

# SUBreports

Volume 18 Issue 2 Summer 2019

## NOTHING'S GONNA STOP US

... from partying on July 4<sup>th</sup>!

Join SUB in scenic Island Park this Independence Day as we host Springfield's biggest and best backyard holiday barbecue – the 16<sup>th</sup> annual Light of Liberty Celebration!

Fireworks are the star of the night, but before they light up the Springfield sky, we'll keep you and your family and friends entertained with a full line-up of live entertainment.



**STARSHIP**  
Featuring Mickey Thomas

Along with great local music, you'll find STARSHIP featuring Mickey Thomas taking our main stage. Get nostalgic singing along to their many hits, including *Nothing's Gonna Stop Us Now*, *We Built This City (on Rock and Roll)*, *Jane*, *Foiled Around and Fell In Love*, and more.

**SUB's 16<sup>th</sup> Annual  
Light of Liberty Celebration**  
Thursday, July 4<sup>th</sup> at Island Park  
[subutil.com](http://subutil.com)

Our ever-popular kids' area has some exciting new offerings as well, including demonstrations by talented flamenco dancers and martial arts experts. We're also pleased to welcome Franz Bakery and their

colorful food truck, where you will find grilled cheese samples (verified delicious!)

Tried-and-true kids' area favorites have returned, too, from pony rides and big slides to steel drums and photo booth fun. As always, all activities are free with admission.

And speaking of admission, thanks to our many dedicated sponsors, advance tickets are still just \$5 and are on sale now at SUB's main office in downtown Springfield, and at both the Eugene and Springfield Jerry's Home Improvement Center locations. Making a last-minute decision to come? No problem. Tickets at the gate are very affordable at just \$8.

Best of all, SUB donates all event proceeds to Project Share, a charity that helps local families who need extra assistance during the winter heating season.

In fact, over the years, the Light of Liberty event has helped hundreds of families stay warm over the winter, while entertaining more than a hundred thousand event goers. It's truly a party with a purpose, and SUB loves bringing it to our community.

For all the event details, and to see a list of community-minded sponsors who keep the event coming back year-after-year, please see the enclosed program or visit the event website at [subutil.com](http://subutil.com).

**See you Thursday, July 4<sup>th</sup> in Island Park!**

A very special thanks to our presenting sponsor, Jerry's Home Improvement Center, who has partnered with SUB for all 16 years of our event!



# Focus on Affordability

By Jeff Nelson, SUB General Manager

SUB's mission is to provide safe, reliable, affordable utility services to Springfield homes and businesses. But how do we measure how well we're doing?



While safety and reliability are relatively easy factors to measure against industry standards, the question of affordability is not as straight forward as it might seem.

It's true that published rates can be compared across utilities, and by that measure, SUB can say that its residential customers pay some of the lowest electric rates in Lane County, and that our water rates are exceptionally competitive as well.

But the story of affordability is more complex, as those rates really need to be evaluated against the financial situation of the ratepayers in the communities who pay them.

This issue of affordability is part of a renewed focus of SUB's budget committee, a panel of 13 Springfielders that comprises SUB's five elected Board Members and eight SUB ratepayers appointed by the Board.

## Reviewing the research

The Board adopted affordability as a priority for this year and directed staff to complete a review of the methodology underpinning a host of regional and

national affordability studies. Historically, most studies relied on "percent of median income" as a way to measure the affordability of utilities (e.g. 2% of income goes toward water bills and 2.5% toward sewer/stormwater).

However, newer studies point out the flaws with this historic metric. One study notes that using Median Household Income (MHI) as a measure "obscures the effects of rate-setting on low-income customers, for whom utility leaders have the greatest affordability

concerns." Another study is more blunt, saying "...leaders of a utility that satisfies the %MHI threshold can use the standard as an excuse not to address affordability, even if many of its customers struggle to pay their bills."

## Finding the best measure

Another way to measure affordability that has the potential to provide a more accurate picture for our community involves looking at the number of hours a customer would need to work at minimum wage (\$10.75 currently) in order to afford electric and water given the size of the home and number of people living there.

Using this measure, SUB estimates that on average, one person living in a one-bedroom home would need to work two hours per month at minimum wage to pay for water, and about five hours per month to pay for electricity. Change that to four people living in a three-bedroom home, and a ratepayer would spend three hours at a minimum wage job paying for water, and just over seven hours paying for electricity.

## Using affordability measures for planning

Along with providing a planning tool for utility policy makers and managers, a well-designed affordability measure can be a useful tool for ratepayers. For example, it provides customers with an objective measure they can use to make decisions on upsizing, downsizing or co-mingling residences, and they can use the information to see the bill savings achieved by making their homes, for example, more energy efficient. SUB's efficiency programs for customers, as well as SUB's Project Share program, which provides emergency bill payment assistance, are part of the affordability equation.

Of course, no methodology is perfect. When choosing how best to go forward, SUB may need to adopt other metrics to address affordability concerns that aren't captured using a minimum-wage measure. For example, some measure of median income may be appropriate when evaluating affordability for residents on a fixed income, as well as for those who aren't able to more fully participate in the workforce.

*(Continued on page 4)*

**"Having information about affordability options is empowering and helps customers... make informed decisions."**

## 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 at 6 p.m. on the second Wednesday of each month in SUB's Boardroom, across from our main office. The public is invited and encouraged to participate in these meetings.



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



**Robert Scherer**  
Position 2  
Term exp. 12/31/22



**John DeWenter**  
Chair, Position 3  
Term exp. 12/31/22



**Michael Eyster**  
Vice-Chair, Position 4  
Term exp. 12/31/22



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



# Time for Summer School!

With the warmer weather upon us, now is a good time for a quick trip to SUB's summer school, where we review how to stay cool and save money during the hotter months.

## Economics Class: Understanding summer water rates

The law of supply and demand governs a lot of processes, including water rates. For most of the year, when water is plentiful, SUB charges a lower rate for water usage. In the dry and increasingly hotter summers, when demand for water is at a peak, water rates are set a little higher.

This price signal is a way of encouraging mindful summertime water use. Current summer water rates went into effect for bills rendered on or after June 1. For most residential water users inside Springfield's city limits, a unit of water (748 gallons) is \$2.018 for the first 13 units. This is the same cost as in winter. For units 14 to 100, the cost per unit inside the city limit is \$2.171 (up from \$2.147 in winter). This price signal helps SUB manage water supply and demand during the heavy use that comes with warmer temperatures.

**Extra Credit information:** Although they appear on your SUB bill, please note that sewer and storm water charges are set by the City of Springfield. If you have questions on sewer/storm water, please contact the City at 541-726-3696.

## Report Card: Evaluating SUB's water quality

Students aren't the only ones who bring home report cards. Each year, SUB delivers its Consumer Confidence Report, or CCR, to our community. This annual report card, required of all municipal water utilities, shows the results of the thousands of tests SUB performs annually to make sure your drinking water is pure and healthful.

The report can be found on our website at [subutil.com/ccr](http://subutil.com/ccr). We'd love every consumer to read it, but here's the executive summary: SUB's water meets or beats all state and federal water quality standards.

"Over the decades, regulations around water quality testing have become more stringent and finely grained as science advances our understanding," says Jeff Nelson, SUB's general manager.

Technology has also advanced our ability to detect substances at lesser and lesser concentrations. "Water quality regulations have proven their value in keeping our water safe," says Jeff, adding that SUB's water professionals stay on top of best practices that ensure our area's enviable water quality is protected from source to tap.

## Physics Lab: Thermodynamics and your ceiling fan

If you have air conditioning, keeping cool is a breeze. Without air conditioning, keeping cool depends in part on creating a breeze. Circulating air with a ceiling fan is a great way to do this, but there are tricks to doing it right.

While ceiling fans can't cool the air in a room, they are great for creating a breeze you can feel on your skin – a "wind chill" effect that helps keep you comfortable. To create this effect, a ceiling fan should rotate in a **counterclockwise** direction. This pushes air down in a column, creating that cooling breeze on your skin. You can maximize the effect by running the fan at its highest speed.

(Note: this is why, in winter, ceiling fans are generally run on the lowest speed and the rotation set in a clockwise direction. This allows cooler air near the ground to be gently pulled upward toward the ceiling – without creating a breeze – where it displaces the hot air collecting there.)

To maximize your electricity savings during summer, be sure to turn ceiling fans off when rooms are empty. That's because a ceiling fan doesn't cool the air itself; it just makes the people in the room feel cooler.

According to the U.S. Department of Energy, when used in conjunction with air conditioning in summer, a homeowner can raise the thermostat up to 4 degrees with no loss of comfort, and with significant savings on energy bills.

## Library Field Trip

The Springfield Public Library has energy monitors it loans to library card holders. You can plug these monitors into most household appliances or electronics (computers, toaster ovens, TVs, gaming consoles) to see how many kilowatts the device or appliance is using. You can even add in SUB's current electric rate (\$0.0575 per kilowatt hour) to see how much the appliance costs to use.

You can also see which of your appliances use "phantom power." Phantom power is power that an appliance or device uses even when turned off.

By finding out how much a particular device in your household costs to use, you can make energy-saving adjustments that can have a real impact on your energy bill. Now that's power.

## 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.



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

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POSTAL CUSTOMER

ECRWSS

# Watts Happening

## Robert Scherer joins SUB Board

Please welcome Robert Scherer to SUB's Board of Directors. Robert was recently appointed to fill the position left vacant by Virginia Lauritsen, who passed away earlier this year. As a longtime business owner and lifelong resident of Springfield, Robert cares deeply about our community. He has served on many local Boards, including the Springfield Chamber, Springfield Rotary Club and Springfield Education Foundation. He is also a past recipient of the Chamber's coveted Business Person of the Year award.



Included among his many leadership positions is Robert's service on both the Lane County and SUB budget committees. He has served on the latter since 2003 and applies a fiscally conservative approach that balances the need for clean water and reliable electric service with affordable rates. Robert is married and he and his wife have two children. Welcome, Robert!



## Find SUB at the Fair for some great chills!

Lane County promises you'll "find your fun" at the fair this year. And it's easy to believe. Come to the Lane County Fairgrounds July 24<sup>th</sup> to 28<sup>th</sup> and you'll find rides. You'll find games. You'll find food and exhibits and animals and entertainment.

In short, you'll find thrills. But if you're looking for chills, look no further than SUB's water refreshment booth. We'll be hosting the ever-popular comfort station again this year with our regional water partners Rainbow Water District and Eugene Water and Electric Board.

Staying healthy, especially on hot days, means staying hydrated, so come by and fill your water bottle with free, ice cold water, or take a sip from one of our several water fountains. Then cool off by taking a turn under our giant mister!

While you're there, we hope you'll take a moment to think about the importance of the drinking water that falls from your tap. For about a penny a gallon, we all use this healthful water to slake our thirst, wash dishes, fight fires, fill our swimming pools, and a myriad of other tasks.

In short, tap water is clean. It's reliable. It's affordable.

That's enough to give anyone chills.

## Electric Rate Comparison

Based on 1,500 kWh  
Point-in-time May, 2019



## Focus on Affordability

*(continued from page 3)*

SUB recognizes that having information about affordability options is empowering and helps customers – and our Board – make informed decisions. No matter the measure we land on, a focus on affordability provides the Board with an important framework they can use when making choices that balance the competing priorities affecting the utility's future.