes with existing electric heating and water heating.

Rebates and Loans are available for the following energy efficiency products:

PRODUCT	REBATE	ZERO INTEREST LOAN
Ductless Heat Pump	Owner Occupied: \$3,800 Rental:\$1,000	Up to \$6,000, plus \$2,000 per additional head installed (maximum 5 total heads)
Insulation	100 percent of eligible program costs	NA
Windows	Owner Occupied: \$20/sq ft of glass Rental: \$10/sq ft of glass	Up to \$4,000
Heat Pump Water Heater	Owner Occupied: \$1,700 Rental: \$1,000	Up to \$2,500
Water Leak Repair Assistance	100 percent of eligible costs	NA

Low Income Home Energy Assistance Program (LIHEAP) & Low Income Home Water Assistance Program (LIHWA)

In addition to EWEB's Customer Care Program, customers may also qualify for the federal LIHEAP and LIHWAP programs. Under LIHEAP, EWEB distributes federal money to limited income households for home heating and energy bills and payments can be applied to electricity, gas, wood, pellets and propane. **The LIHEAP program year begins the first working day of November.** Funds are distributed on a monthly cycle until depleted. Under LIHWAP, EWEB distributes federal money to limited income households for water bills.

In 2022, between LIHEAP and LIHWA, EWEB distributed \$2.25M of federal money to over 2,100 customers.

- EWEB Income-Based Assistance Programs
- EWEB Income Assistance Income Eligibility
- March 7, 2023 Regular Board Meeting: State of the Utility Address & Prior Year-End Operational & Strategic Goals Report – See page 16 of 119 of PDF
- EWEB Community Partner Care Application

B12: Load Growth via Conservation

Over the last 13 years, EWEB's load has remained fairly constant, with a peak in 2017 at 2.454 million MWh and a low in 2020 of 2.261 million MWh, presumably due to consequences of the COVID-19 pandemic.

The Commercial and Industrial category includes all three sizes of General Service customers, contract customers, street, and

B12: Load Growth via Conservation

EWEB's commitment to conservation includes meeting all new base load growth through acquiring conservation rather than new energy resources. Each year, the utility targets between 1.1 and 1.6 aMW for acquisition, dedicating appropriate budget and human resources to those targets.

private lighting accounts, and EWEB's internal electricity consumption as a customer of the electric utility.

Figure 42: Chart - EWEB Annual Retail Electric Sales (MWh) by Customer Category, 2010-2022

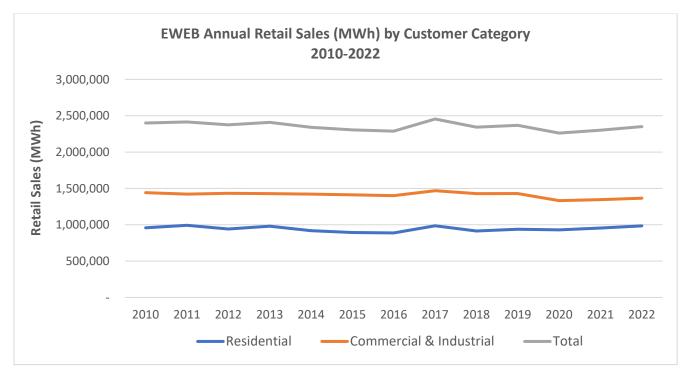


Figure 43: Table - EWEB Annual Retail Electric Sales (MWh) by Customer Category, 2010-2022

		2022	2021	2020	2019	2018	2017	2016
Residential	Residential	984,715	955,353	929,317	938,625	914,754	986,093	887,738
	General Service Small	180,869	172,150	158,630	166,770	174,198	180,823	171,944
	General Service Medium	489,778	484,653	458,948	494,513	490,980	496,949	490,114
	General Service Large	205,957	203,099	211,172	215,024	218,900	221,787	212,457
Commercial	Contract	476,155	472,941	490,079	540,316	530,237	555,286	513,293
& Industrial	Street Lighting	8,587	8,861	8,891	8,257	9,141	9,118	7,927
	Private Lighting	974	878	906	887	781	786	666
_	Electric Utility	3,307	3,295	3,352	3,275	3,645	4,059	3,916
	Commercial & Industrial Subtotal	1,365,627	1,345,876	1,331,978	1,429,042	1,427,882	1,468,808	1,400,317
Total	Retail Sales (MWh)	2,350,341	2,301,228	2,261,295	2,367,667	2,342,636	2,454,901	2,288,055

		2015	2014	2013	2012	2011	2010
Residential	Residential	893,001	919,175	980,515	941,922	992,547	957,844
	General Service Small	167,836	166,663	163,554	157,391	151,896	150,842
	General Service Medium	486,307	492,310	494,981	493,357	491,413	490,357
	General Service Large	202,285	204,684	205,474	218,392	203,521	212,233
Commercial	Contract	542,581	544,791	550,904	550,270	561,034	573,671
& Industrial	Street Lighting	8,519	7,884	8,260	8,982	8,991	9,083
	Private Lighting	724	788	835	641	699	723
	Electric Utility	3,767	4,030	3,872	4,115	4,376	5,048
	Commercial & Industrial Subtotal	1,412,019	1,421,150	1,427,880	1,433,148	1,421,929	1,441,957
Total	Retail Sales (MWh)	2,305,020	2,340,325	2,408,395	2,375,070	2,414,476	2,399,801

B13: Advanced Metering Infrastructure

EWEB seeks to provide customers with better service, build a more resilient community, and create a cleaner energy future. Achieving these goals requires modernizing our community's power grid and water distribution network. As a part of this effort, we are upgrading our electric and water meters to smart meters (also known as advanced metering infrastructure or AMI).

AMI can deliver better service to EWEB customers through the delivery of four core benefits:

B13: Advanced Metering Infrastructure

Once fully deployed, EWEB's advanced metering program will facilitate demand side management programs with customers to reduce energy use during peak periods. EWEB has begun consumer education on the value of reducing energy use during peak periods and plans to develop programs to help consumers shift energy use off-peak through a combination of technology and pricing signals.

- 1. Smart meters help protect property by **detecting water leaks**. EWEB can notify customers about a potential water leak long before they would otherwise become aware.
- 2. Smart meters help EWEB **respond faster to restore power** during an outage and can help prevent future outages by giving the utility better insight into system performance and health.
- 3. With smart meters, customers don't need to wait for an EWEB representative to come to their home or business to **start**, **stop or transfer service**. Many of these services can be done remotely.
- 4. Customers with smart meters no longer need to provide a **meter reader access** to their property each month. Smart meters greatly reduce the need for billing estimates that are occasionally needed when a meter reader cannot manually read a meter due to weather or other unforeseen events.

EWEB launched the leak notification program in fall 2021 with an estimated 16 million gallons saved in the last two months of 2022 and with an average 4.3 out of 5 customer service rating from customers.

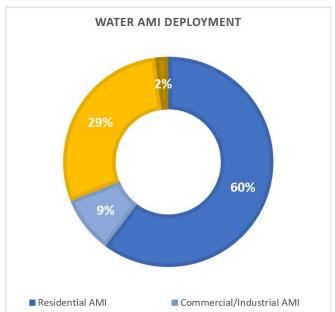
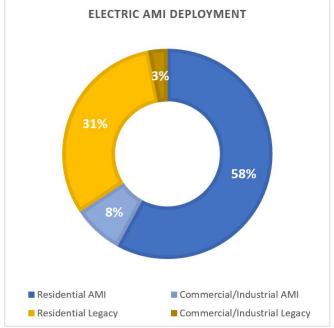


Figure 44: Advanced Metering Infrastructure Deployment by Utility, as of Feb 2023

■ Commercial/Industrial Legacy



Since October of 2021 supply chain constraints have caused EWEB's smart meter installations to be reduced for Water and halted for Electric. As of February 2023, AMI has been deployed to a total of 69% of Water Utility customers, and 66% of Electric Utility customers. EWEB continues to evaluate our meter population and monitor

Residential Legacy

the market. Several new, less constrained smart meter models are being evaluated to overcome the supply chain issues that have limited our installation progress.

Despite the challenge with infrastructure installation, Customer Solutions staff have been assigned to evaluate the opportunities for energy and water savings (also known as demand side program options) using AMI technology in 2023. Staff will assess feasibility and applicability to EWEB's customer base and provide recommendations for implementation of these products in the future.

Resiliency

The table below provides a summary of EWEB's Resiliency commitments in CAP2.0.

Resilienc	Resiliency Action Items				
Action Item #	High Level Description	Details from CAP2.0			
Guiding Policy	Natural Hazards Mitigation Plan	The Eugene-Springfield Natural Hazard Mitigation Plan (NHMP) in partnership with the City of Springfield, Oregon, EWEB, Rainbow Water District, and the Springfield Utility Board (SUB). An update to the NHMP is expected to be completed in 2020 and is scheduled to be updated again in 2025. Actions R1-R8 provide link back to the NHMP. This is not an exhaustive list of items in the NHMP that will help Eugene achieve its climate goals, but rather a sample of the types of actions that will be needed to help the community adapt to the impacts of climate change.			
R20	Emergency Water Stations	EWEB is installing emergency water stations at schools and public spaces around the region, with a goal to have at least five stations around the community. There are three stations that are operational and two more that are now under development with completion slated for the end of 2020. A new site on City property in south Eugene is now under exploration as a potential sixth emergency water station.			
R21	Pure Water Partners Program	MWMC partnership with EWEB in Pure Water Partners program, a new initiative designed to reward landowners who protect high quality land along the McKenzie River. The program assists EWEB in protecting water quality and helps avoid future water treatment costs.			

Guiding Policy: Natural Hazards Mitigation Plan For more information about EWEB's Natural Hazard Mitigation Plan, please see Section 5.3 in the Climate Guidebook above or see the links below.

Links and Relevant Resources:

- City of Eugene Emergency Plans: Eugene Springfield Multi-Jurisdictional Emergency Operations Plan, Eugene Springfield 2020 Natural Hazards Mitigation Plan, Oregon Resiliency Plan, and Neighborhood Radio Communications Response Guide
- Lane County, Oregon's Office of Emergency Management

Guiding Policy: Natural Hazards Mitigation Plan

The Eugene-Springfield Natural Hazard Mitigation Plan (NHMP) in partnership with the City of Springfield, Oregon, EWEB, Rainbow Water District, and the Springfield Utility Board (SUB). An update to the NHMP is expected to be completed in 2020 and is scheduled to be updated again in 2025. Actions R1-R8 provide link back to the NHMP. This is not an exhaustive list of items in the NHMP that will help Eugene achieve its climate goals, but rather a sample of the types of actions that will be needed to help the community adapt to the impacts of climate change.

- Natural Hazard Mitigation Plan for Lane County, 2018-2023
- Natural Hazard Mitigation Plan for Oregon, 2020-2025 Oregon Department of Land Conservation and Development

R20: Emergency Water Stations

EWEB is making investments to prepare, replace and maintain our community's water system.

We are working with community partners to develop an emergency water supply program that includes several permanent distribution sites located throughout the community using groundwater wells, as well as mobile water trailers. As of September 2022, five sites are operational:

the end of 2020. A new site on City property in south Eugene is now under exploration as a potential sixth

emergency water station.

R20: Emergency Water Stations

EWEB is installing emergency water stations at schools and public spaces around the region, with a goal to have

at least five stations around the community. There are

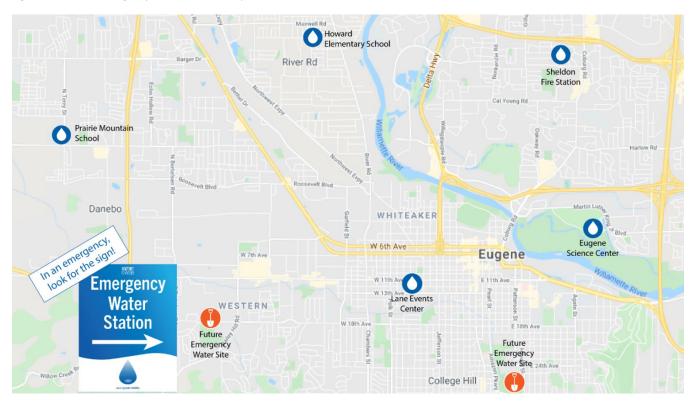
three stations that are operational and two more that

are now under development with completion slated for

- Prairie Mountain School 5305 Royal Ave.
- Howard Elementary School 700 Howard Ave.
- Eugene Science Center 2300 Leo Harris Parkway
- Lane Events Center/Fairgrounds 796 W 13th Ave.
- Sheldon Community Center 2445 Willakenzie Rd.

Two additional sites are planned—near Churchill High School and near Roosevelt Middle School.

Figure 45: EWEB Emergency Water Station Map



Links and Relevant Resources:

EWEB Emergency Water Stations

R21: Pure Water Partners Program

For more information about EWEB's Pure Water Partners Program, please see Section 5.5 in the Climate Guidebook above or see the links below.

Links and Relevant Resources:

- EWEB Pure Water Partners Program
- EWEB Watershed Restoration Dashboard
- EWEB Website: Fire Recovery and Watershed Restoration
- EWEB State of the Watershed Report

R21: Pure Water Partners Program

MWMC partnership with EWEB in Pure Water Partners program, a new initiative designed to reward landowners who protect high quality land along the McKenzie River. The program assists EWEB in protecting water quality and helps avoid future water treatment costs.