



RON GALPERIN
CONTROLLER

December 10, 2015

Honorable Members of the City Council
of the City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Department of Water & Power
Board of Water & Power Commissioners
111 North Hope Street
Los Angeles, CA 90012

Under City Charter Section 266 (a), the City Controller, Mayor and City Council shall jointly cause at least once in every five years, an Industrial, Economic, and Administrative (IEA) Survey of the Department of Water and Power (DWP) and shall select an independent qualified organization to conduct the IEA Survey.

The 2015 IEA Survey of DWP, administered by representatives from the Controller's and Mayor's Offices, and the Chief Legislative Analyst (CLA) representing the City Council, was prepared by Navigant Consulting, Inc. at a cost of \$462,500. The last IEA Survey of DWP was prepared in 2009 at a cost of \$803,154.

DWP has over 9,000 employees who aim to provide low cost and reliable service to nearly 3.8 million customers. DWP has approximately 3,600 transmission lines, over 7,000 miles of water mains and 51 generating units.

The IEA Survey provides an extensive review and analysis of key components of DWP, as well as major challenges in upgrading power system infrastructure and continuing to provide a reliable water supply while previously dependable resources diminish. The executive summary points out many of the key challenges DWP is facing and makes recommendation for changes.

Sincerely,

Ron Galperin
Controller
City of Los Angeles

Eric Garcetti
Mayor
City of Los Angeles

Herb J. Wesson, Jr.
President
Los Angeles City Council