

# SUBreports

Volume 16 Issue 1 Spring 2017



## Of Outages & Earthquakes *Channeling emotion into action*

In a blockbuster article a few years back, the *New Yorker* raised the possibility of a mega-quake leveling most of western Oregon. The ground hasn't shaken much since then, but plenty of nerves have.

The fact is, not much can be done about the whims of Mother Nature. She might have an earthquake in store for us. Or maybe it will be another ice event, or one of our area's notorious wind storms.

SUB has long advocated that its customers keep outage kits at home and in their cars. If the lights go out – for whatever reason – you'll be glad to know you've got enough food, water,

warm clothing and other necessities to keep you and your family safe while power is restored. The wait is usually only a matter of hours. But as we recently saw, a large storm can require repair work that spans multiple days – even more than a week in some hard-hit areas.

In fact, this winter's storms gave all of us a taste of how a larger-scale emergency might unfold. Even so, stores were open and shelter could be found at hotels or with friends who had power and water. Importantly, utility and public works crews were able to make their way into affected areas to start repairs. But imagine if roads had

been cut off, or if damage had left so many people without power that heading to a neighbor's house wasn't a possibility.

That's what your emergency kit is for: a tool that helps you and your family wait safely while repairs are made to power systems, water lines and other infrastructure.

SUB has comprehensive power outage kit recommendations on our website at [subutil.com](http://subutil.com). In addition, the Red Cross has similar recommendations on their website at [redcross.org](http://redcross.org) and a host of other information on how best to prepare for emergencies.

To kick start your emergency planning efforts, SUB is again partnering with the Red Cross and other local utilities to purchase a limited number of rugged, three-gallon water containers specifically designed for long-term water storage. These containers are BPA-free, include a threaded cap and have a handle for easy portability. The containers are delivered empty and come with instructions detailing how to safely fill them with tap water for long-term storage.

Thanks to the partnership, which makes special pricing available, the jugs are available to customers for just \$5 each, of which one dollar will go back to the Red Cross to help fund emergency planning programs.

**No matter the cause,  
the remedy is the  
same: preparation**



### Water Bottle Distribution

If you are interested in purchasing a bottle, just fill out and return the order form below by May 5, 2017. Because we will likely have more interest than bottles, SUB will conduct a random drawing and notify by mail those whose names are drawn. Once you pick up your bottle, the charge is added to your monthly bill.

**Yes!** Enter me into the drawing for  ONE  TWO water containers.

Name: \_\_\_\_\_

Account number: \_\_\_\_\_

Service address: \_\_\_\_\_

Phone: \_\_\_\_\_

Mail or drop off to SUB, 250 A Street, Springfield OR 97477

# 5 DIY

## Household Cleaners from your Kitchen Cabinet

Springfielders live and work on top of our drinking water supply, which comes primarily from underground aquifers. By using the following recipes – all made from natural ingredients that are easy on our drinking water sources and tough on dirt – you'll not only save money, you'll reduce pollution from chemicals found in many brand-named cleaners. Pick one and give it a try. Like it? Find more recipes at [subutil.com](http://subutil.com).



**GLASS CLEANER**  
Fill a spray bottle with 1 quart water and add 1 tablespoon white vinegar.



**PAINT REMOVER**  
Remove from hands using baby oil or mineral oil, and from paint brushes using hot vinegar.



**SINK AND TOILET CLEANER**  
Mix a paste of either baking soda or borax with water and add a squeeze of lemon juice. For toilets, drop a few vitamin C or denture cleaning tablets into the bowl and let sit over night.



**DRAIN OPENER**  
Pour ¼ cup baking soda down drain. Follow with ½ cup vinegar. Cover with either a cloth or cup so fizzing pressure is forced down through the pipe. When fizzing stops, flush with a few cups boiling water.



### AIR FRESHENER

Simmer cinnamon, cloves, or other sweet herbs. Simmer them on a stove, let cool, then spray the "tea" water using a mister.

## MEET the Board

SUB's water and electric 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.



**David Willis**  
Chair, Position 1  
Term exp. 12/31/20



**Virginia Lauritsen**  
Position 2  
Term exp. 12/31/18



**John DeWenter**  
Vice-Chair Position 3  
Term exp. 12/31/18



**Michael Eyster**  
Position 4  
Term exp. 12/31/18



**Pat Riggs-Henson**  
Position 5  
Term exp. 12/31/20

# What's up with that \$3.50 fee?

by Jeff Nelson, SUB General Manager

As General Manager, one of the most frequent questions I get is, "What does SUB do to keep its electric rates low?" The underlying assumption is that SUB has a "silver bullet" – one particularly clever thing we do to keep rates in check.

As you might suspect, it's not so simple. SUB's rates remain low not because of one big decision we've made, but because of a thousand smaller decisions. However, I can say that affordable rates are driven by one philosophy – SUB stays focused on the core mission of *your* utility, which is to provide customers with services at the lowest possible cost while keeping reliability, safety, customer service, and responsible environmental stewardship as priorities.

Within that framework, SUB and its Board of Directors have choices. This leads me to the second-most frequently asked question I get as General Manager, which is, "Why can I pay my other bills over the internet or phone for free, but not my SUB bill?"

The answer is rooted in the cost third-party providers charge to offer online and over-the-phone bill payment services. Many companies, even other not-for-profit organizations like SUB, choose to pay it on behalf of their customers. However, the only mechanism SUB has for earning money to sustainably pay for that service is by charging customers through rates.

There's no way around it. Because SUB's customers own SUB, customers pay, one way or the other. That's why SUB takes this subject so seriously and we appreciate input from all our customers.

Essentially, SUB has two options. We can ask customers who like the convenience of paying over the internet or phone to pay the fee themselves, or we can pay the fee on behalf of those customers and spread the cost to everyone.

So, what's that cost? If SUB covered the fee instead of individual customers, our estimates show the utility would pay (conservatively) a quarter of a million dollars per year.

Paying the fee out of utility savings also raises an equity issue. Why? Because doing so lowers cost to one segment of our customer base (those who have access to credit or

debit cards and who want to use them to pay bills) at the expense of another segment (those who either prefer not to use credit or debit cards or can't). It's notable that some in this demographic represent the most financially vulnerable among us.

Of course, other payment methods cost the utility, too. That's why, in 2014, SUB went through an exhaustive

analysis looking at the soup-to-nuts costs of every payment method – from what it costs to have an employee take a payment in the office, to what it would cost SUB to create its own system for taking online or over-the-phone payments instead of relying on a third party. Our findings?

Taking the process in-house puts the most upward pressure on rates, because the investment in secure equipment, regulatory compliance and personnel is significant. The second costliest option is

having SUB pay the fee out of any savings.

That said, SUB keeps an eye on the issue. If factors in our analysis change – and they have several times since we first began offering the fee-based system eight years ago – we will open the issue and look again.

In the meantime, SUB offers several low- and no-cost alternatives for bill payment, detailed on our website. These options include Auto Pay, a form of electronic payment that offers a similar convenience to paying online. Still, many customers want to use a credit card to get travel miles or other perks despite the \$3.50 fee. The choice is yours.

I hope this helps customers understand our current thinking

on the subject. Every customer-owner is important to SUB, and we strive to treat customers both equally and equitably. If you believe we've missed the boat and want to advocate for a different outcome, please attend one of SUB's Board Meetings. They are open to the public and your elected five-member Board is there every month to hear from customers.



**"... Affordable rates are driven by one philosophy – SUB stays focused on the core mission of your utility."**

# Watts Happening

## Notice of a Public Hearing - Note new time!

A proposed electric rate increase and a new rates schedule will be considered at the second of two public hearings being held on Wednesday, April 12th at 6 p.m. across the street from SUB's main office (250 A Street) in SUB's Board room.

Please note the new time, which is an hour earlier than normal. Going forward, SUB Board meetings will be held at the new time.

The proposed 2.9 percent overall electric rate increase is needed to pay for an increase in wholesale power costs charged by Bonneville Power Administration (BPA), from which SUB buys its power. Power costs make up nearly 66% of electric utility costs. If approved, the increase would correspond to \$1.57 more monthly for residential customers and would be effective for bill statements rendered on and after May 1, 2017.

Additionally, SUB's Board will be considering adopting an optional service under a new Environmental Attributes rate schedule in which customers can elect to receive both energy from SUB, and the environmental attributes of that energy. Currently, customers who buy power from SUB receive the power, but SUB retains the rights to the environmental attributes.

## SUB welcomes new Board Member

Please help SUB welcome Michael Eyster, a longtime Springfield resident, to the five-member SUB Board.

Mike takes over for long-time Board Member Ken Boyst, who retired from the Board late last year after a decade of service.

Mike is himself recently retired from more than 20 years at the University of Oregon where he served in various leadership positions. Mike brings to SUB a vast amount of experience serving on several local boards, including Travel Lane County, Lane Transit District, City Club of Springfield and the Springfield Chamber of Commerce.



In 2015, Mike received the prestigious First Citizen of Springfield award from the Chamber in recognition of his

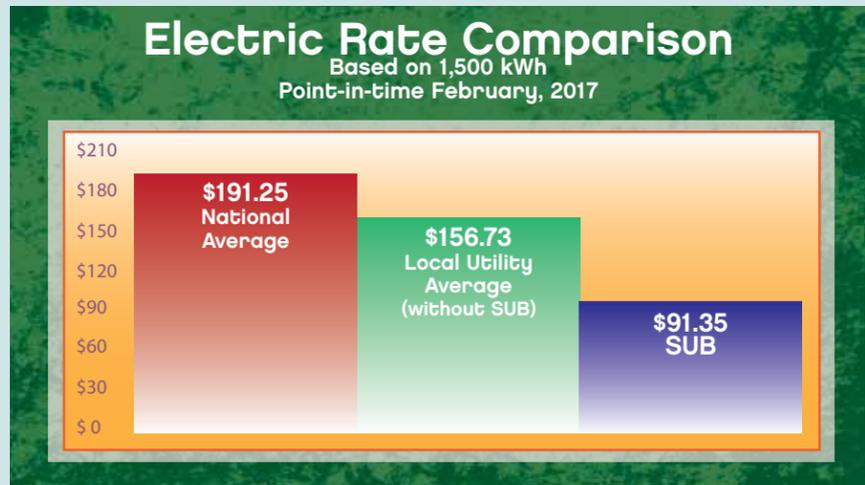
leadership and many contributions to the community. Mike has a strong interest in economic development and looks forward to collaborating with other SUB Board Members and local entities to serve our region.

"SUB Board Members are some of our community's hardest working volunteers," says

Jeff Nelson, SUB's General Manager. "They serve four-year terms without pay, and lead the utility by providing policy direction and guidance. We're fortunate to have a Board with so much varied experience."

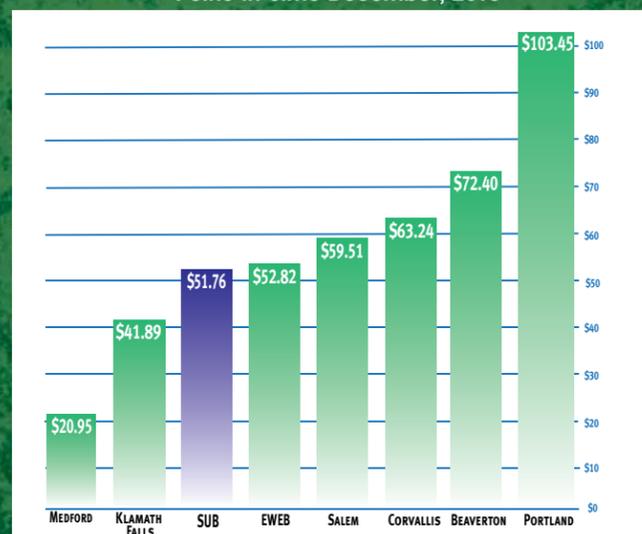
## SUB rates are low

Our average residential customer pays nearly \$618 less annually for electricity than other consumer-owned utility customers in Lane County!



## Residential Water Rate Comparison

Based on 20 units/month (14,960 gallons)  
Point-in-time December, 2016



## 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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