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# Q&A: EWEB & Lane Electric Cooperative Exploring a Potential Service Territory Realignment

June 2025

## What is being considered?

Eugene Water & Electric Board (EWEB) and Lane Electric Cooperative are in the early stages of evaluating the future of electric transmission and distribution service in the McKenzie Valley. One possibility under the study is the potential realignment of some or all of EWEB's service territory in the area to Lane Electric. This would *not* include generation assets.

## Why is this being explored now?

This concept has been discussed periodically over the past decade. In 2025, both utilities expressed renewed interest in formally studying the idea due to strategic alignment, customer service opportunities, and operational efficiency.

## Does a realignment make sense?

Preliminary indications are yes. While more information is needed, we know:

- Both utilities provide safe and reliable electric service.
- EWEB and Lane Electric rates are very comparable.
- EWEB's electric system is primarily urban in nature; however, the McKenzie River territory is rural, like most of Lane Electric's service area.
- Service areas are contiguous. Cooperative personnel both live in both areas and pass through EWEB territory en route to Upper McKenzie Valley.

## What are the benefits of a possible realignment?

- **For Eugene residents:** Greater focus on urban infrastructure and resiliency, where 97% of EWEB customers live.
- **For McKenzie Valley residents:** Potential benefits of receiving service from a utility focused on rural areas, and the ability to vote for and elect representatives to the cooperative's board of directors, offering a more direct form of local representation.

## Is this a done deal?

No. The process is in a preliminary, exploratory phase. A detailed study is underway and will continue through the end of 2025. Any decision would include public input opportunities and require board approval from both utilities.

### **What would happen to EWEB customers in the McKenzie Valley?**

Depending on the outcome of the study, some or all of EWEB's customers in the McKenzie Valley could become Lane Electric members and gain voting rights for the cooperative's board of directors. Many EWEB customers outside Eugene have shared that they want more direct representation, and this would provide it

### **How many customers are involved?**

The study is considering a potential realignment involving approximately 3,000 EWEB customers from Thurston Road, just east of Springfield, to Thompson Lane near Vida. A realignment of this size would represent a 25% increase in Lane Electric's membership.

### **Will customer rates or services change?**

This is a question being studied. Given power and infrastructure costs, rate increases are possible, independent of a territory realignment. EWEB would intend to ensure that any realignment does not result in additional costs for our remaining urban customers. More information will be available as the study progresses.

### **What are the potential impacts on utility staff?**

Workforce impacts are being evaluated as part of the study. If the realignment proceeds, EWEB will work to mitigate impacts on staff by strengthening our focus on resilience and modernization work in the Eugene area.

Lane Electric Cooperative has existing systems and staff capacity to support additional customers and territory. As part of the study, the cooperative will assess operational needs to ensure a smooth transition, should the realignment move forward.

### **Is EWEB still investing in electric infrastructure in the McKenzie Valley?**

EWEB has paused certain infrastructure investments in the McKenzie Valley, such as planning and deployment of smart meters, as we explore a potential service territory realignment.

That said, we remain fully committed to maintaining safe, reliable electric service for all customers. EWEB crews will continue to perform necessary maintenance, respond to outages, and ensure system reliability in the McKenzie Valley while the study is underway.

### **How does Lane Electric's infrastructure compare?**

In 2024, the cooperative began the installation phase of a multi-year project to upgrade its advanced metering infrastructure. As of June 2025, more than 2,000 meters have been updated. Communities currently served by Lane Electric in the McKenzie River valley are slated for new meter installations in early 2026.

### **Are customer transfers common amongst utilities?**

Yes. This is nothing new. Service area realignments between utilities occur for different reasons, including operational safety and service improvements, business processes and efficiencies, boundary adjustments, etc.

**Is this something that will require a vote by cooperative members?**

No. The decision whether to proceed or not lies with the respective boards, with input from the general managers.

**Will customers/members have a chance to comment?**

Yes. Lane Electric members and EWEB customers will have a chance to learn more and comment on the potential realignment.

**What's next?**

Public updates will be shared throughout 2025, with multiple opportunities for customer and interest holder input. If the realignment is approved, the earliest it could occur is summer 2026.