



Power Supply & Environmental Affairs Business Unit

Comprised of 2 Budget Control Levels (BCLs):

- 1. Power Supply BCL**
- 2. Conservation & Environmental Affairs BCL**

Total FTEs for Business Unit:

- Approximately 412 (O&M & Deferred)**

Total Proposed 2010 O&M Budget for Business Unit

(includes regular and deferred):

- \$108,476,719**

Power Supply - Budget Control Level

Comprised of Six Operating Divisions including:

- 1. Officer Division**
- 2. Power Contracts and Resource Acquisition**
- 3. Power Operations and Marketing**
- 4. Power Production**
- 5. Boundary Relicensing**
- 6. Utility Support Services**



Power Supply BCL- Power Contracts and Resource Acquisition Division

Primarily responsible for:

- 1. Managing long term wholesale power supply and transmission agreements (e.g. BPA)**
- 2. Developing purchased power contract budget forecasts**
- 3. Preparing various reports for internal and external uses (e.g. FERC)**
- 4. Preparing analysis to support Power Operations**
- 5. Preparing long term Integrated Resource Plan**



Power Supply BCL- Power Operations and Marketing Division

Primarily responsible for:

- 1. Managing power supplies and transmission to City Light's retail customers on a hourly, daily and monthly basis**
- 2. Marketing surplus energy, capacity and other products into the wholesale energy markets on an hourly, daily and forward month basis**
- 3. Developing short to mid term resource operating plans**





Power Supply BCL- Power Production Division

Primarily responsible for:

- 1. Operation and maintenance of City Light's owned hydroelectric generating station**
 - **Approximately 1900 MW installed capacity**
 - **21 generating units**
- 2. Multi-discipline engineering support for generating stations, dam safety and utility-wide civil construction**
- 3. Technical resource support for drawing production and document management**
- 4. Capital program management for generation projects**
- 5. Public works project construction management services, utility-wide**



Power Supply BCL- Boundary Relicensing Division

Primarily responsible for:

- 1. Development and completion of new long term FERC License**
 - Plan to file License 9/30/09**
- 2. Implementation of new FERC License measures**





Power Supply BCL- Utility Support Services Division

Primarily responsible for:

1. **Acquisition/Disposition of Real Property/Property Rights**
2. **Property Management**
 - **Manage North and South Service Centers and other properties owned or controlled by SCL**
 - **1200 use permits**
3. **Operational Support by 6 Skilled-Craft Shops (maintenance, repair, reconstruction, etc)**
4. **Management of Fleet and Mobile Equipment (975 units)**
5. **Facilities Design/Capital Improvement Projects**
6. **Facilities Maintenance and Custodial Services**
7. **Space/ergonomic design and employee moves**



Power Supply BCL-Budget Summary

2010 Endorsed O&M Budget (regular & deferred):

\$62,835,881

FTEs: 296.96

2010 Proposed O&M Budget (regular & deferred):

\$61,433,167

FTEs: 286.96

Net Reduction:

Budget: \$1,402,714

FTEs: 10





Power Supply BCL-Budget Changes

◆ Reductions made for 2010

- Eliminate Dredging Project at Diablo
- Reduce maintenance at Generating Projects
- Eliminate resources for peak work load services in Generation Engineering
- Reduce Machine Shop and support in the Transformer Shop
- Reduce travel and training across BCL

◆ Key initiatives and new cost drivers for 2010

- Significant increases in FERC fees
- Increased support in Power Operations & Marketing





Power Supply BCL

◆ Challenges in 2010

- **Management of maintenance and supplies at Generating Projects – significantly reduced supplies and maintenance reserves at Projects can lead to degradation of facilities and potential increase in forced outages, loss of revenue and possible licensing requirement violations.**
- **Reduction at Shops - transformer installation and repairs severely curtailed.**
- **Reduced support across BCL, impacting internal and external customer service; limited representation at regional agency meetings; limited opportunity for staff development and succession planning.**



Conservation Resources & Environmental Affairs - Budget Control Level

Comprised of Two Operating Divisions including:

- 1. Conservation Division**
- 2. Environmental Affairs**



Conservation Resources & Environmental Affairs

Conservation Division

Primarily responsible for:

- 1. Planning, design, implementation, marketing, tracking and reporting of energy efficiency (conservation) programs consistent with the 5 Year Conservation Plan.**
- 2. Development of customer delivered demand response programs.**
- 3. Development and delivery of small scale customer focused renewable programs and systems**
 - Green Power, Green Up, Community Wide Solar**



Conservation Resources & Environmental Affairs

Environmental Affairs Division

Primarily responsible for:

- 1. Implementing natural and cultural resource programs to meet FERC license requirements at City Light's hydroelectric projects.**
- 2. Implementing programs to reduce environmental risk and ensure compliance with environmental regulations.**
- 3. Managing the Green House Gas (GHG) Mitigation Program and ensuring that City Light is GHG neutral.**
- 4. Assisting in the recovery of Endangered Species Act-listed salmon and trout in the Skagit, Tolt, and Cedar Watersheds.**
- 5. Providing environmental expertise and permitting support utility wide.**



Conservation Resources & Environmental Affairs

BCL Summary

2010 Endorsed O&M Budget (regular & deferred):

\$45,640,838

FTEs: 115.50

2010 Proposed O&M Budget (regular & deferred):

\$45,372,455

FTEs: 107.00

Net Reduction:

Budget: \$268,383

FTEs: 8.5



Conservation Resources & Environmental Affairs

BCL-Changes

◆ Reductions made for 2010

- Scale back 5 Year Conservation
- Reduce research and support in non-compliance areas of Environmental Affairs
- Reduce travel and training across BCL

◆ Key initiatives and new cost drivers for 2010

- Need for new resources/I-937
- Proposed budget should capture 10.8 aMW in conservation in 2010





Conservation Resources & Environmental Affairs

BCL

◆ Challenges in 2010

- **Scale back 5 Year Conservation Plan which will result in limited program delivery – original goal was 14.5 aMW in 2010**
- **In 2011, 27% of Conservation Savings are from CFLs; in 2012 these savings will have to be made from add'l new programs which need to be developed prior to 2012**
- **Difficulty in maintaining level of environmental stewardship that the City has enjoyed in the past**
- **Reduced travel, training and support across BCL, impacting internal and external customer service**



Power Supply & Environmental Affairs Business Unit

BCL	Endorsed 2010 Budget	Proposed 2010 Budget	Endorsed 2010 FTEs	Proposed 2010 FTEs
Power Supply BCL	\$62,835,881	\$61,433,167	296.96	286.96
Conservation & Environmental Affairs BCL	\$45,640,838	\$45,372,455	115.50	107.00
Totals:	\$108,476,719	\$106,805,622	412.46	393.96
Total Reductions:	\$1,671,097		18.5	