

A quarterly report on activities of interest to SUB customers

SUBreports

Volume 8 Issue 3 Autumn 2009

What's your favorite thing about Autumn?

Ours is serving you!

Join SUB for FREE coffee drinks and CFLs during Customer Appreciation Week

SUB is all about service – electric service, water service and customer service – and not just during Customer Appreciation Week!

But every year, we like to take time out to celebrate you, our customer-owners, and to thank you for the support you give to SUB.

So drop by SUB's main office and you'll walk away with a free coffee drink or hot chocolate, as well as three free compact fluorescent light bulbs (limit three CFLs per Springfield address).

Just remember to bring proof of your address, such as a driver's license or current utility bill.

To accommodate customers who can't make it by during the work week, SUB will also serve up coffee on Saturday.

A coupon for the free CFLs will be available at that time as well.

"Coffee week has become a fall tradition in Springfield," says Bob Linahan, SUB's general manager. "And for the last two years, we've expanded it by providing customers with free compact fluorescent light bulbs."

CFLs use 75 percent less energy than their incandescent counterparts, and last six to eight years. And because installing CFLs saves customers money, SUB is quick to promote them.

"CFLs help customers reduce the electricity portion of their utility bill, and that's always welcome," says Bob. "And from the utility perspective, the more customers who use CFLs, the less demand on the entire system." That, Bob notes, helps delay the need to invest in new, expensive substations and other infrastructure, which keeps overall rates low.

"When SUB sees a win-win, we jump on it. We hope our customers will as well!"



Let us serve you!

SUB's main office

250 A Street

**Monday, October 5 through
Saturday, October 10**

8:30 – 11:30 a.m.



Reduce your environmental footprint!



Shaving emissions from our daily lives is all the rage these days, and if you'd like to try, SUB can help you do it!

As a SUB customer, you are off to a good start. That's because Springfield Utility Board currently purchases more than 80 percent of its power from clean, greenhouse-gas free resources.

That's pretty green, but if you'd like to be greener still, consider signing up for ECOchoice, a program that gives customers another option for obtaining sustainable, environmentally-friendly power.

ECOchoice is designed to be affordable and flexible – just what you'd expect from SUB!

Green power through ECOchoice is generated from wind and biomass, which are both clean, earth-friendly sources. Although a little more expensive than traditional power, these sources meet the state's new, more stringent requirements for renewable energy.

When a customer signs up for ECOchoice, they are buying renewable energy in the form of "green tags." Green tags are renewable energy certificates that guarantee a set amount of clean energy will go onto the regional power grid on the buyer's behalf. Green tags have the same effect as buying green power directly from the source, like a wind

farm, and represent the real savings in carbon dioxide and other pollutants that occur when green power replaces the burning of fossil fuels. ECOchoice green tags are affordable and allow customers a great deal of flexibility, which makes buying them easy and convenient. Each green tag a customer buys equals 100 kilowatts of electricity and costs just \$1 in addition to the regular electric bill. The customer decides how many green tags to buy, and can change his or her election at any time – there are no long-term commitments or contracts.

So for example, typical Springfield customers using 1400 kilowatt hours a month might choose to be fully powered by green power and would contribute an additional \$14 per month in addition to their regular monthly bill. Or, they might choose a greater or lesser amount, depending on what they can afford or their commitment to green power in general.

You could even calculate your overall environmental footprint, and buy enough ECOchoice units to counterbalance not only your electricity, but also your gasoline and natural gas consumption. The choice is always in customer hands.

If you are a SUB customer and are interested in learning more about ECOchoice, call SUB's Conservation Connection at 744-3772. If you would like to sign up, just call our main office at 746-8451.



Supporting sustainable power has never been easier, or more affordable!

MEET the Board

SUB's water and electricity services are provided under the direction of SUB's Board of Directors, five Springfield citizens who are elected to four-year terms, and who serve at-large and without pay. The Board meets on the second Wednesday of each month. The public is invited and encouraged to participate in these meetings, at which SUB policies and procedures are formulated and adopted.



Virginia Lauritsen
Chair, Position 2
Term exp. 12/31/10



Joe Mathieu
Vice-Chair, Position 1
Term exp. 12/31/12



Bobbie Jean Adams
Position 5
Term exp. 12/31/12



Ted Johnson
Position 3
Term exp. 12/31/10



Ken Boyst
Position 4
Term exp. 12/31/10

Power Play

BPA shouldn't serve special interests at public ratepayers' expense

By Bob Linahan, SUB General Manager

The Bonneville Power Administration (BPA) provides wholesale power to most non-profit consumer-owned utilities located in the Northwest. The three largest customer groups of BPA include consumer-owned utilities, investor-owned utilities and a few heavy industrial customers called Direct Service Industries, or DSIs. Consumers and small businesses of non-profit utilities have a "preference" or first right to purchase this low cost power. SUB greatly values its relationship with BPA and that relationship has provided reliable, environmentally friendly, and low-cost power we supply to our customers – however, sometimes disagreements arise in the best business relationships.

In July, BPA proposed terms for seven years of power sales to two DSIs: Alcoa, Inc., and Columbia Falls Aluminum Company (CFAC). Under the proposed contracts, BPA would expect to incur financial losses of more than half a billion dollars. BPA's proposal includes buying market power at a higher price and selling it to Alcoa at much lower prices. These losses would be passed on to BPA's consumer-owned utilities, and could result in higher rates.

Buying power on the open market, where prices are often volatile, is very risky. Under similar circumstances, the Northwest experienced massive rate increases during the Energy Crisis of 2000-2001. Unlike prior contracts, BPA now proposes to allow Alcoa to terminate or decrease its operations, leaving its consumer-owned utility customers financially responsible for any unused power purchased to serve the DSIs.

Last December, the Ninth Circuit Court of Appeals found that BPA has no obligation to provide power to the DSIs, and that a prior deal struck with the DSIs was unlawful. More recently, on August 28, 2009, the same Court found that BPA had again been violating the law by supplying the DSIs with benefits at the expense of its preference customers, without any legitimate business reasons for doing so. Despite these opinions from the Court, BPA is continuing with its proposal to serve the DSIs over the next seven years, and has not explained how incurring over half of a billion dollars in losses to benefit Alcoa and CFAC serves a legitimate interest of BPA.

BPA recently presented an economic analysis that tried to show the benefits to Alcoa would assist the region with a small net increase of regional jobs. That analysis acknowledged that the regional jobs created would be focused at and around the plant and would negatively impact jobs in the rest of the Northwest. This analysis

does not, however, take into account the effects of the current recession which amplifies expected job losses.

If BPA's calculation of a gain of a few hundred net jobs at Alcoa is correct, at over a half-billion over 7 years, these jobs would come at a cost of hundreds of thousands of dollars per year, per job. These jobs pay employees significantly less than the subsidy BPA is paying, thereby benefiting Alcoa's shareholders, not the region.

The losses to BPA that would result from the proposal would raise consumer-owned utility power rates in order to benefit Alcoa. According to BPA's own calculations, the increased rates could result in the loss of thousands of jobs in service territories of consumer-owned utilities throughout the region.

Consumer-owned utilities like SUB have worked hard to educate customers about this unfair subsidy to the aluminum companies. Nevertheless, BPA seems committed to finding a way to serve Alcoa and CFAC at our ratepayers' expense. We continue to oppose BPA's efforts to voluntarily incur significant losses to benefit the DSIs at preference customers' expense. The families, businesses and jobs in our community are just as important as those that BPA is targeting.

Why does BPA continue on this ill-advised path? BPA juggles a complicated balancing act in the region to meet the power needs of consumer-owned utilities, investor-owned utilities and then the DSIs. As a consumer-owned utility, we want to make sure that BPA focuses on its core mission: to provide cost-based power first and foremost to non-profit utility consumers' homes and businesses in the Northwest.



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Slip in a little holiday fun

SUB partners with the Lane Ice Center to warm up the holidays for families-in-need

Public Skate Fund-raiser

There's no skating around it, and who would want to? When you ice skate at the Lane Ice Center during December, part of your admission will go to benefit Project Share, a fund that helps low- and fixed-income Springfielders with wintertime heating emergencies. Come slip, slide and skate your way to helping a great cause!

Saturdays, December 5th and 19th
from 12 – 1:45 pm

Sundays, December 6th and 20th
from 2 – 4 pm



Ice Show Charity Event

SUB is proud to help sponsor the 20th annual Holiday Ice Show, which benefits the Marine Corps Toys for Tots program. This year, skaters will perform “*Jungle Book*” at the Lane County Fairgrounds Ice Arena – and admission costs just one store-packaged toy for the Toys for Tots program!

Performance times are Friday, December 11th at 7:30 pm and Saturday, December 12th at 1:00 and 7:00 pm.

Come be part of this magical family event filled with the joys of the holiday season!

Be Part of a Springfield Holiday Tradition

Mark your calendars for Springfield's oldest and coldest holiday parade, coming Saturday, December 5th. The day starts with a festive holiday tuba concert at 1:00 pm, with the parade starting at 2 pm.

The day will be full of marching bands, fun parade floats, and, of course, Jolly St. Nick flying high in a SUB bucket truck, decked out in holiday finery.

For information on the parade route, parking or other details, visit www.springfieldchristmasparade.org



Win an Emergency Power Outage Kit

Just a friendly reminder that wintertime is prime time for electrical outages. Whether the culprit is a wind-storm, a car bumping into a power pole, or ice on a distribution line, being without power is inconvenient. SUB is usually able to get power restored within minutes, but depending on the severity, power can be out for hours, and on very rare occasions, days. Being prepared can make all the difference. Make sure you have the following at your home: flashlights, a battery-powered radio, extra batteries, non-perishable food, necessary medications, emergency phone numbers, a cell phone or other phone not requiring electricity, two days' worth of drinking water, and a first aid kit. And, having a small flashlight in your car will help you navigate a dark home so you can find your outage kit.



Let SUB get you started!

Fill out this form and send it back with your utility payment (or drop it by SUB's main office). All entries received by the end of Monday, November 16th, will be entered into a drawing for a free outage kit. SUB will give away ten kits, with a value of \$50 each.

(Customers will be notified by phone. Outage kits will be available for pickup in SUB's lobby.)

Name: _____

Address: _____

Telephone: _____

Independent spirit. Low rates.

The Springfield Utility Board is a customer-owned municipal utility operated independently from the city and responsible only to its ratepayers. We deliver exceptional service, and some of the very lowest utility rates in Oregon!

SUBreports is a regular publication of SUB's Community Relations Department. We welcome your feedback. If you have questions, comments or story ideas, please call 541-744-3794.

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Springfield Utility Board
P.O. Box 300
250 A Street
Springfield, OR 97477

