

February 11, 2022

SB 5071 – EWEB Requests State Matching Funds for Drinking Water Resiliency

Dear Co-Chairs Holvey and Girod:

The Eugene Water and Electric Board (EWEB) respectfully requests \$22,500,000 in state matching funds to support the design and construction of a second EWEB water treatment plant on the Willamette River at a total project cost of \$90,000,000.

EWEB relies on the beautiful McKenzie River as its sole source to deliver safe drinking water to nearly 200,000 area residents of the City of Eugene and wholesale water customers including the City of Veneta, Willamette Water Company and the Santa Clara and Rainbow Water Districts. Having a single source of drinking water for nearly 200,000 people is a significant vulnerability for our community and EWEB is currently the only water utility of our size in Oregon without a second source of supply. A second water treatment plant on the Willamette River will augment our McKenzie River supply and ensure we can provide water if an emergency were to disrupt the Hayden Bridge Filtration Plant or McKenzie River.

EWEB has already made significant investments to protect our water supply from source to tap. EWEB has invested \$30 million in recent seismic and other upgrades to our existing water treatment plant and in response to the 2020 Holiday Farm Wildfire enacted a water bill surcharge that will invest \$12 million over 5 years in McKenzie River floodplain/riparian restoration and septic system repair/replacement. But recent events have underscored a need to diversify EWEB's water supply to include a second source and treatment plant to properly mitigate risks posed by wildfires, harmful algae blooms, earthquakes, and chemical spills.

EWEB investment in a second water source and supporting transmission and reservoir infrastructure would result in a 35% rate increase over the next 5 years at a time our water customers are still dealing with impacts from wildfires and global pandemic. State matching funds invested in EWEB water resiliency would relieve pressure on water customers in and around Eugene. EWEB's water system also delivers other regional co-benefits: EWEB's recently constructed in-house lab can perform certified water quality testing (including cyanotoxins); EWEB recently installed equipment to produce onsite sodium hypochlorite water disinfectant, which is safer to store and transport, and can be shared with neighbors in the case of supply disruption. In 2021 there was an electrical equipment failure at the largest chlorine production plant in the US, resulting in a serious supply shortage in the West Coast.

EWEB thanks you for considering this request and would be happy to supply further information about our efforts to ensure we continue to provide safe, reliable, and affordable drinking water to the communities we serve.

Sincerely.

Jason Heuser
Public Policy and Government Affairs Director
Eugene Water & Electric Board (EWEB)

