

**DEPARTMENT
SUMMARY**
Water and Power

Mission Statement

As a community-owned utility, it is the mission of Pasadena Water and Power (PWP) to provide superior customer service, reliable electricity, and quality water at reasonable rates and in an environmentally responsible manner. PWP is an integral city resource, a valued community asset, and a partner in Pasadena's prosperous future committed to improving the quality of life in Pasadena.

Program Description

PWP supplies electricity and water to residents and businesses in Pasadena and to other outlying areas. Providing high quality service at reasonable rates is the main goal of this full-service utility, which also supports other Pasadena improvements and activities by contributing to the City's General Fund.

Departmental Relationship to City Council Goals:

- **Assure a Safe and Secure Community**

PWP continues to ensure the delivery of high quality water by monitoring, sampling, and testing in accordance with all applicable laws and regulations. Through the ongoing implementation of the Water Master Plan, the water system infrastructure is maintained and improved to ensure quality. PWP has also increased emphasis on its safety, power reliability, and emergency response capabilities.

An Electric Distribution System Inspection Program has been implemented that is consistent with the California Public Utilities Commission's General Order 165. This inspection program has been implemented to ensure safety for employees and the public, enhance the reliability of the power distribution system, and extend the useful life of the power distribution system assets. In addition, data collecting techniques have been implemented that will improve data quality and quantity.

- **Focus on Planning, Programming and Reinvesting in Our Parks and Open Space**

PWP has assumed responsibility for the management of the spreading grounds within the Hahamongna Watershed Park and is helping to enhance and improve the environment as well as make efficient use of Pasadena's natural resources.

- **Maintain Fiscal Responsibility and Stability**

PWP is committed to improving efficiencies and facilitating appropriate management decisions related to costs. Decision support systems have been developed and implemented to ensure that necessary information is available. Long-term historical trends and future-oriented financial plans are being used to make strategic changes whenever necessary. A strategic marketing group has been created to improve customer service with a focus on customer satisfaction and retention. In addition, PWP continues to support the Fiber Optics Communication Program, a commitment to technology that will enable the utility to better serve the needs of the community.

Major Accomplishments

- Successfully defeased \$80 million in Intermountain Power Authority (IPA) bonds to offset debt service obligations.

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- Completed a water cost-of-service and rate analysis study and recommended changes to the water rates to meet revenue requirements. Also, implemented a water conservation rate structure to encourage efficient use of water.
- Provided more than \$5 million in cash rebates to non-residential customers for retrofits that will save over 4.5 GWh and reduce load by 1.2 MW.
- Continued to successfully promote the Energy Efficiency Partnering Program, which provides rebate incentives to encourage customers to pursue energy efficiency retrofit projects for permanently installed equipment and systems such as HVAC, lighting, motors, compressors, etc. PWP received a California Municipal Utilities Community Service/Resource Efficiency Award in the Public Benefit Funds category for this program.
- Implemented user restrictions for internal access to customer personal data in the Vertex Software E-CIS System to comply with the Federal Trade Commission Fair and Accurate Credit Reporting Red Flag Rules (FACTAct Red Flag Rules).
- Completed a comprehensive 20-year Integrated Resource Plan (IRP) project and conducted 16 public meetings in conjunction with Pace Global Energy Services, LLC to solicit citizen input.
- Revised the City's Renewable Portfolio Standard (RPS) goals to maintain parity and/or exceed investor-owned utility goals of 10% by 2010 and 20% by 2017 to 15% by 2010 and 33% by 2015, and 40% by 2020.
- Developed a Comprehensive Water Conservation Program intended to ensure long-term water supply reliability and reduce per capita water demand by 10 per cent as outlined in the Urban Environmental Accords and prepare for additional demand reduction in the future. The plan includes a strategic outline for managing water shortages at various levels of severity. In addition to the Water Conservation Plan, the department updated the existing Water Shortage Ordinance to include permanent water waste prohibitions that penalize water wasting behaviors and reinforce the importance of water conservation.
- Successfully negotiated a long-term energy transmission solution with the City of Glendale for the Magnolia Power Plant.
- Successfully procured Firm Transmission Rights (FTR) in the California Independent System Operator (CAISO) FTR auction for Ormat and Magnolia resources.
- Converted multiple 4kV circuit segments to 17 kV.
- Completed the replacement of eight 34kV breakers at Goodrich receiving station.
- Replaced 90 underground transformers.
- Replaced 14 miles of distribution cable and wires.
- Replaced 100 underground switches.
- Replaced 30 overhead poles.
- Replaced 8,000 meters with Automatic Meter Reading (AMR) meters.
- Completed the installation of new switchgear at Eastern substation.
- Completed a cross tie-line study of the electric system.
- Completed the annual state of the electrical distribution system.
- Completed the inspection of 1,200 underground vaults.
- Completed the inspection of 1,600 overhead poles.
- Completed major water main replacement and/or rehabilitation program by replacing about 3.5 miles of aging water mains.
- Replaced 5,000 water meters as part of the meter replacement program.
- Completed the seismic retrofit of the Windsor reservoir.
- Completed the replacement of the Arroyo B-4 Bridge.
- Implemented and deployed additional security access control and surveillance in all critical water and power facilities.

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- Participated in the upgrade of the city-wide communication project contract with Inter-Agency Communication Interoperability System (ICIS).
- Developed and implemented the Finance Contract Tracking System used to monitor department-wide material and services contracting.
- Conducted mandatory supervisory training for the department's managers, supervisors, and lead personnel. Approximately 95% of staff completed *Labor Relations 101* training and approximately 80% of staff completed *Fundamentals of Supervision* and *Lead Worker Program* workshops. Successfully met department goals of obtaining personal learning profiles for approximately 99% of staff through *MindLeaders*, a company offering hundreds of e-learning courses on a variety of business topics. Power Production received the *MindLeaders 2008 Performance Improvement and Learning Achievement Recognitions (PILAR) Award*, which recognized staff for outstanding performance, results, and innovation in areas of individual learning and organizational training via e-Learning and "blended" instructional approaches.
- Completed Phase 1 of the PWP Yards Modernization program and installed new, space-efficient outdoor racks
- Continued to develop, recommend, and evaluate an overall financial strategy that supports PWP's business strategies and maximizes the value of the utility.
- Continued to update and revise the Power Cost Adjustment Charge, Transmission Access Charge, Purchased Water Adjustment Charge and the Capital Improvement Charge to enable PWP to adjust to changes in energy and water prices.
- Completed the operating and capital budgets ensuring constant utility reliability and excellent customer service.
- Awarded a contract for the construction of a new two-story PWP Yards building which will house the New Emergency Operations Center (EOC) and the PWP Department Operation Center (DOC), and completed the demolition of the old water meter shop in preparation for this construction.
- Purchased 6 Itron MC-Lite drive-by AMR meter reading systems to enable all meter reading vehicles to perform drive-by meter reads.
- Integrated PWP's multi-faceted efficiency programs with customers' sustainable building efforts in pursuing certification from the US Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) program at the New Construction and/or Existing Building silver to platinum levels. Several customer buildings are slated to be LEED certified in FY09, namely Pasadena Convention Operating Center, Mother's Club and Fuller Seminary Library.
- Promoted the Pasadena Solar Initiative, a solar energy rebate program designed to help the City install fourteen megawatts of solar power by 2017. Over seventeen commercial and residential solar installations were completed this year for an aggregate of over 259 kW.
- Established a new Direct Install Emerging Technologies (DIET) program subsidizes a customer's adoption of an emerging energy or water efficiency technology.
- Received the Tree Line USA Award for power line clearance practices for the 7th consecutive year.
- Achieved record salvage sales of over \$300,000 for scrap transformers and metals.
- Processed over 550 vendor purchase orders valued approximately \$27 million.
- Selected a vendor to provide equipment for the Monk Hill Perchlorate Treatment Plant, which will initially treat four of the five groundwater wells that flow into Sunset Reservoir.

Summary of Appropriations and Revenues

	FY2007 Actual	FY2008 Actual	FY2009 Adopted	FY 2009 Revised	FY 2010 Recommended
FTEs					
Operating	280.32	287.92	290.80	290.80	300.52
Capital	121.68	127.08	137.20	137.20	129.98
Total FTEs	402.00	415.00	428.00	428.00	430.50
Appropriations					
Operating	182,426,279	213,376,934	234,625,341	234,625,341	231,334,476
Capital			18,029,401	18,029,401	32,805,000
Total	182,426,279	213,376,934	252,654,742	252,654,742	264,139,476
Revenues by Fund					
Power Fund (incl. PBC)	191,540,589	208,083,744	201,516,311	201,516,311	201,648,344
Water Fund	44,969,432	45,040,958	47,046,967	47,046,967	54,823,072
Total Revenues	236,510,021	253,134,703	248,563,278	248,563,278	256,471,416

Departmental Results Statements

Result 1: The City-owned power utility will be competitive.

	FY 2008			FY 2009	FY 2010
	Actual	Target	% Target	Target	Target
Measure 1.1 Rates of the City-owned power utility compared with competitors (Annualized Average)					
A. Residential electric rates will be comparable with those of selected neighboring utilities. (Pasadena's rate is in the target column)	\$78.02	\$78.86	98.9%	\$83.81	\$83.81

Result 2: Electrical power interruptions will be minimal.

Measure 2.1 System Average Interruption Duration Index (SAIDI)					
A. 120 minutes (SAIDI)	0.4582	120	100%	120	120
Measure 2.2 System Average Interruption Frequency Index (SAIFI)					
A. 1.5 service interruptions per year (SAIFI)	0.0020	1.5	100%	1.5	1.5

Result 3: The City's water utility will be competitive.

Measure 3.1 Rates of the City water customers compared with competitors. (Annualized Average)					
A. Residential water rates will be comparable with those of selected neighboring utilities. (Pasadena's rate is in the target column)	\$44.70	\$37.14	100%	\$44.34	\$54.00

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Result 4: The City's water supply will be safe and free of contamination.						
Measure 4.1 Compliance with primary drinking water regulation						
A. 100% compliance	100%	100%	100%	100%	100%	100%
Measure 4.2 Number of chemical and bacteriological analyses annually						
A. More than 36,000 per year	41,075	20,800	100%	36,000	36,000	
Measure 4.3 Required certificates maintained						
A. 100% at all times	100%	100%	100%	100%	100%	100%
Result 5: Residential and commercial electric and water customers will receive excellent service.						
Measure 5.1 Timeliness of plan checks						
A. 90% of all plans check requests will be completed two working days before the customer's required date.	89%	90%	99%	90%	90%	
Measure 5.2 Accuracy of meter readings						
A. 99.95% of meter readings will be accurate	99.99%	99.95%	100%	99.95%	99.95%	
Measure 5.3 Cycle time from meter reading to billing						
A. Average 5 working days turnaround time from meter reading to billing	5	5	100%	5	5	
Measure 5.4 Cycle time for high-bill complaint investigation						
A. Average 5 working days turnaround time for high-bill complaint investigation	5	5	100%	5	5	
Result 6: The City's water mains shall be upgraded on a continual basis.						
Measure 6.1 Number of miles upgraded on an annual basis						
A. 4.0 miles per year beginning in FY05	5.9	8	73%	8	4	
Measure 6.2 Number of valves exercised on annual basis						
A. 5,000 valves per year	6,037	5000	100%	5,000	5,000	
Measure 6.3 Number of water meters replaced on an annual basis						
A. 3,000 meters per year	7,036	7000	100%	7,000	3,000	

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	Actual	FY 2008 Target	% Target	FY 2009 Target	FY 2009 Target
Result 7: The Electric Distribution Master Plan Goals shall be implemented.					
Measure 7.1 Number of new Feeders and Communication Circuits installed.					
A. Feeders & Communication Circuits installed.	4	4	100%	4	2
Measure 7.2 Number of fault indicators installed.					
A. Fault indicators installed.	121	30	100%	30	30
Measure 7.3 Number of Switchgear Upgrades for Power System Facilities.					
A. 34kV Circuit Breakers to be replaced.	7	12	58%	12	9
Measure 7.4 Number of Wood Utility Pole Replacement/Reinforcement.					
A. Overhead Poles to be replaced.	40	30	100%	65	65
B. Number feet of overhead conductors to be replaced.	30,000	40,000	75%	40,000	40,000
Measure 7.5 Number of Oil Containment Facilities to Construct.					
A. Oil Containment Facility to be constructed.	3	2	100%	2	2
Measure 7.6 Number of miles of Cable Replacement and testing.					
A. Miles of cable replaced.	8.25	5	100%	5	5
Measure 7.7 Number of Capacity & Reliability Equipment installed.					
A. Substation Switches replaced.	7	5	100%	5	5
B. Miles of Underground Cable Replaced.	8	2	100%	2	2
C. Underground Transformers replaced.	111	30	100%	30	30
D. Underground Switches replaced.	63	10	100%	10	10
Measure 7.8 Number of Electric Meters Installed/Replaced.					
A. Electric meters Installed.	8,782	6,000	100%	6,000	6,000
Measure 7.9 Number of Underground Vaults Replaced.					
A. Underground vaults replaced.	15	20	75%	20	15

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- *Cost Changes:* The \$3,290,865, or 1.4%, net decrease in operations from the fiscal year 2009 revised operating budget is due to Personnel increases of \$1,707,113, Services and Supplies decreases of \$9,498,517 resulting from cost-savings efforts, Internal Service Charges increased by \$12,163 as a result of various rate changes, Principal & Interest increased \$507,676 as a result of updating debt schedules for fiscal year 2010, Transfers Out increased by \$2,477,396 resulting, partly, from an approved one-half percent increase from 7.5% to 8.0% transfer to the General Fund and Other Expenses increased by \$1,503,304 primarily due to increased depreciation reflecting expected equipment purchases during fiscal year 2010.
- *FTE Changes:* Net FTEs increased by 2.50. There are 6.00 additional FTEs approved for the fiscal year 2010 budget. Two (2.00) FTEs for Power Plant Mechanics and 2.00 FTEs as Power Plant Operators, 1.00 FTE Principal Engineer and 1.00 FTE Engineer. Of the 6.00 new FTEs, 4.00 are in Power Production and 2.00 are in Water Delivery. Additionally, 3.50 FTEs were eliminated totaling approximately \$491,000 in savings.

Future Outlook

PWP will continue to focus on its own financial health and stability by implementing the appropriate measurements, controls, and procedures while maintaining a General Fund transfer that provides the City a reasonable return on capital. PWP will also continue to conduct competitive analysis to position or reposition itself within the market.

Consistent with Pasadena's environmental initiative, PWP will continue to provide funding towards energy efficiency and photovoltaic programs in order to ensure that the utility meets certain state goals and local initiatives, assists its customers in reducing carbon (output) footprint, and remains focused on environmental protection programs.

The recent adoption of the 20-year Integrated Resource Plan (IRP) provides PWP with the framework to develop its energy resources in many new ways. The IRP provides a vision for increasing PWP's renewable energy procurement and efficiency programs that will meet ambitious goals beyond the current state mandated requirements. It calls for significant restructuring of local generation and the replacement of aging gas-fired units with state-of-the-art combined-cycle gas turbines and other appropriate methods to reduce the dependency on coal-generation.

The Electric Distribution System Master Plan (EDSMP) implementation is in the fourth year of a five-year construction plan, with projects prioritized by the State of the System report. PWP will continue to invest in technology such as GIS and automated meter technology programs, and will begin the seismic upgrade of all power facilities while continuing to maintain a high level of performance reliability through an ongoing inspection and maintenance program.

PWP will also continue to meet the goals of an aggressive Capital Improvement Program as outlined in the Water Distribution System Master Plan. Also, the Reclaimed Water Project is scheduled to move forward with updated environmental and feasibility studies in advance of actual construction of the project over the next several years.

Following the results of the study conducted to evaluate the seismic and structural stability of the City's reservoirs, it is anticipated that major repairs and upgrades will be needed on nearly all 13 of Pasadena's reservoirs. In addition, substantial resources will also be required in future years to upgrade the water storage facilities. In fiscal year 2010, seismic retrofit work will continue on Windsor and Sheldon reservoirs, while the Water Delivery Business Unit will continue its third year of a five-year program to replace all old meters with more accurate and efficient automatic meter read meters (AMR). Construction of the Monk Hill water treatment facility is expected to be completed during FY 2010, bringing much needed local water supplies back on-line.

PWP will utilize consultant services to develop a roadmap to direct future implementation of a "smart grid" program that will provide the engineering and technology to improve information delivered to customers. This information

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will provide customers the opportunity to regulate their own electricity consumption to reduce peak energy requirements and save on their bills. The "smart grid" will also maximize the efficiency and reliability of the electric distribution system.

PWP will move forward with implementing a water budget-based rate design to address ongoing water supply challenges and provide its customers with incentives to reduce water usage. An update of the Urban Water Management Plan and the development of a Water Integrated Resource Plan will provide new information about resource conditions, water usage, and the potential development of additional water supplies.

PROGRAM SUMMARY
General Manager's Office

Program Description

The General Management function of the utility provides general administration, guidance, and oversight to the five operational business units of PWP with direct responsibility for the customer relations and legislative/regulatory affairs affecting the utility. It also functions as the intermediary between PWP and the City Manager, the City Council, and other City departments; and various external private and public agencies. The General Manager's Office is committed to ensuring that PWP succeeds in a competitive marketplace and continually restructures the utility to effectively address core business concerns.

Major Accomplishments

The General Manager's Office continued to provide strong direction in major infrastructure upgrade endeavors, including both Water and Power Distribution master plans. The division continued to modify PWP's business plan and manage the utility to improve internal and external communication, reduce costs, and maintain competitiveness in the ever-changing California energy market. The General Manager's Office will continue to manage the internal affairs affecting PWP through its Employee/Labor Relations, and external affairs through its Legislative/Regulatory and Customer Relations programs.

In a continued effort to proactively address the department's succession planning and leadership development, PWP reached significant goals in meeting its major training initiatives last fiscal year. PWP will continue in these efforts both to prepare its staff to take on key roles when retirements occur, and to become a learning organization that strives to continuously enhance its professional skills and abilities.

- Conducted mandatory supervisory training for the department's managers, supervisors, and lead personnel where approximately 95% of staff completed *Labor Relations 101* training.
- Completed mandatory supervisory and lead worker training of 80% of staff through the *Fundamentals of Supervision* and *Lead Worker Program* workshops.
- Successfully met department goals of obtaining personal learning profiles for approximately 99% of staff through *MindLeaders*, a company offering hundreds of e-learning courses on a variety of business topics. *MindLeaders* has proven to be a helpful tool in enhancing employee skill sets through personalized learning that supports organizational success. Department efforts have been so successful in this area that the PWP Power Plant was the recipient of the Performance Improvement and Learning Achievement Recognition (PILAR) Award for "Best Learning Program Utilizing *MindLeaders* PLUS" at the *MindLeaders* International Users Conference.

Summary of Appropriations and Revenues

	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommended
Operating FTEs	18.45	18.45	18.45	18.45	17.70
Appropriations	2,947,356	3,286,871	4,138,711	4,138,711	3,768,454

Changes from Prior Year

- *Cost Changes:* The net decrease of \$370,257 from the fiscal year 2009 revised operating budget is mainly due to cost savings efforts and reductions in Services & Supplies.
- *FTE Changes:* Net FTEs decreased by 0.75 resulting from reallocating resources to other business units.

Future Outlook

Recent legislative and regulatory developments have increased PWP's focus on reliability and on environmental compliance affecting the utility industry. PWP will continue to conduct competitive analysis to appropriately position or reposition itself within the market while addressing important environmental issues through its resource investment, procurement, and operating decisions. Potential alliances with companies specializing in certain aspects of utility operations will continue to be explored in order to ensure that PWP takes advantage of all opportunities that promote environmental protection, better service and lower costs to the customer. For additional information, please refer to the Future Outlook section under the Department Summary.

PWP will continue in its succession planning and leadership development efforts in the current fiscal year by further emphasizing the use of *MindLeaders* as a tool to help PWP employee's meet performance standards. In addition, PWP will continue to mandate City-sponsored supervisory and lead worker training courses throughout fiscal year 2010 as a means of further addressing employee retention, transfer of critical job knowledge, and reduction in employee grievances and complaints.

PROGRAM SUMMARY
General Manager's Office
Customer Relations

Program Description

The Customer Relations section provides value-added, personable customer service to Pasadena electric and water customers. With extensive product offerings to meet its customers' rapidly evolving needs in the new conservation-focused economy, the Customer Relations section strives to match and exceed the services of large utility providers. It monitors shifting market conditions, emerging technologies and new outreach strategies in order to readily respond to the changing needs of customers. The section develops, implements, and promotes environmental programs and services aimed at reducing customers' electricity and water consumption. Using both broad-based and person-to-person public outreach methods to all customer segments, from large commercial customers to low-income customers, the Customer Relations Section is PWP's frontline in informing and advising the public and the City on water and energy conservation issues and programs. It is a vital player in accomplishing the goals of the City's Green City Action Plan.

Major Accomplishments

- Continued to successfully promote the Energy Efficiency Partnering Program, which provides rebate incentives to encourage customers to pursue energy efficiency retrofit projects for permanently installed equipment and systems such as HVAC, lighting, motors, compressors, etc. Through the utility's efforts, over 19,000 MWh, 13.3 MW demand and 3.2 MW peak load was reduced. This successful program is fully subscribed for the next three years. PWP received a California Municipal Utilities Community Service/Resource Efficiency Award in the Public Benefit Funds category for this program.
- Integrated PWP's multi-faceted efficiency programs with customers' sustainable building efforts in pursuing certification from the US Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) program at the New Construction and/or Existing Building silver to platinum levels. Several customer buildings are slated to be LEED certified in FY09, namely Pasadena Convention Operating Center, Mother's Club and Fuller Seminary Library.
- Provided residential, multi-family and commercial water rebates that resulted in over 116 acre feet, or nearly 37 million gallons in water savings. PWP's focus on water savings included rebates for weather-based irrigation controllers and high-efficiency sprinkler nozzles. In addition to rebates, the department offers landscaping audits performed by landscaping professionals at no cost to the customer. The largest 150 water customers were targeted in Phase I of the program while multi-family properties were the focus in Phase II.
- Continued to assist PUSD in the conversion of irrigation controllers to the newer weather-based technology, installed emerging technology "pilot" program energy efficiencies, and began district-wide energy evaluations. Continued an extensive public education campaign to alert customers about the City's projected water shortage and conservation measures stipulated in Water Shortage Plan I. Launched a new water conservation marketing campaign in conjunction with the water shortage and educated customers of the cost and specific penalties associated with the Water Shortage Plan II.
- Promoted the Pasadena Solar Initiative, a solar energy rebate program designed to help the City install fourteen megawatts of solar power by 2017. Over seventeen commercial and residential solar installations were completed this year for an aggregate of over 259 kW. In addition, over 100 reservations were received totaling over 3MW.

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- Established a new Direct Install Emerging Technologies (DIET) program after the successful pilot program was conducted. The program subsidizes a customer's adoption of an emerging energy or water efficiency technology.
- Continued to promote the Green Power Program in which 1688 residential customers and 62 commercial customers have subscribed to an electric service from 100% renewable resources for a premium fee. Three large customers (Kaiser Permanente, Caltech Housing, and Huntington Memorial Hospital) have committed to 6.5 MWh of green power.
- Created and/or continued marketing outreach campaigns to promote new and existing rebate and incentive programs, water and energy conservation, the Green Power Program, and various supporting events through media/public relations. Continued advertising through movie screen slideshows, radio broadcast, public access television, Internet advertising, direct mail, bus shelters ads, newsprint ads, bill inserts, bus headers, flyers, posters, and monthly newsletters.
- As a major component of its public outreach strategy, Customer Relations coordinated 95 public events and educational workshops to promote its programs and educate the public on conservation issues. A newly developed efficient irrigation workshop was added to the landscaping series offered to residents, commercial customers, professional landscapers, and homeowner associations. A total of 21 landscape-related workshops were offered throughout the year, with Spanish translation available for most of the sessions. Major events included solar energy workshops, business efficiency workshops, World Water Day, Greening the Earth Day, Public Power Day, Black History Festival, National Night Out, and Water Awareness Day. Over 10,000 PWP customers participated in these events.
- Developed new content for and maintained the Department website, adding a new online feature which allows customers to register online for solar and landscaping workshops.
- Developed a Comprehensive Water Conservation Program intended to ensure long-term water supply reliability and reduce per capita water demand by 10 per cent as outlined in the Urban Environmental Accords, and prepare for additional demand reduction in the future. The plan includes a strategic outline for managing water shortages at various levels of severity. In addition to the Water Conservation Plan, the department updated the existing Water Shortage Ordinance to include permanent water waste prohibitions that penalize water wasting behaviors and reinforce the importance of water conservation.
- Provided interdepartmental communications assistance and public outreach services to various other sections within the Department to support communications goals for internal programs, such as water quality reports, solar installations, ordinance revisions, Integrated Resource Plan, etc.

Summary of Appropriations and Revenues

Note: Appropriations and FTEs for this unit are shown above under General Manager's Office.

Future Outlook

The Customer Relations Section, working closely with the Public Benefits Section, has positioned itself into a valued source of information and personalized services. These services are most critical given the economic challenges facing many PWP customers. The myriad of programs and customer support mechanisms offered are of high quality and great benefit to PWP customers. The Customer Relations Section will continue to promote energy efficiency and water conservation through its evolving rebate incentive programs to meet the City's aggressive environmental goals. In addition, customers will benefit from PWP's research and demonstration programs aimed at exposing our customers to cutting edge technology that will provide greater efficiency and savings for future years.

PROGRAM SUMMARY
General Manager's Office
Public Benefit Charge Program

Program Description

In accordance with Assembly Bill 1890, the Public Benefit Charge Program was created in 1998 and its initial time frame was extended until 2011. The purpose of the program is to support electric customers by funding programs that improve energy efficiency, provide assistance to low-income households, promote renewable energy technology, and demonstrate emerging energy-related technologies.

Major Accomplishments

- *Energy Efficiency Business Programs*
 - Provided more than \$5 million in cash rebates to non-residential customers for retrofits that will save over 4.5 GWh and reduce load by 1.2 MW (details by customer class below)
 - Provided over \$3,000,000 in customer rebates through the California Municipal Utilities Association's award-winning Energy Efficiency Partnering Program. The associated annual customer savings are 11,000 MWh and 2.8 MW peak load reduction.
 - Provided over \$100,000 of efficiency measures to small businesses through the Direct Install Emerging Technologies (DIET) program.
 - Established an expanded evaluations, measurement, and validation (EM&V) program to quantify efficiency-project energy savings and load reductions. Activity ensures cost-effective incentive amounts for large rebates and validates energy savings for integrated resource management.
 - Conducted onsite energy surveys for every DIET participant and provided customers with information on energy use reduction.
- *Energy Efficiency Residential Programs*
 - Provided more than 2,000 customers with over \$300,000 in cash rebates through Energy Star, Efficient Cooling, Cool Trees, Refrigerator Retirement, and Pool Pump Replacement programs. The combined programs are saving customers approximately 546 MWh annually.
 - Provided over 230,000 Compact Fluorescent Light bulbs (CFL's) to 16,000 customers (30% of residential sector) at a rebate value of \$1,137,000 through the Power of 10 Challenge. Customer benefits include almost 10,000 MWh and \$1.5 million in energy savings annually.
 - Utilized local youth through community-based organizations to market PWP's environmental and customer assistance programs, particularly the Power of 10 Challenge. Youth attended and set up booths at community events, farmers markets, and retail market fronts to educate consumers and assist them in completing their CFL orders.
 - Conducted 80 onsite and 105 online surveys via the Home Energy Suite. Also completed energy audits by contractors through agreements with Southern California Public Power Authority (SCPPA).
- *Energy Efficiency School Programs*
 - Installed \$625,000 worth of emerging energy efficiency technology measures throughout schools in the Pasadena Unified School District (PUSD) via the DIET Program.
 - Received a \$12,000 grant from American Public Power Association's DEED program to partner with PUSD to demonstrate LED lighting technology for a message sign board at Pasadena High School (PHS).
 - Provided funds for planting shade trees at PUSD campuses (\$32,000).
 - Co-sponsored the Armory Center for the Arts "Children Investigate the Environment Program" (\$50,000) which taught 800 PUSD students about energy and water conservation.

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- *Energy Efficiency Municipal Facility Programs*
 - Provided over \$1,700,000 in EEP funds for the Pasadena Center Chiller Retrofit and LED lighting.
 - Partnered with BSFMD to demonstrate new lighting technologies in libraries (\$20,000) and street lights (\$35,000).
 - Coordinated with BSFMD staff to provide rebates on efficiency projects that qualify for EEP and DIET.
 - Provided funds to completely retrofit all remaining street signals with LED lights (\$750,000)
 - Reserved funds for the new Ice Skating Center facility.
- *Income Qualified Residential Programs*
 - Continued to provide programs such as the Electric Utility Assistance Program (EUAP) to assist low-income customers by providing electric rate relief of about \$200,000 to over 4,069 residential customers
 - The Project A.P.P.L.E. program provided over \$100,000 to low-income customers with “one-time” emergency financial assistance. Participation increased 87% over prior year.
 - The Power of 10 Program provided a variety of efficient CFL’s to low-income customers. Coordinated with the city’s MASH office to begin a service to install CFL’s to residents who need assistance.
 - The Refrigerator Exchange Program removed and replaced 140 old inefficient refrigerator units for recycling (\$85,000 in Utility Assistance rebates)
 - Provided technical assistance and funds to improve the efficiency above Title 24 requirements and reduce the utility costs for 32 new affordable housing units. The Efficient Affordable Housing Pilot project earned an Energy Star certification, the first residential building to qualify in Pasadena. The Fair Oaks Court project was named the Southland’s Affordable Homeownership Project of the Year by the Southern California Association of Non-Profit Housing.
- *Emerging Energy Technology (RD&D) Programs*
 - Provided funds for demonstrating and encouraging various energy efficiency and demand response emerging technologies, including an exchange of incandescent holiday lights for efficient LED light strings
 - Partnered with Department of Transportation on a plan to upgrade existing and install new EV chargers at the office building where PWP Engineering can utilize zero-emission transportation.
 - Continued to provide incentives for the LEED certification and designation of sustainable building design and construction
- *Renewable Energy Projects*
 - The Pasadena Solar Initiative, a 10-year program designed to encourage 14MW of local renewable solar energy capacity, provided \$800,000 for customer-sited photovoltaic (PV) system installations.
 - Public Works was provided \$200,000 for the Lake Ave. Station photovoltaic canopy. The solar power produced will be distributed by PWP and used by Pasadena electric customers as a renewable energy resource.
 - Continued to reserve funds for the Public Works Emergency Backup PV system
 - PWP promoted the Green Power Program for potential new customers and supported demonstrations of PV technology at community events.

Summary of Appropriations and Revenues

	FY 2007	FY 2008	FY 2009	FY 2009	FY 2010
	Actual	Actual	Adopted	Revised	Recommended
Operating FTEs	6.55	6.55	6.55	6.55	6.48
Appropriations	3,111,139	2,863,764	7,100,000	7,100,000	7,429,881

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Changes from Prior Year

- *Cost Changes:* The net increase of \$329,881 from the fiscal year 2009 revised budget is mainly attributed to an increase in Personnel and an increase in Service & Supplies.
- *FTE Changes:* Net FTEs decreased 0.75 as a result of reallocating costs from operations to capital.

Future Outlook

Low-income assistance expenditures may moderately increase due to EUAP program outreach. Significant customer pressure is expected for additional funds to assist with energy efficiency projects, resulting from economic pressures to reduce personal and business utility costs. Without additional funding for rebates, the Department will not meet adopted city and state environmental goals for energy efficiency and peak load reductions. PWP will continue to offer its customers various programs and incentives such as Energy Star, Income Qualified Assistance programs, Energy Efficiency Partnering, Direct Install Emerging Technologies, and Pasadena Solar Initiative rebates. Customers will continue to receive assistance with high bill investigations and energy use assessments as needed. PWP will continue to team up with SCPA for cost-effective purchasing, direct install and regional research and development projects which showcase the commitment of municipal utilities to meeting state environmental goals. PWP will continue to work with other City departments and community-based organizations to increase awareness and provide outreach to customers for environmentally friendly and customer assistance programs. Current city and state legislation mandates additional funding for energy efficiency and solar programs, which may be funded from non-PBC sources, such as the Energy Charge Fund. Results of studies conducted in FY2009 will provide recommendations for revised energy efficiency goals to be adopted in FY2010.

PROGRAM SUMMARY

Finance, Administration and Customer Service
Business Unit
Finance and Administration Group

Program Description

The Finance and Administration section plans and oversees the finance, administrative support, and cross-functional operations and systems for PWP. The overall goal is to implement a fiscally responsible and cost-effective manner; gather, organize and process data in order to supply relevant information to be used in decision making; provide financial analysis and administrative support to other business units on an as-needed basis; develop and execute an overall financial strategy for PWP that supports business strategies and captures maximum benefits for the City; and ensure PWP's financial integrity. Functions include budgeting, financial analysis and planning, rates, capital financing, risk management, information systems, warehousing and materials management, safety, training, and management analysis.

The Energy Settlements section validates the multitude of energy transactions required to support effective retail and wholesale operations. This section interacts with the California Independent System Operator (CAISO) and other energy partners to process the daily transactions and confirm the economic agreements made between the transacting parties. The section is also responsible for performing analysis on wholesale operations and providing reports to monitor and improve overall business unit performance.

The Strategic Planning section is responsible for developing PWP's long term resource plan, negotiating long-term energy contracts, and monitoring energy industry regulatory changes. This section provides the long-term vision required to ensure that adequate supply is available into the future to meet the energy requirements for Pasadena customers.

Major Accomplishments

- Successfully defeased \$80 million in Intermountain Power Authority (IPA) bonds to offset debt service obligations.
- Completed a Water cost-of-service and rate analysis study and recommended changes to the water rates to meet revenue requirements and implementation of a water conservation rate structure to encourage efficient use of water.
- Continued to develop, recommend, and evaluate an overall financial strategy that supports PWP's business strategies and maximizes the value of the utility.
- Continued to update and revise the Power Cost Adjustment Charge, Transmission Access Charge, Purchased Water Adjustment Charge and the Capital Improvement Charge to enable PWP to adjust to changes in energy and water prices.
- Completed the operating and capital budgets ensuring constant utility reliability and excellent customer service.
- Continued to update and revise the Power Cost Adjustment Charge, Transmission Access Charge, Purchased Water Adjustment Charge and the Capital Improvement Charge to enable PWP to adjust to changes in energy and water prices.
- Completed Phase 1 of the PWP Yards Modernization project and installed new, space-efficient outdoor racks.
- Completed the demolition and hazardous abatement of the old water meter shop in preparation for the construction of the new PWP/EOC administrative building.

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- Awarded a new multi-year contract with Western Water Works, a supplier of a majority of all water construction and engineering materials.
- Achieved record salvage sales of over \$300,000 in scrap transformers and metals.
- Processed over 550 vendor purchase orders valued approximately \$27 million.
- Identified and migrated all expense data associated with existing service contracts to the PeopleSoft contract module and eliminated the use of Tracking purchase orders (exception: existing GES contracts).
- Monitored over 50 new and ongoing service contracts valued at approximately \$105 million
- Improved the monitoring of spending caps and authorization thresholds by combining multiple same-vendor purchase orders into department-wide orders. This effort also contributed to the reduction in the total number of purchase orders processed.
- Continued to monitor the Taxpayer Protection Amendment of 2000 (Oaks Initiative) and post results publicly on City webpage.
- Tested and implemented the energy trading and settlement Market Redesign Technology Upgrade (MRTU) nMarket software in order to meet the challenges of a new MRTU California electricity market.
- Redesigned and reformatted the gas and energy accounting report for efficient recording and reporting.
- Implemented and deployed additional security access control and surveillance in all critical water and power facilities.
- Completed the replacement of Integrated Voice Response (IVR) and Integrated Web Response (IWR) and deployed scripts for outbound calls.
- Completed upgrade and implementation of several software and hardware including MRTU, AS400, MV90 and MVRS.
- Completed the design and development of the initial energy dynamic reports for power supply and energy settlements users.
- Participated in the upgrade of the city-wide communication project contract with Inter-Agency Communication Interoperability System (ICIS).
- Developed and implemented the Finance Contract Tracking System used to monitor department-wide materials and services contracting.
- Upgraded service order and reporting issues through modification of the ECIS system.
- Developed system specifications in ECIS to address water conservation project data reporting requirements.

Summary of Appropriations and Revenues

	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommended
Operating FTEs	32.000	35.000	37.000	37.000	37.50
Appropriations	17,781,047	25,272,449	27,865,133	27,865,133	30,920,229

Changes from Prior Year

- *Cost Changes:* The net increase of \$3,055,096 from the fiscal year 2009 revised budget is mainly due mainly to Transfers Out. The entire cost of Transfers Out are charged to this business unit.
- *FTE Changes:* Net FTEs increased by 0.50 FTEs as a Senior Storekeeper position, 0.50 FTE, was eliminated and an increase of 1.00 FTE from reallocating salaries from capital to operations.

Future Outlook

PWP continues to restructure its business systems and processes to effectively manage and comply with the ever-increasing business-critical legal, environmental, and political requirements facing the utility industry. PWP also continues to update its business strategies, creating an environment which encourages its employees and stakeholders to seek better ways of doing business.

PWP continues to improve its financial decision-making system and its financial operations data integrity, resulting in increased monitoring and evaluation of expenses. In addition, PWP continues to update its financial plan to reflect adjustments to the changing economy and department needs as necessary.

In Fiscal Year 2010, PWP will continue to monitor and recommend electric and water rate adjustments to support the rising operating costs associated with fuel, energy, water, and capital expenses. In addition, PWP has contracted a consultant to conduct a cost-of-service study of the current water rate components. The study, which involves rate review of the Purchased Water Adjustment Charge (PWAC), Commodity Charge (including distribution and customer), and the Capital Improvement Charge (CIC), will enable PWP to assess and recommend rate adjustments to make the water operation financially sound. The study will include assessment of the potential cost and rate impacts of revising PWP's energy portfolio to include more renewable resources and other impacts of the recently adopted Integrated Resource Plan (IRP). Furthermore, PWP is also planning to conduct a cost-of-service study to review the current electric rate components.

PWP is continuing to work with City staff and consultants to implement a comprehensive plan for detailing space usage and seismic retrofitting of the warehouse. The utility will continue to pursue technological advances to aid in productivity, supply procurement, financial planning, and the security of electric and water infrastructures. The GIS project for both electric and water will continue with the implementation of additional applications, GIS infrastructure, and data conversion. The enhanced comprehensive GIS system is expected to be completed in the year 2010.

PROGRAM SUMMARY

Finance, Administration and Customer Service
Business Unit
Customer Service Group

Program Description

The Customer Service group, which consists of a call center, billing and credit groups, and field operators, strives to provide the highest level of service to PWP's rate payers. At www.PWPWeb.com, customers may access and change account information, make credit card payments, and obtain conservation and rebate information. Payments may also be made 24/7 through an automated phone system. In addition, a new e-billing program, which notifies customers by email that a new invoice is ready for payment, will be piloted by Customer Service in the near future.

A state-of-the-art Customer Information System (CIS) is the backbone of the customer service operation. PWP's system retains customer accounts, billing, credit, and payment history, and is integrated with automated meter reading software, handhelds, and drive-by devices to generate accurate and timely invoices. Billing for refuse and sewer services also appear on PWP's utility billing statement. Customer Service works closely with the Water and Power meter shops on issues related to metering and metering technology while complying with state and federal laws relating to customer identification and personal data security.

Major Accomplishments

- Upgraded the Itron Multi-Vendor Reading System (MV-RS) to version 7.11 SP2 to support MC-Lite drive by meter reading for electric and water AMR meters.
- Upgraded MV-90 xi 2.0 SP2 to improve the export of data for load research.
- Entered the testing phase of the new Interactive Voice (IVR) and Web (IWR) from Nortel/Chrysalis.
- Implemented restrictions for internal access to customer personal data in compliance with the FTC FACTAct Red Flag Rules.
- Implemented Experian Precise Identification Web customer identification software to comply with the FTC FACTAct Red Flag Rules.
- Purchased 6 Itron MC-Lite drive-by meter reading systems to enable all meter reading vehicles to perform drive-by meter reads of AMR water and electric meters.
- Piloted a 3rd party online e-billing product which notified customers of new bills by e-mail.
- Answered more than 110,000 calls, processed and mailed over 713,000 bills, completed 690,000 meter reads, and completed 41,500 service orders.
- Processed 13,000 credit card payments through the automated phone system and 51,000 credit card payments through PWPWeb. Web transactions continue to grow each year.

Summary of Appropriations and Revenues

	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommended
Operating FTEs	40.000	40.000	40.000	40.000	40.325
Appropriations	4,823,158	5,525,316	6,443,309	6,443,309	6,954,624

Changes from Prior Year

- *Cost Changes:* The net increase of \$511,315 is mainly due to Personnel increases as well as multiple accounts for Services and Supplies, equipment purchases and internal services.

- *FTE Changes:* Net FTEs increased by 0.32 resulting from reallocating salaries from capital.

Future Outlook

Customer Service is consistently evaluating products and services that will enhance PWP's ability to serve its customers. Current projects that will be completed in FY10 are the implementation of IVR/IWR testing. IWR will enable customers to apply for or disconnect service via the Web 24/7, as well as make online payments. The collections group will benefit from the new IVR automated out-dial capability to make soft collection calls to delinquent customers. In addition, Web-based versus terminal-based credit card transactions will be evaluated to enhance security and privacy issues. Full implementation of e-billing will allow customers to be advised of new bills via e-mail and make online payments. The Credit and Collections group will consistently promote the A.P.P.L.E. program to customers requiring payment assistance. Customer Service, in partnership with Customer Relations, will continue to process Green Power applications, which will increase the number of customers using renewable wind power. It will also manage and bill solar customer usage while helping to promote energy and water conservation programs.

PROGRAM SUMMARY

Power Supply Business Unit

Program Description

The Power Supply Business Unit (PSBU) produces and procures electric energy for PWP's customers, sells excess resources in wholesale markets, verifies energy transactions, manages energy and transmission contracts, and plans for future energy needs. The business unit is comprised of three sections:

- 1) Power Production (Operations, Maintenance and Engineering)
- 2) Wholesale Energy Trading and Scheduling
- 3) Environment and Resource Planning

The Power Production section operates and maintains Pasadena's local generation resources located at the Broadway and Glenarm properties. By maintaining high availability of these resources, Power Production provides electric customers with access to a flexible and cost-effective source of electric power. When not used for Pasadena loads, these resources are sold into wholesale energy markets and the California ISO ancillary services markets, providing additional value to customers from wholesale revenues.

The Wholesale Energy Trading and Scheduling section is responsible for the procurement of power to serve customers, and for natural gas to use at the Broadway and Glenarm generation units and at the Magnolia Power Plant located in Burbank, CA. The section is also responsible for marketing excess energy and transmission effectively to optimize the assets owned by the City. PWP participates in the California Independent System Operator (CAISO) market as a Scheduling Coordinator and a Participating Transmission Owner. The Wholesale Energy Trading and Scheduling section is responsible for communicating with the CAISO to provide reliable and economical energy to Pasadena customers.

The Environmental and Resource Planning section is responsible for developing the long-term resource plan, negotiating long term energy contracts, and monitoring regulatory changes in energy environmental and other industries. The section provides the long-term vision required to ensure that an adequate power supply is available to meet Pasadena's current and future energy requirements.

Major Accomplishments

- Completed a comprehensive 20-year Integrated Resource Plan (IRP) project and conducted 9 public meetings in conjunction with Pace Global Energy Services, LLC to solicit citizen input.
- Revised the City's Renewable Portfolio Standard (RPS) goals to maintain parity and/or exceed Investor Owned Utility goals of 10% by 2010 and 20% by 2017 to 15% by 2010 and 33% by 2015, and 40% by 2020.
- Received *MindLeaders' 2008 Performance Improvement and Learning Achievement Recognitions* (PILAR) Award which recognized Power Production staff for outstanding performance, results, and innovation in areas of individual learning and organizational training via e-Learning and "blended" instructional approaches.
- Participated in Greenhouse Gas (GHG) forums hosted by the California Municipal Utilities Association (CMUA) to protect Pasadena's interests under growing GHG legislation.
- Participated in natural gas forums to protect PWP power plant interests under SoCalGas' tariff setting process.
- Negotiated eight renewable resources contracts of which two contracts have been signed with a commercial operation date in FY 2010 and 2011.
- Successfully negotiated a long-term energy transmission solution with the City of Glendale for Magnolia Power Plant.

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- Signed an agreement with Southern California Public Power Authority (SCPPA) allowing PWP to participate in the Southern Transmission System upgrade.
- Utilized recycled waste water for the B-3 cooling tower, saving approximately 190,000 gallons per month.
- Retrofitted the Power Production plant with water conservation equipment such high-efficiency toilets, urinal flush-o-matic valves, water-saving faucet aerators, and high-efficiency shower heads.
- Successfully procured Firm Transmission Rights (FTR) in the California Independent System Operator (CAISO) FTR auction for Ormat and Magnolia energy resources.
- Increased optimization of excess transmission capacity resulting in a net revenue increase of \$900,000.
- Successfully sold excess local capacity and system resource adequacy attributes yielding a revenue increase of over \$500,000.
- Realized ancillary services revenue in excess of \$2 million.
- Participated in CAISO Market Redesign Technology Upgrade (MRTU) market simulation launching.
- Successfully completed training with computerized Power Plant maintenance program.

Summary of Appropriations and Revenues

	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommended
Operating FTEs	43.00	44.80	46.80	46.80	48.80
Appropriations	108,871,112	125,826,643	128,768,718	128,768,718	119,846,545

Changes from Prior Year

- *Cost Changes:* The net decrease of \$8,922,173 from the fiscal year 2009 revised budget is mainly due to cost reductions in Services & Supplies totaling \$8.7 million.
- *FTE Changes:* Net FTEs increased by 1.975 resulting from adding 2.00 FTEs for Apprentice Power Plant Mechanics and 2.00 FTEs for Apprentice Power Plant Operators. Eliminations include an Electrical Engineer, 0.50 FTE, and reallocating 1.53 FTEs to capital.

Future Outlook

Climate change initiatives through evolving legislative and regulatory mandates at California, Utah, Western States, and Federal levels continue to cause major operational and fiscal uncertainties for PWP. The California Air Resources Board is developing regulations to meet Greenhouse Gas (GHG) Legislation: AB32 requires that statewide GHG emissions to be reduced to 1990 levels by 2020. Utility specific regulations are expected to be finalized in year 2011. If signed into law, two proposed California legislative bills, AB 64 and SB 14, would require public owned utilities such as PWP to meet 33% Renewable Portfolio Standard (RPS) by year 2020. The Obama administration has issued a general plan of reducing GHG emissions from electric utilities through auction, and cap-and-trade schemes, with a major part of the proceeds funding research and social programs. PWP's GHG emissions are relatively high as it uses a considerable amount of power from its coal fired Intermountain Power Plant in Utah. Recently, with help of a consultant, PWP has developed a 20 year Integrated Resource Plan (pending City Council approval) to help it proactively meet the expected regulatory requirements.

PSBU continues to work on augmenting its renewable portfolio through evaluation of renewable projects including potential wind, bio-mass, solar and geothermal projects.

After numerous delays, the California Independent System Operator plans to implement the Market Redesign and Technology Upgrade (MRTU) program beginning April 1, 2009. This new method of conducting wholesale energy

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trading in the CAISO markets includes the creation of a "day-ahead" wholesale market, a "locational" marginal pricing scheme to reflect the impact of transmission congestion, and will provide incentives for new transmission investment. MTRU represents a substantial operational and financial risk to PWP as the utility has no experience with "locational" marginal pricing or the associated exposures to the highly volatile costs of transmitting energy to Pasadena. Similarly, the market structure will likely have a substantial impact on how Pasadena's local generation plants may operate, and how they are compensated for energy output when fiscal consequences are unknown.

The ongoing California market regulatory changes are a reminder that local generation continues to be a valuable resource that enables utilities such as PWP to maintain a sense of independence from market dynamics. Since three out of five of PWP's local natural gas units are over 33 to 40 years old, the proposed 2009 Integrated Resource Plan recommends replacing an existing 65 MW Broadway Unit 3 with an equivalent capacity highly efficient combined cycle unit by year 2014 while maintaining the other two old units. This should enhance overall local plant's cost effectiveness and reliability.

PROGRAM SUMMARY
Power Delivery Business Unit

Program Description

The purpose of the Power Delivery Business Unit is to deliver safe and reliable electric service to our customers; and install, operate, and maintain overhead and underground lines, stations, customer meters, and associated equipment at the lowest possible cost and at the highest level of service, with minimal service interruptions.

Major Accomplishments

In Fiscal Year 2009, Power Delivery continued work on the Electric Distribution System Master Plan (EDSMP). In addition to the capital projects, Power Delivery completed typical operations and maintenance activities and customer projects:

- Converted multiple 4kV circuit segments to 17 kV.
- Completed the replacement of eight 34kV breakers at Goodrich Receiving station.
- Replaced 90 underground transformers.
- Replaced 14 miles of distribution cable and wires.
- Replaced 100 underground switches.
- Replaced 30 overhead poles.
- Replaced 8,000 meters with Automatic Meter Reading meters.
- Completed the installation of new switchgear at Eastern substation.
- Completed a cross tie-line study of the electric system.
- Completed the annual state of the electrical distribution system.
- Completed the inspection of 1,200 underground vaults.
- Completed the inspection of 1,600 overhead poles.
- Received the Tree Line USA Award for power line clearance practices for the 7th consecutive year.

Summary of Appropriations and Revenues

	FY2007 Actual	FY2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommended
Operating FTEs	94.21	95.01	95.01	95.01	97.10
Appropriations	50,166,863	49,322,994	28,524,901	28,524,901	30,014,077

Changes from Prior Year

- *Cost Changes:* The net increase of \$1,489,176 from the fiscal year 2009 revised budget is due mainly to an increase in Personnel, Internal Service Charges and depreciation. Considerable cost-savings are planned throughout Services and Supplies.
- *FTE Changes:* Net FTEs increased by 2.09 resulting from: Eliminating a Power Distribution Superintendent, 0.50 FTE, Principal Engineer, 0.50 FTE and an Electrical Mechanic, 1.00 FTE. A total of 4.09 FTEs were reallocated from capital.

Future Outlook

Capital spending on the Electric Distribution System Master Plan will continue in Fiscal Year 2010. We have prioritized projects based on the State of the System reports, and appropriations have been requested for the majority of the capital improvement projects. Conversion of 4kV circuits to 17kV; including an upgrade to the

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Chester substation, as well as the replacement of transformers, breakers, switches and cable will also continue in FY 2010. Also planned are seismic and security upgrades at various distributing stations, and continued pole and vault inspections. Customer projects and undergrounding projects will be performed as they are established or requested.

PROGRAM SUMMARY
Water Delivery Business Unit

Program Description

The Water Delivery Business Unit (WDBU) constructs, operates and maintains the water system infrastructure that enables it to provide and deliver the highest quality water at competitive rates and in an environmentally responsible and cost-effective manner.

Major Accomplishments

- Continued the implementation of the Water Distribution System Master Plan.
- Completed major water main replacement and/or rehabilitation program by replacing about 3.5 miles of aging water mains.
- Replaced 5,000 water meters as part of the meter replacement program.
- Selected a vendor to provide equipment for the Monk Hill Perchlorate Treatment Plant, which will initially treat four of the five groundwater wells that flow into Sunset Reservoir.
- Completed design work for the retrofit of the electrical systems at the Jones and Glorietta Booster pumps. Construction at Glorietta should be completed mid- FY 2010; Jones will be completed in mid-FY 2011.
- Completed the seismic retrofit of the Windsor reservoir.
- Completed the replacement of the Arroyo B-4 bridge.

Summary of Appropriations and Revenues

	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2009 Revised	FY 2010 Recommend
Operating FTEs	46.11	48.11	49.11	- 49.11	52.65
Appropriations	34,257,030	39,123,047	31,784,569	31,784,569	32,400,665

Changes from Prior Year

- *Cost Changes:* The net increase of \$616,096 from the fiscal year 2009 revised budget is due mainly to increases in Personnel and Services & Supplies.
- *FTE Changes:* Net FTEs increased by 3.54. A new 1.00 FTE Principal Engineer and a new 1.00 FTE Engineer were approved and 1.54 FTEs were reallocated from Capital.

Future Outlook

The Water Delivery Business Unit will continue to meet the goals of an aggressive Capital Improvement Program as outlined in the Water System Master Plan. The City's aging water infrastructure will be updated to provide the fire flow, water quality, and supply reliability demands of its customers. Following the result of the seismic and structural study of the City's reservoirs, it is anticipated that major repairs and upgrades will be needed on nearly all of the City's 13 reservoirs. Substantial resources will be required in the next five years to upgrade the water storage facilities. Construction on Sheldon reservoir is scheduled for FY 2010. Electrical upgrades at the Glorietta booster station are scheduled for completion in mid-FY 2010 to improve the energy efficiency at the station and reduce operating costs.

Water and Power

Water quality regulations will continue to increase and impose more stringent requirements on water agencies. The Water Delivery Business Unit continues to be proactive in keeping abreast of upcoming regulations. New regulations may require substantial capital investments into the water infrastructure. The Monk Hill perchlorate treatment plant is expected to be completed by mid to late-FY 2010. The Sunset perchlorate treatment plant is scheduled to begin construction by late-FY 2010 pending Federal and State funding.

Installation of the Crosstown Collector Pipeline could begin in FY 2010 pending successful contract negotiations with MWD for the Conjunctive Use project. The 4.7 mile project would add to the Department's goal of installing 4 miles of new mains in FY 2010.

Review of the existing reclaimed water feasibility study and preliminary environmental work is scheduled for FY 2010. Preliminary design of Phase 1 of the project is also scheduled to begin in FY 2010.

In FY 2010, the Water Delivery Business Unit will continue in its fifth year of a six-year program to replace all old meters with new accurate and efficient automatic meter read meters (AMR). The program originally called for a five-year timeline, but was extended by one year to accommodate budget constraints.

**PASADENA WATER AND POWER
FY 2010 – FY 2014 CIP BUDGET STATEMENT
(for Operating Budget)**

The mission of Pasadena Water and Power (PWP) is to provide superior customer service, reliable electricity, and quality water at reasonable rates and in an environmentally responsible manner. PWP is an integral city resource, a valued community asset, and a partner in Pasadena's prosperous future, committed to improving the quality of life in Pasadena.

PWP supplies water and electricity to residents and businesses in Pasadena and to other outlying areas. Providing high quality service at reasonable rates is the main goal of this full-service utility, which also supports other Pasadena improvements and activities by contributing to the City's General Fund.

In FY 2010, PWP will continue its master plans to upgrade the City's complex chain of water and power infrastructure through projects to replace water distribution mains and facilities, construct water treatment facilities, replace and upgrade outdated and undersized power equipment, enhance distribution systems to prepare for the future demand, and automate projects to meet regulatory requirements. Other key projects include projects to rehabilitate water reservoirs, retrofit wells and pumping stations, utility undergrounding and local power generation projects.

In addition, PWP will continue to participate in various City-wide projects such as the GIS project, the Radio Replacement Program, Interactive Voice Response/Interactive Web Response (IVR/IWR) project, and the Warehouse Modernization project.

DISCRIPTION	FY2007	FY2008	FY2009	FY2009	FY2010	SCHANGE	%
	ACTUAL	ACTUAL	ADOPTED	REVISED	RECOMMEND		
8005 Regular Pay - PERS	16,189,468	17,400,469	22,773,961	22,773,961	24,556,599	1,782,638	7.8%
8008 Regular Pay - SPERS	0	7,260	0	0	0	0	0.0%
8011 Overtime Pay	1,689,206	1,782,662	1,622,042	1,622,042	1,273,254	-348,788	(21.5%)
8012 Overtime Subject To PERS	88,564	172,060	14,128	14,128	10,000	-4,128	(29.2%)
8018 PST-Part Time Employees-	48,537	55,495	0	0	0	0	0.0%
8020 Management Benefit	14	0	0	0	0	0	0.0%
8023 Auto Allowance	36,737	43,792	0	0	36,486	36,486	100.0%
8024 Personal Devlpmnt Allowan	65,063	63,250	0	0	44,599	44,599	100.0%
8027 Workers' Compensation	776,206	931,565	0	0	1,412,069	1,412,069	100.0%
8031 General Liability	324,730	436,555	0	0	585,314	585,314	100.0%
8037 Miscellaneous Pay	35,190	242,947	0	0	0	0	0.0%
8038 Employee Portion-PERS	887,441	700,795	0	0	846,802	846,802	100.0%
8040 City Portion-PERS	1,606,204	2,055,431	0	0	2,703,539	2,703,539	100.0%
8041 City Portion-PARS	2,110	1,528	0	0	0	0	0.0%
8044 Life Insurance	11,302	10,837	0	0	19,925	19,925	100.0%
8045 Dental Insurance	143,395	151,893	0	0	154,993	154,993	100.0%
8046T Medicare Total	203,165	225,056	0	0	361,281	361,281	100.0%
8047 Long Term Disability	36,633	43,551	0	0	46,337	46,337	100.0%
8048 Child Care Subsidies	23	0	0	0	0	0	0.0%
8049 Medical	2,260,506	2,529,269	0	0	3,025,112	3,025,112	100.0%
8050 Benefits	2,606,249	3,141,899	8,959,067	8,959,067	0	-8,959,067	(100.0%)
8054 Vision Care	520	524	0	0	0	0	0.0%
8055 Health Care Spending	165	0	0	0	0	0	0.0%
8056 Accrued Payroll Expense	23,825	337,560	0	0	0	0	0.0%
8058 Benefits Admin.	882,235	948,664	0	0	0	0	0.0%
T8700 Total Personnel	27,917,487	31,283,061	33,369,198	33,369,198	35,076,311	1,707,113	5.1%
8101 Materials And Supplies	1,735,427	1,686,861	2,165,618	2,165,618	1,611,969	-553,649	(25.6%)
8103 Uniforms	84,964	87,385	149,254	149,254	128,518	-20,736	(13.9%)
8104 Nutrition Education Material	815	3,988	10,000	10,000	0	-10,000	(100.0%)
8105 Lease Payments	311,091	71,006	0	0	0	0	0.0%
8106 Rent Expense	839,259	1,119,217	1,311,974	1,311,974	1,379,182	67,208	5.1%
8107 Equipment Lease Payment	76,116	17,912	40,235	40,235	43,526	3,291	8.2%
8108 Computer Related Supplies	30,914	11,048	71,550	71,550	48,711	-22,839	(31.9%)
8109 Equip Purchases Under \$1,	128,883	119,596	451,425	451,425	250,125	-201,300	(44.6%)
8110 Outside Printing & Duplicati	55,602	45,547	96,397	96,397	84,400	-11,997	(12.4%)
8112 Legal and Other Advertisin	6,353	3,047	7,302	7,302	6,250	-1,052	(14.4%)
8113 Photo Copy Machine Maint	16,419	37,928	65,827	65,827	50,379	-15,448	(23.5%)
8114 Other Contract Services	2,357,511	2,556,639	3,855,029	3,855,029	3,765,380	-89,649	(2.3%)
8115 Consultant Services	551,312	461,169	1,808,635	1,808,635	1,277,250	-531,385	(29.4%)
8116 Contract Maintenance	966,561	1,053,017	1,914,472	1,914,472	1,810,658	-103,814	(5.4%)
8118 Outside Legal Services	422,787	337,568	1,097,218	1,097,218	528,751	-568,467	(51.8%)
8120 Architect Fees	8	0	0	0	0	0	0.0%
8121 Computer (PC) Maint/Repa	787	5,276	36,995	36,995	25,186	-11,809	(31.9%)
8122 Support To Advisory Comm	12,000	9,000	12,000	12,000	12,000	0	0.0%
8124 Dues And Memberships	124,677	119,891	202,063	202,063	141,562	-60,501	(29.9%)
8125 Special Civic Events	187,166	171,767	164,200	164,200	165,200	1,000	0.6%
8126 Conf & Mtgs- Comm & Co	7,388	117	800	800	700	-100	(12.5%)
8127 Conf & Mtgs-City Departme	152,644	162,089	394,761	394,761	247,035	-147,726	(37.4%)
8128 Mileage	1,378	1,681	24,516	24,516	15,225	-9,291	(37.9%)
8129 Education	0	-37	8,520	8,520	5,100	-3,420	(40.1%)
8130 Training Costs	221,022	407,441	969,982	969,982	563,496	-406,486	(41.9%)
8131 Health Grants-Special Nee	135	0	0	0	0	0	0.0%
8132 Video Productions	3,650	8,529	15,000	15,000	8,000	-7,000	(46.7%)
8134 Data Processing Developm	1,855	0	2,000	2,000	2,000	0	0.0%
8135 Reference Mats Subscripti	23,146	22,313	53,094	53,094	40,150	-12,944	(24.4%)
8136 Library Books	21	0	0	0	0	0	0.0%
8137 Gasoline and Lubricants	374	0	0	0	0	0	0.0%
8138 Gas/Fuel	372,111	714,496	686,962	686,962	825,645	138,683	20.2%
8139 Water	12,276,630	14,125,368	16,110,420	16,110,420	17,432,759	1,322,339	8.2%
8140 Telephone	93,278	114,088	149,709	149,709	140,153	-9,556	(6.4%)
8141 Refuse Collection	13,632	19,779	17,913	17,913	17,000	-913	(5.1%)
8142 Electric	2,572,382	2,307,186	2,684,750	2,684,750	2,883,350	198,600	7.4%
8143 City Hall Space Rental	39	0	0	0	0	0	0.0%
8144 Postage	197,368	224,888	355,456	355,456	390,601	35,145	9.9%
8145 Taxes, Payroll and Other	32,011	31,808	34,031	34,031	34,500	469	1.4%
8149 Fiscal Agent/Bank Fees &	4,850	2,005	3,000	3,000	0	-3,000	(100.0%)
8156 Insurance	277,000	241,093	304,400	304,400	285,000	-19,400	(6.4%)
8175 Material Overhead	-2,103,249	-2,204,028	-1,150,000	-1,150,000	-2,000,000	-850,000	73.9%
8176 Utility Rebates	1,064,482	1,445,020	4,244,872	4,244,872	4,287,323	42,451	1.0%
8177 Program Expenditures	4,432,105	4,630,137	4,840,750	4,840,750	4,955,426	114,676	2.4%
8179 Prepayment Of Costs	61,163	61,163	62,000	62,000	62,000	0	0.0%
8186 Discounts Lost	1,283	602	0	0	0	0	0.0%
8187 Discounts Earned	-8,005	-7,920	0	0	0	0	0.0%
8212 Permits and Fees	89,128	83,946	206,600	206,600	125,600	-81,000	(39.2%)
8213 Purchased Power-Long Ter	45,944,102	42,379,824	41,928,244	41,928,244	45,390,676	3,462,432	8.3%
8214 Overtime Meals	9,913	9,672	26,898	26,898	22,790	-4,108	(15.3%)

DISCRPTION	FY2007	FY2008	FY2009	FY2009	FY2010	CHANGE	%
	ACTUAL	ACTUAL	ADOPTED	REVISED	RECOMMEND		
8215 Underground Utility Rebate	0	102,997	1,216,000	1,216,000	1,520,000	304,000	25.0%
8216 Utility Assistance Rebate	301,599	360,639	580,000	580,000	485,000	-95,000	(16.4%)
8217 Litigation	702	127	0	0	0	0	0.0%
8218 Vehicle Rental	958	28,154	86,800	86,800	48,104	-38,696	(44.6%)
8222 Purchased Power Short Ter	12,931,207	17,680,959	18,803,774	18,803,774	6,887,411	-11,916,363	(63.4%)
8223 Purchased Power-Transmis	11,732,500	11,187,227	11,968,000	11,968,000	11,801,781	-166,219	(1.4%)
8224 Purch. Power-Ancillary Ser	710,475	677,178	1,673,500	1,673,500	801,158	-872,342	(52.1%)
8226 Wholesale Energy for Resal	0	6,875,687	1,033,364	1,033,364	1,033,364	0	0.0%
8228 Outside Services- Intrafund	-413,875	160,334	173,000	173,000	157,000	-16,000	(9.2%)
8229 Gas/Fuel-Short Term	7,659,347	11,308,277	10,895,840	10,895,840	11,525,644	629,804	5.8%
8230 Advertising	178,245	249,975	311,500	311,500	274,000	-37,500	(12.0%)
8232 Freight Expense	32	5,503	0	0	0	0	0.0%
8283 Purchased Air Emission Cr	0	0	350,000	350,000	250,000	-100,000	(28.6%)
8284 Fuel Burned for Wholesale	784,668	1,306,811	1,755,814	1,755,814	1,755,814	0	0.0%
8290 Cell Phone Reimbursement	-11,891	-11,695	-6,320	-6,320	-7,350	-1,030	16.3%
8291 Purchased Power - Renew	3,569,729	7,174,932	9,718,000	9,718,000	12,320,662	2,602,662	26.8%
8292 ISO GMC Energy Expense	262,926	218,472	600,000	600,000	283,246	-316,754	(52.8%)
8293 ISO Energy Services	-477,949	-415,828	874,740	874,740	74,966	-799,774	(91.4%)
8294 ISO GMC Transmission Ex	1,394,866	833,235	1,500,000	1,500,000	804,043	-695,957	(46.4%)
8295 ISO System TAC	3,932,207	3,886,267	4,452,940	4,452,940	4,944,888	491,948	11.0%
8301 Gas/Fuel - Long Term	156,768	937,825	100,000	100,000	0	-100,000	(100.0%)
8304 Transmission Congestion	0	0	150,000	150,000	150,000	0	0.0%
T8800 Total Services & Supplie	116,363,004	135,264,182	151,671,824	151,671,824	142,173,307	-9,498,517	(6.3%)
8601 IS-Structural Maintenance	220,407	217,396	217,399	217,399	213,940	-3,459	(1.6%)
8602 IS-Tenant Improvements	37,419	36,916	62,000	62,000	54,200	-7,800	(12.6%)
8603 IS-Lockshop	2,423	8,388	0	0	3,700	3,700	100.0%
8604 IS-Utilities & Insurance-Hse	116,496	108,912	115,365	115,365	154,342	38,977	33.8%
8605 IS-Houskeeping Services	69,684	61,723	64,944	64,944	59,215	-5,729	(8.8%)
8607 IS-Printing	117,835	138,179	165,950	165,950	153,050	-12,900	(7.8%)
8608 IS-Mail - Basic Services	66,733	69,339	70,218	70,218	71,031	813	1.2%
8609 IS-Telephones - Basic	218,872	297,957	293,109	293,109	307,987	14,878	5.1%
8611 IS-ADS - Direct Request	7,488	0	19,428	19,428	19,428	0	0.0%
8612 IS-PC Direct Request	3,301	4,299	10,264	10,264	11,799	1,535	15.0%
8613 IS-Radio-Basic Services	143,002	99,126	107,522	107,522	106,909	-613	(0.6%)
8615 IS-Auto Body Repair	13,112	12,477	20,910	20,910	23,560	2,650	12.7%
8616 IS-Fleet Maint-Equip Maint	526,876	592,335	593,699	593,699	587,270	-6,429	(1.1%)
8618 IS-Fleet Maint-Fuel	357,679	514,178	412,266	412,266	453,200	40,934	9.9%
8620 IS-Building Preventive Main	70,202	65,036	65,757	65,757	65,710	-47	(0.1%)
8621 IS-Radio - Direct Request	2,846	4,198	0	0	0	0	0.0%
8622 IS-Telephones - Usage	119,340	128,702	135,687	135,687	152,035	16,348	12.0%
8623 IS-PC Training	0	0	2,122	2,122	1,622	-500	(23.6%)
8624 IS-Enterprise Network	479,420	557,213	608,965	608,965	539,985	-68,980	(11.3%)
8626 IS-Mail Direct Request	18,046	15,524	22,600	22,600	21,600	-1,000	(4.4%)
8632 IS-AD&S-GIS	77,037	60,479	48,072	48,072	47,618	-454	(0.9%)
8633 IS-ITSD Telephone-IVR	55,616	40,457	73,970	73,970	73,970	0	0.0%
8634 IS-Security Srvcs at CityHal	313	1,381	1,381	1,381	2,475	1,094	79.2%
8641 IS-MS Licensing	62,098	45,825	45,814	45,814	44,959	-855	(1.9%)
T9000 Total Internal Service C	2,786,245	3,080,039	3,157,442	3,157,442	3,169,605	12,163	0.4%
8677 Interest	8,265,488	9,559,455	10,774,933	10,774,933	10,594,333	-180,600	(1.7%)
8678 Amortization of Bond Expe	-45,257	-35,616	-38,310	-38,310	-38,310	0	0.0%
8679 Amortization COI-IPA Note	0	0	0	0	14,154	14,154	100.0%
8690 Amortization Prem/Discon	0	0	0	0	674,122	674,122	100.0%
T9100 Total Principal & Interes	8,220,231	9,523,839	10,738,623	10,738,623	11,244,299	507,676	4.7%
8703 Trans To Capital Projects F	0	176,674	0	0	0	0	0.0%
8705 Transfers To General Fund	7,956,350	13,547,004	13,690,444	13,690,444	16,167,840	2,477,396	18.1%
8731 Transfers to Hahamonga O	540,000	540,000	540,000	540,000	540,000	0	0.0%
T9200 Total Transfers Out	8,496,350	14,263,678	14,230,444	14,230,444	16,707,840	2,477,396	17.4%
8801 Depreciation	17,706,925	18,960,961	20,099,228	20,099,228	21,628,092	1,528,864	7.6%
8802 Warehouse Store Issues	567,415	516,821	684,369	684,369	552,379	-131,990	(19.3%)
8803 Equipment Usage	337,173	286,610	308,321	308,321	299,805	-8,516	(2.8%)
8876 Bad Debt Expense	795,366	824,389	1,009,428	1,009,428	1,049,374	39,946	4.0%
8877 Equipment Clearing	-872,379	-735,110	-750,000	-750,000	-675,000	75,000	(10.0%)
8878 W & P Capital Contra	-7,316,025	-5,619,163	0	0	0	0	0.0%
8879 Loss on Early Retlmt of D	108,464	108,464	108,464	108,464	108,464	0	0.0%
T9300 Total Other Expenses	11,326,938	14,342,971	21,459,810	21,459,810	22,963,114	1,503,304	7.0%
T8000 Total Expense	175,110,254	207,757,771	234,625,341	234,625,341	231,334,476	-3,290,865	(1.4%)

FY 2010 - 2014 Capital Improvement Program
Recommended Appropriations for FY 2010 and New Projects by Department

		Total Estimated Costs	Appropriated Through FY 2009	Recommended FY 2010	FY 2011-2014 Estimated Costs
Water and Power Department					
Water System					
1002	Meters and Services	21,744,000	19,494,000	850,000	1,400,000
1006	Miscellaneous Water System Improvements	7,466,000	4,916,000	550,000	2,000,000
1009	Geographic Information System - Water and Power Department	4,430,906	3,732,906	250,000	448,000
1011	Customer Information System	712,485	502,485	150,000	60,000
1062	Sunset Perchlorate Treatment Plant	3,875,000	2,900,000	150,000	825,000
1003	Customer Driven Meters and Services	8,300,000	3,100,000	1,200,000	4,000,000
		46,528,391	34,645,391	3,150,000	8,733,000
Electric System					
3001	Services from Utility Underground System Private Property Vaults	36,233,870	21,283,870	2,200,000	12,750,000
3023	Services from Public Right-Of-Way	30,430,536	23,930,536	1,000,000	5,500,000
3117	Wood Utility Pole Replacement/Reinforcement Program	13,415,626	10,015,626	400,000	3,000,000
3090	Switchgear Upgrades for Power System Facilities	50,156,300	19,551,300	1,000,000	29,605,000
3021	Power System Cable and Transformer Test Equipment	910,000	460,000	50,000	400,000
3073	Supervisory Control and Data Acquisition System Expansion	8,100,000	5,000,000	600,000	2,500,000
3137	Cable Replacement and Testing	29,643,000	11,043,000	1,600,000	17,000,000
3148	B-3 Renewals, Replacements, and Improvements	3,582,000	2,737,000	300,000	545,000
3034	Distribution System Life Cycle Management	3,829,000	1,679,000	1,200,000	950,000
3005	Geographic Information System - Water and Power Department	6,571,826	5,271,826	500,000	800,000
3160	Power Supply Integrated Resource Planning and Design	1,475,000	750,000	75,000	650,000
3161	Distribution Capacity and Reliability Sustaining Program	39,900,000	21,400,000	3,500,000	15,000,000
3169	B-3 Retrofitting for Stand-Alone Operation	1,360,000	1,100,000	50,000	210,000
3173	Power Meter Installation and Replacement Program	6,602,000	4,552,000	1,000,000	1,050,000
3178	Power Supply Facility Security	1,405,000	765,000	300,000	340,000
3179	Azusa Hydro - Renewals and Replacements	2,350,000	1,325,000	350,000	675,000
3185	Replacement and Upgrade of Electric Equipment and Facilities	16,650,000	6,200,000	2,800,000	7,650,000
3189	Santa Anita Substation Upgrade	710,000	210,000	100,000	400,000
3191	4 kV Distribution System Conversion	45,500,000	10,500,000	9,500,000	25,500,000
3192	Distribution System Automation	3,500,000	250,000	750,000	2,500,000
3195	Transmission System Enhancements	45,850,000	250,000	600,000	45,000,000
3197	Recycling of Collected Rain Water	195,000	35,000	60,000	100,000
3198	Installation of Microturbine at Millard Pressure Reducing Station	155,000	35,000	120,000	0
3002	Distribution System Expansion	10,935,000	5,935,000	1,500,000	3,500,000
3199	Solar Photovoltaic Systems Installation	100,000	0	100,000	0
		359,559,158	154,279,158	29,655,000	175,625,000
Totals:		406,087,549	188,924,549	32,805,000	184,358,000

Water and Power Department

Employee Distribution By Position

Entity: D83 - Water & Power
Account: FTE - FTE
Period: JUL, 2010
Scenario: RECOMMEND

Code	Description	Total
10201	GEN MGR - WATER & POWER	1.00
20303	ASST GEN MGR - WATER & POWER (C)	5.50
20318	MATERIALS & WAREHOUSE MANAGER	1.00
20501	POWER PROD SUPERINTENDENT	1.00
20601	WATER SYSTEM SUPERINTENDENT	2.00
24381	MANAGER OF PLANNING & ANALYSIS	1.00
25531	MARKETING MANAGER	1.00
25551	CUSTOMER SERVICE MANAGER	1.00
25561	ACCOUNT MANAGER	6.00
27171	ENGINEERING MANAGER	5.00
30331	CUSTOMER SERVICE SUPERVISOR	3.00
30771	ELECTRICAL MECHANIC CREW SUPV	1.00
30801	ENGINEER	18.15
30951	CUSTOMER SERVICE FIELD SUPV I	1.00
31051	POWER DISPATCHING SUPERVISOR	1.00
31061	POWER PLANT MAINT SUPERVISOR	1.00
31081	POWER PRODUCTION SUPERVISOR	1.00
31101	PRINCIPAL ENGINEER	11.15
31331	WATER SYSTEM CREW SUPV (OPER)	2.00
31341	PRINCIPAL CHEMIST	1.00
31351	WHOLESALE OPERATIONS MANAGER	3.00
31371	WATER SYSTEMS/CREW SUPERVISOR	4.00
36021	MANAGEMENT ANALYST V	2.00
36111	UTILITY SVCS. PLANNING SUPV.	2.00
37031	DEPT INFO SYSTEMS ANALYST III	4.00
37041	INFO SYSTEMS & TECH MANAGER	1.00
37051	OFFICE SUPPORT SUPERVISOR	1.00
37201	POWER DISTRIB CREW SUPERVISOR	12.00
37211	POWER DISTRIBUTION SUPERVISOR	3.00
41491	ASSISTANT ENGINEER	1.00
41511	ASSOCIATE ENGINEER	5.00
41521	CHEMIST	2.00
41741	MANAGEMENT ANALYST IV	2.00
41751	PROJECT MANAGER	2.00
41871	MANAGEMENT ANALYST III	7.50
41921	WATER QUALITY MANAGER	1.00
44981	PRINCIPAL POWER DISPATCHER	4.00
45371	SAFETY OFFICER (C)	1.00
45861	PRINC FINANCIAL / RATE ANALYST	2.00
45911	INFORMATION TECH ANALYST II	-
46181	CONSTRUCTION INSPECTOR I	-
46191	CONSTRUCTION INSPECTOR II	3.00
47081	DEPT INFO SYSTEMS ANALYST II	4.00

47211	MANAGEMENT ANALYST II	3.00
47271	MANAGEMENT ANALYST IV (C)	-
57071	SENIOR INFO SYSTEMS ENGINEER	1.00
72271	CAULKER & REPAIR LEAD MECH	6.00
72281	CAULKER & REPAIR MECHANIC	23.00
72311	MACHINIST	1.00
72361	LABORER	-
72391	LIGHT EQUIPMENT OPERATOR	2.00
72401	MAINTENANCE & CONSTRUC WORKER	18.00
72421	CUSTOMER SERVICE FIELD REP I	6.00
72581	SENIOR STOREKEEPER	0.50
72591	STOREKEEPER	2.00
72601	CUSTOMER SERVICE FIELD REP II	7.00
72611	WAREHOUSE WORKER	3.00
72631	WATER SYSTEM OPERATOR	8.00
72681	SENIOR WATER QUALITY LAB TECH	1.00
74241	FACILITIES SERVICE WORKER	1.00
75111	METER MECHANIC	1.00
75141	WATER TROUBLESHOOTER	4.00
82671	APPRENTICE POWER LINE MECHANIC	-
82681	ASSISTANT ELECTRICAL MECHANIC	5.00
82691	ASSISTANT ELECTRICAL TESTER	-
82701	FIELD DESIGN TECHNICIAN	1.00
82711	ELECTRICAL CONSTR WORKER	4.00
82721	ELECTRICAL CRAFT HELPER	13.00
82731	ELECTRICAL MECHANIC	6.00
82732	LEAD ELECTRICAL MECHANIC	4.00
82741	ELECTRICAL TESTER	9.00
82761	ELECTRONICS TECHNICIAN	3.00
82771	HIGH VOLTAGE MAINTENANCE MECHA	2.00
82782	SENIOR INSTRUMENT MECHANIC	2.00
82791	POWER DISPATCHER	5.00
82801	POWER LINE MECHANIC	13.00
82811	POWER PLANT INSTRUMENT FOREMAN	2.00
82821	POWER TROUBLESHOOTER	3.00
82831	SENIOR CABLE SPLICER	14.00
82851	SENIOR ELECTRICAL TESTER	5.00
82871	SENIOR POWER DISPATCHER	5.00
82901	SUBSTATION OPERATOR	3.00
82911	HIGH VOLTAGE UTIL. EQUIP. OPERATOR	3.00
83531	APPRENTICE CABLE SPLICER	-
84261	LEAD ELECTRICAL CONST WORKER	2.00
84551	LEAD POWER LINE MECHANIC	3.00
92931	POWER PLANT CONTROL OPERATOR	6.00
92971	POWER PLANT MECHANIC	3.29
92972	SENIOR POWER PLANT MECHANIC	4.00
92973	POWER PLANT SHIFT SUPERVISOR	6.00
92981	POWER PLANT MECHANIC HELPER	2.00
92991	POWER PLANT OPERATOR	6.29
121731	STAFF ASSISTANT II	5.00
121741	STAFF ASSISTANT III	6.00
121761	OPERATIONS ASSISTANT	2.00

121771	TECHNICAL SPECIALIST	2.00
124601	STAFF ASSISTANT IV	11.00
124641	CUSTOMER SERVICE REP I	12.00
124651	CUSTOMER SERVICE REP II	9.00
124661	STAFF ASSISTANT I	1.00
126781	PRINCIPAL OPERATIONS SPEC	1.00
152941	SENIOR UTILITY SERVICES PLANNER	5.00
153462	CUSTOMER SERVICE REP III	2.00
153481	ENGINEERING AIDE	-
153681	SENIOR ENGINEERING AIDE	16.00
153711	UTILITY SERVICES PLANNER	-
164520	CITY SERVICE WORKER	-
82902	SENIOR SUBSTATION OPERATOR	1.00
82724	LEAD VAULT INSPECTOR	1.00
82712	UNDERGROUND ELECTRIC SERVICE TECH	1.00
Totals		430.50

FY2010 - Managed Savings April 16, 2009

Department	Description of Managed Saving	Service Impacts	Vacant or Filled	Tier 1 FTE Impact	Tier 1 Recommended	Tier 2 FTE Impact	Tier 2
1	Water & Power Eliminate Positions for 1/2 fiscal year 2010: 1.0 Sr. Storekeeper, 1.0 Tech Specialist, 1.0 Electrical Engineer, 1.0 Power Distribution Superintendent, 1.0 Principal Engineer, 2.0 Electrical Mechanics	This is a partial elimination of positions to better evaluate recruitment decisions for potential impact on operations and progress on capital projects.	Vacant	3.50	491,007		
2	Reduce Overtime for emergency response only	This will reduce the amount of maintenance done after business hours and on weekends, which could impact traffic and prolong the duration of some projects.			294,825		
Total Personnel				3.50	785,832		
3	Materials and Supplies	Reduction in purchase of materials to ensure availability on non-capital projects, overall reduction in supplies on hand			459,485		
4	Reduce use of contractors and service consultants	Impact on planned software upgrades, work management and energy efficiency studies, post go-live MRTU support				1,345,050	
5	Reduce attendance at industry conferences and training opportunities, send fewer staff and eliminate some attendance	Impact on staff development, succession planning, industry knowledge for next generation of staff, etc.			253,119		

FY2010 - Managed Savings April 16, 2009

Department	Description of Managed Saving	Service Impacts	Vacant or Filled	Tier 1 FTE Impact	Tier 1 Recommended	Tier 2 FTE Impact	Tier 2
6	Small tool and equipment replacement postponed	Small tools and equipment on regular replacement schedules will be evaluated for replacement need, safety considerations will drive actual replacement			117,300		
7	Reduce installations of Emerging Technologies at public facilities	Impact opportunities to provide rebate funding for energy efficiency installations on City Buildings			302,000		
8	Limit purchase of Reclaimed Trading Credits (RTC) by Power Supply	RTCs are purchased based on price and availability, provide inventory of credits for future requirements			100,000		
9	Postpone the replacement of some vehicles to FY 2011	Additional maintenance may be required for vehicles at or near end of useful life			632,000		
10	Reduction of various line items	Postage, advertising, computer equipment, outside printing, permits and fees, etc.			228,221		
Total Services Supplies Equipment						3,437,175	-
Total Water & Power						3.50	4,223,007