LADWP

FY 12 - 13 BUDGET PRELIMINARY

March 27, 2012

Los Angeles Department of Water and Power
Financial Services Organization
Budget Office

Department of Water and Power the City of Los Angeles

ANTONIO R. VILLARAIGOSA
Mayor

Commission
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RONALD O. NICHOLS
General Manager

March 27, 2012

Mr. Miguel A. Santana
City Administrative Officer
Room 1500, City Hall East
Mail Stop 130

Subject: Preliminary Fiscal Year (FY) 2012-2013 Los Angeles Department of Water and Power (LADWP) Revenue Fund Budget Transmittal

Dear Mr. Santana:

Respectfully submitted for informational purposes, in accordance with the City Charter Section 684 (as amended by Measure J adopted in March 2011) is the Preliminary "Receipts and Appropriations" Budget for FY 2012-2013.

The Water and Power revenue fund preliminary Receipts and Appropriations budget has been prepared assuming the Board of Water and Power Commissioner's (Board) and in some instances the Los Angeles City Council (Council) approve rate adjustments to be considered this summer. LADWP prepared initial preliminary zero rate action budgets for both the Water and Power revenue funds, and presented the unacceptable implications of such budgets to the Board on January 25, 2012. The FY 2012-2013 budget has been developed in the context of a multi-year rate proposal that was discussed with the public last summer, and which will undergo an additional thorough public outreach process in the months ahead. Further, the revenue requirement will be reviewed by the Ratepayer Advocate to ensure transparency and accountability.

Enclosed for review and informational purposes are the following documents:

- LADWP Goals and Objectives for FY 2012-2013
- Preliminary Water Revenue Fund Receipts and Appropriations
- Preliminary Power Revenue Fund Receipts and Appropriations
- Water Revenue Fund Capital Improvement Program
- Power Revenue Fund Capital Improvement Program
- Preliminary Retirement, Disability and Death Benefit Insurance Plan
- Federal and State Grant Funding Estimates

- Water Revenue Fund Salaries and Authorized Number of Positions (based in Annual Personnel Resolution)
- Power Revenue Fund Salaries and Authorized Number of Positions (based in Annual Personnel Resolution)

The FY 2012-2013 budget is one year of a multi-year plan to prepare the utility for the future. The challenges involved in evolving the power and water systems for the century ahead are arguably as monumental as the challenges of the previous century. The primary challenges of building the next century power system are the ongoing power supply transformation and rebuilding the system for reliability. Building the next century's water system will involve reducing our reliance on imported water, protecting our drinking water quality, as well as replacing aging infrastructure. These challenges will be addressed while we aim to keep rates competitive.

Power System

The Power Revenue fund Receipts and Appropriations budget for FY 2012-2013 reflects investments necessary to comply with regulatory mandates related to the power supply, and increased funding to address aging infrastructure. The budget provides $171 million in funding to continue the transition toward the 2020 goal of obtaining 33 percent of power from renewable sources, as well as $380 million for rebuilding two coastal power plants (Haynes Unit 5 & 6 Replacement, and Scattergood Unit 3). The budget provides for $802 million to replace aging infrastructure necessary to maintain reliability, an increase from the $707 forecasted spending for FY 2011-2012. Further increases will be necessary in future years given the backlog of work that is required on the system today (over 39,000 needed distribution system repairs and upgrades are called for). The budget also facilitates greater customer control of their bills and energy sources, funding $88 million for Energy Efficiency, an increase of $28 million from the prior year, and also funds $67 million for Utility Solar Incentives, Feed-in Tariff and Rebates.

This recommended budget assumes a total rate increase of 6.6 percent effective October 1, 2012, comprising a change in base rates, the reliability cost adjustment factor and pass-through charges for fuel and purchased power. The rate increase is higher than would be the case (4.6 percent) if the increase commenced at the beginning of the fiscal year on July 1, 2012. However, because the increase is deferred, it will not be applied to the higher bill levels that customers typically experience in the summer.

Water System

The preliminary Receipts and Appropriations budget for FY 2012-2013 has been prepared to invest in reducing our reliance on imported water, meet regulatory mandates to protect drinking water quality, and operational investment requirements for replacing aged infrastructure. No base rate increases are proposed for FY 2012-2013. However, there are changes in periodic "pass-through" adjustments[1]. Pass through adjustments that require Board approval will result in an approximate 1.1 percent rate increase compared to rates in effect during April-June 2012. Increases in the DSM/Reclaimed Water portions of the Water Procurement Adjustment factor will increase by $0.122 per hundred cubic feet, while other pass through adjustments will fall by $0.083 per hundred cubic feet. In this preliminary budget, we have assumed normal water conditions, and the assumption will be updated in May when more complete information is available about this water season's results. We do anticipate an increase in purchased water costs is likely due to the extraordinarily dry winter conditions we are currently experiencing. These conditions are likely to drive significantly higher water purchases from Metropolitan Water District of Southern California compared to the fiscal current year. The Purchased Water Component of the Water Procurement Adjustment Factor is a pass through that does not require additional Board or Council action. The investments we are making in increasing local water supply will lessen our future reliance on costly imported water.

The 35-cent increase in the Water Quality Adjustment cap approved by Council in February provides funding to meet legal mandates relating to improving the quality of the water supplied to the residents of the City of Los Angeles.

Investments in rebuilding our water infrastructure for reliability total $302 million in FY 2012-2013, an increase of $28 million from the current year. This funding is intended to address the reliability of distribution mainlines, trunk lines, pump stations, pressure regulating stations, tanks, reservoirs, and meters and services.

Process

This preliminary budget is submitted with the understanding the LADWP will undergo a thorough public outreach process and revenue requirement review with the Rate Payer Advocate to ensure transparency and accountability. Adjustments to the preliminary FY 2012-2013 budget could result from feedback received.

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[1] Pass through rates include: Water Procurement Adjustment Factor (including Purchased Water and Demand-Side Management (DSM)/Reclaimed Water), Water Quality, Water Security, Owens Lake, Water Revenue, Low Income

LADWP is looking forward to working closely with the Mayor, Council, Ratepayer Advocate, and your office to finalize a FY 2012-2013 budget that is fiscally responsible and provides the resources required to provide the citizens of the City of Los Angeles with quality and reliable water and power, now and into the future.

Sincerely,

Ronald O. Nichols
General Manager

GJB:ap
Enclosures
c: Richard M. Brown
Aram Benyamin
James B. McDaniel
Lorraine A. Paskett
Philip Leiber
Gary Wong
Ann M. Santilli
Gary J. Black
Marianne M. Anz

LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS	DATE: March 23, 2012
PHILIP LEIBER Chief Financial Officer RONALD O. NICHOLS General Manager JAMES Mc DANIEL Senior Assistant General Manager – Water System	SUBJECT: Transmittal of Preliminary Fiscal Year 2012-2013 Los Angeles Department of Water and Power Budget to the Los Angeles City Council **Water Revenue Fund** Receipts and Appropriations Budget and Associated Schedules FOR COMMISSION OFFICE USE: RESOLUTION NO. _____
CITY COUNCIL APPROVAL REQUIRED: Yes ☐ No ☒	IF YES, BY WHICH CITY CHARTER SECTION:

PURPOSE

Submitted for the Board of Water and Power Commissioner's (Board) approval is a Resolution that authorizes the Los Angeles Department of Water and Power (LADWP) to transmit the preliminary Fiscal Year (FY) 2012-2013 LADWP Water Revenue Fund Receipts and Appropriations budget and associated schedules to the Los Angeles City Council (Council). This FY 2012-2013 preliminary budget information is provided to facilitate the development of the FY 2012-2013 City of Los Angeles (City) budget, as required under Measure J (approved in March 2011, and which requires transmittal of LADWP's preliminary budget to Council by March 31 of each year).

The FY 2012-2013 budget is year one of a multi-year Water Revenue Fund planning strategy that will be discussed with the Board and public in the months ahead. This preliminary budget is submitted with the understanding the LADWP will undergo a thorough public outreach process and revenue requirement review with the Rate Payer Advocate to ensure transparency and accountability. The dialogue in the months ahead will focus on how the next several years are essential to LADWP's effort to build the water system for the next century, with the goals of reducing our reliance on imported water, protecting drinking water quality and replacing and rebuilding our aging water system infrastructure for reliability.

Included in this preliminary transmittal are the following documents:

- LADWP Goals and Objectives for FY 2012-2013
- Preliminary Water Revenue Fund Receipts and Appropriations
- Water Revenue Fund Capital Improvement Program
- Preliminary Retirement, Disability and Death Benefit Insurance Plan
- Federal and State Grant Funding Estimates
- Water Revenue Fund Salaries and Authorized Number of Positions (based in Annual Personnel Resolution)

This preliminary Receipts and Appropriations budget for FY 2012-2013 reflects our mandated programs to protect drinking water quality, reduce our reliance on imported water through developing local water supply options, and replace aging infrastructure. No base rate increases are proposed for FY 2012-2013 in connection with these efforts. The already adopted 35-cent increase in the water quality adjustment factor will fund our FY 2012-2013 efforts related to meeting regulatory mandates related to drinking water quality.

The preliminary budget reflects periodic "pass-through" adjustments for elements of our local water supply program to continue efforts to reduce LADWP customer reliance on imported water. These adjustments will require Board approval and will result in an approximate 1.1 percent rate increase compared to rates in effect during April-June 2012. These pass-through rate adjustments include:

- Water Conservation Demand-Side Management (DSM)/Reclaimed Water portions of the Water Procurement Adjustment factor of $0.122 per hundred cubic feet, and

- Other pass-through charges will be reduced by $0.083 per hundred cubic feet, resulting in a net increase for these factors of $0.039 per hundred cubic feet.

While the DSM/Reclaimed Water programs will over time help lessen our reliance on imported water, that reliance is substantial today. We currently anticipate increased purchased water costs compared to the current year due to the extraordinarily dry winter conditions we are currently experiencing. Recent precipitation, and particularly snowpack increases in the Eastern Sierra has provided some minor relief to what was a near record dry year, and more precipitation could occur before Summer. The Purchased Water Component of the Water Procurement Adjustment Factor is a pass through that does not require additional Board or Council action. The assumption for purchased water expenses (which currently assume a "normal" water year) will be

updated in May prior to formal approval of the budget by the Board when better information on total snowfall for the season is known.

BACKGROUND

Since the City of Los Angeles' Water Company completed its first water system in 1860, the Department's Water System has become one of the largest and most complex systems in the world, consisting of over 38 million feet of mainline, 1.9 million feet of trunk lines, 78 pump stations, 421 regulating stations, and 114 tanks and reservoirs. This system serves over 187 billion gallons of water annually to nearly 4 million residents, through approximately 700,000 service connections in a 473 square-mile area.

During the 20th Century, water supply and delivery infrastructure challenges were overcome to meet the water needs of the growing metropolis of Los Angeles. To prepare the water system for the challenges of the next century, we need to rebuild our infrastructure for reliability, reduce our reliance on imported water, and fund our programs to protect drinking water quality.

Replace Aging Infrastructure

To ensure the elaborate water delivery system of LADWP can reliably provide enough water for domestic use and fire protection, replacement and repair of water pipelines and other water distribution system facilities is a top priority for the Water System. Therefore, the Water System has developed various infrastructure programs to ensure continued system reliability. These programs are intended to address the reliability of aging distribution mainlines, trunk lines, pump stations, pressure regulating stations, tanks, reservoirs, and meters and services. Investments to replace and rebuild our aging infrastructure total $302 million in FY 2012-2013, an increase of $28 million from the prior year. This minor increase can be accomplished without additional rate increase this year through the use of debt financing and amortizing the capital portions of this program. However, even with this minor increase, our replacement rate for water pipelines is a rate of every 320 years for pipelines that are not expected to last meaningfully beyond 100 years of service life.

Reduce Reliance on Imported Water

Currently, the LADWP receives its water supply from four sources:

- The Los Angeles Aqueduct (LAA) (Owens Valley and Mono Basin)

- Pumping groundwater in the San Fernando Groundwater Basin, the Sylmar Basin, and the Central Basin
- Recycled water
- Purchases from the Metropolitan Water District of Southern California (MWD) of imported water delivered through the Colorado River Aqueduct and the California Aqueduct

The preliminary budget currently assumes an average water year. However, with below average snow pack this year, purchased water expenditures are projected to increase significantly in FY 2012-2013 from the low levels this year. A preliminary assessment indicates available LAA and groundwater supplies will be 43 percent of the forecasted supply requirements, and insufficient to meet the City's normal water demand. Historically, LADWP's recourse in years when the LAA supply is below average has been to augment the City's water supplies with increased purchases from MWD to meet the City's overall demand for water, while encouraging LADWP's customers to increase their conservation of water. With the future uncertain regarding the availability of water supply from the Owens Valley and Mono Basin[1], there is a critical need for the development of local water storage & supply. This local supply increase requires a long-term, multi-year investment. Local groundwater sources can provide up to over 46,000 acre feet of supply. However, increased pumping from this source is constrained due to groundwater contamination in the San Fernando Basin.

With the recommended budget, LADWP is on track to install up to nearly 5 miles of "purple pipe" recycled water through FY 2014-2015 and 14 miles in the next 5 years and to meet the LADWP 2010 Urban Water Management Plan goals. Investments in recycled water projects total $58 million and will allow the LADWP to proceed with over 10 water recycling projects including the Harbor recycling project. The use of recycled water is anticipated to remain about 1 percent of the total water supply in the coming two years then accelerate as infrastructure is completed. Increased long-term investment in recycled water, storm water capture, conservation and cleaning up the San Fernando Valley groundwater will reduce our reliance on more expensive imported water in the long-term, save our customers money and protect them from price volatility and remove supply uncertainty caused by year to year changes in snowpack. The investments LADWP is making on increasing local groundwater supply will over time

[1] (The Proposed budget provides funding for regulatory and environmental mitigation at Owens Lake and the Eastern Sierra.

significantly reduce the exposure the Department faces to volatile volumes of required purchases of imported water and increasing MWD water prices.

Water Conservation is also a key component of the recommended budget with investments of $30 million, an increase of over 85 percent from the prior fiscal year allows LADWP to restore funding to Water Conservation Programs including:

- Commercial Rebates (Plumbing)
- Commercial Landscape Incentive
- City Park Retrofit Assistance
- Residential Rebates
- Free Equipment
- LADWP Facility Retrofits
- Residential Landscaping
- Technical Assistance
- Public Awareness and Education

This Water Conservation budget will give LADWP customers the enhanced ability through technical and financial assistance from the LADWP to contribute to our effort to mitigate our reliance on imported water through a sustainable reduction of individual water usage at their homes and businesses.

Water Quality

In February 2012, funding was secured through a 35-cent increase to the Water Quality Improvement Adjustment Factor (WQIAF) for planned water quality capital projects in FY 2012-2013. Recoverable through the WQIAF are costs incurred to improve water quality that include expenditures for construction, operation and maintenance, equipment, supplies, and debt service for facilities and systems to meet State and Federal water quality standards. However, it should be noted that this increase is approximately half of the revenue required to meet State and Federal water quality mandates and the LADWP will be requesting revenue increases in the future as additional drinking water quality improvement projects are completed to meet United States Environmental Protection Agency and California Department of Public Health requirements.

The utility will make the investments noted above, while keeping rates competitive with regional water utilities and improving the overall customer experience.

RECOMMENDATION

It is recommended that your Honorable Board adopt the attached Resolution authorizing the transmittal of the preliminary FY 2012-2013 LADWP Water Revenue Fund receipts and appropriations budget and associated schedules to the Los Angeles City Council forthwith.

GJB:ap
Attachments
e-c/att: Ronald O. Nichols
Richard M. Brown
Aram Benyamin
James B. McDaniel
Lorraine A. Paskett
Philip Leiber
Gary Wong
Ann M. Santilli
Gregory J. Black
Marianne M. Anz

RESOLUTION NO. _____

WHEREAS, Section 684, of the Los Angeles City Charter, requires that the Board of Water and Power Commissioner's (Board) shall submit a preliminary budget for the upcoming Fiscal Year (FY) to the Los Angeles City Council (Council) for informational purposes, no later than March 31, 2012, of each year; and

WHEREAS, the Los Angeles Department of Water and Power (Department) management has completed and prepared a comprehensive review of a "zero rate action" budget for FY 2012-2013 and in January 2012 presented the negative operational implications to the Board; and

WHEREAS, Department management has currently prepared a recommended preliminary budget for FY 2012-2013 and presented the implications to the Board; and

WHEREAS, this recommended preliminary budget furthers the Department's goal of building a water system for the next century, and makes investments to replace water system aging infrastructure, reduce reliance on imported water, and fund programs to protect drinking water quality; and

WHEREAS, the recommended preliminary budget assumes there are periodic "pass-through" adjustments that require Board approval that result in an approximate 1.1 percent rate increase compared to rates in effect during April-June 2012 primarily for purchasing water from Metropolitan Water District of Southern California and increasing investment in local water supply through water recycling, water conservation, stormwater capture, as well as groundwater cleanup; and

WHEREAS, these increases are mainly collected through the Water Quality and Purchased Water Procurement pass-through factors and do not require Council approval.

WHEREAS, the increases related to the Purchased Water pass-through factor estimates are based on water supply and demand and are not controlled by the LADWP; and

WHEREAS, the increase of $0.35 approved by Council in February 2012, to the Water Quality pass-through factor allows the LADWP to meet legal mandates relating to improving the quality of the water supplied to the residents of the City of Los Angeles for FY 2012-2013; and

WHEREAS, additional increases to the Water Quality pass-through factor will be required in the future to meet legal mandates relating to improving the quality of the water supplied to the residents of the City of Los Angeles; and

WHEREAS, this transmittal reflects one year of a multi-year Water Revenue Fund planning strategy to be discussed further in upcoming rate consideration processes with the public and the Rate Payer Advocate; and

WHEREAS, the preliminary budget schedules and documents submitted do not reflect a Board adopted position and are, therefore, subject to further consideration in connection with the upcoming rate consideration processes.

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the transmittal of the Preliminary FY 2012-2013 LADWP Budget – Water Revenue Fund, submitted by the General Manager to this Board to the Council as required by Los Angeles City Charter Section 684.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

_____

Secretary

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

MAR 22 2012

BY _____
BIRK BROERSMA
DEPUTY CITY ATTORNEY

LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS	DATE: March 22, 2012
PHILIP LEIBER Chief Financial Officer RONALD O. NICHOLS General Manager ARAM BENYAMIN Senior Assistant General Manager – Power System	SUBJECT: Transmittal of Preliminary Fiscal Year 2012-2013 Los Angeles Department of Water and Power Budget to the Los Angeles City Council **Power Revenue Fund** Receipts and Appropriations Budget and Associated Schedules FOR COMMISSION OFFICE USE: RESOLUTION NO. _____
CITY COUNCIL APPROVAL REQUIRED: Yes ☐ No ☒	IF YES, BY WHICH CITY CHARTER SECTION:

PURPOSE

Submitted for the Board of Water and Power Commissioner's (Board) approval is a Resolution that authorizes the Los Angeles Department of Water and Power (LADWP) to transmit the preliminary Fiscal Year (FY) 2012-2013 LADWP Power Revenue Fund Receipts and Appropriations budget and associated schedules to the Los Angeles City Council (Council). In March 2011, Los Angeles voters approved Measure J that requires the LADWP submit a Preliminary Budget to the Council by March 31, 2012.

The FY 2012-2013 budget is year one of a multi-year Power Revenue Fund planning strategy that will be discussed with the Board and public in the months ahead. This preliminary budget is submitted with the understanding the LADWP will undergo a thorough public outreach process and revenue requirement review with the Rate Payer Advocate to ensure transparency and accountability. The dialogue in the months ahead will focus on how the next several years are essential to LADWP's effort to build the power system for the next century. The key challenges and associated investments reflected in the preliminary FY 2012-2013 budget include replacing our coastal gas-fired power plants to meet regulatory mandates to end the use of ocean cooling, annual investments to rebuild our power distribution system to maintain reliability and expanding LADWP customer opportunities in energy efficiency and customer-installed solar energy, which also meets State mandates for such programs.

Included in this preliminary transmittal are the following documents:

- LADWP Goals and Objectives for FY 2012-2013
- Preliminary Power Revenue Fund Receipts and Appropriations
- Power Revenue Fund Capital Improvement Program
- Preliminary Retirement, Disability and Death Benefit Insurance Plan
- Federal and State Grant Funding Estimates
- Power Revenue Fund Salaries and Authorized Number of Positions (based on Annual Personnel Resolution)

In January 2012, LADWP prepared a preliminary zero rate action budget that assumed operations within current approved revenue streams with no assumed rate adjustments. As explained to the Board on January 25, 2012, a budget based on zero rate increase for the Power System would result in unacceptable consequences to customer service, reliability and failure to meet regulatory mandates related to the elimination of ocean once-through cooling at our power plants, inability to meet mandated Renewable Energy Portfolio Standard levels, and obligations to achieve specified levels of energy efficiency and customer-installed solar photovoltaic (PV) generation deployment..

This preliminary receipts and appropriations budget for FY 2012-2013 assumes rate increases resulting in approximately 4.6 percent additional revenue for LADWP for FY 2012-2013 compared to the prior fiscal year. While this additional revenue is not at levels recommended for the Power System, it does provide the absolute minimum required to meet State of California renewable energy and energy efficiency mandates and to make some progress on repairs and replacement of aged Power System transmission and distribution equipment to help avoid further declines in power system reliability.

The actual increase in LADWP customer power rates will depend upon when rates are ultimately approved by this honorable Board and the Council following review by the recently established Rate Payer Advocate. Assuming the revised power rates become effective October 1, 2012, the system average rate increase on that date would be approximately 6.6 percent compared to rates in effect for the similar nine month period from October 2011 through June 2012. An earlier effective date reduces the percentage increase and a later effective date will increase the percentage increase.

The precise rates, the distribution of rate increases among different customer types and related factors will be addressed in a rates consideration proceeding, which will begin in April 2012. Furthermore, upon completion of the rates adjustment process, the FY 2012-2013 LADWP Power System budget will be modified to reflect the level of rates adopted by this Board and approved by the Council.

BACKGROUND

In May 2008, the Council approved a Power Revenue Fund rate action to increase base rates, and establish a new reliability pass-through factor to generate additional funds necessary to address aging infrastructure to maintain reliability and keep on track to meet regulatory mandates. This rate action included base rate increases effective through July 1, 2009. Concurrent with these actions were ordinance-approved quarterly adjustments to the Energy Cost Adjustment Factor (ECAF) capped at 0.1 cent per kWh. The ECAF is a fuel adjustment mechanism that recovers costs related to energy efficiency, renewable energy and fuel and purchased power. In July 2010, the Council approved a one-time 0.5 cents per kWh increase to the ECAF. Since the last increase to ECAF, there have been no increases to power rates of any kind. As a result of no power rate increases, there is currently an under-collection for the ECAF and Reliability Cost Adjustment factors combined of approximately $300 million.

Since 2010 when rates were last adjusted, LADWP has implemented numerous cost reduction measures by reducing, deferring or eliminating many important projects and programs. These reductions have included reduction of total staff of LADWP by not refilling all of the positions vacated due to retirement or other employee attrition, reduced contracts for materials, goods and services, and cancelled or deferred capital expenditures. This has allowed funding to continue for the most essential operational requirements of the utility and allowed us to avoid fines for non-compliance with legal/regulatory mandates and catastrophic outages to the power system. However, operating a utility with these level of reductions and constraints is not sustainable and will ultimately result in reduced system reliability (increased and longer system power outages), fines or catastrophic failures, and negative financial implications, which would result in increased system costs to ultimately be borne by LADWP customers.

Additional funding is necessary to address the challenges of building a power system for the next century, and the next several years ahead are key for that strategy. The FY 2012-2013 budget provides funding for the major programs involved in this strategy including:

Mandated Power Supply Replacement

The Power System is undergoing a major transformation of its energy resources and power generation assets that requires replacing a vast majority of its power generation to meet various State and Federal mandates, including replacing LADWP's coastal gas-fired plants to eliminate ocean water cooling of power plants, and to reduce our reliance on fossil fuels and lessen greenhouse gas emissions in response to the mandates of

Senate Bill (SB) 1368 and Assembly Bill (AB) 32, respectively. The FY 2012-2013 budget includes $336 million in renewable resource funding to meet the SB 1X (2) required FY 2011-2013 goal to maintain an average of 20 percent of power from renewable sources. The budget also contains $380 million for rebuilding two coastal power plants ($123 million for completing work related to Haynes Unit 5 & 6 Replacement, and $257 million to begin replacement of Scattergood Unit 3).

Rebuild for Reliability

The budget provides for $802 million to replace aging Power System transmission and distribution infrastructure necessary to maintain system reliability. This funding will be used strategically to reduce poor performing circuits that contribute to customer outages, upgrade and replace aging transformers, substation equipment, utility poles, and overhead and underground cables that are still in service well beyond their expected service lives. This funding is necessary to address a backlog of over 39,000 needed distribution system repairs. Even with this investment, the FY 2012-2013 funding level is still slightly below the FY 2010-2011 funding level, following an over 13 percent reduction in Power Reliability Program funding for FY 2011-2012 compared to FY 2010-2011 and does not permit the utility to achieve the recommended replacement cycles for the equipment noted above. Accordingly, additional increases in annual investment is needed above these levels in future years to take replacement cycles to recommended levels to avoid further deterioration in the frequency and duration of power system outages.

Expand Customer Opportunities in Energy Efficiency and Solar Generation

The budget includes funding to promote greater customer control over their energy future as well, while complying with State mandates for energy efficiency achievements (AB 2021) and for utility investment in the solar rooftop PV rebates (SB 1) and a renewable energy feed-in tariff program (SB 32). The FY 2012-2013 budget includes $88 million for Energy Efficiency, an increase of $28 million from the prior year. The FY 2012-2013 expands the Utility Solar Incentives, providing a total of $68 million in funding. This includes $67 million for Solar Customer Rebates (per SB1) and $1 million for an initial demonstration program level for a Feed-in-Tariff. By the end of 2012, we expect to commit to at least 75MW of local solar generation through the Feed-in Tariff, but those greater commitments will be reflected in budgets after FY 2012-2013.

The utility will make the investments noted above, while continuing to strive to keep rates competitive.

RECOMMENDATION

It is recommended that your Honorable Board adopt the attached Resolution authorizing the transmittal of the preliminary FY 2012-2013 LADWP Power Revenue Fund receipts and appropriations budget and associated schedules to the Los Angeles City Council forthwith.

GJB:ap
Attachments
e-c/att: Ronald O. Nichols
Richard M. Brown
Aram Benyamin
James B. McDaniel
Lorraine A. Paskett
Philip Leiber
Gary Wong
Ann M. Santilli
Gregory J. Black
Marianne M. Anz

RESOLUTION NO. _____

WHEREAS, Section 684, of the Los Angeles City Charter as modified by Measure J approved by the public in March 2011, requires that the Board of Water and Power Commissioner's (Board) shall submit a preliminary budget for the upcoming Fiscal Year (FY) to the Los Angeles City Council (Council) for informational purposes, no later than March 31, 2012, of each year; and

WHEREAS, the Los Angeles Department of Water and Power (Department) management has completed and prepared a comprehensive review of a "zero rate action" budget for FY 2012-2013 and in January 2012 presented the negative operational implications to the Board; and

WHEREAS, Department management has currently prepared a recommended preliminary budget for FY 2012-2013 and presented the implications to the Board; and

WHEREAS, this recommended preliminary budget assumes approximately 4.6 percent additional revenue for LADWP for FY 2012-2013 compared to the prior year; and

WHEREAS, because the rates are effective October 1, 2012, the system average rate increase on that date would be approximately 6.6 percent compared to rates in effect for the similar 9 month period from October 2011 through June 2012; and

WHEREAS, this recommended preliminary budget furthers the Department's goal of building a power system for the next century, and addresses the issues of replacing our power supply, rebuilding for reliability, and expanding customer opportunities by funding solar energy programs and energy efficiency rebates; and

WHEREAS, this transmittal reflects one year of a multi-year Power Revenue Fund planning strategy to be discussed further in upcoming rate consideration processes with the public and the Rate Payer Advocate; and

WHEREAS, the preliminary budget schedules and other documents submitted do not reflect a Board adopted position and are, therefore, subject to further consideration in connection with the upcoming rate consideration processes; and

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the transmittal of the Preliminary FY 2012-2013 LADWP Budget – Power Revenue Fund, submitted by the General Manager to this Board to the Council as required by Los Angeles City Charter Section 684.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

_____

Secretary

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

MAR 22 2012

BY _____
DIRK BROERSMA
DEPUTY CITY ATTORNEY

Los Angeles Department of Water & Power

Fiscal Year 2012-13
Preliminary Budget

Presentation to
Board of Water & Power Commissioners



March 27, 2012

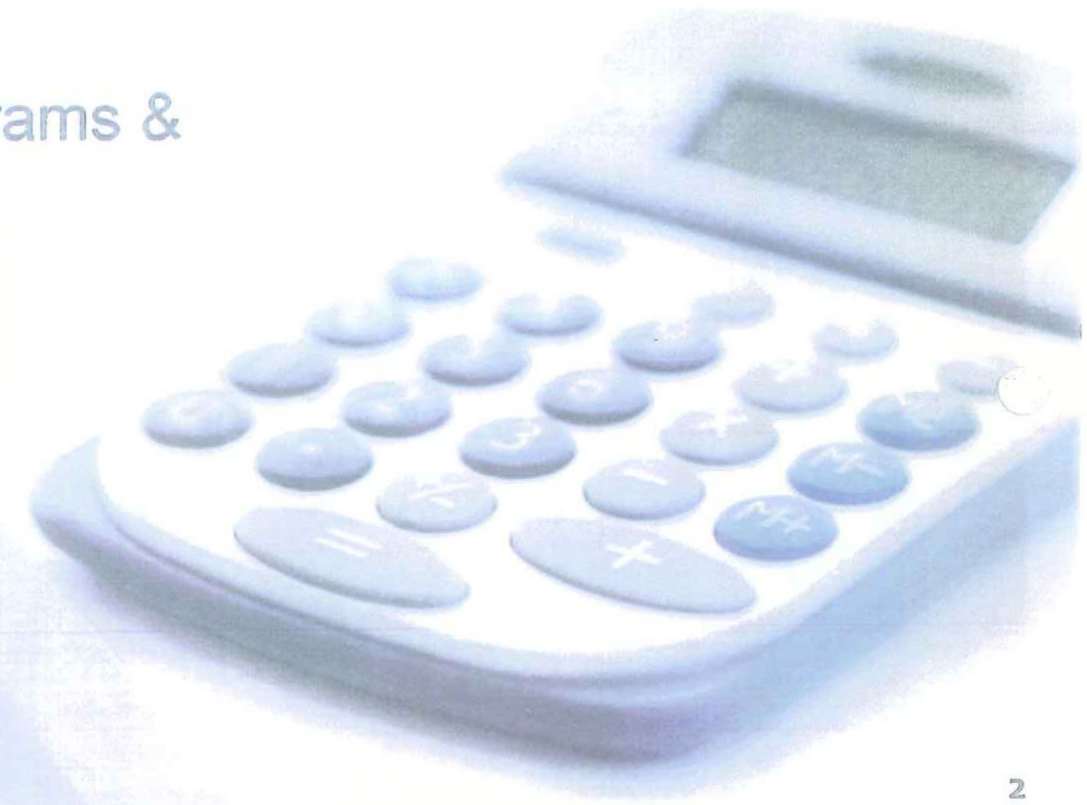
FY 2012-13 Budget Presentation Overview

Budget Development Status

Current Budget

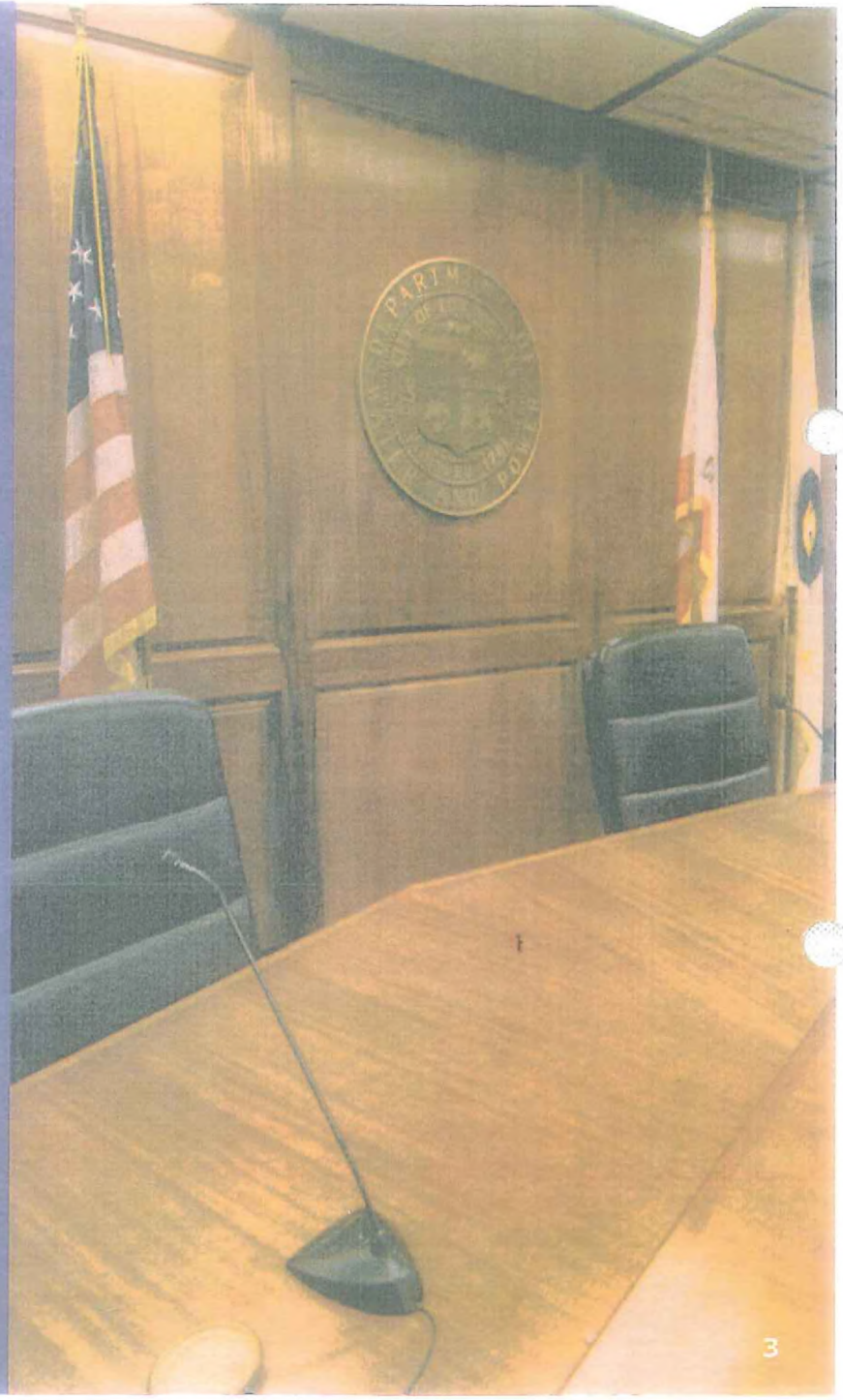
Major Water & Power Programs & Recommended Budgets

Timeline



FY 2012-13 Budget Development Status

- New Timeline: Measure J requires Board approval of Preliminary Budget by March 31.
- Staff presented to the Board on January 25 a FY 12-13 Zero Rate Increase Budget with operational impacts
- Staff has developed a Recommended FY 12-13 Budget that includes rate increases
- Board will review detailed FY 12-13 Budget before final adoption in May



Current Budget

LADWP has continued to cut and defer programs and costs during FY 2011-12

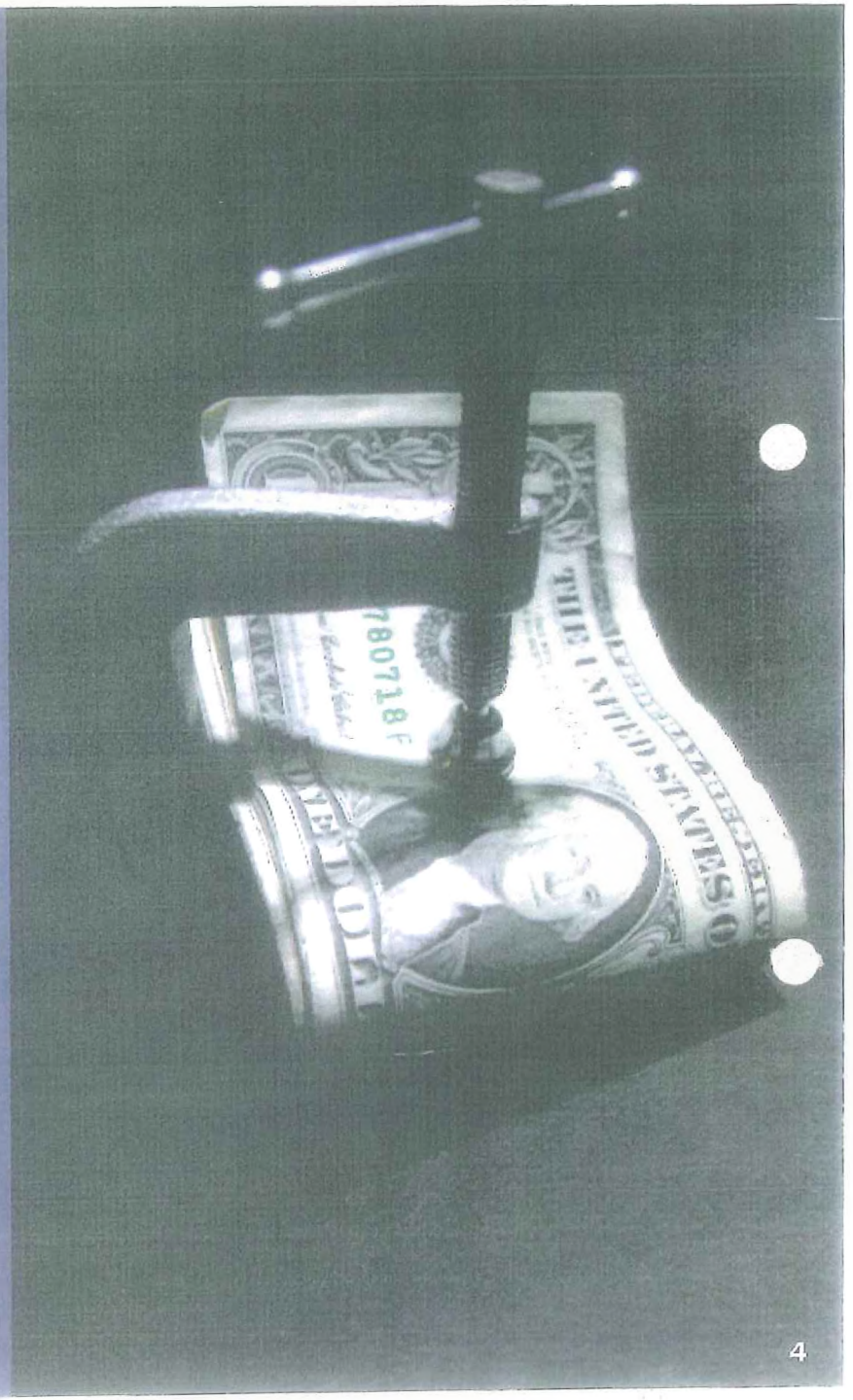
Water System Cuts: $75M

- $15M O&M reduction
- $60M Capital reduction

Power System Cuts: $85M

- $30M O&M reduction
- $55M Capital reduction

Total Budget Reduction: $160M



Next Century LADWP

BUILDING LA'S WATER & POWER FUTURE TODAY

LADWP is completely transforming LA's water and energy supplies while maintaining reliability, competitive rates for customers and placing a renewed focus on meeting their needs.

Power System

Must replace over 70 percent of its power supply to meet regulatory mandates within the next decade while rebuilding aging infrastructure.

Water System

Will Invest over $1 billion to improve drinking water quality and reduce LA's reliance on more expensive imported water while replacing aging pipes and infrastructure.

Next Century LADWP Key Objectives

Next Century Power

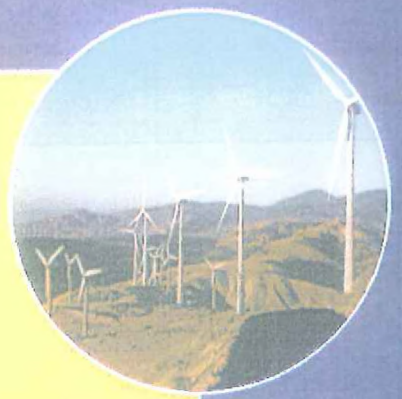
- Replace Power Supply
- Rebuild for Reliability
- Expand Customer Opportunities

Next Century Water

- Reduce Reliance on Imported Water
- Protect Drinking Water Quality
- Replace Aging Infrastructure

Implement Programs While Keeping Rates Competitive for Our Customers

Next Century Power



Next Century Power
Key Programs

Power Supply Replacement Program

Rebuilding Local Power Plants
Renewable Energy
Coal Transition

Power Reliability Program

Replacing the rapidly aging backbone of our electric transmission & distribution system (Distributing Stations, transformers, poles, wires, cables, cross-arms, more)

Customer Opportunities Program

Energy Efficiency
Customer Solar Programs

Next Century Power

Power Supply Replacement Program

Key Elements:

Rebuilding Power Plants

Complete Haynes Unit 5 & 6

- FY 12/13 – $123M
- Total Project Cost - $772M

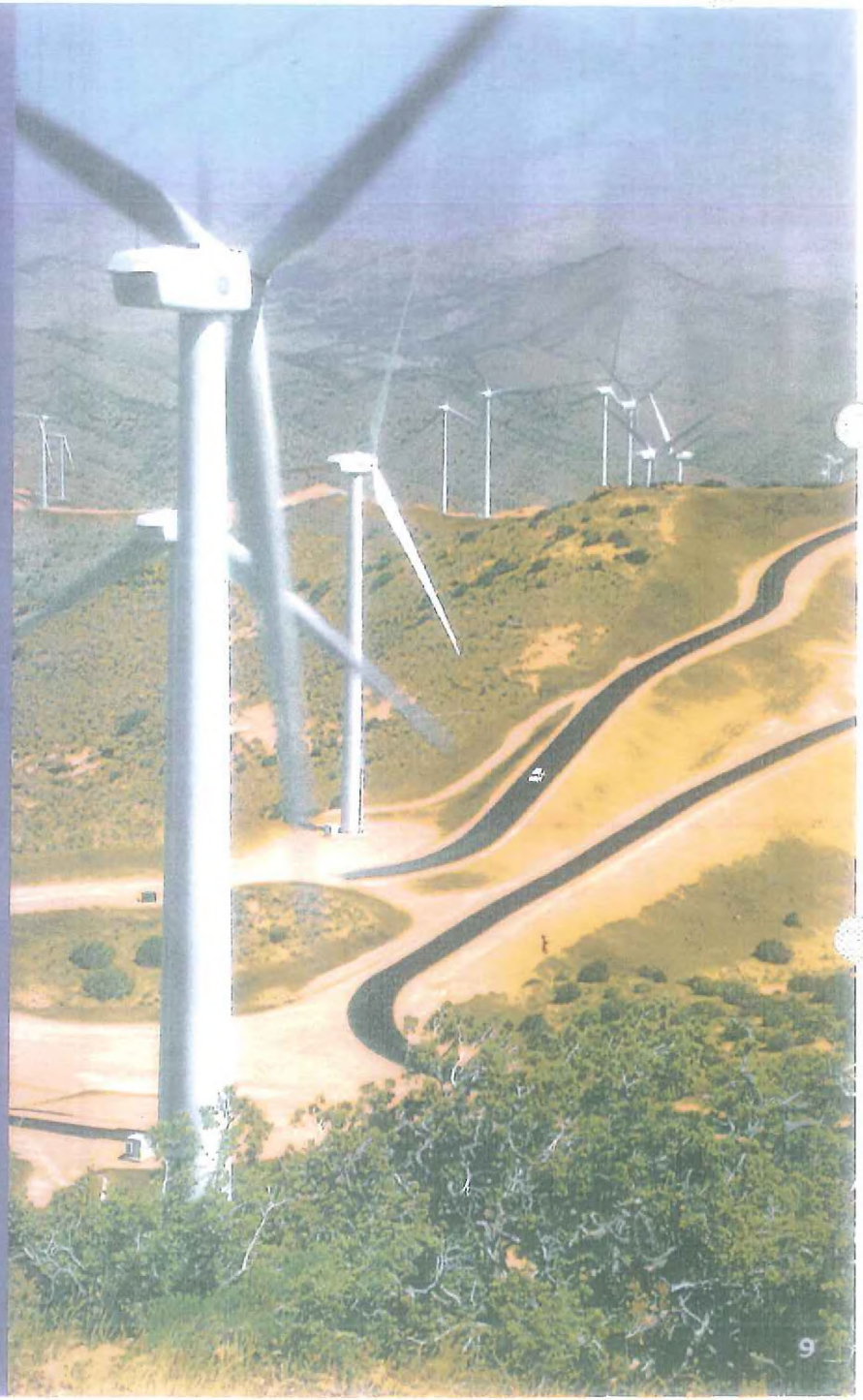
Begin Scattergood Unit 3

- FY 12/13 – $257M
- Total Project Cost - $881M

Renewable Energy

$20M increase to $336M total annual cost

Avg. 20% for 2011-2013 to comply with SB 1X (2) , with 330GWH short term renewable energy purchases



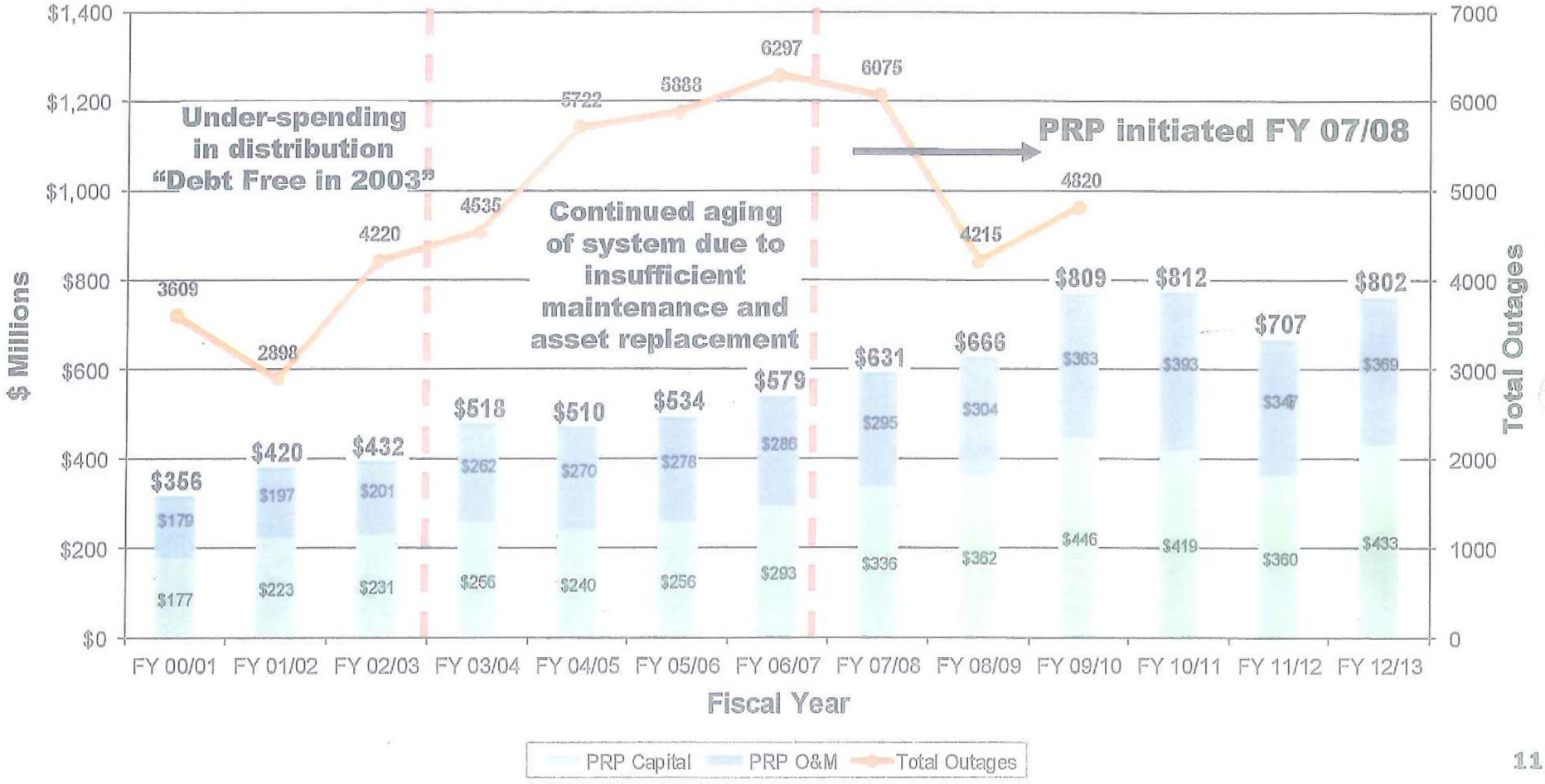
Next Century Power
Power Reliability Program

$802M Budget includes additional $95 million to restore funding to FY 2010-11 level to:

- Reduce poor performing circuits
- Replace aged transformers, poles, cables, cross-arms, substation equipment.

39,000 distribution system repairs remain backlogged. Additional investment is needed in future years to take replacement cycles to recommended levels.

Power Reliability Program Aims To Reduce the Trend Seen Through 2007 of Increasing Outages from Aging Infrastructure



Next Century Power
Customer Opportunities Program

Energy Efficiency: $88M

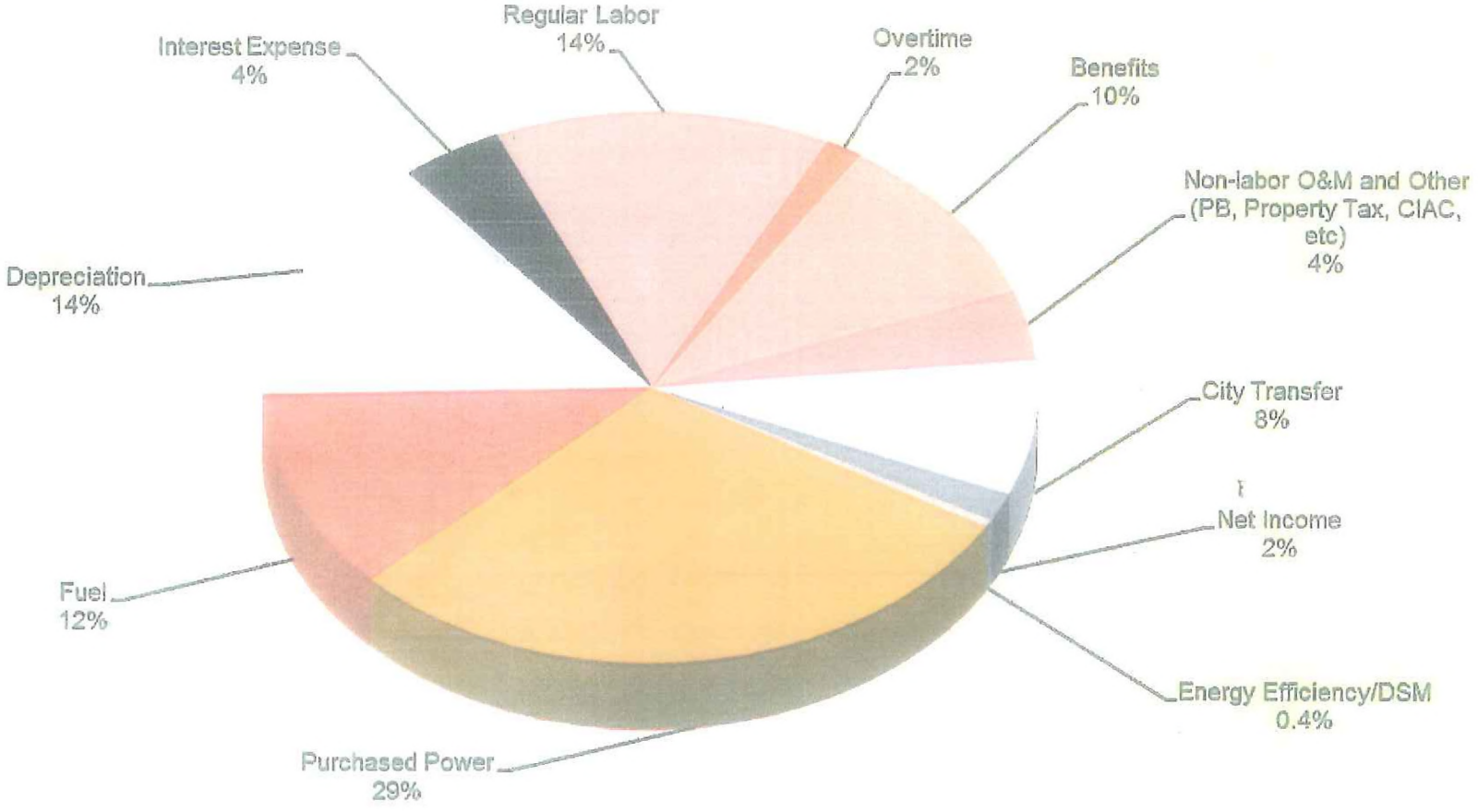
26% increase in FY 2012-13 to expand customer rebate and installation programs. Will allow LADWP to meet energy reduction goals set by Board in January 2012, and sharpen our focus on creating local jobs.

Customer Solar Programs: $68M
$3M Increase

Solar Customer Rebates (per SB1)
Solar Feed-in-Tariff (per SB32)

Allocation of Power Costs FY 2012-13

Total Revenue Requirement of $3.15 billion



Rate Implications

No base rate or Reliability Cost Adjustment increase since July 2009.

No ECAF adjustment since July 2010.

Mandates and priority programs **cannot** be completed without rate action this year.

Customer Rates & Bill Impact
FY 2012/13 Recommended Budget

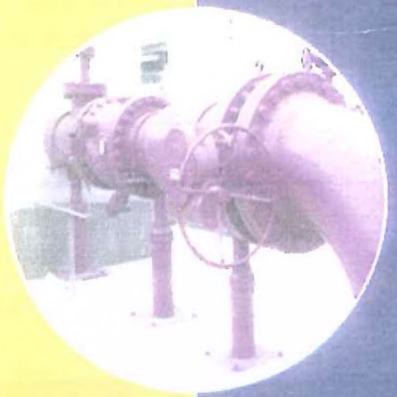
Compared to Rates In Effect FY 2011 - 2012

	FY 2011/12	FY 2012/13	Change (500kWh)	Change (System Avg)
POWER Rate	$0.1316 / kWh	Full year Basis: $0.1356 /kWh From Oct 2012-Jun 2013: $0.1370 /kWh	3.1% 4.1%	4.6% 6.6%
POWER Bill Impacts (Avg. Residential Monthly Bill)	$65.79 / mo. Full year avg. $65.79 for 9 months from Oct-Jun	$67.81/ mo. Full year avg. $68.50 for 9 months from Oct-Jun	$2.02 $2.71	

Rates Frozen through Summer Until October 1

Rates shown are residential rates for typical residential Power Customer with monthly usage of 500kWh
Rates (and percentage changes) will differ (lower or higher) depending on consumption
Rate Estimates are preliminary as of 3/20/2012

Next Century Water



Next Century Water
Key Programs

Local Water Supply Program

Recycled Water
Stormwater Capture
Customer Conservation Programs
Groundwater Cleanup & Management

Safe Drinking Water Program

Regulatory Compliance
Reservoir Covers & Bypasses
Trunkline Replacement

Water System Reliability Program

Replace aging pipeline and related infrastructure, including regulator stations, pumping stations, and maintaining and repairing the LA Aqueduct

Next Century Water
Local Water Supply Program

Recommended Budget of $138M Includes:

Water Recycling: $33M Increase
Puts us on track to ramp up to 30,000 feet of "purple pipe" by FY 14-15 and 14 miles in the next 5 years

Water Conservation: $14M Increase
Maintains strong customer rebates & technical assistance

Stormwater Capture: $8M Increase
Leverages potential grant funding to expand groundwater supply

Groundwater Cleanup and Management $13M Increase
Needed for development & management of future water storage & supply in the San Fernando Aquifer

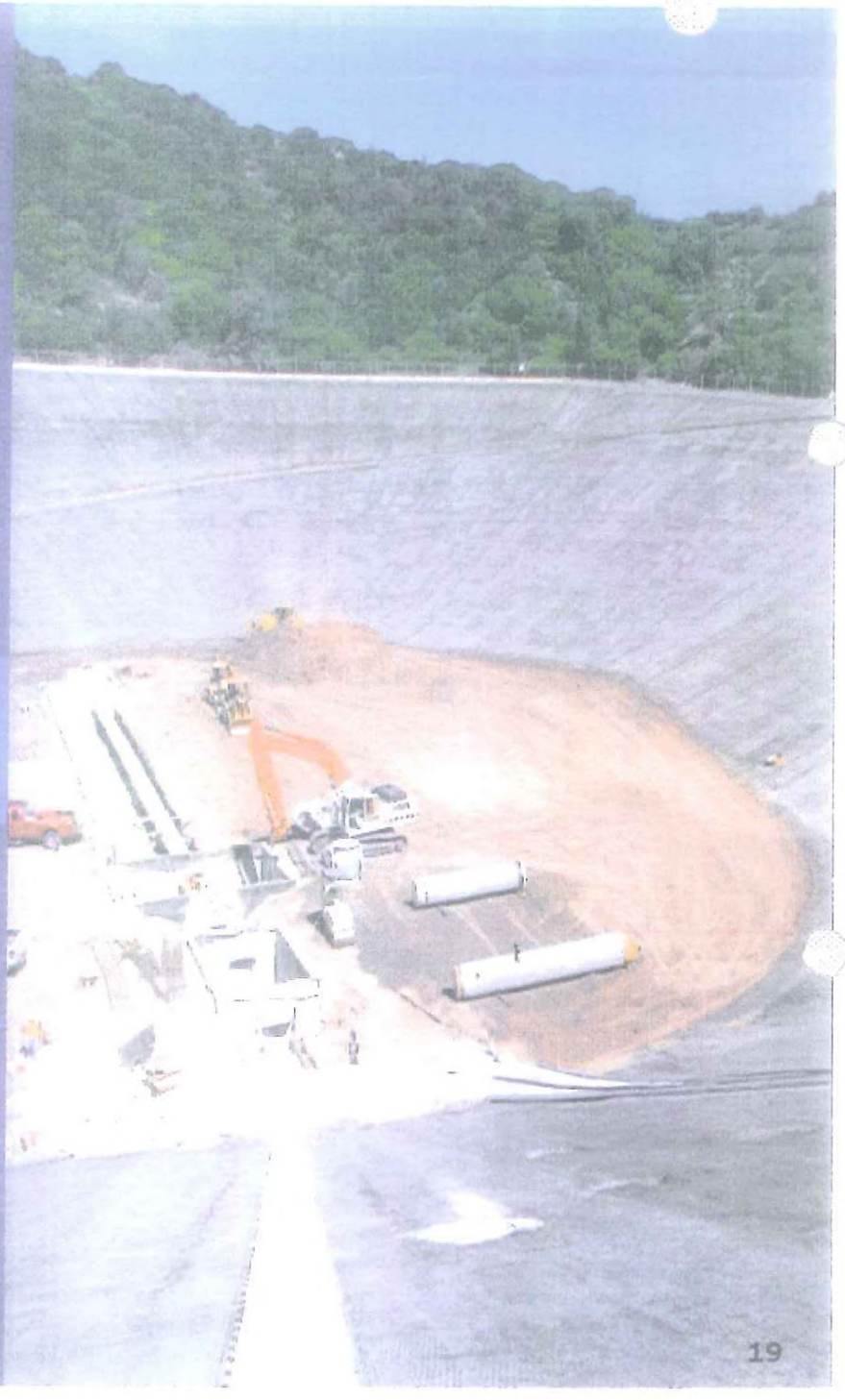
Next Century Water
Safe Drinking Water Program

Recommended Budget: $274M

Funding secured w/ 35-cent increase to WQ Factor in Feb 2012 for planned capital projects in FY 2012/13.

Allows Progress on the Following Projects:

- Headworks Reservoir
- LA Reservoir Shade Balls
- LAAFP Ultraviolet Treatment Plant
- Silver Lake Reservoir Bypass Tunnel
- River Supply Conduit Units 5&6
- River Supply Conduit Unit 7



Next Century Water

Water System Reliability Program

Total Budget:
$165M Capital, an increase of $18M
$137M O&M, an increase of $10M

Includes:
Increase pipeline replacement cycles to 120,000 ft / 320 yr replacement cycle.

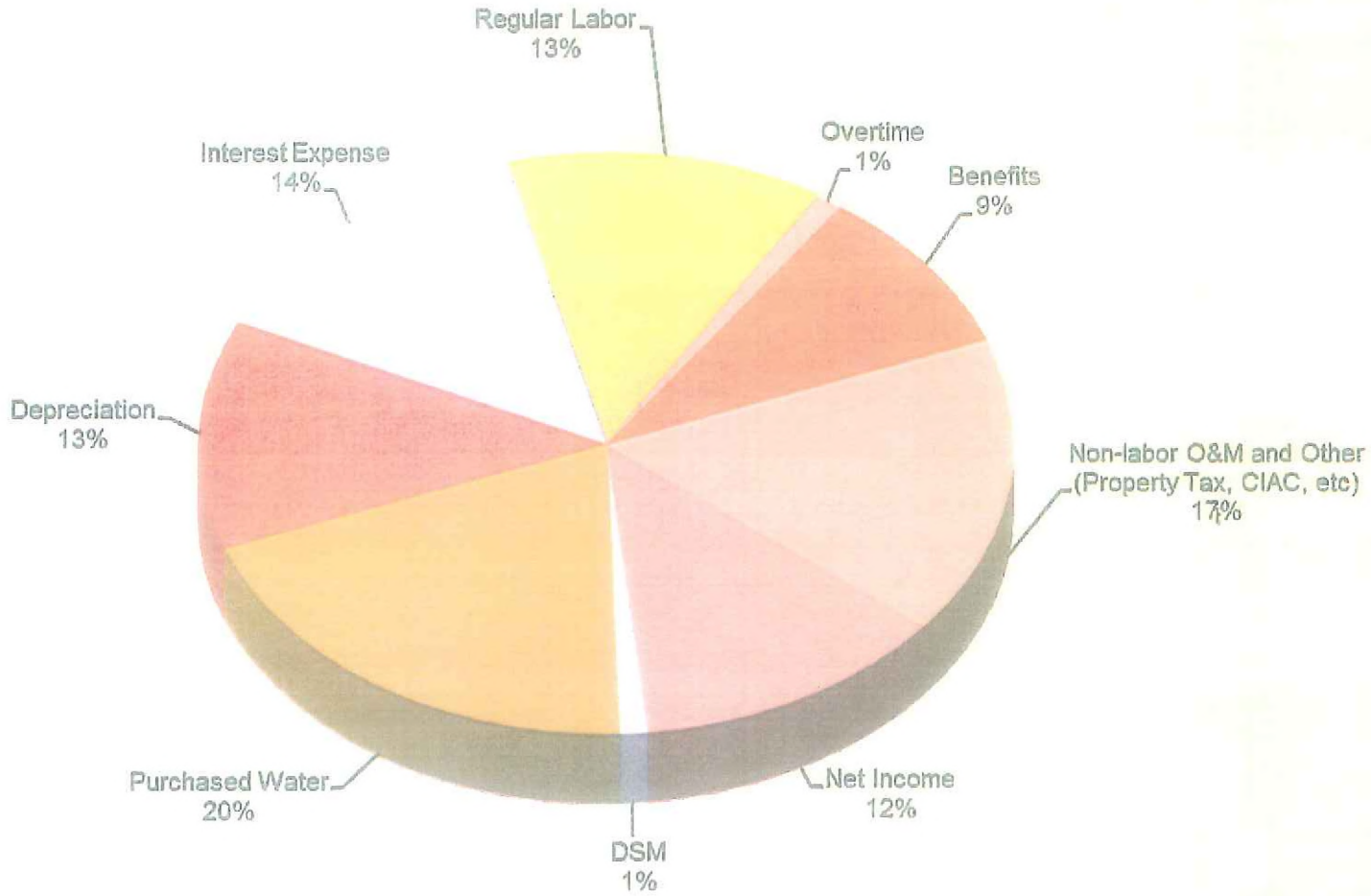
* Below recommended levels

* Enables higher replacement levels in coming years with matching increased funding levels

Replaces other aging vulnerable infrastructure including: LA Aqueduct, Regulator Stations, Pumping Stations, Aqueduct Dam (Haiwee Reservoir).

Allocation of Water Costs FY 2012-13

Total Revenue Requirement of $988 million



Customer Rate & Bill Impacts FY2012/13 Recommended Budget Excluding Purchased Water

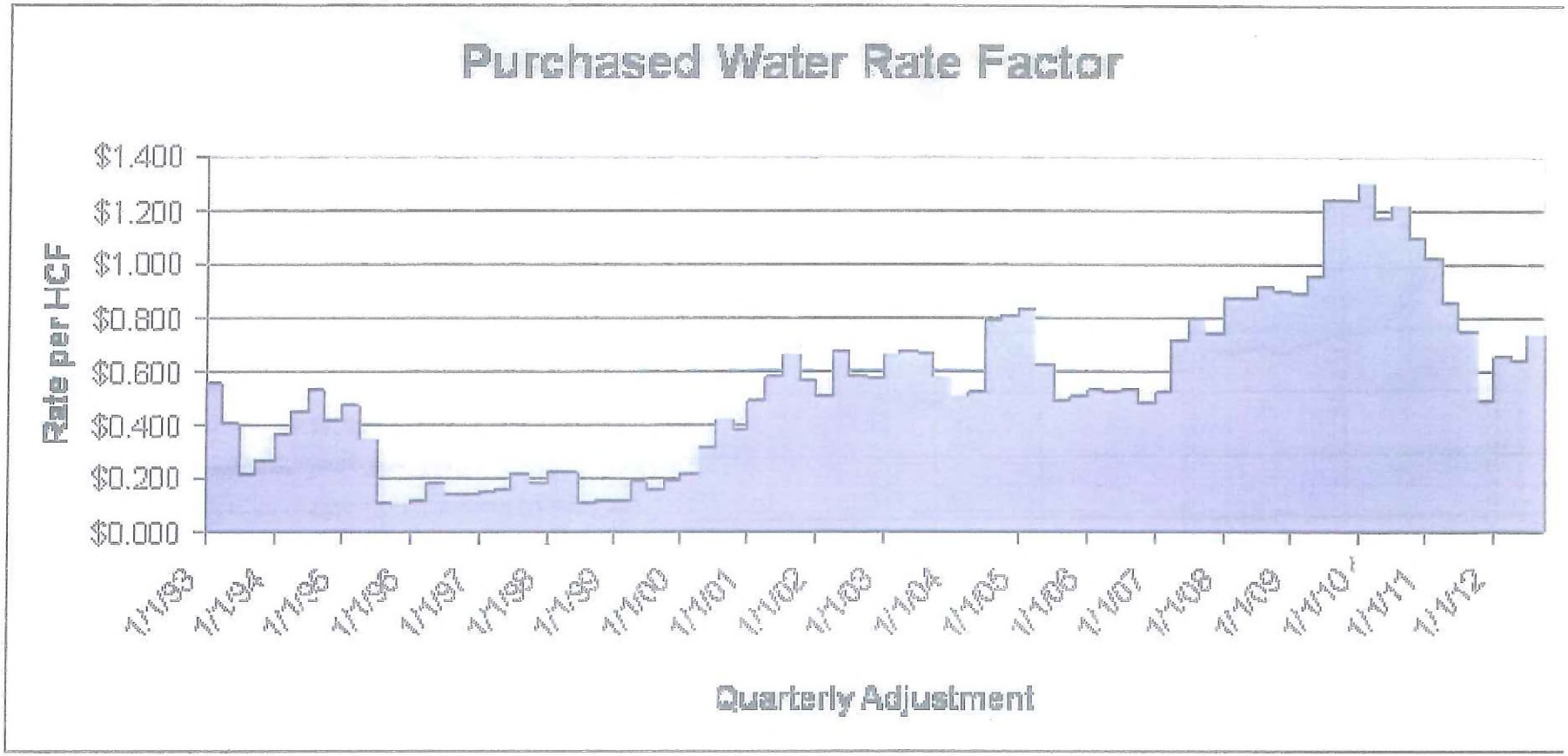
Compared to Rates In Effect April – June 2012

	Current Rate	Rate Increase* $/Billing Unit (1HCF)	Bill Impact Typical Residential Customer
WATER BOARD APPROVAL REQUIRED	$3.564 / HCF	Base $0.000 Local Water Supply $0.122 Other Pass-through -$0.083	Base $0.00 Local Water Supply $1.46 Other Pass-through -$0.99
		$0.039 (1.1%) $/Billing Unit (1HCF)	**$0.47 / month** Typical Residential Customer

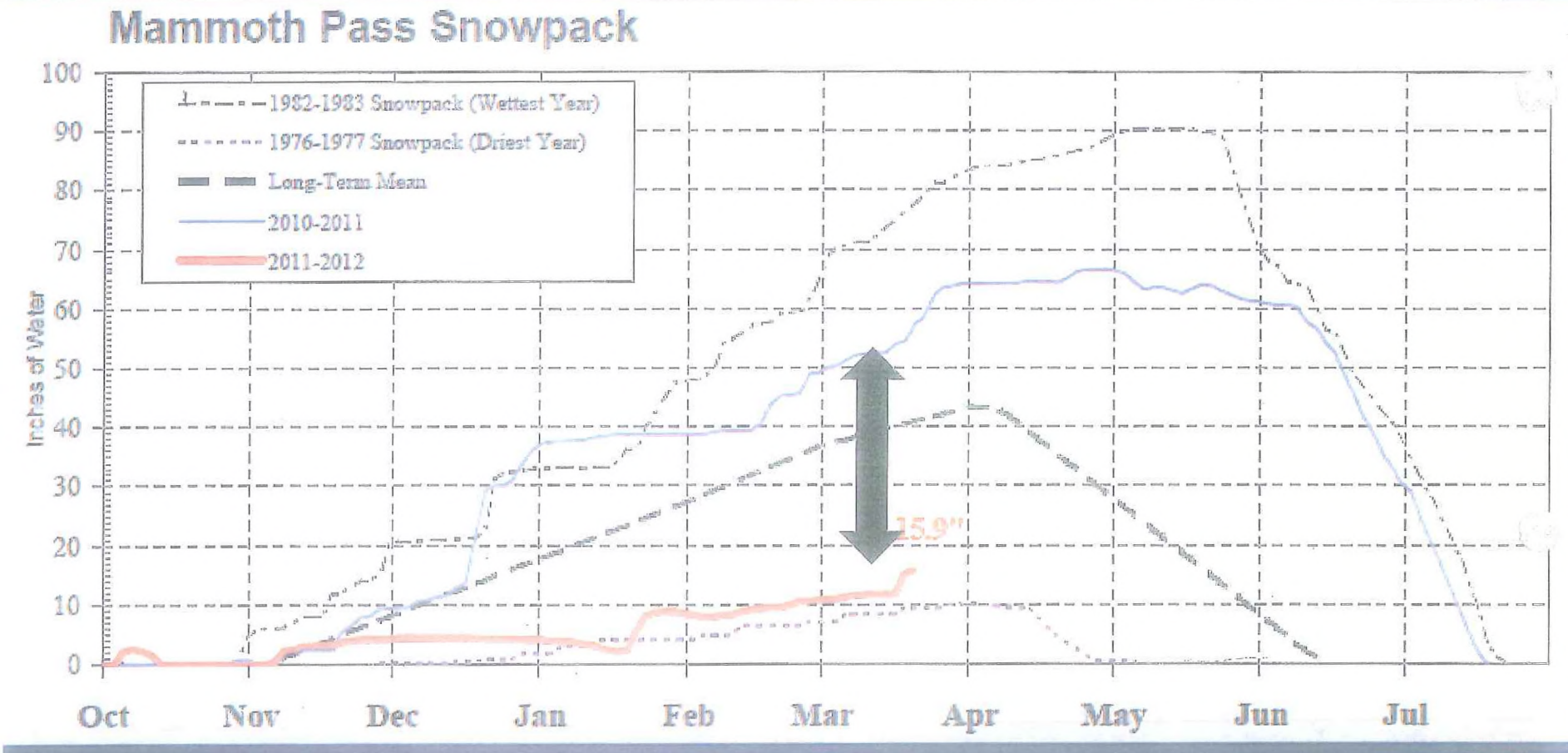
	FY 2011/12 Rates in Effect April – Jun 2012	FY 2012/13 Without Purchased Water Increase
Monthly Bill Typical Residential Customer	$42.77	$43.24

*Above projections based on rates in effect on April 1, 2012 compared to Recommended Annual average rate in FY 2012/13
Typical residential Water Customer with monthly usage of 12HCF
Rate Estimates are preliminary and based on snowpack projections as of 3/8/2012

Additional Adjustment Will Be Made For Purchased Water. LA's Dependence On Imported Water Varies From Year to Year



Current Situation: Drastic Change in Dry Year following Near Record Wet Year



Remaining Issues Not Fully Addressed At This Spending Level

Power Reliability Program & Water Infrastructure Investments still well below recommended levels

Energy Efficiency program increasing, but still below desired level and customer demand

Critical Systems and facilities are past their service life

Financial Information System replacement deferred

Los Angeles Department of Water and Power (LADWP)
Fiscal Year 2012-2103 Goals and Objectives

The goals and objectives of LADWP are closely aligned with the major programs the utility is undertaking in both the Water and the Power systems over the next several years, while maintaining reliable service and competitive rates for our customers. These programmatic obligations are a combination of:

(1) Meeting State and Federal regulatory mandates while transforming our water and power supply assets to reduce future risks to our customers.
(2) Maintaining reliable service by rebuilding our aging water and power distribution infrastructure.
(3) Improving the communications and experience of the interaction between LADWP and our customers.

The goals and objectives set forth below are based on the preliminary receipts and appropriations budget for FY 2012-2013, which assumes Los Angeles City Council required rate increases assumes rate increases resulting in approximately 4.6 percent additional revenue for LADWP for FY 2012-2013 compared to the prior fiscal year. The actual increase in LADWP customer power rates will depend upon when rates are ultimately approved the Board of Water and Power Commissioners and the Los Angeles City Council following review by the recently established Rate Payer Advocate. Assuming the revised power rates become effective October 1, 2012, the system average rate increase on that date would be approximately 6.6 percent compared to rates in effect for the similar 9 month period from October 2011 through June 2012. An earlier effective date reduces the percentage increase and a later effective date will increase the percentage increase. For the Water Revenue fund, there are periodic "pass-through" adjustments that require the Board of Water and Power Commissioner's approval that result in an approximate 1.1 percent rate increase compared to rates in effect during the April through June 2012 timeframe for FY 2012-2013, excluding adjustments required to reflect increased levels of imported water purchases which are necessary due to the near record low precipitation levels this water year.

Key Water System Goals

Safe Drinking Water Program

The Proposed budget provides funding to comply with all regulatory mandates including both drinking water quality and particulate (air) emissions from dust from Owens Lake, created by the diversion of water from Owens River that supplies the terminal Owens Lake for water deliveries to Los Angeles through the Los Angeles Aqueduct. In January 2012, LADWP adopted, and the City Council approved, a drinking water quality

improvement factor adjustment which funds approximately one half of the required investments to meet US Environmental Protection Administration and California Department of Public Health safe drinking water standards. This recent increase funds all of the commitments required for this purpose through the entire FY 2012-13. The LADWP Water System will meet its goals of compliance with:

- The Long Term 2 Enhanced Surface Water Treatment Rule (LT2) to modify the distribution systems to cover, and re-treat or by-pass the open reservoirs in the City of Los Angeles. The purpose of the rule is to reduce the potential for illness from micro-organisms in the water supply. Projects which will be undertaken for drinking water quality compliance in FY 2012-13 include:
    - Headworks Reservoir Project
    - Silver Lake Bypass Tunnel Project
    - River Supply Conduit Phases 5, 6 &7
- The Stage 2 Disinfection Disinfectant Byproduct Rule which requires the city-wide conversion of water disinfectant from chlorine to chloramines. Projects in the FY 2012-13 include:
    - LA Aqueduct Filtration Plant Ultraviolet Light Treatment Plant
    - LA Reservoir Shade Balls
- Continuing to complete the Owens Lake Dust Mitigation Projects for Phases 7A and 8 and Eastern Sierra environmental mitigations associated with the historic effects of diverting water upstream of the terminal Owens Lake. The Owens Lake dust mitigation investments are required to reduce the Particulate Matter 10 (PM 10) air quality standard of the US EPA as enforced by the Great Basin Unified Air Pollution Control District.

Local Water Supply Program

To reliably meet the long term water supply needs of the City of Los Angeles (City) at the least cost LADWP proposes increased investments in local supply as set out in the 2010 Urban Water Management Plan. Local water supply program is a long-term initiative to develop local water supplies within the City of Los Angeles to reduce continued reliance on imported water that is purchased from the Metropolitan Water District (MWD). The following goals for the coming year support that Plan.

- LADWP will continue with existing recycling project commitments including the Harbor Recycling Project. The Harbor recycling project is primarily for large industrial customers and will more than double recycled water deliveries by

adding 9,000 acre-feet. Projects such as this will help us progress from our current water recycling level of 8,000 acre feet to over 50,000 acre feet by 2020 and displaces potable water supplies from other sources relied upon by LADWP to meet our customers' needs.

- Proceed with over 10 water recycling projects to get back on track to meet the LADWP 2010 Urban Water Management Plan goals.

- Initiate studies for the preparation of environmental documentation for the groundwater replenishment project that will recharge the San Fernando Groundwater Basin (SFB) with advanced treated recycled water and stormwater capture. Timing of this project is dependent on when the SFB Groundwater Treatment Complex project is initiated.

- Restore investing in the San Fernando Valley ground water clean-up to enable future water storage.

- Increase level of investment in stormwater capture program. Projects such as this can help us reach a goal of capturing 25,000 acre feet of stormwater by 2035, which can help us reduce reliance on imported water.

- Restore funding to Water Conservation Programs including:
  - Commercial Rebates (Plumbing)
  - Commercial Landscape Incentive
  - City Park Retrofit Assistance
  - Residential Rebates
  - Free Equipment
  - LADWP Facility Retrofits
  - Residential Landscape Incentive
  - Technical Assistance
  - Public Awareness and Education

Water System Reliability Program

Infrastructure investments are necessary to maintain reliability of supply and distribution of water for Los Angeles. The following are major areas of program investments:

- Implement water pipeline replacement to enhance water supply reliability. The LADWP has over 1 million feet (200 miles) of distribution mains that are approximately 100 years old. Within 5 years, there will be over 300 miles of mains 100 years or older. The LADWP Water System has on average about 3.5

pipeline breaks per day, not including chronic minor leaks. The Water System is increasing main line replacement from the 95,000 foot /year rate (400 year replacement cycle) expected to be achieved in this current fiscal year (down from approximately 115,000 ft in FY 2010-2011, to 120,000 feet (320 year replacement cycle) in FY 2012-2013 to 150,000 feet (250 year replacement cycle) in FY 2014-2015. Pipe replacement is a high priority and is critical to the health, safety and economic viability of the City.

- Investment in Regulator and Pumping Stations is planned to improve water supply.

- Start design of North Haiwee Dam #2 in the Owens Valley to replace the existing, seismically vulnerable dam. The Project is necessary to ensure operation of the Los Angeles Aqueduct. The California Department of Water Resources Division of Safety of Dams requires construction to begin by 2017.

- Continue Los Angeles Aqueduct investments to meet regulatory requirements and enhance water supply.

Key Power System Goals

The LADWP Power System budget requirements are driven by three major programs:

- Power Supply Replacement Program (to meet regulatory requirements and achieve sustainable supply sources),
- Power Reliability Program, and
- Customer Opportunities Program

These three program areas are the primary focus of investments included in the FY 2012-2013 budget. The strategy for power supply replacements and the investments to be made to achieve that strategy focus on complying with State regulatory mandates while maintaining regionally competitive retail power rates to LADWP customers.

Power Supply Replacement Program

LADWP is undergoing a major transformation of its energy resources and power generation, one that requires the replacement of a vast majority its generation and energy resources to meet regulatory mandates and sustainability policies. Most of these replacements are mandated by State regulatory requirements, but the manner in which LADWP is undertaking the replacements is planned to achieve as low of a net cost of power to LADWP customers as is reasonably possible while meeting regulatory

requirements and enhancing customer options for energy efficiency and local solar energy supply. This Program includes the following main elements for FY 2012-13:

- Coastal Gas-Fired Generation Repowering – LADWP's 9 older, in-basin natural gas generating units at three different sites will be replaced and repowered to meet the July 2011 State Water Resources Control Board (SWRCB) order to eliminate once-through ocean cooling under a schedule agreed to between the SWRCB and LADWP between 2013 and 2029. As part of this replacement, some generating units will be replaced with fast-start natural gas fired combustion turbines to support the variability of hourly generation of most of the renewable energy resources that meet the LADWP RPS requirements, while also converting them from ocean water cooling to dry cooling systems. The LADWP Haynes Units 5 & 6 are being replaced in FY 2012-13 and major equipment orders are planned for commitment for replacement of Scattergood Unit 3 in FY 2012-13.

- Renewable Energy Resource Addition Plan - LADWP will continue renewable energy acquisition and development to maintain an average of 20 percent between calendar years 2011-2013 as required by the State Renewable Portfolio Standards law adopted by the State Legislature in 2011. New acquisitions and utility-built projects will also be initiated to achieve the legally mandated level of 25 percent of renewable energy by 2016 and 33 percent by 2020. Budget expenditures in this Program for FY 2012-13 provide for:

  - Purchase of short-term renewable energy contracts to replace existing expiring contracts to maintain the 20% RPS requirement.
  - Commitments to sites and permitting activities for renewable energy projects to be developed to meet later years as RPS requirements ramp up.
  - Funding of permitting and development activities for the Barren Ridge Renewable Energy Corridor Transmission Project to deliver future renewable energy to LADWP.
  - Completing the Adelanto/Pine Tree solar projects, a total of 20 MW of solar projects to be connected to LADWP's existing transmission system.

- Navajo Generating Station (Coal) Exit Program – State Senate Bill 1368 (SB 1368) requires LADWP to cease taking any energy from the Navajo Generating Station (NGS) upon expiration of its operating agreement for LADWP's 21% share of ownership of the 3-unit 2250 MW plant by 2019. To replace this 477 MW share of this baseload generating plant, LADWP will use a portion of the energy efficiency program energy savings of its energy efficiency program, a portion of the State-mandated 33% renewable energy resources required by 2020, and the purchase of natural gas fired generating capacity that uses existing LADWP transmission rights to deliver net required energy to Los Angeles. LADWP presently anticipates replacing

the NGS by the end of calendar year 2015 as part of a least-cost plan to make this transition. Costs in FY 2012-2013 will be limited to efforts associated with planning for replacement power supplies and solicitation of offers for the sale of the LADWP ownership share of the NGS.

Power Reliability Program (PRP)

LADWP has a proud history of serving reliable power at the lowest possible rates to City residents and businesses, however, our power infrastructure has exceeded its lifespan. Age and stress from weather as well as increasing customer demand have taken their toll. The LADWP's primary goal is to increase investments in replacing aging infrastructure and ensuring a robust and reliable power distribution system. At present, LADWP has over 39,000 backlogged job orders for power system distribution repairs, replacements and renewals. A significant percentage of these backlogged jobs are part of the PRP and the list grows daily.

LADWP performs the PRP using tried and true measures to maintain and improve reliability by:

- Prioritizing the replacements to address the most critical problems first.
- Focus repair and equipment replacement first on the worst-performing circuits.
- Replace vital equipment, such as; poles, transformers, cables and overhead circuits so that they do not exceed their recommended lifespan.
- Integrate use of smart grid technology to detect and address problem areas more quickly – before failures occur.

Funding for the PRP in FY 2012-13 is approximately $10 million lower than FY 2010-2011, whereas prior multi-year PRP plans called for a higher than FY 2010-2011 funding level. As a result of the lower level of funding, in FY 2012-2013, the program will prioritize available funding to focus on repair and replacement of equipment based on the frequency and duration of power outages, and mitigating poor performing circuits. This level of funding will not replace equipment at the end of its life, rather, it supports capital "triage" to seek to avoid major outages due to equipment failure. Of all of the major distribution system components, this PRP funding level only replaces transformers at the end of life cycle. All other components are required to perform as long as twice their life cycle at this funding level. Some of the planned replacements and replacement cycles are as follows:

- 26 miles of distribution (4.8kV and 34.5kV) cable
  Replacement cycle: 173 years
  Optimal replacement cycle: 75 years

- 2,400 power poles
  Replacement cycle: 126 years
  Optimal replacement cycle: 60 years

- 2,400 transformers
  Replacement cycle: 53 years
  Optimal replacement cycle: 53 years

Customer Opportunities Program

Part of the LADWP program to meet renewable energy requirements includes efforts by our customers to use energy more efficiently and for customer-installed solar photovoltaic (PV) generation on their homes and businesses. The first priority to sustainable energy should be the wise use of energy. LADWP is increasing its commitment to customer energy efficiency programs to co-invest with our customers to save energy use. Each kilowatt-hour of energy saved reduces the amount of renewable energy investment required to meet the 33% renewable energy requirement.

- Investing in Energy Efficiency - Energy efficiency savings investments by LADWP that are lower cost than renewable energy resource additions saves money for all LADWP customers and the customers who co-invest to reduce energy use in their homes and businesses save even further by reducing their LADWP bills. With increased funding for Energy Efficiency, the LADWP is committed to the continuing development and implementation of comprehensive and cost-effective energy efficiency and market transformation programs.

  - The budgeted investment level in energy efficiency programs will rise by nearly $28 million, approximately 26 percent from FY 2011-12 to FY 2012-13. This additional investment will allow LADWP to ramp up investment to meet the energy reduction goals set by the Board. When coupled with new building codes and appliance standards these investments and expanded programs in future years will reduce energy use in Los Angeles by at least 10 percent below baseline by FY 2020-2021.

  - The LADWP instituted an innovative capitalization strategy, which will allow the cost of energy efficiency programs to be recovered over a longer period. Incentive payments are now capitalized as a regulatory asset rather than fully recovered in the year incurred. This will result in a reduced short-term impact of energy efficiency programs on customer rates.

- Local Solar Program - In addition to the energy efficiency program, LADWP is working with our customers to develop three types of solar PV power options – the

Solar Incentive Program and the Feed-in Tariff Program for our customers. The FY 2012-2013 budget includes:

- Continued funding level for the California Solar Incentive Rebate program, to achieve goals required by Senate Bill 1 (SB 1), with the goal of reaching 138MW by 2016, and more than 2/3 of that during FY 2012-13.

- Launch of a Solar Feed-in-Tariff 10MW demonstration program in early 2012 with plans for approval of at least a 75MW program by late 2012. This work will be instrumental towards an initial goal of 75MW and eventually 150MW.

- Utility-installed solar PV at local governmental buildings in Los Angeles to displace power supplied from other LADWP power sources.

- Smart Grid Demonstration - As part of our Customer Power Options program, the budget includes LADWP's 50% share of the US Department of Energy $120 million ARRA Smart Grid Demonstration Project, employing smart grid technology, such as smart meters to increase the efficiency of our transmission and distribution systems, as well as better control customer energy use to integrate renewable energy supplies to the grid.

Other Power System Objectives

- Further facilitate the use of electric vehicles, providing more than 500 rebates for charger installations.

Organizational Wide and Joint System Goals

Fiscal Responsibility in an era of rising costs

In addition to the above programmatic expenditures and investments, the LADWP will continue cost reductions and efficiency improvements started with the April 2011 cost reduction plan as follows:

- Labor Savings - Continue with managed hiring, with recognition that there are some key hires needed programmatically. LADWP will be smart about these hires. Every hire will require the General Manager's personal approval until further notice. LADWP's staffing of 8,979 projected for FY 2012-2013 is 20 percent below the peak staffing of the Department in FY 1991-1992, while the number of customers served has increased by 6 percent. LADWP has set system-wide targets to control and reduce overtime, while providing necessary operational flexibility to maintain

reliable service and meet program requirements. Memoranda of Understandings between LADWP and the unions representing our employees will be upheld.

- Continue Non-Labor Operations Savings - LADWP will continue to defer and tightly manage discretionary expenditures, such as reducing new computer purchases (stretching out life of existing computers), deferring facility refurbishments and office remodels, reduce office supplies and furniture purchases, and carefully monitoring expenditures for training and travel.

Financial Objectives

- LADWP will continue to maintain appropriate financial policies to maintain strong credit ratings (AA- or better) to ensure continued access to low cost funding for our significant capital needs in FY 2012-2013 and the years ahead.

- Begin assessments of needs and alternatives to replace dated financial systems.

- Explore creative financing techniques to fund investments to meet regulatory requirements in both the Water and Power systems in a lower cost manner.

- Provide timely and comprehensive information to the Office of Accountability/Ratepayer Advocate to ensure accountability and transparency regarding LADWP's plans and rate requests.

- After addressing water and rate revenue requirement needs on a multi-year basis, begin review of rate structure and rate design issues.

Customer Information System Project

LADWP is replacing a 40-year old Customer Information System (CIS) that has constrained our ability to adequately and timely serve our customers or modify our billing to meet the changing programs in energy efficiency, water conservation and provision of adequate energy and water use information for LADWP customers. Our effort in replacing our CIS has hit full stride in 2012, and will create opportunities to greatly improve our customer service. The quality assurance consultant, the system integrator, and the software solution have all been selected and work is currently in progress and on schedule to complete the project for a targeted completion in spring of 2013.

Human Resources and Labor Relations

- Improve claims handling through better caseload distribution and monitoring following established fiscal performance guidelines that mitigate or eliminate penalties and assist LADWP to pass State Workers' Compensation Audit.

- Enhance internal customer service through prompt and timely responses to customer inquiries, and resolution of customer issues.

- Expand the LADWP Wellness Program to include localized annual wellness fairs, classes sponsored by health and dental carriers, and other health and fitness activities.

- Partner with organizations to assist them in meeting service level commitments through hiring and placement of employees.

- Implement solutions and strategies (in the form of strategic workforce operational plans) to reconcile those gaps so the organization can accomplish its mission, goals, and objectives.

This budget is subject to adoption by the Board and may be further adjusted as a result of feedback received from the Ratepayer Advocate and the public. The final approval of the preliminary budget is scheduled to occur in May 2012.

DEPARTMENT OF WATER AND POWER

This Department, under the City Charter, is responsible for supplying the City and its inhabitants with water and electric energy by constructing, operating, and maintaining for that purpose works extending throughout the City and to Inyo and Mono Counties to import water and electric energy and to other western states to import electric energy; fixes rates for water and electric service subject to approval of the Council by ordinance; controls its own funds; and maintains a retirement, disability, and death benefit insurance plan.

WATER REVENUE FUND

RECEIPTS

Receipts 2010-11	Estimated Receipts 2011-12		Estimated Receipts 2012-13
$ 316,600,000	$ 553,000,000	Balance available, July 1	$ 282,900,000
--	--	Less: Payments to City of Los Angeles (Held in Reserve)*	--
$ 316,600,000	$ 553,000,000	Adjusted Balance	$ 282,900,000
868,200,000	830,000,000	Sale of Water	940,000,000
258,941,100	243,597,000	From Power Revenue Fund for services and materials	254,575,600
492,700,000	--	Proceeds from sale of bonds for construction	
	--	expenditures made by Water Revenue Fund	322,000,000
1,600,000	--	Proceeds from State of California Loan	--
48,900,000	36,000,000	Contributions in aid of construction	12,000,000
25,074,101	26,923,000	Customers' deposits	27,542,313
5,352,600	9,838,000	From individuals, companies and governmental agencies for services and materials	7,511,100
24,400,000	22,000,000	Miscellaneous	17,000,000
$ 2,041,767,801	$ 1,721,358,000	Total Water Revenue Fund	$ 1,863,529,013

APPROPRIATIONS

Expenditures 2010-11	Estimated Expenditures 2011-12		Estimated Appropriation 2012-13
$ 316,437,100	$ 312,203,000	Salaries and wages	$ 326,320,500
106,575,700	127,670,000	Materials, supplies and equipment	119,190,200
125,300,000	115,000,000	Water purchased for resale	196,000,000
115,298,500	91,698,000	Contracts - Construction work	158,550,100
8,548,200	6,603,000	Contracts - Operation and maintenance work	7,807,600
25,054,300	23,070,000	Rentals and leases	17,004,500
54,065,000	63,308,000	Outside services and regulatory fees	106,791,500
5,586,400	1,384,000	Purchase of land and buildings	771,600
12,248,600	12,506,000	Property taxes	13,124,500
20,112,200	19,682,000	Utility services for electricity and heat	20,667,800
20,008,900	9,340,000	Injuries and damages	9,464,900
564,900	309,000	Postal services	348,000
30,406,800	39,439,000	Professional services	40,764,300

WATER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2010-11	Estimated Expenditures 2011-12		Estimated Appropriation 2012-13
$ 1,419,100	$ 1,548,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work	$ 1,631,000
2,350,200	8,605,000	Insurance	8,763,500
4,392,349	2,515,000	Refunds of customers' deposits	2,573,067
216,823,100	203,134,000	Reimbursements to Power System for proportional share of intradepartmental facilities and activities	249,793,000
170,700,000	182,000,000	Bond redemption and interest Water Works Revenue Bonds	191,000,000
88,222,900	89,658,000	Health Care Plans	74,472,400
114,403,500	126,286,000	Retirement, Disability and Death Benefit Insurance Plan	140,403,000
$ 1,438,517,749	$ 1,435,958,000	Total Appropriations	$ 1,685,441,467
$ (50,250,052)	$ (2,500,000)	Adjustments (Accrual, etc.)	$ 6,912,454
553,000,000	282,900,000	Unexpended Balance	--
--	--	Unappropriated Balance	185,000,000
$ 2,041,767,801	$ 1,721,358,000	Total Water Revenue Fund	$ 1,863,529,013

1. That Appropriations made by this budget are for the fiscal year and are not to be apportioned in equal fractional parts to each month, but such portion as is necessary may be used in each month.
2. Included "pass-throughs" for purchased water and replenishment district, water quality improvements, water reclamation projects, water revenue adjustment, water security adjustment, Owens Valley regulatory adjustment and low income subsidy adjustment.
3. Net of receipts from Power System, individuals and companies, contributions in aid of construction, customer deposits, and other miscellaneous sources, the Water Revenue Fund Operating Budget is $1,366,812,454.

DEPARTMENT OF WATER AND POWER

POWER REVENUE FUND

RECEIPTS

Receipts 2010-11	Estimated Receipts 2011-12		Estimated Receipts 2012-13
$ 784,000,000	$ 1,114,000,000	Balance available, July 1	$ 300,000,000
		Less:	
258,800,000	250,100,000	Payments to City of Los Angeles	249,100,000
$ 525,200,000	$ 863,900,000	Adjusted Balance	$ 50,900,000
2,994,100,000	3,140,900,000	Sale of electric energy	3,148,900,000
216,187,400	204,940,000	From Water Revenue Fund for services and materials	257,987,100
1,684,300,000	--	Proceeds from sale of bonds for construction expenditures made by Power Revenue Fund	1,071,900,000
27,900,000	13,400,000	Contributions in aid of construction	15,200,000
100,994,400	82,562,000	From individuals, companies and governmental agencies for services and materials	93,158,300
122,700,000	118,900,000	Miscellaneous	96,300,000
$ 5,671,381,800	$ 4,424,602,000	Total Power Revenue Fund	$ 4,734,345,400

APPROPRIATIONS

Expenditures 2010-11	Estimated Expenditures 2011-12		Estimated Appropriation 2012-13
$ 712,115,400	$ 656,441,000	Salaries and wages	$ 697,342,800
210,952,000	237,420,000	Materials, supplies and equipment	297,014,900
1,289,600,000	1,327,300,000	Purchased energy and fuel for generation	1,300,900,000
165,996,400	359,593,000	Contracts - Construction work	450,899,300
7,567,000	8,010,000	Contracts - Operation and maintenance work	7,626,400
6,905,300	5,583,000	Rentals and leases	8,729,500
102,127,300	91,303,000	Payments to other utilities for proportionate share of construction, operation and maintenance of jointly-owned facilities	83,303,400
262,527,000	307,478,000	Outside services and regulatory fees	279,962,100
9,579,700	500,000	Purchase of land and buildings	3,165,100
12,362,300	12,916,000	Property taxes	13,823,400
8,625,000	8,252,000	Utility services for telecommunications and water	8,359,500
16,702,400	16,946,000	Injuries and damages	16,944,900
5,620,900	6,296,000	Postal services	9,610,500

POWER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2010-11	Estimated Expenditures 2011-12		Estimated Appropriation 2012-13
$ 59,858,600	$ 80,772,000	Professional services	$ 112,436,900
4,699,900	4,031,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work	4,282,000
15,471,300	26,579,000	Insurance	30,242,900
10,121,628	8,961,000	Refunds of customers' deposits	9,167,026
12,424,800	9,577,000	Energy Efficiency Loans to customers	9,594,500
258,787,200	242,438,000	Reimbursements to Water System for proportional share of intradepartmental facilities and activities	252,564,700
1,238,600,000	347,500,000	Bond redemption and interest - Electric Plant Revenue Bonds (Including Debt Restructuring)	421,300,000
177,903,800	190,511,000	Health Care Plans	158,230,800
242,146,300	268,357,000	Retirement, Disability and Death Benefit Insurance Plan	298,356,000
$ 4,830,694,228	$ 4,216,764,000	Total Appropriations	$ 4,473,856,626
$ 273,312,428	$ 92,162,000	Adjustments (Accrual, etc.)	$ 48,511,226
1,114,000,000	300,000,000	Unexpended Balance	
		Unappropriated Balance	309,000,000
$ 5,671,381,800	$ 4,424,602,000	Total Power Revenue Fund	$ 4,734,345,400

1. The Appropriations made by this budget are for the fiscal year and are not to be apportioned in equal fractional parts to each month but such portion as is necessary may be used in each month.
2. Includes "pass-throughs" for fuel and purchased power costs, demand side management, renewable power portfolio, power reliability program, and low income subsidy adjustment.
3. Net of receipts from Water System, individuals and companies, contributions in aid of construction, and other miscellaneous sources, the Power Revenue Fund Operating Budget is $4,011,211,226.

WATER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2012-13
INFRASTRUCTURE RELIABILITY	
LA Aqueduct System - Additions & Betterments South	$ 7,216,000
LA Aqueduct System - Additions & Betterments North	3,512,000
Pump Stations	4,746,000
Seismic Improvements	8,000
Regulator Stations	7,512,000
Trunk Line & Major System Connections	6,200,000
Distribution Mains	58,802,000
Services, Meters & Hydrants	41,190,000
Water Services Organization Facilities	5,606,000
Tools & Equipment	1,300,000
Other Water Services Organization Capital Projects	12,677,000
Infrastructure Reservoir Improvements	9,267,000
Water Services Organization Information Technology	7,348,000
Griffith Park Water Distribution System	166,000
Total	$ 165,550,000
OPERATING SUPPORT	
Additions & Betterments - Water FN CAO	$ 546,000
Fleet Construction Projects	1,582,000
John Ferraro Building Capital	3,527,000
Fleet Equipment Replacements & Additions	852,000
Miscellaneous Capital Projects	288,000
Tools & Equipment - Corporate Services Organization	291,000
Tools & Equipment - Integrated Support Services Shops	412,000
Cafeteria Equipment	4,000
Ergonomics & New Furniture - Water System	113,000
PC Equipment Water - Joint	176,000
Cyber Security - Water Funded	233,000
PC Equipment - Water Serv	956,000
Industrial Graphics Equipment	58,000
Joint Capital-Water Share	42,416,000
Fueling Station Infrastructure	8,000
Total	$ 51,462,000
REGULATORY COMPLIANCE	
East Sierra Environmental Capital	$ 2,872,000
Owens Valley Dust Mitigation	4,119,000
Supplemental Dust Control Development	96,961,000
Water Quality Improvement Project - Trunkline Improvements	76,807,000
Chlorination Station Installations	17,848,000
Water Treatment Improvements	15,598,000
Water Quality Improvement Project - Reservoir Improvements	103,125,000
Total	$ 317,328,000
WATER SUPPLY	
Water Recycling - Capital	$ 50,977,000
Watershed - Stormwater Capture	7,282,000
Water Conservation - Water Funded	19,090,000
Total	$ 77,349,000
WATER SUPPLY - GENERAL	
Resource Development	$ 6,878,000
Groundwater Management	17,201,000
Total	$ 24,079,000

CAPITAL IMPROVEMENT PROGRAM (Continued)

	Projected Expenditures 2012-13
Gross Capital	$ 635,768,000
Accounting Accruals and Adjustments	$ 1,516,000
Net Capital Improvement Program	$ 637,284,000

POWER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2012-13
ENERGY EFFICIENCY	
Energy Conservation - Power Funded	$ 74,423,000
Total	$ 74,423,000
GAS DRILLING	
SCPPA Gas Reserves Project	$ 20,430,000
Total	$ 20,430,000
INFRASTRUCTURE RELIABILITY	
Generation Station and Power Plant Additions and Betterments	$ 1,941,000
Navajo Generating Station Additions and Betterments	2,071,000
Joint Ownership Generation Additions and Betterments-Nuclear	13,283,000
Harbor Generating Station Additions and Betterments	5,961,000
Haynes Generating Station Additions and Betterments	21,738,000
Scattergood Generating Station Additions and Betterments	8,666,000
Valley Generating Station Additions and Betterments	19,029,000
Castaic Power Plant Additions and Betterments	8,401,000
SmartGrid and APP Integ Imp	5,892,000
Eastern Stations Additions and Betterments	1,048,000
Generation Capital Improvement - Power Executive	44,000
Generation Miscellaneous Improvements on Various DWP Facilities	3,030,000
Power Services Security System	6,658,000
Generation Capital - Power System Planing and Development	2,635,000
AMR Automatic MTR Reading	51,944,000
Earthquake Mitigation - PSO	49,000
Power System Disaster Preperation Program - Capital	2,913,000
Electric Vehicles - Power System	38,067,000
ISS General Business Equipment	1,005,000
Total	$ 194,375,000
INTEGRATED RESOURCE PLAN	
Haynes Units 5 and 6 Repowering	$ 122,970,000
Scattergood Repowering	256,987,000
Castaic Modernization	47,980,000
Total	$ 427,937,000
OPERATING SUPPORT	
Joint Facilities (Non - JFB) Power	$ 223,000
District Cooling Plant	1,000
Rate Technology	1,518,000
General Facility Improvement - ITS	427,000
Water Conservation - Power Funded	91,000
Communications Systems	10,043,000
Additions and Betterments - CAO DR RP	123,000
ERGO and New Furniture - Power	213,000
Cyber Security - Power Funded	2,958,000
Corporate Software Licenses	321,000
PC Equipment Power - Joint	3,557,000
MF Computer Equipment	50,000
Distribution Processing System	6,122,000
Communications Services Capital Project	90,000
Customer Relationship Management	3,065,000
Fiber Optic ENT - Captial	9,950,000
CSBU Additions and Betterments	11,404,000
CIS Replacement Project	38,332,000
CSD Equipment	2,917,000
Accounting Information System Development	603,000
Information Systems Project Funding	2,282,000
Capital Allocation from Water	4,959,000
Financial Information System	88,000
Economic Development - Capital	943,000
Total	$ 100,280,000

POWER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM (Continued)

		Projected Expenditures 2012-13
POWER RELIABILITY PROGRAM		
PRP - Capital	$	1,000,000
Distribution System Reliability		143,134,000
Distribution Station Facility Design and Construction		19,932,000
Scattergood - Olympic Line 1		21,285,000
Transmission Lines Additions and Betterments		5,750,000
Underground Transmission Additions and Betterments		4,619,000
Sylmar Converter Station Additions and Betterments		1,693,000
Eastern Stations Additions and Betterments		1,364,000
Substation Reliability Improvement		50,677,000
System Growth Expansions		26,580,000
New Business - Revenue		96,750,000
Streetlight Systems		4,644,000
OVES Distribution Additions and Betterments		6,288,000
Substation Automation		16,378,000
General Facility Improvements - XMSN		539,000
General Facility Improvements - ISS		5,574,000
General Facility Improvement		2,903,000
Generation Capital - Power System Planning Development		3,059,000
Information Systems - PSIT		19,967,000
Energy Control Center Additions and Betterments		766,000
Total	$	432,922,000
RENEWABLE PORTFOLIO STANDARD		
SB1 Solar Incentive	$	66,963,000
Small Hydro Plants Additions and Betterments		1,800,000
Resource Development - Renewable PRJ AQ		9,656,000
Renewable Projects		11,000
Utility Built Solar		16,398,000
Long - Term Transmission Development		10,585,000
OVES Generation and Facilities Additions and Betterments		4,463,000
Generation Wind Power Plant Additions and Betterments		1,464,000
Barren Ridge Renewable Transmission		32,229,000
Resource Development - Small Hydro		319,000
Owens Valley Solar Project		484,000
Total	$	144,392,000
Gross Capital	$	1,394,759,000
Accounting Accruals and Adjustments	$	(6,820,000)
Total Power Revenue Fund Proposed Capital Improvement Program	$	1,387,939,000
Net Capital Improvement Program	$	1,387,939,000

DEPARTMENT OF WATER AND POWER
WATER AND POWER EMPLOYEES' RETIREMENT, DISABILITY
AND DEATH BENEFIT INSURANCE PLAN
FY 2012-2013

RETIREMENT FUND

RECEIPTS

Actual 2010-11	Budget 2011-12	Estimated 2011-12		Budget 2012-13
$ 291,268,411	$ 387,822,573	$ 328,202,000	Department Contributions	$ 371,263,954
63,583,950	57,596,000	54,388,000	Member Contributions	52,596,000
1,210,491,385	551,972,030	(42,512,000)	Investment Return	552,867,577
1,565,343,746	997,390,603	340,078,000	TOTAL RECEIPTS	976,727,531

APPROPRIATIONS

396,136,140	397,517,026	407,793,000	Benefit Payments	412,000,000
25,169,218	27,949,523	25,627,000	Administrative Expense *	26,457,246
1,144,038,388	571,924,054	(93,342,000)	Available for Investment	538,270,285
$ 1,565,343,746	$ 997,390,603	$ 340,078,000	TOTAL APPROPRIATIONS	$ 976,727,531

**Total active investment management fee of $23.2 M for 2010-11 Actual, $24.5 M for 2011-12 Budget, $24.3 M for 2011-12 Estimate, and $25.5 M for 2012-13 Budget.*

DISABILITY FUND

RECEIPTS

Actual 2010-11	Budget 2011-12	Estimated 2011-12		Budget 2012-13
$ 12,195,591	$ 14,187,813	$ 14,292,000	Department Contributions	$ 15,916,118
465,624	472,000	456,000	Member Contributions	460,000
2,056,420	1,765,866	2,733,000	Investment Return	1,463,530
14,717,635	16,425,679	17,481,000	TOTAL RECEIPTS	17,839,648

APPROPRIATIONS

14,797,937	14,797,926	16,459,000	Benefit Payments	15,000,000
899,201	905,083	891,000	Administrative Expense	1,037,593
(979,503)	722,670	130,000	Available for Investment	1,802,055
$ 14,717,635	$ 16,425,679	$ 17,480,000	TOTAL APPROPRIATIONS	$ 17,839,648

DEPARTMENT OF WATER AND POWER
WATER AND POWER EMPLOYEES' RETIREMENT, DISABILITY
AND DEATH BENEFIT INSURANCE PLAN
FY 2012-2013

DEATH BENEFITS FUND

RECEIPTS

Actual 2010-11	Budget 2011-12	Estimated 2011-12		Budget 2012-13
$ 8,003,050	$ 6,542,811	$ 8,256,000	Department Contributions	$ 9,241,557
327,600	327,105	324,000	Member Contributions	320,000
1,086,047	1,044,190	1,553,000	Investment Return	924,196
9,416,697	7,914,106	10,133,000	TOTAL RECEIPTS	10,485,753

APPROPRIATIONS

7,834,144	7,663,426	7,585,000	Benefit Payments	7,900,000
1,054,110	1,179,763	1,107,000	Administrative Expense	1,318,267
528,443	(929,085)	1,440,000	Available for Investment	1,267,486
$ 9,416,697	$ 7,914,106	$ 10,132,000	TOTAL APPROPRIATIONS	$ 10,485,753

RETIREE HEALTH BENEFITS FUND

RECEIPTS

Actual 2010-11	Budget 2011-12	Estimated 2011-12		Budget 2012-13
$ 140,746,036	$ 125,204,242	$ 124,840,000	Department Contributions	$ 143,671,294
-	-	-	Member Contributions	-
175,069,684	36,481,832	6,333,000	Investment Return	89,242,980
$ 315,815,720	$ 161,686,074	$ 131,173,000	TOTAL RECEIPTS	$ 232,914,274

APPROPRIATIONS

65,132,520	62,500,000	64,207,000	Benefit Payments	68,000,000
3,192,287	2,614,957	4,030,000	Administrative Expense	4,185,697
247,490,913	96,571,117	62,936,000	Available for Investment	160,728,577
$ 315,815,720	$ 161,686,074	$ 131,173,000	TOTAL APPROPRIATIONS	$ 232,914,274

FEDERAL AND STAT. ANT FUNDING ESTIMATES

	Sub-function Code	2010-11 Grant Receipts	2011-12 Estimated Grant Receipts	2011-12 Estimated City Match	2012-13 Estimated Grant Receipts	2012-13 Estimated City Match	Grantor (F, F/S, S, O)	Grant Type (E, A, C)	Grant Period
Water & Power									
CA Dept. of Public Health, Base SRF - River Supply Conduit Lower Reach Unit 4	FG	--	--	--	1,000,000	--	F/S	C	03/15/10 - 06/21/12
CA Dept. of Public Health, Base SRF - Santa Ynez Floating Cover	FG	--	--	--	1,000,000	--	F/S	C	08/12/09 - 04/21/12
CA Dept. of Water Resources - Groundwater Management	SG	--	127,000	68,000	123,000	40,000	S	C	06/20/08 - 11/15/11
CA Dept. of Water Resources - Various Conserv. Projs	SG	10,000	210,000	210,000	--	--	S	C	03/01/05-12/31/11
CA Office of Homeland Security Urban Area Security Initiative-Water	SG	797,000	--	--	--	--	S	C	07/1/06-12/31/09
Department of Agriculture - Natural Resources Conservation Service-Water	SG	1,204,000	--	--	--	--	S	C	06/01/07-05/31/09
FEMA-1994 Northridge Earthquake Hazard Mitigation Grant Program (HMGP) Section 404-Water	FG	2,109,000	--	--	5,263,000	--	S	C	03/01/99 - 05/17/11
FEMA-1994 Northridge Earthquake Repairs and Hazard Mitigation (HM) Section 406-Water	FG	--	--	--	--	--	F/S	FR	01/17/94-01/31/03
FEMA-1994 Northridge Earthquake Repairs and Hazard Mitigation (HM) Section 406-Power **	FG	3,546,052				--	F/S	FR	01/17/94-01/15/09
FEMA - 1998 El Nino Storms-Power ***	FG	273,404				--	F/S	FR	02/02/98-08/09/98
FEMA - 1998 El Nino Storms-Water	FG	59,000	--	--	--	--	F/S	FR	02/02/98-08/09/98
FEMA - October 2003 Wildfires-Power	FG		2,055,857			--	F/S	FR	12/02/03-02/28/10
FEMA - January 2005 Winter Storms-Power	FG				3,908,200	--	F/S	FR	12/27/04-10/03/08
FEMA - January 2005 Winter Storms-Water	FG	--	--	--	2,237,000	--	F/S	FR	12/27/04-10/03/0
FEMA - February 2005 Winter Storms-Power	FG				1,201,000	--	F/S	FR	02/16/05-06/31/
FEMA - February 2005 Winter Storms-Water	FG	--	--	--	314,000	--	F/S	FR	02/16/05-06/31/07
FEMA - 2007 Freeze Grant (Extreme Cold Temperatures)-Water	SG	--	--	--	221,000	74,000	S	FR	01/11/07-07/12/08
FEMA - 2007 Griffith Park Fire-Power***	FG	3,398				--	F/S	FR	05/08/07-05/11/07
FEMA - 2007 Griffith Park Fire-Water	FG	2,000	9,000	--	--	--	F/S	FR	05/08/07-05/11/07
FEMA - 2007 Inyo Complex Fire-Water	FG	12,000	12,000	--	--	--	F/S	FR	07/06/07-07/31/07
FEMA - 2007 California Wildfires-Power	FG	--	--	--	--	--	F/S	FR	10/21/07-04/21/09
FEMA - 2008 Marek and Sesnon Wildfires-Power***	SG	78,157				--	S	FR	10/12/08-04/21/10
FEMA - 2008 Marek and Sesnon Wildfires-Water	SG	21,000	--	--	--	--	S	FR	10/12/08-04/21/10
FEMA - November 2008 Sayre Wildfires-Power***	FG	35,787				--	F/S	FR	11/13/08 -08/31/11
FEMA - November 2008 Sayre Wildfires-Water	FG	1,000	--	--	798,000	53,000	F/S	FR	11/13/08 -08/31/11
FEMA - January 2010 Winter Storms-Power***	FG	153,352				--	F/S	FR	01/17/10-09/08/11
Smart Grid Demo Project	FG	5,695,131	20,465,313	10,232,657	61,551,893	30,775,947	F	C	2010 - 2015
So. Coast Air Quality Mgnt District - MSRC CNG Stake/Dump Truck Purchase	BL	--	1,050,000	1,200,000			O	C	7/16/10 - 7/16/12
So. Coast Air Quality Mgnt District - MSRC CNG Dump Truck Purchase	BL	--	1,400,000	--			O	C	12/10/10-12/10/12
So. Coast Air Quality Mgnt District - MSRC CNG Aerial Boom Purchase	BL	--	25,000	--			O	C	3/17/07-9/18/2012
State Homeland Security Grant Program	SG	100,000	--	--			O	C	1/1/07-3/31/07
State Water Resources Control Board - Watershed Grant Program	SG	--	75,000	162,322	718,000	1,129,000	S	C	1/1/2011-3/31/2015
U.S. EPA - O&M Aeration Facility Assistance	FG	$ 367,509	$ 474,500	$ 52,734	$ 474,500	$ 52,734	F	FR	7/1/11 - 6/30/13
U.S. EPA – Elysian Park Water Recycling Project	FG	$ --	$ --	$ --	$ 485,000	$ 397,000	F	E	Federal Appropriation
US Bureau of Reclamation-Groundwater Replenishment Pilot Study	FG	$ --	$ 380,361	$ 1,065,676	$ 217,639	$ 610,221	F	C	9/29/10-2/292012
US Bureau of Reclamation-CII Landscape Incentive Program	FG	$ --	$ 500,000	$ 1,132,418	$ 500,000	$ 1,255,396	F	C	9/29/2011-9/30/2013
US Bureau of Reclamation-LADWP Distribution System Water Loss Audit and Component Analysis	FG	$ --	$ 100,000	$ 161,267	$ --	$ 285,029	F	C	9/29/2011-9/30/2013
Total Water & Power		$ 14,467,790	$ 26,681,031	$ 14,285,276	$ 80,012,232	$ 34,672,328			

DEPARTMENT OF WATER AND POWER
WATER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
3	151	ASST GNL MGR WP	15,713.94	22,075.38
3	360	EXEC ASST TO THE GM	14,167.08	17,600.10
1	1121	DELIVERY DRIVER	3,316.44	4,118.58
3	1141	CLERK	3,634.86	4,515.30
1	1143	SENIOR CLERK	4,628.40	5,750.70
2	1171	PRINCIPAL CLERK PERSONNEL	7,170.54	7,570.74
23	1202	PRINCIPAL CLERK UTILITY	6,217.02	7,438.50
8	1230	CUST SRVC REPTV	4,379.58	6,277.92
2	1323	SENIOR CLERK STENOGRAPHER	4,628.40	5,750.70
6	1336	UTILITY EXECUTIVE SECRETARY	6,742.50	8,653.02
40	1358	CLERK TYPIST	3,800.16	4,722.36
153	1368	SENIOR CLERK TYPIST	4,628.40	5,750.70
1	1483	PRINTING SERVICES SUPERVISOR	6,648.54	7,019.16
1	1490	INDUSTRIAL GRAPHICS SUPERVISOR	11,738.04	12,392.28
5	1493	DUPLICATING MACHINE OPERATOR	4,337.82	5,390.52
2	1497	BINDERY WORKER	3,968.94	4,931.16
2	1500	SR DUPL MCHN OPR	4,628.40	5,750.70
11	1539	MANAGEMENT ASSISTANT	4,628.40	6,298.80
6	1631	UTILITIES SERVICE INVESTIGATOR	7,358.46	10,749.72
12	1693	WATER SERVICE REPRESENTATIVE	5,813.34	7,222.74
3	1697	SUPVG WTR SRVC REPTV	6,502.38	10,010.22
1	1702	EMERG PREPRDNSS COORD	9,263.76	11,508.36
2	1726	SAFETY ENGINEERING ASSOCIATE	7,121.82	8,847.90
2	1727	SAFETY ENGINEER	10,573.98	11,163.84
3	1769	SR WKR CMPNSTN ANLST	8,503.38	8,976.66
10	1774	WORKERS COMPENSATION ANALYST	6,164.82	7,661.22
3	1775	WORKERS' COMP CLAIMS ASST	4,807.62	5,973.42
1	1777	PL WKR CMPNSTN ANLST	8,774.82	10,901.10
1	1779	OPRNS & STATL RES ANLST	8,146.68	11,908.56
11	1832	WAREHOUSE & TOOLROOM WORKER	4,414.38	5,837.70
4	1835	STOREKEEPER	5,052.96	6,422.34
1	1839	PRINCIPAL STOREKEEPER	7,313.22	9,084.54
1	1941	REAL ESTATE ASSOCIATE	5,096.46	6,330.12
2	1943	TITLE EXAMINER	6,183.96	7,682.10
12	1960	REAL ESTATE OFFICER	6,803.40	9,048.00
5	1961	SENIOR REAL ESTATE OFFICER	8,056.20	10,010.22
3	1964	PROPERTY MANAGER	12,082.56	15,012.72
5	2314	OCCUPATIONAL HEALTH NURSE	5,648.04	6,646.80
1	2315	SUPVG OCPTNL HLTH NURSE	5,921.22	7,354.98
10	2330	INDUSTRIAL HYGIENIST	6,443.22	10,166.82
2	2331	SENIOR INDUSTRIAL HYGIENIST	9,171.54	11,395.26
1	2334	MEDICAL DIRECTOR	16,824.06	20,900.88
1	2353	RADIOLOGIC TECHNOLOGIST	4,102.92	5,098.20
18	3112	MAINTENANCE LABORER	3,968.94	4,931.16
182	3115	MTNC CONSTR HLPR	4,403.94	6,117.84
14	3126	LABOR SUPERVISOR	7,569.00	7,991.82

DEPARTMENT OF WATER AND POWER
WATER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
10	3127	CONSTR & MTNC SUPV	9,587.40	12,221.76
5	3129	CONSTR & MTNC SUPT	9,519.54	15,141.48
55	3141	GARDENER CARETAKER	4,007.22	4,978.14
14	3143	SENIOR GARDENER	5,996.04	6,330.12
5	3145	PARK MAINTENANCE SUPERVISOR	6,504.12	6,866.04
1	3146	SR PK MTNC SUPV	7,354.98	7,765.62
134	3156	CUSTODIAN	3,584.40	4,452.66
6	3157	SENIOR CUSTODIAN	4,894.62	5,167.80
6	3162	REPROGRAPHICS OPERATOR	4,097.70	6,277.92
11	3176	CUSTODIAN SUPERVISOR	5,529.72	6,117.84
278	3181	SECURITY OFFICER	3,798.42	4,978.14
21	3184	SENIOR SECURITY OFFICER	5,529.72	5,837.70
1	3187	CHIEF SECURITY OFFICER	6,258.78	7,777.80
5	3200	PRINCIPAL SECURITY OFFICER	5,193.90	6,453.66
2	3208	DIRECTOR OF SECURITY SERVICES	8,139.72	10,112.88
31	3333	BUILDING REPAIRER	6,744.24	6,928.68
1	3338	BUILDING REPAIR SUPERVISOR	8,503.38	8,976.66
3	3343	CABINET MAKER	7,299.30	7,299.30
1	3344	CARPENTER	7,167.06	7,167.06
1	3346	CARPENTER SUPERVISOR	7,880.46	8,320.68
7	3353	CEMENT FINISHER	6,387.54	6,744.24
1	3354	CEMENT FINISHER SUPERVISOR	7,354.98	7,765.62
3	3393	LOCKSMITH	7,255.80	7,661.22
1	3415	DUPL & MAILG EQPT RPRR	7,019.16	7,019.16
14	3423	PAINTER	7,045.26	7,629.90
1	3424	SENIOR PAINTER	7,499.40	8,176.26
1	3428	SIGN PAINTER	6,866.04	6,866.04
3	3443	PLUMBER	7,784.76	7,784.76
10	3463	PROTECTIVE COATING WORKER	6,866.04	6,866.04
1	3465	PROTECTIVE COATING SUPERVISOR	7,125.30	7,522.02
1	3483	REINFORCING STEEL WORKER	6,744.24	6,744.24
1	3523	LIGHT EQUIPMENT OPERATOR	6,277.92	6,277.92
82	3525	EQUIPMENT OPERATOR	7,080.06	7,522.02
5	3531	GARAGE ATTENDANT	4,059.42	5,042.52
21	3541	CONSTR EQPT SRVC WKR	4,379.58	5,750.70
2	3543	CONSTR EQPT SRVC SUPV	7,200.12	7,602.06
29	3558	POWER SHOVEL OPERATOR	7,784.76	7,930.92
4	3560	HELICOPTER PILOT	7,932.66	9,853.62
1	3562	CHIEF HELICOPTER PILOT	8,910.54	11,069.88
13	3583	TRUCK OPERATOR	5,651.52	5,966.46
90	3584	HEAVY DUTY TRUCK OPERATOR	6,185.70	6,422.34
11	3586	TRUCK AND EQUIPMENT DISPATCHER	7,817.82	8,778.30
3	3595	AUTOMOTIVE DISPATCHER	6,083.04	8,778.30
8	3704	AUTO BODY BUILDER AND REPAIRER	7,354.98	7,354.98
1	3706	AUTO BODY REPAIR SUPERVISOR	7,817.82	8,254.56
6	3707	AUTO ELECTRICIAN	6,996.54	6,996.54

DEPARTMENT OF WATER AND POWER
WATER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
52	3711	EQUIPMENT MECHANIC	6,996.54	7,450.68
3	3712	SENIOR EQUIPMENT MECHANIC	7,513.32	7,602.06
1	3714	AUTOMOTIVE SUPERVISOR	8,555.58	9,032.34
2	3721	AUTO PAINTER	6,900.84	6,900.84
1	3723	UPHOLSTERER	6,422.34	6,422.34
2	3725	BATTERY TECHNICIAN	6,996.54	6,996.54
6	3727	TIRE REPAIRER	6,385.80	6,385.80
1	3732	TIRE REPAIR SUPERVISOR	7,454.16	7,870.02
1	3733	BLACKSMITH	7,621.20	7,621.20
85	3743	HEAVY DUTY EQUIPMENT MECHANIC	7,222.74	7,375.86
15	3745	SR HVY DTY EQPT MCHC	7,765.62	8,091.00
15	3746	EQUIPMENT REPAIR SUPERVISOR	8,047.50	9,032.34
1	3753	SR UTILITY SERVICES SPECIALIST	8,722.62	10,838.46
7	3755	UTILITY SERVICES SPECIALIST	5,985.60	10,010.22
4	3760	MILLWRIGHT	7,930.92	7,930.92
40	3763	MACHINIST	8,131.02	8,423.34
5	3764	APPRENTICE MACHINIST	5,691.54	7,318.44
7	3766	MACHINIST SUPERVISOR	9,255.06	9,771.84
2	3768	SENIOR MACHINIST SUPERVISOR	10,784.52	11,386.56
21	3771	MECHANICAL HELPER	4,414.38	6,117.84
7	3773	MECHANICAL REPAIRER	6,298.80	6,298.80
21	3774	AIR CONDITIONING MECHANIC	7,930.92	8,491.20
8	3775	SHEET METAL WORKER	7,784.76	7,784.76
1	3777	SHEET METAL SUPERVISOR	8,315.46	8,778.30
1	3780	SHOPS SUPERINTENDENT	12,186.96	15,141.48
3	3781	AIR CONDTG MCHC SUPV	9,481.26	10,010.22
5	3789	APPRENTICE-METAL TRADES	5,334.84	6,859.08
8	3793	STRUCTURAL STEEL FABRICATOR	7,621.20	7,897.86
1	3794	STRL STL FABRICATR SUPV	8,247.60	8,706.96
32	3796	WELDER	7,897.86	7,991.82
3	3798	WELDER SUPERVISOR	8,461.62	8,933.16
17	3799	ELECTRICAL CRAFT HELPER	4,506.60	6,117.84
4	3834	SENIOR ELECTRICAL MECHANIC	8,933.16	8,933.16
3	3835	ELECTRICAL MECHANIC SUPERVISOR	9,255.06	9,771.84
1	3836	SR ELTL MCHC SUPV	10,022.40	11,123.82
34	3841	ELECTRICAL MECHANIC	5,691.54	8,131.02
11	3843	INSTRUMENT MECHANIC	8,104.92	8,104.92
1	3844	INSTRUMENT MECHANIC SUPERVISOR	9,255.06	9,771.84
70	3853	ELECTRICAL REPAIRER	8,131.02	8,933.16
7	3855	ELECTRICAL REPAIR SUPERVISOR	9,255.06	9,771.84
2	3856	SR ELTL RPR SUPV	10,784.52	11,386.56
3	3863	ELECTRICIAN	7,765.62	7,765.62
1	3866	ELEVATOR MECHANIC	8,292.84	8,292.84
2	3882	LINE MAINTENANCE ASSISTANT	5,555.82	6,900.84
258	3912	WATER UTILITY WORKER	5,155.62	7,280.16
6	3930	WATER SERVICE SUPERVISOR	7,713.42	9,688.32

DEPARTMENT OF WATER AND POWER
WATER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
43	3931	WATER SERVICE WORKER	5,155.62	6,723.36
56	3976	WATER UTILITY SUPERVISOR	7,977.90	9,201.12
17	3980	WATER UTILITY SUPERINTENDENT	9,291.60	13,822.56
39	3984	WATERWORKS MECHANIC	7,930.92	8,508.60
5	3987	WATERWORKS MECHANIC SUPERVISOR	9,035.82	10,316.46
1	5265	ELECTRICAL SERVICE MANAGER	11,684.10	20,900.88
29	5813	AQUEDUCT AND RESERVOIR KEEPER	4,922.46	6,403.20
1	5816	AQ & RESV SUPV	7,713.42	8,143.20
34	5854	WATER UTILITY OPERATOR	5,155.62	7,130.52
13	5857	WTR UTLTY OPR SUPV	7,977.90	9,688.32
38	5885	WATER TREATMENT OPERATOR	6,966.96	8,094.48
5	5887	WATER TREATMENT SUPERVISOR	8,379.84	8,847.90
2	6147	AUDIO VISUAL TECHNICIAN	5,594.10	6,949.56
4	7207	SR CVL ENGG DRFTG TCHN	6,036.06	8,452.92
2	7208	SR ARCHL DRFTG TCHN	6,036.06	8,452.92
1	7209	SR ELTL ENGG DRFTG TCHN	6,036.06	8,452.92
2	7210	SR MCHL ENGG DRFTG TCHN	6,036.06	8,452.92
1	7212	OFFICE ENGINEERING TECHNICIAN	5,555.82	7,969.20
20	7217	ENGINEERING DESIGNER	6,183.96	7,682.10
2	7219	PL CVL ENGG DRFTG TCHN	7,226.22	10,010.22
11	7228	FIELD ENGINEERING AIDE	6,036.06	7,499.40
3	7229	DRAFTING AIDE	4,182.96	5,482.74
47	7232	CVL ENGG DRFTG TCHN	5,334.84	7,200.12
239	7246	CIVIL ENGINEERING ASSOCIATE	6,319.68	10,876.74
35	7248	WATERWORKS ENGINEER	9,535.20	11,849.40
3	7253	ENGRG GEOLOGIST ASSOCIATE	7,511.58	10,121.58
3	7255	ENGINEERING GEOLOGIST	8,334.60	11,908.56
13	7263	HYDROGRAPHER	5,430.54	7,450.68
4	7264	SENIOR HYDROGRAPHER	6,554.58	8,976.66
15	7283	LAND SURVEYING ASSISTANT	6,674.64	8,292.84
16	7286	SURVEY PARTY CHIEF	7,294.08	9,902.34
2	7287	SURVEY SUPERVISOR	8,889.66	11,045.52
1	7288	SENIOR SURVEY SUPERVISOR	10,151.16	12,611.52
6	7304	ENVIRONMENTAL SUPERVISOR	7,842.18	10,615.74
7	7310	ENVIRONMENTAL SPECIALIST	5,856.84	9,488.22
2	7320	ENVIRONMENTAL AFFAIRS OFFICER	9,556.08	11,870.28
29	7525	ELECTRICAL ENGRG ASSOCIATE	6,319.68	10,876.74
7	7532	ELTL ENGG DRFTG TCHN	5,334.84	7,045.26
5	7551	MCHL ENGG DRFTG TCHN	5,334.84	7,045.26
55	7554	MECHANICAL ENGRG ASSOCIATE	7,511.58	10,876.74
1	7558	MECHANICAL ENGINEER	9,535.20	12,625.44
1	7560	AUTOMOTIVE ENGINEER	9,535.20	11,849.40
37	7833	CHEMIST	6,258.78	10,121.58
1	7834	INDUSTRIAL CHEMIST	9,535.20	11,849.40
1	7835	WTR QLTY LABY MGR	9,535.20	11,849.40
28	7854	LABORATORY TECHNICIAN	5,009.46	7,570.74

DEPARTMENT OF WATER AND POWER
WATER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
6	7856	WATER BIOLOGIST	6,074.34	9,331.62
8	7857	WATER MICROBIOLOGIST	6,117.84	9,225.48
17	7862	WATERSHED RESOURCES SPECIALIST	6,258.78	10,067.64
5	7871	ENVIRONMENTAL ENGNRG ASSOC	7,511.58	10,121.58
2	7872	ENVIRONMENTAL ENGINEER	9,535.20	11,849.40
3	7922	ARCHL DRFTG TCHN	5,334.84	7,045.26
5	7926	ARCHITECTURAL ASSOCIATE	7,511.58	10,876.74
1	7927	SENIOR ARCHITECT	9,843.18	12,228.72
5	7967	MATERIALS TESTING ENGRG ASSOC	7,511.58	10,121.58
23	7968	MATERIALS TESTING TECHNICIAN	4,866.78	7,499.40
1	7973	MATERIALS TESTING ENGINEER	9,416.88	11,699.76
4	9103	FLEET SERVICES MANAGER	8,550.36	13,554.60
40	9105	UTILITY ADMINISTRATOR	7,796.94	13,746.00
1	9106	UTILITY SERVICES MANAGER	7,953.54	19,917.78
59	9184	MANAGEMENT ANALYST	6,514.56	8,094.48
21	9406	MNGG WTR UTLTY ENGR	11,898.12	20,900.88
3	9558	DIRECTOR OF HUMAN RESOURCES	11,525.76	16,411.68
3	9601	GENERAL SERVICES MANAGER	15,245.88	20,900.88
3,370		**Total Regular Positions - Water**		
10,383		**Total Regular Positions - Water & Power**		

DEPARTMENT OF WATER AND POWER
POWER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
6	151	ASST GNL MGR WP	15,713.94	22,075.38
4	360	EXEC ASST TO THE GM	14,167.08	17,600.10
5	1111	MESSENGER CLERK	2,884.92	3,584.40
7	1121	DELIVERY DRIVER	3,316.44	4,118.58
3	1135	DOCUMENTATION TECHNICIAN	5,214.78	6,478.02
8	1136	DATA PROCESSING TECHNICIAN	4,379.58	5,750.70
2	1139	SR DATA PROCSG TCHN	6,217.02	6,563.28
21	1141	CLERK	3,634.86	4,515.30
3	1143	SENIOR CLERK	4,628.40	5,750.70
39	1202	PRINCIPAL CLERK UTILITY	6,217.02	7,438.50
5	1203	BENEFITS SPECIALIST	4,833.72	6,006.48
42	1213	COMMERCIAL SERVICE SUPERVISOR	6,368.40	7,777.80
647	1230	CUST SRVC REPTV	4,379.58	6,277.92
8	1323	SENIOR CLERK STENOGRAPHER	4,628.40	5,750.70
22	1336	UTILITY EXECUTIVE SECRETARY	6,742.50	8,653.02
70	1358	CLERK TYPIST	3,800.16	4,722.36
311	1368	SENIOR CLERK TYPIST	4,628.40	5,750.70
11	1409	INFORMATION SYSTEMS MANAGER	9,730.08	13,794.72
5	1411	INFO SYS OPRNS MGR	7,441.98	11,276.94
9	1427	COMPUTER OPERATOR	4,753.68	5,905.56
9	1428	SENIOR COMPUTER OPERATOR	5,214.78	7,314.96
2	1429	APPLICATIONS PROGRAMMER	5,009.46	7,200.12
86	1431	PROGRAMMER ANALYST	6,803.40	10,761.90
1	1433	DATA ENTRY OPERATOR	3,800.16	4,722.36
42	1455	SYSTEMS PROGRAMMER	7,842.18	11,616.24
3	1456	INFO SRVCS SPLST	5,888.16	7,314.96
1	1458	PL COMMUNIC OPR	5,895.12	6,223.98
9	1461	COMMUNICATIONS INFORMATION REP	4,263.00	5,296.56
1	1466	CHIEF COMMUNICATIONS OPERATOR	6,368.40	6,723.36
6	1467	SENIOR COMMUNICATIONS OPERATOR	4,743.24	5,891.64
13	1470	DATA BASE ARCHITECT	8,706.96	10,817.58
1	1508	MANAGEMENT AIDE	5,070.36	6,298.80
52	1511	UTILITY ACCOUNTANT	6,036.06	8,094.48
57	1521	SENIOR UTILITY ACCOUNTANT	6,610.26	10,967.22
3	1530	RISK MANAGER	9,721.38	14,146.20
11	1539	MANAGEMENT ASSISTANT	4,628.40	6,298.80
11	1589	PRINCIPAL UTILITY ACCOUNTANT	10,596.60	19,917.78
37	1596	SYSTEMS ANALYST	5,512.32	8,091.00
15	1597	SENIOR SYSTEMS ANALYST	7,636.86	11,786.76
8	1599	SYSTEMS AIDE	4,564.02	5,668.92
165	1600	COML FLD REPTV	5,068.62	6,460.62
71	1602	SR COML FLD REPTV	5,454.90	7,548.12
12	1603	COMMERCIAL FIELD SUPERVISOR	8,270.22	8,731.32
180	1611	METER READER	4,577.94	6,478.02
2	1670	GRAPHICS DESIGNER	6,364.92	7,906.56
1	1767	CLAIMS AGENT	8,854.86	11,002.02

DEPARTMENT OF WATER AND POWER
POWER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
10	1770	SENIOR CLAIMS REPRESENTATIVE	6,164.82	8,176.26
12	1779	OPRNS & STATL RES ANLST	8,146.68	11,908.56
10	1785	PUBLIC RELATIONS SPECIALIST	5,874.24	8,104.92
5	1786	PL PUB RELS REPTV	9,312.48	11,710.20
2	1793	PHOTOGRAPHER	5,282.64	6,563.28
124	1832	WAREHOUSE & TOOLROOM WORKER	4,414.38	5,837.70
79	1835	STOREKEEPER	5,052.96	6,422.34
38	1837	SENIOR STOREKEEPER	6,913.02	7,299.30
3	1839	PRINCIPAL STOREKEEPER	7,313.22	9,084.54
2	1860	ASSISTANT UTILITY BUYER	5,427.06	6,744.24
18	1861	UTILITY BUYER	6,382.32	7,930.92
5	1862	SENIOR UTILITY BUYER	8,223.24	9,627.42
5	1865	SUPPLY SERVICES MANAGER	9,810.12	17,403.48
4	1866	STORES SUPERVISOR	8,106.66	10,072.86
21	1924	SECRETARY LEGAL	5,052.96	7,777.80
1	1949	CHIEF REAL ESTATE OFFICER	14,008.74	17,403.48
3	2330	INDUSTRIAL HYGIENIST	6,443.22	10,166.82
8	3112	MAINTENANCE LABORER	3,968.94	4,931.16
35	3114	TREE SURGEON	5,540.16	6,883.44
85	3115	MTNC CONSTR HLPR	4,403.94	6,117.84
20	3117	TREE SURGEON SUPERVISOR	7,548.12	8,820.06
4	3126	LABOR SUPERVISOR	7,569.00	7,991.82
14	3127	CONSTR & MTNC SUPV	9,587.40	12,221.76
2	3129	CONSTR & MTNC SUPT	9,519.54	15,141.48
16	3151	TREE SURGEON ASSISTANT	4,144.68	5,148.66
2	3160	STREET TREE SUPERINTENDENT	9,794.46	12,167.82
13	3333	BUILDING REPAIRER	6,744.24	6,928.68
3	3338	BUILDING REPAIR SUPERVISOR	8,503.38	8,976.66
1	3339	CARPENTER SHOP SUPERVISOR	7,963.98	8,407.68
1	3341	CONSTRUCTION ESTIMATOR	6,610.26	8,212.80
5	3343	CABINET MAKER	7,299.30	7,299.30
55	3344	CARPENTER	7,167.06	7,167.06
17	3346	CARPENTER SUPERVISOR	7,880.46	8,320.68
4	3353	CEMENT FINISHER	6,387.54	6,744.24
36	3423	PAINTER	7,045.26	7,629.90
5	3424	SENIOR PAINTER	7,499.40	8,176.26
4	3426	PAINTER SUPERVISOR	7,629.90	8,054.46
10	3433	PIPEFITTER	7,784.76	7,784.76
13	3435	ASBESTOS WORKER	7,368.90	7,368.90
2	3438	PIPEFITTER SUPERVISOR	8,814.84	8,814.84
2	3440	ASBESTOS SUPERVISOR	8,237.16	8,237.16
18	3443	PLUMBER	7,784.76	7,784.76
5	3444	SENIOR PLUMBER	8,348.52	8,348.52
2	3446	PLUMBER SUPERVISOR	8,814.84	8,814.84
6	3476	ROOFER	6,196.14	6,196.14
1	3477	SENIOR ROOFER	6,723.36	6,723.36

DEPARTMENT OF WATER AND POWER
POWER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
2	3483	REINFORCING STEEL WORKER	6,744.24	6,744.24
29	3525	EQUIPMENT OPERATOR	7,080.06	7,522.02
1	3558	POWER SHOVEL OPERATOR	7,784.76	7,930.92
11	3584	HEAVY DUTY TRUCK OPERATOR	6,185.70	6,422.34
1	3586	TRUCK AND EQUIPMENT DISPATCHER	7,817.82	8,778.30
24	3638	SR COMMUNIC ELTN	9,176.76	9,176.76
45	3686	COMMUNICATIONS ELECTRICIAN	8,131.02	8,131.02
7	3689	COMMUNIC ELTN SUPV	9,255.06	9,771.84
3	3691	SR COMMUNIC ELTN SUPV	11,101.20	13,794.72
1	3711	EQUIPMENT MECHANIC	6,996.54	7,450.68
1	3731	MCHL RPR GNL SUPV	9,587.40	10,121.58
4	3735	BOILERMAKER	7,897.86	7,897.86
2	3737	BOILERMAKER SUPERVISOR	8,933.16	8,933.16
2	3743	HEAVY DUTY EQUIPMENT MECHANIC	7,222.74	7,375.86
14	3753	SR UTILITY SERVICES SPECIALIST	8,722.62	10,838.46
83	3755	UTILITY SERVICES SPECIALIST	5,985.60	10,010.22
9	3763	MACHINIST	8,131.02	8,423.34
11	3771	MECHANICAL HELPER	4,414.38	6,117.84
13	3786	STM PLT MTNC SUPV	9,255.06	10,876.74
5	3793	STRUCTURAL STEEL FABRICATOR	7,621.20	7,897.86
1	3794	STRL STL FABRICATR SUPV	8,247.60	8,706.96
15	3796	WELDER	7,897.86	7,991.82
1	3798	WELDER SUPERVISOR	8,461.62	8,933.16
366	3799	ELECTRICAL CRAFT HELPER	4,506.60	6,117.84
3	3800	COMMUNIC CBL SUPV	9,255.06	9,771.84
6	3801	SR COMMUNIC CBL WKR	8,933.16	8,933.16
19	3802	COMMUNICATIONS CABLE WORKER	7,979.64	7,979.64
11	3808	ASST COMMUNIC CBL WKR	5,712.42	7,095.72
97	3812	UG DISTRBN CONSTR MCHC	5,555.82	7,280.16
22	3814	UG DISTR CONSTR SUPV	8,223.24	8,682.60
6	3815	SR UG DISTRBN CONSTR SUPV	11,109.90	11,729.34
18	3822	ELECTRIC METER SETTER	7,130.52	7,130.52
12	3825	ELECTRICAL SERVICE WORKER	5,193.90	6,453.66
27	3828	ELECTRIC TROUBLE DISPATCHER	6,298.80	7,826.52
8	3829	SR ELTC TRBL DSPR	8,393.76	8,861.82
2	3830	PL ELTC TRBL DSPR	9,039.30	9,738.78
52	3834	SENIOR ELECTRICAL MECHANIC	8,933.16	8,933.16
66	3835	ELECTRICAL MECHANIC SUPERVISOR	9,255.06	9,771.84
19	3836	SR ELTL MCHC SUPV	10,022.40	11,123.82
359	3841	ELECTRICAL MECHANIC	5,691.54	8,131.02
5	3842	INSTRUMENT REPAIRER	8,104.92	8,376.36
37	3843	INSTRUMENT MECHANIC	8,104.92	8,104.92
6	3844	INSTRUMENT MECHANIC SUPERVISOR	9,255.06	9,771.84
1	3846	INSTRUMENT REPAIR SUPERVISOR	8,600.82	9,081.06
180	3870	ELTC DISTRBN MCHN TNEE	5,978.64	8,066.64
101	3873	ELEC DISTR MECH SUPV	10,156.38	11,184.72

DEPARTMENT OF WATER AND POWER
POWER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
35	3875	TRANS & DISTR DIST SUPV	10,727.10	14,515.08
450	3878	ELECTRIC DISTRIBUTION MECHANIC	8,541.66	9,862.32
36	3882	LINE MAINTENANCE ASSISTANT	5,555.82	6,900.84
1	4260	CHF SFTY ENGR PRSR VSLS	8,219.76	10,212.06
7	4261	SFTY ENGR PRSR VSLS	7,788.24	8,682.60
2	4262	SR SFTY ENGR PRSR VSLS	7,791.72	9,681.36
288	5224	ELECTRIC STATION OPERATOR	5,406.18	8,439.00
44	5233	LOAD DISPATCHER	9,583.92	11,905.08
20	5235	SENIOR LOAD DISPATCHER	10,645.32	13,224.00
22	5237	CHIEF ELECTRIC PLANT OPERATOR	8,365.92	11,835.48
40	5265	ELECTRICAL SERVICE MANAGER	11,684.10	20,900.88
2	5601	RATES MANAGER	9,956.28	14,783.04
200	5622	STEAM PLANT ASSISTANT	4,628.40	6,685.08
95	5624	STEAM PLANT OPERATOR	7,570.74	8,452.92
31	5625	STM PLT OPRG SUPV	9,808.38	10,868.04
53	5630	STM PLT MTNC MCHC	7,930.92	7,930.92
19	7207	SR CVL ENGG DRFTG TCHN	6,036.06	8,452.92
3	7208	SR ARCHL DRFTG TCHN	6,036.06	8,452.92
11	7209	SR ELTL ENGG DRFTG TCHN	6,036.06	8,452.92
2	7210	SR MCHL ENGG DRFTG TCHN	6,036.06	8,452.92
21	7212	OFFICE ENGINEERING TECHNICIAN	5,555.82	7,969.20
1	7217	ENGINEERING DESIGNER	6,183.96	7,682.10
4	7219	PL CVL ENGG DRFTG TCHN	7,226.22	10,010.22
1	7229	DRAFTING AIDE	4,182.96	5,482.74
51	7232	CVL ENGG DRFTG TCHN	5,334.84	7,200.12
7	7237	CIVIL ENGINEER	9,535.20	11,849.40
43	7246	CIVIL ENGINEERING ASSOCIATE	6,319.68	10,876.74
1	7248	WATERWORKS ENGINEER	9,535.20	11,849.40
1	7253	ENGRG GEOLOGIST ASSOCIATE	7,511.58	10,121.58
1	7255	ENGINEERING GEOLOGIST	8,334.60	11,908.56
8	7304	ENVIRONMENTAL SUPERVISOR	7,842.18	10,615.74
21	7310	ENVIRONMENTAL SPECIALIST	5,856.84	9,488.22
5	7320	ENVIRONMENTAL AFFAIRS OFFICER	9,556.08	11,870.28
11	7511	ASSISTANT ELECTRICAL TESTER	4,329.12	6,117.84
104	7512	ELECTRICAL TESTER	5,874.24	7,765.62
46	7515	SENIOR ELECTRICAL TESTER	6,544.14	9,201.12
43	7520	ELTC SRVC REPTV	6,443.22	8,423.34
4	7521	SR ELTC SRVC REPTV	8,715.66	11,386.56
384	7525	ELECTRICAL ENGRG ASSOCIATE	6,319.68	10,876.74
1	7531	PL ELTL ENGG DRFTG TCHN	8,056.20	10,010.22
15	7532	ELTL ENGG DRFTG TCHN	5,334.84	7,045.26
67	7539	ELECTRICAL ENGINEER	9,535.20	12,625.44
4	7551	MCHL ENGG DRFTG TCHN	5,334.84	7,045.26
94	7554	MECHANICAL ENGRG ASSOCIATE	7,511.58	10,876.74
18	7558	MECHANICAL ENGINEER	9,535.20	12,625.44
1	7833	CHEMIST	6,258.78	10,121.58

DEPARTMENT OF WATER AND POWER
POWER REVENUE FUND
Salaries and Authorized Number of Positions

Authorized Number of Positions	Class Code	Class Title	Range of Monthly Salary	
13	7854	LABORATORY TECHNICIAN	5,009.46	7,570.74
1	7862	WATERSHED RESOURCES SPECIALIST	6,258.78	10,067.64
1	7871	ENVIRONMENTAL ENGNRG ASSOC	7,511.58	10,121.58
5	7922	ARCHL DRFTG TCHN	5,334.84	7,045.26
8	7926	ARCHITECTURAL ASSOCIATE	7,511.58	10,876.74
2	7935	GRAPHICS SUPERVISOR	7,678.62	9,540.42
2	7956	STRUCTURAL ENGINEER	9,535.20	11,849.40
16	7957	STRUCTURAL ENGRG ASSOCIATE	7,511.58	10,121.58
40	9105	UTILITY ADMINISTRATOR	7,796.94	13,746.00
29	9106	UTILITY SERVICES MANAGER	7,953.54	19,917.78
6	9146	INVESTMENT OFFICER	9,528.24	12,491.46
1	9147	CHIEF INVESTMENT OFFICER	10,485.24	13,027.38
1	9149	RETIREMENT PLAN MANAGER	13,116.12	16,295.10
69	9184	MANAGEMENT ANALYST	6,514.56	8,094.48
1	9185	STAFF ASSISTANT TO GENERAL W&P	11,781.54	14,638.62
3	9377	ASST DIR INFO SYS	12,787.26	17,403.48
2	9415	ASST RET PLN MGR	10,596.60	13,168.32
24	9453	POWER ENGINEERING MANAGER	11,898.12	20,900.88
2	9601	GENERAL SERVICES MANAGER	15,245.88	20,900.88
1	9739	SECY WP COMM	7,600.32	9,442.98
1	9759	AUDITOR WATER AND POWER	16,747.50	20,808.66
1	9998	GNL MGR & CHF ENGR WP	28,750.00	28,750.00
7,013		**Total Regular Positions - Power**		
10,383		**Total Regular Positions - Water & Power**		