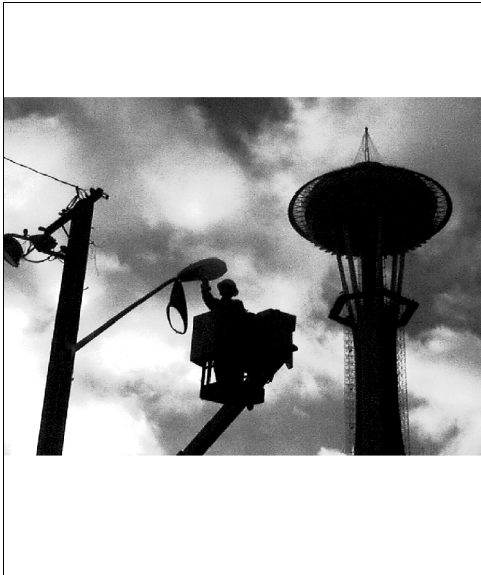


# Seattle City Light



Gary Zarker, Superintendent

## Mission Statement

The mission of the City Light Department is to provide our customers with the lowest cost, most reliable, and most environmentally responsible electricity in urban America.

## Goals

- Deliver excellent customer service.
- Continue delivery of industry-standard fundamental utility service.
- Make environmental excellence a core part of City Light's mission and operations.
- Strengthen the utility's competitive position.
- Make public benefits a cornerstone of City Light's service culture.
- Communicate to customers how City Light provides value to the community.
- Help employees achieve a high-performance workplace they are proud of.

## Appropriations

<b>Fund/Line of Business</b>	<b>Summit Code</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
<b>City Light Fund</b>						
Administration	SCL100	239,129,758	233,813,333	241,087,859	284,951,171	284,951,171
Power Delivery	SCL200	124,017,636	126,195,012	125,858,176	126,174,610	126,174,610
Power Supply	SCL300	398,270,117	399,432,203	365,037,249	592,200,691	592,025,691
<b>Department Total</b>		<b>761,417,511</b>	<b>759,440,548</b>	<b>731,983,284</b>	<b>1,003,326,472</b>	<b>1,003,151,472</b>
<b>Positions</b> (In Full Time Equivalents)		<b>1,797.75</b>	<b>1,800.19</b>	<b>1,799.19</b>	<b>1,798.69</b>	<b>1,798.69</b>

## Administration

### Purpose Statement

The purpose of the Administration line of business is to provide leadership and support services for City Light and its staff so that the utility's line of business goals are met at an appropriately low administrative cost and the City's and City Light's values are supported.

### Key Performance Targets

- Ensure employee diversity that reflects the people in our community by meeting or exceeding Equal Employment Opportunity availability rates for all employment categories, as measured by the percentage of categories meeting availability rates.
- Safety first, safety second, safety third: achieve a 10% reduction in the severity rate of work-related injuries from a four year average.
- Strengthen the utility's competitive position. Preserve our competitive rate advantage by maintaining the spread between City Light's low-cost hydroelectric generation and the higher cost of equivalent energy at market prices (in \$/MWh).

### Programs

<b>Program</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Corporate Services Debt Service	90,167,791	96,401,611	101,916,582	126,852,926	126,852,926
Corporate Services Taxes	38,566,060	43,864,697	46,008,736	66,484,223	66,484,223
Employee Services	4,166,113	4,227,834	4,377,990	4,322,399	4,322,399
Equipment and Facilities	44,916,316	40,341,923	39,147,425	39,364,460	39,364,460
Executive Leadership	7,529,622	9,482,711	10,472,710	10,268,648	10,268,648
Financial and Account Services	53,783,856	39,494,557	39,164,416	37,658,515	37,658,515
<b>Line of Business Total</b>	<b>239,129,758</b>	<b>233,813,333</b>	<b>241,087,859</b>	<b>284,951,171</b>	<b>284,951,171</b>
<b>Positions</b> (in Full Time Equivalents)	<b>559.96</b>	<b>540.74</b>	<b>538.37</b>	<b>539.37</b>	<b>539.37</b>

## Administration: Corporate Services Debt Service

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### Purpose Statement

The purpose of the Corporate Services Debt Service program is to borrow funds sufficient to meet City Light's capital expenditure requirements at the lowest possible cost.

### 2002 Proposed Program Changes

Increase total debt service budget by \$24,936,344 in 2002 to make higher debt service payments. Debt service payments are increasing because of the issuance of \$504 million in long-term debt and \$182 million in revenue anticipation notes in 2001.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	90,167,791	96,401,611	101,916,582	126,852,926	126,852,926
<b>Program Total</b>	<b>90,167,791</b>	<b>96,401,611</b>	<b>101,916,582</b>	<b>126,852,926</b>	<b>126,852,926</b>
<b>Positions</b> (in Full Time Equivalents)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Administration: Corporate Services Taxes

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### Purpose Statement

The purpose of the Corporate Services Taxes program is to calculate and pay City Light's legally required tax payments.

### 2002 Proposed Program Changes

Increase the total tax budget by \$20.48m in 2002. City Light pays taxes to the State and City of Seattle based on collected revenues. The utility also pays franchise fees to other jurisdictions within its service area. The higher taxes are the result of higher revenues due to 2001 power rate adjustments and a Bonneville Power Administration rate increase passed on to City Light customers.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	38,566,060	43,864,697	46,008,736	66,484,223	66,484,223
<b>Program Total</b>	<b>38,566,060</b>	<b>43,864,697</b>	<b>46,008,736</b>	<b>66,484,223</b>	<b>66,484,223</b>
<b>Positions</b> (in Full Time Equivalents)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Administration: Employee Services

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### Purpose Statement

The purpose of the Employee Services program is to ensure a fair, safe, and supportive business environment for City Light staff so that a highly skilled, representative, and productive workforce is recruited and retained.

### 2002 Proposed Program Changes

Reduce the program budget by \$56,591 in 2002. City Light is reducing this program's number of authorized hours by an amount equivalent to 0.20 FTE. This action is taken to achieve the savings objective City Council identified in Statement of Legislative Intent No. 3, included in the 2001 Adopted - 2002 Endorsed Budget.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	4,166,113	4,227,834	4,377,990	4,322,399	4,322,399
<b>Program Total</b>	<b>4,166,113</b>	<b>4,227,834</b>	<b>4,377,990</b>	<b>4,322,399</b>	<b>4,322,399</b>
<b>Positions</b> (in Full Time Equivalents)	<b>62.78</b>	<b>55.88</b>	<b>55.86</b>	<b>55.86</b>	<b>55.86</b>

## Administration: Equipment and Facilities

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### Purpose Statement

The purpose of the Equipment and Facilities program is to provide City Light staff with a well-functioning workplace by meeting their needs for appropriate accommodations, office support and technology.

### 2002 Proposed Program Changes

Increase the program budget by \$217,035. This is a net increase resulting from the position adds below and net program changes as follows: increase the program's budget allocation to the Complex Billing System project, Cmart (\$815,000), and decrease budget allocations to Information Technology projects in Information System Development (\$329,000), General Expense - Equipment & Facilities (\$238,000), General Plant Operations and Maintenance (\$65,000), and Distribution Auto Mapping (\$59,000).

Add 3.0 FTE Information Technology Professional A positions and 1.0 Information Technology B positions in 2002 to continue implementing City Light's Information Technology Strategic Plan. These employees will perform work formerly performed by contract labor, and represent an annual savings of \$196,310 in 2002.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	44,916,316	40,341,923	39,147,425	39,364,460	39,364,460
<b>Program Total</b>	<b>44,916,316</b>	<b>40,341,923</b>	<b>39,147,425</b>	<b>39,364,460</b>	<b>39,364,460</b>
<b>Positions</b> (in Full Time Equivalents)	<b>185.08</b>	<b>169.20</b>	<b>160.83</b>	<b>164.83</b>	<b>164.83</b>

## Administration: Executive Leadership

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### Purpose Statement

The purpose of the Executive Leadership program is to provide the appropriate direction to City Light staff and participate in regional and national forums so that the utility's line of business goals are met and the City's and City Light's values are supported.

### 2002 Proposed Program Changes

Reduce the program budget by \$204,062 in 2002 by holding vacant an Executive 2 position for all of 2002 and an Administrative Specialist position vacant for one-half of 2002. These actions are taken to achieve the savings objective City Council identified in Statement of Legislative Intent No. 3 included in the 2001 Adopted - 2002 Endorsed Budget.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	7,529,622	9,482,711	10,472,710	10,268,648	10,268,648
<b>Program Total</b>	<b>7,529,622</b>	<b>9,482,711</b>	<b>10,472,710</b>	<b>10,268,648</b>	<b>10,268,648</b>
<b>Positions</b> (in Full Time Equivalents)	<b>85.84</b>	<b>74.20</b>	<b>75.43</b>	<b>75.43</b>	<b>75.43</b>

## Administration: Financial and Account Services

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### Purpose Statement

The purpose of the Financial and Account Services program is to ensure that City Light has sufficient resources to maintain its financial stability.

### 2002 Proposed Program Changes

Reduce the program budget by \$1.51m in 2002. City Light is holding positions vacant for extended periods of time, limiting the use of consulting services, controlling material supplies, limiting travel, and canceling memberships in trade and industry organizations. These actions are taken to achieve the savings objective City Council identified in Statement of Legislative Intent No. 3, included in the 2001 Adopted - 2002 Endorsed Budget.

Delete 1.0 FTE Accounting Technician I, 1.0 FTE Mail Courier, and 1.0 FTE Management Systems Analyst Senior from the Financial and Account Services program in 2002.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	53,783,856	39,494,557	39,164,416	37,658,515	37,658,515
<b>Program Total</b>	<b>53,783,856</b>	<b>39,494,557</b>	<b>39,164,416</b>	<b>37,658,515</b>	<b>37,658,515</b>
<b>Positions</b> (in Full Time Equivalents)	<b>226.26</b>	<b>241.46</b>	<b>246.25</b>	<b>243.25</b>	<b>243.25</b>



## Power Delivery

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### Purpose Statement

The purpose of the Power Delivery line of business is to provide an electrical system infrastructure sufficient to distribute electricity to City Light customers so that they are connected to electricity service that meets their needs promptly, reliably, cost-effectively, and in an environmentally sound manner.

### Key Performance Targets

- Deliver public benefits that enhance City Light's public image and instill confidence in local government. Achieve at least a 75% positive satisfaction rating among residential customers surveyed.
- Provide fast, "no hassle" service connections. Complete 95% of all residential service connection requests within five days.
- Keep the lights on. Keep System Average Interruption Duration Index under 50 minutes.

### Programs

<b>Program</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Customer and Community Services	8,585,648	10,152,795	10,866,795	10,988,806	10,988,806
Customer Service Connections	32,745,794	25,137,802	25,492,141	26,110,437	26,110,437
Electrical System Capacity	82,686,194	90,904,415	89,499,240	89,075,367	89,075,367
<b>Line of Business Total</b>	<b>124,017,636</b>	<b>126,195,012</b>	<b>125,858,176</b>	<b>126,174,610</b>	<b>126,174,610</b>
<b>Positions</b> (in Full Time Equivalents)	<b>837.47</b>	<b>838.97</b>	<b>841.15</b>	<b>836.15</b>	<b>836.15</b>

## Power Delivery: Customer and Community Services

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### Purpose Statement

The purpose of the Customer and Community Services program is to provide energy outreach and solutions to customers and the general Seattle community so that both customer needs and City community priorities are supported.

### 2002 Proposed Program Changes

Increase the program budget by \$122,011 in 2002 to pursue an enhanced communications campaign to address the need for conservation, and make known the assistance that is available to low-income customers.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	8,585,648	10,152,795	10,866,795	10,988,806	10,988,806
<b>Program Total</b>	<b>8,585,648</b>	<b>10,152,795</b>	<b>10,866,795</b>	<b>10,988,806</b>	<b>10,988,806</b>
<b>Positions</b> (in Full Time Equivalents)	<b>83.98</b>	<b>80.02</b>	<b>80.57</b>	<b>80.57</b>	<b>80.57</b>

## Power Delivery: Customer Service Connections

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### Purpose Statement

The purpose of the Customer Service Connections program is to design and deliver electrical services to customers so that their needs for prompt connections and reliability are served.

### 2002 Proposed Program Changes

Increase the program budget by \$618,296 in 2002 to reflect movement of budget authority between programs within the Power Delivery line of business.

Delete 2.0 FTE Sound Transit-related positions in 2002: 1.0 FTE Civil Engineer, Senior and 1.0 FTE Electrical Engineer, Senior. These positions were originally created by the service agreement attached to Ordinance #120120.

To assist salmon recovery, the Customer Service Connections program will develop or update Standard Operating Procedures in 2002 to incorporate regional best management practices for work in road rights-of-way, and begin a phased worker training program.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	32,745,794	25,137,802	25,492,141	26,110,437	26,110,437
<b>Program Total</b>	<b>32,745,794</b>	<b>25,137,802</b>	<b>25,492,141</b>	<b>26,110,437</b>	<b>26,110,437</b>
<b>Positions</b> (in Full Time Equivalents)	<b>142.68</b>	<b>167.06</b>	<b>171.23</b>	<b>169.23</b>	<b>169.23</b>

## Power Delivery: Electrical System Capacity

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### Purpose Statement

The purpose of the Electrical System Capacity program is to construct, operate, and maintain the system infrastructure for City Light customers so that an environmentally safe and reliable system can be maintained and service requests can be connected.

### 2002 Proposed Program Changes

Reduce the program budget by \$739,026 in 2002. Part of the reduction (\$618,296 ) was transferred to the Customer Service Connections program in recognition of shifting workload. The utility proposes to achieve the balance of the reduction (\$120,730) through roll backs of budgeted overtime, and by holding positions vacant for extended periods of time. These actions are taken to achieve the savings objectives City Council identified in State of Legislative Intent No 3, included in the 2001 Adopted - 2002 Endorsed Budget.

Increase the budget by \$315,153 to install low-sulfur fuel kits on City Light vehicles to reduce emissions and improve regional air quality.

Delete 2.0 FTE Lineworkers and 1.0 FTE Sound Transit-related Electrical Engineer, Senior in 2002.

To assist salmon recovery, the Electrical System Capacity program will develop or update Standard Operating Procedures in 2002 to incorporate regional best management practices for work in road rights-of-way, and begin a phased worker training program.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	82,686,194	90,904,415	89,499,240	89,075,367	89,075,367
<b>Program Total</b>	<b>82,686,194</b>	<b>90,904,415</b>	<b>89,499,240</b>	<b>89,075,367</b>	<b>89,075,367</b>
<b>Positions</b> (in Full Time Equivalents)	<b>610.81</b>	<b>591.89</b>	<b>589.35</b>	<b>586.35</b>	<b>586.35</b>

## Power Supply

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### Purpose Statement

The purpose of the Power Supply line of business is to generate, purchase, and manage electricity for City Light's customers so that their power needs are met at the lowest cost consistent with our reliability and environmental values.

### Key Performance Targets

- Achieve 100% of the projected annual energy savings under the conservation acceleration strategy, which encourages customers' efficient use of electricity.
- Keep generators spinning and available 85% of the time for the production of electricity.
- Increase the sustainable Chinook salmon population in the waters influenced by Seattle City Light.

### Programs

<b>Program</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Environmental Power Portfolio	17,071,192	21,469,510	19,894,070	25,916,418	25,741,418
Generation Assets	44,193,838	42,100,155	40,495,203	40,107,760	40,107,760
Power System Management	11,325,661	12,524,890	12,753,875	12,600,092	12,600,092
Purchased Power & Transmission	325,679,426	323,337,648	291,894,101	513,576,421	513,576,421
<b>Line of Business Total</b>	<b>398,270,117</b>	<b>399,432,203</b>	<b>365,037,249</b>	<b>592,200,691</b>	<b>592,025,691</b>
<b>Positions</b> (in Full Time Equivalents)	<b>400.32</b>	<b>420.48</b>	<b>419.67</b>	<b>423.17</b>	<b>423.17</b>

## Power Supply: Environmental Power Portfolio

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### Purpose Statement

The purpose of the Environmental Power Portfolio program is to obtain power resources that meet the City's policy targets for renewable energy supplies and conservation and its expectations for minimal impact on the environment.

### 2002 Proposed Program Changes

Increase the program budget by \$6.02m and add 1.0 FTE Building Energy Research Specialist, 3.0 FTE Energy Management Analysts, and 1.0 FTE Energy Management Analyst Assistant, to implement the recommendations of City Light's Strategic Resource Plan in 2002. The plan calls for doubling City Light's conservation resource from an average of six megawatts per year (6 aMW) to 12 aMW per year. City Light expects to achieve nine aMW of energy of energy saving per year through its conservation programs, and three aMW per year through more stringent energy code provisions.

### 2002 Adopted Program Changes

Recognizing that the program objectives of the general conservation project of the Environmental Portfolio program were accomplished for less than the funds allocated for that purpose, shift \$175,000 from "Other Fund" to the General Subfund to offset the shortfall created by the economic downturn and the passage of I-747.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	17,071,192	21,469,510	19,894,070	25,916,418	25,741,418
<b>Program Total</b>	<b>17,071,192</b>	<b>21,469,510</b>	<b>19,894,070</b>	<b>25,916,418</b>	<b>25,741,418</b>
<b>Positions</b> (in Full Time Equivalents)	<b>68.77</b>	<b>75.14</b>	<b>75.16</b>	<b>80.16</b>	<b>80.16</b>

## Power Supply: Generation Assets

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### Purpose Statement

The purpose of the Generation Assets program is to construct, operate, and maintain power generation resources for City Light's citizen owners so that they continue to get low-cost, environmentally-sound power over the long term.

### 2002 Proposed Program Changes

Reduce the program budget by \$387,443 in 2002. City Light is reducing the program's number of authorized labor hours by an amount equivalent to 4.45 FTE positions. These actions are taken to achieve the savings objectives City Council identified in Statement of Legislative Intent No. 3 included in the 2001 Adopted - 2002 Budget.

Abrogate 0.75 FTE Camp Service Aide and 0.75 FTE Camp Service Aide, Senior in 2002.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	44,193,838	42,100,155	40,495,203	40,107,760	40,107,760
<b>Program Total</b>	<b>44,193,838</b>	<b>42,100,155</b>	<b>40,495,203</b>	<b>40,107,760</b>	<b>40,107,760</b>
<b>Positions</b> (in Full Time Equivalents)	<b>263.94</b>	<b>261.32</b>	<b>260.48</b>	<b>258.98</b>	<b>258.98</b>

## Power Supply: Power System Management

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### Purpose Statement

The purpose of the Power System Management program is to dispatch power from all available sources to City Light customers so that their day-to-day needs for power and reliability are met at the lowest cost.

### 2002 Proposed Program Changes

Reduce the program budget by \$153,783 in 2002. City Light is reducing the program's number of authorized labor hours by a number equivalent to 1.16 FTE positions to achieve the savings objectives identified by City Council in Statement of Legislative Intent No. 3 included in the 2001 Adopted - 2002 Endorsed Budget.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	11,325,661	12,524,890	12,753,875	12,600,092	12,600,092
<b>Program Total</b>	<b>11,325,661</b>	<b>12,524,890</b>	<b>12,753,875</b>	<b>12,600,092</b>	<b>12,600,092</b>
<b>Positions</b> (in Full Time Equivalents)	<b>67.61</b>	<b>84.02</b>	<b>84.03</b>	<b>84.03</b>	<b>84.03</b>



## Power Supply: Purchased Power & Transmission

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### Purpose Statement

The purpose of the Purchased Power & Transmission program is to acquire power in a cost-effective manner to meet the electricity demands of our customers.

### 2002 Proposed Program Changes

Increase the program budget by \$221.7 million in 2002 to adapt to price volatility in the wholesale power market. Adhering to the policy stated in City Council Resolution 27726, this additional budget authority cannot be transferred to other expenditure categories.

### 2002 Adopted Program Changes

There are no program changes from the 2002 Proposed Budget to the 2002 Adopted Budget.

### Resources

<b>Funding Source</b>	<b>2000 Actual</b>	<b>2001 Adopted</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Utility Rates & Charges	325,679,426	323,337,648	291,894,101	513,576,421	513,576,421
<b>Program Total</b>	<b>325,679,426</b>	<b>323,337,648</b>	<b>291,894,101</b>	<b>513,576,421</b>	<b>513,576,421</b>
<b>Positions</b> (in Full Time Equivalents)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# City Light

## 2002 Estimated Revenues for the City Light Fund

SUMMIT CODE	SOURCE	2000 ACTUAL	2001 REVISED	2001 ENDORSED	2002 PROPOSED	2002 ADOPTED
431010	NW Energy Efficiency Alliance	470,000	868,020	883,224	883,224	883,224
431200	BPA Financing	0	455,520	0	1,822,080	1,822,080
443300	Energy Sales to Customers	384,636,210	497,831,402	446,158,259	563,974,905	563,974,905
443310	Out of System Sales	7,904,335	2,551,425	2,491,130	0	0
	Reimbursement for Direct Access					
443310	Charges	5,049,749	383,238	6,043,500	0	0
443341	Sale for Resale	745,073	878,400	900,500	900,400	900,400
443345	Surplus Energy Sales	103,081,986	91,279,660	92,502,262	146,077,705	146,077,705
443345	South Fork Billing Credits	3,530,927	3,873,900	3,666,500	3,666,500	3,666,500
443345	Box Canyon Forced Outage Reserve	111,171	181,800	263,600	263,600	263,600
443345	Pacific Northwest Coordination	2,335,707	12,467,800	12,467,800	12,467,800	12,467,800
443380	Account Service Charge	490,406	531,988	545,288	545,288	545,288
443380	Water Heaters and Misc Equip Sales	8,203	134,989	134,163	134,163	134,163
443380	Other Customer Charges	2,753,617	2,754,199	2,651,435	2,748,574	2,748,574
443380	Property Rentals	1,290,122	1,410,941	1,446,214	1,446,214	1,446,214
443380	Reconnect Charges	298,077	287,879	295,076	295,076	295,076
443380	Pole Attachments	584,900	662,139	684,241	684,241	684,241
443380	Transmission Attachments	282,161	1,009,058	1,540,059	1,540,059	1,540,059
443380	Tree Trimming	374,789	286,131	880,925	286,131	286,131
447910	Skagit Receipts	272,683	282,690	291,085	291,114	291,114
461100	Interest	9,753,106	20,386,710	9,584,916	12,253,780	12,253,780
	Maple Valley - SnoKing Lease to					
462900	BPA	425,266	700,000	700,000	700,000	700,000
462900	SnoKing - Bothell Lease to BPA	281,250	562,500	562,500	562,500	562,500
462900	North Mountain Substation	921,389	246,000	256,900	252,150	252,150
462900	Transmission Sales	1,430,528	1,640,000	1,600,000	1,681,000	1,681,000
469100	Miscellaneous	953,716	988,718	316,716	1,018,182	1,018,182
	Sale of Property, Material, and					
469100	Equipment	423,400	438,939	858,060	452,019	452,019
482000	Contributions in Aid of Construction	7,255,756	12,787,325	12,915,199	12,915,199	12,915,199
486000	Conservation Customer Payments	1,526,022	1,500,030	1,503,300	1,503,300	1,503,300
541830	Reimbursement for CCSS (O&M)	2,141,482	935,957	3,012,827	3,012,827	3,012,827
541830	Reimbursement for CCSS (CIP)	3,351,240	8,351,760	0	0	0
543250	Reimbursement for Postage	296,468	306,600	314,265	314,265	314,265
587900	Transfers from Construction Fund	218,437,772	96,406,255	126,513,340	230,634,176	230,459,176
<b>TOTAL REVENUES</b>		<b>\$ 761,417,511</b>	<b>\$ 763,381,973</b>	<b>\$ 731,983,284</b>	<b>\$ 1,003,326,472</b>	<b>\$ 1,003,151,472</b>

Seattle City Light is implementing a 1.16% electricity rate increase, effective January 1, 2001, in order to pass-through cost increases from the Bonneville Power Administration. City Light will also implement a 10% power cost adjustment in response to the historically high prices for the electricity they purchase in the wholesale power market.

## Capital Improvement Program

### Highlights

- ◆ In 2002, the \$100.7 million budget for the Distribution program provides resources to connect new customers and maintain the transmission and distribution system throughout the City Light service area. Work continues on rehabilitation of the downtown network and ensuring reliable service for all City Light customers. There are 49 CIP projects that support Distribution infrastructure work. This program includes design and planning support for Sound Transit.
- ◆ The rapid growth in telecommunication and internet-oriented businesses in the Seattle area has created a new group of high-demand users. Infrastructure additions are necessary to serve these customers. In 2001 and 2002, work includes building new line segments, reconductoring old line segments, installing substation equipment, replacing poles, adding or renovating underground facilities, and repairing and adding new streetlights to enhance the ability of the system to reliably meet these projected demand increases. The cost of some of this work is reimbursed by customers.
- ◆ Telecommunications projects include completing the fiber optic network connecting all substations, completing the Bothell/Skagit fiber optic link, and improvements to City Light's radio system to allow better communication between field crews and dispatch center staff. The construction of fiber rings extends the communications backbone system beyond central monitoring and control of the electrical system from generators to substations, to the level of distribution feeders and ultimately down to individual distribution transformers and customer meters.
- ◆ The \$2.7 million budget for the Environment & Safety program expenditures in 2002 funds the capital portions of license-required mitigation expenses on the Skagit and Tolt Rivers and meets the City's commitments for habitat protection and restoration for Chinook salmon under the Endangered Species Act (ESA). Skagit mitigation projects include constructing an environmental learning center on Diablo Lake, creating interpretive displays for visitors to the Skagit, and acquiring additional wildlife lands in the Skagit Basin. On the Tolt River, City Light continues to monitor, maintain and enhance salmon spawning habitat. ESA projects include acquiring and restoring critical Chinook habitat in the Skagit and Tolt basins.
- ◆ In 2002, the \$24.3 million budget for the Generation program is allocated over 28 active projects. Of these, 17 are multi-year projects continuing from 2000. Ten projects from the previous biennium have been substantially completed. The Boundary Rehabilitation, Dam Safety, and Boundary Runner Replacement programs make up the core of the 2002 CIP, representing 55% of the Generation CIP.
- ◆ The \$14.5 million budget for the Information Technology program consists of three new projects and six multi-year projects. An additional \$700,000 has been added in 2002 to develop a new system called "Complex Billing," the purpose of which is to automate billing of customers with high usage (currently a manual process). Other projects new in this biennium (with budgets adopted in 2001) include Work Process Management, Disaster Recovery, and Customer Data Services.
- ◆ City Light's largest system, the Consolidated Customer Service System (CCSS) project, handles all City utility billing and customer records and replaces the City's two existing utility billing systems. Seattle switched to the new system in April 2001. Funding from 2002 forward is for system enhancements and upgrades. Seattle Public Utilities (SPU) is sharing the cost for this project.

# City Light

## Anticipated Operating Expenses Associated with Capital Facilities Projects

In some projects the Department has identified Operations and Maintenance costs of zero, or has not calculated a number (N/C). In these cases, the cost impacts of the project are either insignificant or are offset by cost savings realized by other projects.

### 2002 Capital Improvement Program Appropriation (in '000s)

<b>Fund</b>	<b>Program</b>	<b>LTD</b>	<b>2001 Revised</b>	<b>2002 Endorsed</b>	<b>2002 Proposed</b>	<b>2002 Adopted</b>
Seattle City Light Fund						
	Sequestered Savings	0	25,742	0	0	0
	Power Management	964	1,079	1,285	1,282	1,282
	Information Technology	32,081	21,930	13,701	14,508	14,508
	Generation	40,378	24,121	28,277	24,293	24,293
	Facilities Management	22,481	5,416	3,494	3,549	3,549
	Environment & Safety	30,493	15,452	2,674	2,683	2,683
	Distribution	82,234	92,512	100,253	100,691	100,691
	<b>Total Appropriation</b>	<b>\$208,631</b>	<b>\$186,252</b>	<b>\$149,684</b>	<b>\$147,006</b>	<b>\$147,006</b>