

# Seattle City Light

## Jorge Carrasco, Superintendent

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### Department Description

Seattle City Light (City Light) was created by the residents of Seattle in 1902 to provide affordable, reliable, and environmentally sound electric power to the city of Seattle and neighboring suburbs. Owned by the community it serves, City Light is a nationally recognized leader in energy efficiency, renewable resource development, and environmental stewardship.

City Light provides electric power to approximately 395,000 residential, business, and industrial customers within a 130 square-mile service area. City Light provides power to the city of Seattle and surrounding jurisdictions, including parts of Shoreline, Burien, Tukwila, SeaTac, Lake Forest Park, Renton, Normandy Park, and areas of unincorporated King County.

City Light owns about 2,000 megawatts of very low-cost, environmentally-responsible, hydroelectric generation capacity. In an average year, City Light meets about 50% of its load with owned hydroelectric generation and obtains the remainder primarily through the Bonneville Power Administration (BPA). City Light is the nation's ninth largest publicly-owned electric utility in terms of customers served.

### Policy and Program Changes

In 2009 and 2010, unexpectedly depressed energy prices and unusually low precipitation levels placed significant financial strain on the utility, forcing City Light to cut costs and reduce spending on operations and capital improvements. In a typical year, City Light sells surplus power generated in the winter and spring, and purchases additional power to supplement lower generation in the summer and fall. This "power shaping" allows City Light to respond to seasonal swings in supply and demand and provides net wholesale revenue to help offset costs that would otherwise need to be paid by retail rate payers. Over the last two years, City Light received significantly less net wholesale revenue than was anticipated when rates were set. The 2011 Adopted and 2012 Endorsed Budget restores core maintenance activities that were deferred as a response to the revenue downturn and addresses significant regulatory changes affecting the utility industry, while holding down rate increases during the recession. Legislation accompanying the Adopted Budget approved an across-the-board rate increase of 4.3% in 2011 and 3.2% in 2012.

The Adopted Budget reflects the creation of the Rate Stabilization Account (RSA) in 2010 to help mitigate future risks to wholesale revenue. As established in SMC 21.49.086, City Light may draw on the RSA to make up the difference between forecast and actual net wholesale revenue on a quarterly basis. The RSA forecast of net wholesale revenue is the simple average of net wholesale revenues realized since 2002, subject to City Council adjustments. For purposes of triggering the use of the RSA, the 2011 Adopted and 2012 Endorsed Budget established a net wholesale revenue forecast of \$96.8 million in 2011 and \$102.1 million in 2012.

When the balance in the RSA falls below \$90 million, a 1.5% surcharge is applied to base rates and used to replenish the account. This surcharge increases to 3.0% if the RSA falls below \$80 million, and increases to 4.5% if the RSA falls below \$70 million. As the RSA is replenished, the surcharge is reduced accordingly and is eliminated when the RSA reaches \$100 million. As of January 1, 2011, the Rate Stabilization Account is funded at over \$100 million.

The 2011 Adopted and 2012 Endorsed Budget restores funding for core maintenance at City Light's power generating facilities that had been deferred in recent years. This includes replacing or refurbishing turbine runners, generators, and transformers; dredging and clearing of dams, reservoirs, and waterways; and restoring regular maintenance programs. City Light is also in the process of relicensing Boundary Dam with the Federal Energy Regulatory Commission (FERC) to continue power operations. Boundary Dam is City Light's largest generating facility and generates between 20% and 40% of City Light's annual power needs, depending on water availability. The budget includes resources to develop the environmental, cultural, and recreational mitigation measures anticipated as a part of FERC relicensing. While significant relicensing costs are expected in future years, these costs will be allocated over the life of the license and are not expected to have a material impact on future City Light rates.

The Adopted Budget also provides for maintenance and upkeep of City Light's power distribution facilities. In 2011, City Light will continue to implement the Work and Asset Management System (WAMS) to track and manage the utility's assets, schedule maintenance crews, and help identify efficiencies in business practices and capital decision making. The first phase of WAMS will become operational in the second quarter of 2011, with full implementation in 2012, and the utility is already taking steps to address its aging assets. On the basis of condition assessments performed under the asset management program, City Light is proposing a proactive rehabilitation and replacement program for deteriorating wood poles, accelerating the replacement schedule for aging substation transformers, and continuing the neighborhood cable injection program to extend the useful life of direct-buried cables without having to dig them out of the ground. In addition, the budget provides additional resources for vegetation management to lessen the potential risk of power outages due to storms and tree-fall. These programs are designed to maintain and enhance the reliability of the electric service that City Light's customers expect, and achieve lower life-cycle costs of assets through planned maintenance.

The 2011 Adopted and 2012 Endorsed Budget provides funding for necessary maintenance and upgrades of critical utility information technology systems. This includes on-going maintenance and future replacement planning for the Energy Management System, the Transformer/Network Load Management System, the Consolidated Customer Service System, and other utility-specific systems. These systems manage the flow of power from City Light's dams through the distribution system, support utility design and engineering, and provide for customer billing and meter reading. The budget also provides for the replacement of aging desktops, servers, and basic software that will no longer be serviced by the manufacturer or supported by Microsoft or other vendors.

In addition to basic maintenance, City Light must respond to the changing regulatory environment of the power utility industry. Although City Light continues to maintain dams and facilities that have been in operation for decades, the 2000-2001 West Coast energy crisis and the 2003 East Coast blackouts that affected the nation's transmission grid have led to increased scrutiny and regulation of utility companies by FERC and the North American Electric Reliability Corporation (NERC). The increased federal scrutiny on power marketing activities, as well as the need to maximize revenue generation opportunities for the utility, requires new procedures and systems for energy trading and interactions with the regional power grid.

The 2011 Adopted and 2012 Endorsed Budget includes new systems to record real-time power sales, power grid control systems required as part of the new BPA Slice contract, and additional power marketing support to protect against risk and liability in energy trading transactions. NERC has established new security and operational procedures that carry significant penalties for non-compliance. The budget includes resources to ensure compliance with evolving NERC requirements.

In Washington State, Initiative 937 requires City Light to pursue additional renewable resources and conservation. These new requirements align with City Light's Five Year Conservation Plan and the utility's resource planning goals. The 2011 Adopted and 2012 Endorsed Budget includes funding for purchasing renewable resources or renewable energy credits. City Light is committed to maintaining its status as a net-zero emitter of greenhouse gases.

The 2011 Adopted and 2012 Endorsed Budget also responds to the needs of local jurisdictions. The budget includes capital projects to support conversion of overhead power lines to underground facilities at the request of suburban cities, and funding to support utility relocation for the Alaskan Way Viaduct replacement, Mercer Corridor construction, Sound Transit, and other transportation driven needs.

The Adopted Budget captures savings in the financial management and operations of City Light. In connection with the utility's 2010 bond issue, City Light maintained favorable bond ratings of Aa2 from Moody's and AA- from Standard & Poor's despite the emerging financial challenges of 2009 and 2010. These ratings allowed City Light to borrow money at favorable interest rates and to take advantage of refinancing opportunities. The refinancing of existing debt resulted in debt service savings of \$32 million in 2010 and \$22 million in 2011, which are being used to fund the Rate Stabilization Account. Between the refinancing savings and the issuance of new 2010 debt, City Light's debt service payments in 2011 are reduced by \$8 million from the 2010 Adopted Budget. Debt service is anticipated to increase in 2012 when the refinancing savings cease. The 2011 Adopted and 2012 Endorsed Budget anticipates a 2011 bond issue to generate approximately \$210 million for the capital improvement program, and potentially to refinance certain existing debt to generate additional savings.

City Light recognizes the need to continually improve efficiencies and cut controllable costs during the recession, and participated in the Citywide effort to identify cost savings through changes in management structure and administrative efficiencies. The 2011 Adopted and 2012 Endorsed Budget maintains some of the cost reductions made during the past two years, including scaled back public tours of City Light's Skagit facilities, reduced consulting support for policy analysis and strategic planning, reduced travel and training budgets, and other reductions. The Adopted Budget includes labor cost savings resulting from negotiations with the Coalition of City Labor Unions, freezes cost-of-living salary adjustments for management-level positions and other employees in discretionary pay bands, cuts 30.6 FTE positions (including 7.0 FTE management-level positions), and downgrades an additional 5.0 FTE management-level positions to control costs, address span-of-control issues, and provide salary savings. The 2012 Endorsed Budget also includes \$500,000 in unidentified savings to encourage the utility to find workplace efficiencies without reducing service levels.

In the Budget Control Level (BCL) summaries that follow, budget adjustments for Operating BCLs describe changes from the 2010 Adopted Budget. For Capital BCLs, budget adjustments describe changes from the anticipated 2011 spending in the 2010-2015 Adopted Capital Improvement Program (CIP).

## City Council Provisos

The City Council adopted the following budget provisos:

Of the appropriation in the 2011 budget for Seattle City Light's Distribution BCL, \$80,000 is appropriated solely for participation in a new city-wide 2011 program for public outreach and education activities related to trees and may be spent for no other purpose.

\$80,000 of the money appropriated in the 2011 budget for Seattle City Light's Distribution BCL may not be spent for participation in a new city-wide 2011 program for public outreach and education activities related to trees until authorized by future ordinance.

## City Light

<b>Appropriations</b>	<b>Summit Code</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	50,900,808	46,167,558	48,129,846	50,070,070
Customer Services and Energy Delivery - CIP Budget Control Level	SCL350	130,535,356	110,902,133	133,139,515	153,217,344
Customer Services Budget Control Level	SCL320	27,023,647	26,880,122	27,733,445	28,402,473
Debt Service Budget Control Level	SCL810	216,839,238	150,692,659	142,658,754	173,113,109
Distribution Services Budget Control Level	SCL310	65,285,644	61,625,166	68,103,313	71,568,827
Financial Services - CIP Budget Control Level	SCL550	6,963,996	6,391,563	6,461,855	7,973,849
Financial Services - O&M Budget Control Level	SCL500	26,295,956	28,928,871	34,981,446	29,155,810
General Expenses Budget Control Level	SCL800	67,184,966	65,765,573	68,064,440	71,300,685
Human Resources Budget Control Level	SCL400	5,624,506	6,544,319	6,837,070	6,764,195
Office of Superintendent Budget Control Level	SCL100	3,152,586	3,123,480	2,876,578	2,916,667
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	47,224,920	46,263,834	57,845,507	43,973,100
Power Supply O&M Budget Control Level	SCL210	59,548,553	60,738,167	63,200,413	66,225,632
Purchased Power Budget Control Level	SCL700	297,442,362	405,347,045	338,995,283	358,635,217
Taxes Budget Control Level	SCL820	62,574,559	70,245,290	74,139,040	77,559,239
<b>Department Total</b>		<b>1,066,597,095</b>	<b>1,089,615,780</b>	<b>1,073,166,505</b>	<b>1,140,876,217</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,881.83</b>	<b>1,839.10</b>	<b>1,810.50</b>	<b>1,810.50</b>
<i>* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.</i>					
<b>Resources</b>		<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Other		1,066,597,095	1,089,615,780	1,073,166,505	1,140,876,217
<b>Department Total</b>		<b>1,066,597,095</b>	<b>1,089,615,780</b>	<b>1,073,166,505</b>	<b>1,140,876,217</b>

## **Conservation Resources and Environmental Affairs O&M Budget Control Level**

### **Purpose Statement**

The purpose of the Conservation Resources and Environmental Affairs O&M Budget Control Level is to design and implement demand-side conservation measures that offset the need for additional generation resources to meet the utility's load; meet federal, state, and local regulatory requirements for conservation and renewable resources; and to see that the utility generates and delivers energy in an environmentally responsible manner.

### **Summary**

Add \$1.23 million to meet the conservation targets of City Light's Five Year Conservation Plan, the Regional Sixth Power Plan, and Initiative-937. This funding allows City Light to fill positions that had been left vacant due to financial constraints, continue to participate in the regional utility-funded Northwest Energy Efficiency Alliance, and expand the OPower program (previously named Positive Energy) which encourages residents to conserve energy by providing comparable electricity use of similarly situated customers.

Add \$800,000 for development of small-scale renewable resources. These appropriations are funded by voluntary customer contributions to "green" programs at City Light.

Convert 1.0 FTE Planning & Development Specialist II into 1.0 FTE Environmental Analyst, Senior to support environmental, cultural resource, and recreation mitigation measures required by FERC relicensing of Boundary Dam.

Convert 1.0 FTE Energy Planning Analyst, 1.0 FTE Marketing Development Coordinator, and 1.0 FTE Planning & Development Specialist II into 3.0 FTE Capital Projects Coordinator, Senior and transfer out positions and \$224,000 to Power Supply O&M BCL to support FERC relicensing of Boundary Dam.

Convert 1.0 FTE Marketing Development Coordinator into 1.0 FTE Hydro Maintenance Machinist and transfer out the position and \$79,000 to Power Supply O&M BCL to support maintenance of power generation projects.

Transfer out \$80,000 to the Office of Superintendent BCL to support public outreach for conservation initiatives.

Reduce \$66,000 in travel, training, and consulting services.

Abrogate 1.0 FTE Manager 3, Utilities, 1.0 FTE Energy Management Analyst Assistant, 1.0 FTE Energy Research and Evaluation Analyst, 1.0 FTE Energy Planning Analyst, and 1.0 FTE Economist for a total reduction of 5.0 FTE to align staffing levels with budget and address span-of-control issues.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Conservation Resources and Environmental Affairs BCL will achieve \$94,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$40,000 is saved in the Conservation Resources and Environmental Affairs BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$516,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$2.0 million.

# City Light

<b>Expenditures/FTE</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Conservation Resources and Environmental Affairs O&M	50,900,808	46,167,558	48,129,846	50,070,070
Full-time Equivalents Total*	110.50	117.00	108.00	108.00

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## **Customer Services and Energy Delivery - CIP Budget Control Level**

### **Purpose Statement**

The purpose of the Customer Services and Energy Delivery - CIP Budget Control Level is to provide for the capital costs of installation, maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, services connections, and meters to meet customer demand. This Budget Control Level's capital program also coordinates the utility's plant improvements with the efforts of other agencies involved in the implementation of large projects such as the Alaskan Way Viaduct and Seawall Replacement, North Downtown redevelopment, and Sound Transit light rail.

### **Summary**

Add \$4 million to support the Wood Pole Replacement Program and proactively replace wood poles before failure. City Light's Asset Management Program estimates that over 51,000 wood poles (approximately 47% of the system) are nearing the end of their useful life.

Add \$5.61 million to accelerate the Neighborhood Cable Injection Program. Cable injection has proven to be a reliable, cost-effective, and least-disruptive method of rehabilitating direct buried cable.

Add \$1 million to purchase software and implement changes and upgrades to the Transformer Load Management/Network Load Management program.

Add \$1 million to purchase utility-specific design and drafting software to streamline distribution engineering design and facilitate data sharing with other City Light systems, including the Work and Asset Management System and the Outage Management System.

Add \$300,000 to replace meter reading software that will become unsupported by the vendor in 2012.

Add \$33.3 million for relocation of transmission and distribution power systems in support of the Alaskan Way Viaduct replacement project.

Add \$112,000 for design of distribution and transmission facility relocations in support of the Mercer West Corridor project.

Add \$1 million for design and relocation of distribution systems in support of Seattle Department of Transportation street, sidewalk, and bike path improvements. Funding in 2011 includes in-kind relocation of overhead power lines for the Linden Avenue North project.

Add \$1 million to support increased power requirements for Sound Transit's Capitol Hill station site. This project is fully reimbursable by Sound Transit.

Add \$4.7 million to support City Light's overhead to underground power facility conversions under the terms of the franchise agreement with the City of Burien. Per the terms of the agreement, this project is fully reimbursable through a new underground rate payment on Burien ratepayers' monthly bills.

Add \$1 million to support City Light's overhead to underground power facility conversions under the terms of the franchise agreement with the City of SeaTac. Per the terms of the agreement, this project is fully reimbursable through direct billings to the City of SeaTac.

Add \$1 million for make ready work required to meet all applicable codes for customers approved to attach communication cables to City Light facilities and for other work related to cell site construction. This work is reimbursable.

Abrogate 1.0 FTE Lineworker and 1.0 FTE Cable Splicer-Network Area, and reduce \$156,000 to align staffing levels with budget and provide salary savings.

Reduce \$21.2 million due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Adopted CIP document.

<b>Expenditures/FTE</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Customer Services and Energy Delivery - CIP	130,535,356	110,902,133	133,139,515	153,217,344
Full-time Equivalents Total*	290.38	290.38	288.38	288.38

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*



**Customer Services Budget Control Level**

**Purpose Statement**

The purpose of the Customer Services Budget Control Level is to provide outstanding customer care and service through efficient, accurate metering and billing, and effective customer account management.

**Summary**

Convert 1.0 FTE Strategic Advisor 3, Utilities into 1.0 FTE Management Systems Analyst, Senior to implement NERC compliance activities within the Customer Service and Energy Delivery Business Unit.

Transfer in \$662,000 from the Distribution Services BCL to reflect reorganization of the Technical Metering and Meter Reading divisions.

Convert 1.0 FTE Meter Electrician into 1.0 FTE Electrical Engineering Specialist, Associate and transfer out position and \$80,000 to Distribution Services BCL to support distribution system planning.

Reduce \$25,000 for incident response training exercises.

Reduce \$94,000 in travel and training.

Abrogate 1.0 FTE Accounting Technician III-BU and 1.0 FTE Electrical Service Engineer, and reduce \$86,000 to align staffing levels with budget and provide salary savings.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Customer Services BCL will achieve \$160,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$55,000 is saved in the Customer Services BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$687,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$939,000.

<b>Expenditures/FTE</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Customer Services	27,023,647	26,880,122	27,733,445	28,402,473
Full-time Equivalents Total*	215.75	213.75	210.75	210.75

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**Debt Service Budget Control Level**

**Purpose Statement**

The purpose of the Debt Service Budget Control Level is to meet principal repayment and interest obligations on funds borrowed to meet City Light's capital expenditure requirements.

**Summary**

Reduce \$8 million in debt service to reflect refunding savings from City Light's 2010 debt refinancing. Debt service is anticipated to increase in 2012 when refunding savings cease.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Debt Service - BCL	216,839,238	150,692,659	142,658,754	173,113,109

## **Distribution Services Budget Control Level**

### **Purpose Statement**

The purpose of the Distribution Services Budget Control Level is to provide reliable electricity to customers through cost-effective operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

### **Summary**

Convert 1.0 FTE Power Dispatcher, Assistant into 1.0 FTE Electrical Power Systems Engineer and add \$200,000 to accelerate the Neighborhood Cable Injection Program. Cable injection has proven to be a reliable, cost-effective, and least-disruptive method of rehabilitating direct buried cable.

Convert 2.0 FTE Electrician-Constructor and 2.0 FTE Lineworker into 4.0 FTE Electrical Power Systems Engineer to support the Wood Pole Replacement Program. City Light's Asset Management Program estimates that over 51,000 wood poles (approximately 47% of the system) are nearing the end of their useful life.

Convert 1.0 FTE Electrical Engineer, Associate into 1.0 FTE Electrical Power Systems Engineer and add \$180,000 to double support for the Substation Transformer Replacement Program. This funding allows City Light to begin replacement of the most degraded transformers at a rate of two per year.

Add \$100,000 for improvements to the Backup Control Center at the North Service Center to improve startup time for incident response.

Add \$1 million in the vegetation management contract budget. This funding will improve the maintenance cycle for vegetation management on transmission and distribution lines.

Transfer in \$80,000 and 1.0 FTE Electrical Engineering Specialist, Associate from the Customer Services BCL; convert 1.0 FTE Electrical Power Systems Engineer into 1.0 FTE Electrical Power Systems Engineer, Principal; convert 1.0 FTE Cable Splicer-Network Area into 1.0 FTE Electrical Power Systems Engineer; convert 1.0 FTE Lineworker into 1.0 FTE Electrical Engineer, Associate; and add \$430,000 for distribution system planning. Funding supports staffing for detailed load modeling, analyzing transmission and distribution system needs, and vetting future capital projects.

Add \$400,000 to conduct two system planning engineering studies. This funding will allow City Light to evaluate the need for a North Downtown Substation and evaluate Columbia Grid's Puget Sound Transmission Congestion Relief study.

Add \$2.46 million for planned increased spending to implement the Asset Management Program. The new Oracle Work and Asset Management System will be fully implemented in 2012.

Add \$100,000 to implement changes and upgrades to the Transformer Load Management/Network Load Management program.

Add \$147,000 to implement NERC compliance activities within the Customer Service and Energy Delivery Business Unit.

Add \$1.32 million for make ready work required to meet all applicable codes for customers approved to attach communication cables to City Light facilities and for other work related to cell site construction. This work is reimbursable.

Transfer out \$662,000 to the Customer Services BCL to reflect reorganization of the Technical Metering and Meter Reading divisions.

Reduce \$127,000 in support for one-stop permitting, reflecting reduced permit activity during the recession.

Reduce \$100,000 and defer the Skagit Wood Pole Inspection Program for two years.

Reduce \$25,000 for travel and training.

Convert 2.0 FTE Strategic Advisor 3, Utilities into 2.0 FTE Management Systems Analyst, Senior, to align staffing levels with budget and address span-of-control issues.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Distribution Services BCL will achieve \$172,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$77,000 is saved in the Distribution Services BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$1.24 million for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$7.5 million.

<b>Expenditures/FTE</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Distribution Services	65,285,644	61,625,166	68,103,313	71,568,827
Full-time Equivalents Total*	625.00	597.27	599.27	599.27

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

**Financial Services - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Financial Services - CIP Budget Control Level is to provide for the capital costs of rehabilitation and replacement of the utility's information technology infrastructure and to fund the development of large software applications.

**Summary**

Add \$145,000 to update network firewall and IT security systems in compliance with NERC standards.

Add \$540,000 to maintain the existing Consolidated Customer Service System and begin planning for replacement of the system. Seattle Public Utilities is contributing an equal share towards the project costs.

Add \$524,000 to begin replacement of desktop PCs and upgrade desktop software. City Light's desktops are no longer being supported by the manufacturer and Microsoft will end support for Windows XP and Office 2003 in 2014.

Add \$84,000 due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Adopted CIP document.

<b>Expenditures/FTE</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Financial Services - CIP	6,963,996	6,391,563	6,461,855	7,973,849
Full-time Equivalents Total*	6.71	6.71	6.71	6.71

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## **Financial Services - O&M Budget Control Level**

### **Purpose Statement**

The purpose of the Financial Services - O&M Budget Control Level is to foster City Light's financial health through prudent planning, risk mitigation, and provision of information to drive financial discipline. Information Technology services are provided through this Budget Control Level to support systems and applications used throughout the utility. This Budget Control Level also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center for the development of small, economically-disadvantaged businesses, including women and minority firms, as authorized by Ordinance 120888.

### **Summary**

Add \$2.18 million for IT software and hardware maintenance for City Light's Energy Management System, Business Production Systems, desktops, network infrastructure, and servers. This funding will cover two years support for these systems and shifts anticipated maintenance costs from 2012 to 2011. A corresponding reduction will be taken in the 2012 Endorsed Budget.

Add \$112,000 for on-going license and maintenance fees for power marketing and control center IT applications, including the Accounting, Contracts and Energy Scheduling software and Stencil voice recording software required for recording energy trades.

Add \$275,000 to maintain the existing Consolidated Customer Service System and begin planning for replacement of the system. Seattle Public Utilities is contributing an equal share towards the project costs.

Add \$2.94 million for license and maintenance fees for the Consolidated Customer Service System, Outage Management System, Work and Asset Management System, and associated Oracle and Microsoft products. This funding will cover two years' support for these systems.

Add \$640,000 to align budget with the costs for support services from the Department of Information Technology and Seattle Public Utilities-GIS.

Add \$207,000 for improved cyber security of the Energy Management System to comply with NERC security standards.

Add \$85,000 to restore contract funding for comprehensive risk policy compliance assessment and review.

Convert 1.0 FTE Material Controller Supervisor into 1.0 FTE Power Marketer, and transfer out position and \$79,000 to Power Supply O&M BCL to support power marketing.

Reduce \$215,000 for reduced maintenance of information technology infrastructure.

Reduce \$65,000 for policy analysis. This reduction defers the hiring of a National Urban Fellow.

Reduce \$364,000 in consulting services for strategic planning, benchmarking and other Financial Services projects.

Reduce \$86,000 in staff training and certifications.

Reduce \$88,000 in staff overtime for IT application support.

Abrogate 1.0 FTE Executive 2, 1.0 FTE Strategic Advisor 2, Information Technology, 1.0 FTE Strategic Advisor 1, CSPI&P, 1.0 FTE Information Technology Professional B-BU, 1.0 FTE Management Systems Analyst, Senior, 1.0 FTE Mechanical Engineer Senior, 1.0 FTE Economist, Senior, 0.6 FTE Administrative Specialist III, 1.0 FTE Information Technology Professional A, Exempt, and 2.0 FTE Information Technology Professional B-BU, for a total reduction of 10.6 FTE; convert 1.0 FTE Manager 2, Information Technology into 1.0 FTE Information Technology Professional A, Exempt; and reduce \$510,000 to align staffing levels with budget, address span-of-control issues, and provide salary savings.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Financial Services - O&M BCL will achieve \$72,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$111,000 is saved in the Financial Services - O&M BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$729,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$6.4 million.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Financial Services - O&M	26,295,956	28,928,871	34,981,446	29,155,810
Full-time Equivalents Total*	202.50	197.50	186.90	186.90

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

**General Expenses Budget Control Level**

**Purpose Statement**

The purpose of the General Expenses Budget Control Level is to budget, track, and monitor the expenses of the utility that, for the most part, are not directly attributable to a specific organizational unit. These expenditures include insurance, bond issue costs, bond maintenance fees, audit costs, Law Department legal fees, external legal fees, employee benefits (medical and retirement costs), industrial insurance costs, general claims costs, and services provided by the City's internal services departments through the central cost allocation mechanism.

**Summary**

Add \$127,000 to cover the associated benefit costs of NERC compliance positions in the Power Supply O&M BCL, Distribution Services BCL, and Human Resources BCL.

Add \$11,000 to cover the associated benefit costs of the 1.0 FTE Equipment Servicer in the Power Supply O&M BCL.

Reduce \$1 million in deferred environmental clean-up for Cedar Falls.

Reduce \$600,000 in budgeted bond maintenance costs resulting from eliminating variable rate debt in the 2010 City Light bond issue.

Reduce \$60,000 for lower anticipated audit fees.

Reduce \$107,000 for position classification support by City Personnel due to reduced workload.

Add \$1.13 million for increased labor costs of medical and dental benefits.

Add \$1.65 million for increased labor costs of workers compensation and unemployment benefits.

Add \$1.27 million for increased labor costs of pensions.

Reduce \$377,000 in associated benefit costs for abrogated positions in the Power Supply O&M BCL, Customer Services BCL, Customer Services and Energy Delivery - CIP BCL, Human Resources BCL, and Financial Services - O&M BCL.

Other Citywide adjustments to labor and other operating costs increase the budget by \$255,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$2.7 million.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
General Expenses	67,184,966	65,765,573	68,064,440	71,300,685



**Human Resources Budget Control Level**

**Purpose Statement**

The purpose of the Human Resources Budget Control Level is to help City Light be a safe, high performance organization through excellence in safety, organizational development and training, employee and management services, and labor relations.

**Summary**

Add \$40,000 to provide background checks of City Light employees with access to secure assets in compliance with NERC security standards.

Add \$147,000 to implement NERC compliance activities within the Human Resources Business Unit.

Transfer in \$93,000 from the Power Supply O&M BCL for the Arc Flash Clothing program.

Reduce \$10,000 in travel and training.

Abrogate 1.0 FTE Strategic Advisor 1, General Government and 1.0 FTE Administrative Specialist II-BU, reduce \$46,000, and convert 1.0 FTE Manager 2 into 1.0 FTE Strategic Advisor 2, Exempt to align staffing levels with budget, address span-of-control issues, and provide salary savings.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Human Resources BCL will achieve \$41,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$27,000 is saved in the Human Resources BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$137,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$339,000.

<b>Expenditures/FTE</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Human Resources	5,624,506	6,544,319	6,837,070	6,764,195
Full-time Equivalents Total*	39.52	37.52	35.52	35.52

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

**Office of Superintendent Budget Control Level**

**Purpose Statement**

The purpose of the Office of the Superintendent Budget Control Level is to assemble high-level staff to assure the effective delivery of reliable electric power in an environmentally sound manner, and enable the Superintendent to focus on the utility's broad departmental policy direction and leadership, its financial health, and stakeholder relations. The utility's communications and governmental affairs functions are included in this Budget Control Level.

**Summary**

Transfer in \$80,000 from the Conservation Resources and Environmental Affairs BCL to support public outreach for conservation initiatives.

Reduce \$187,000 to scale back public tours of City Light's Skagit facilities.

Reduce \$137,000 in professional services for communications, advertising, and web development.

Reduce \$50,000 in travel and training.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Office of Superintendent BCL will achieve \$8,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$29,000 is saved in the Office of Superintendent BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$91,000 for a net decrease from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$247,000.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Office of Superintendent	3,152,586	3,123,480	2,876,578	2,916,667
Full-time Equivalents Total*	21.25	18.75	18.75	18.75

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

**Power Supply & Environmental Affairs - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Power Supply & Environmental Affairs - CIP Budget Control Level is to provide for the capital costs of maintaining the physical generating plant to meet the electrical needs of City Light's customers. This Budget Control Level's capital program provides for the utility's physical plant and associated power license and regulatory requirements.

**Summary**

Add \$2.6 million for the permanent re-establishment of boat and barge access to the Ross Powerhouse and National Parks Facilities which was disrupted by a significant rock slide in 2010.

Add \$500,000 to begin implementing mitigation measures for FERC relicensing of Boundary Dam.

Add \$432,000 to establish a dedicated Backup Control Center for power system operations at the North Service Center.

Reduce \$10.8 million due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Adopted CIP document.

<b>Expenditures/FTE</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Power Supply & Environmental Affairs - CIP	47,224,920	46,263,834	57,845,507	43,973,100
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## **Power Supply O&M Budget Control Level**

### **Purpose Statement**

The purpose of the Power Supply O&M Budget Control Level is to provide clean, safe, economic, efficient, reliable sources of electric power for City Light customers, and to provide support for the safe and efficient operation of the Utility.

### **Summary**

Transfer in \$79,000 and 1.0 FTE Hydroelectric Maintenance Machinist from the Conservation Resources and Environmental Affairs O&M BCL, convert 1.0 FTE Hydroelectric Maintenance Machinist into 1.0 FTE Hydro Maintenance Worker I-Generation, and add \$2.65 million to restore essential maintenance and operations for power generation projects which cannot be deferred any longer.

Add \$136,000 to restore support for transformer maintenance at Boundary Power House.

Convert 1.0 FTE HVAC Technician into 1.0 FTE Hydroelectric Maintenance Machinist and add \$78,000 to restore one journey-level position and support power generation projects.

Add \$508,000 for increased license fees imposed by the Federal Energy Regulatory Commission. The increase covers federal land use charges for City Light dams on the Pend Oreille, Skagit, and Tolt rivers.

Transfer in \$224,000 and 3.0 FTE Capital Projects Coordinator, Senior from the Conservation Resources and Environmental Affairs O&M BCL, convert 1.0 FTE Mechanical Engineer, Associate into 1.0 FTE Capital Projects Coordinator, Senior, and add \$90,000 to begin implementing mitigation measures for FERC relicensing of Boundary Dam.

Convert 1.0 FTE Manager 2, Utilities into 1.0 FTE Strategic Advisor 2, Utilities, and add \$147,000 to implement NERC compliance activities within the Power Supply and Environmental Affairs Business Unit.

Transfer in \$79,000 and 1.0 FTE Power Marketer from Financial Services O&M, and add \$122,000 to address BPA curtailments and market available transmission and Renewable Energy Credits to generate additional wholesale revenue.

Add \$140,000 for Phase II development of the Slice Customer Interface software application. This software is a contractual obligation of City Light's Slice contract with the Bonneville Power Administration.

Convert 1.0 FTE Truck Driver into 1.0 FTE Equipment Servicer and add \$49,000 to increase staffing and management of City Light's motor pool.

Add \$250,000 for rental of yard space during renovation of City Light's South Service Center.

Transfer out \$93,000 to the Human Resources BCL for the Arc Flash Clothing program.

Reduce \$900,000 for professional services to support mitigation efforts for FERC relicensing of Boundary Dam. Mitigation costs will increase in future years.

Reduce \$408,000 in travel, training, and consulting services for resource planning.

Reduce \$1.7 million in lower anticipated power costs to comply with Initiative-937.

Abrogate 1.0 FTE Strategic Advisor 2, Utilities, 1.0 FTE Civil Engineer, Assistant III, 1.0 FTE Store Clerk, 1.0 FTE Protection & Control Electrician II, 1.0 FTE Civil Engineer, Associate, 1.0 FTE Civil Engineer, Senior, 1.0 FTE Electrician Contractor, 1.0 FTE Truck Driver, Heavy, and 1.0 FTE Carpenter Crew Chief, and reduce \$494,000 to align staffing levels with budget, address span-of-control issues, and provide salary savings.

The Mayor and the Council worked with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. As a result of ratified agreements with represented employees and commensurate savings for non-represented positions in 'step-in-grade' classifications, the Power Supply O&M BCL will achieve \$187,000 in savings.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$54,000 is saved in the Power Supply O&M BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$186,000 for a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$6.0 million.

<b>Expenditures/FTE</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Power Supply O&M	59,548,553	60,738,167	63,200,413	66,225,632
Full-time Equivalents Total*	296.96	286.96	282.96	282.96

*\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

**Purchased Power Budget Control Level**

**Purpose Statement**

The purpose of the Purchased Power Budget Control Level is to acquire power, transmission, and other services associated with wholesale power purchases in a cost-effective manner to meet the day-to-day electricity needs of City Light's retail customers.

**Summary**

Reduce \$58.2 million for lower anticipated acquisition costs for long-term power and transmission purchase contracts, short-term wholesale marketing purchase activities, and new renewable resources.

Reduce \$8.2 million in avoided purchased power costs resulting from City Light's decision not to exercise its right to take power from the Priest Rapids project in 2011.

These changes result in a net decrease from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$66.4 million.

<b>Expenditures</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2011 Adopted</b>	<b>2012 Endorsed</b>
Purchased Power	297,442,362	405,347,045	338,995,283	358,635,217

**Taxes Budget Control Level**

**Purpose Statement**

The purpose of the Taxes Budget Control Level is to pay City Light's legally required tax payments for state, city, and local jurisdictions. This Budget Control Level includes funding for franchise contract payments negotiated with local jurisdictions in City Light's service territory.

**Summary**

Add \$144,000 for settlement costs related to the franchise agreement with Pend Oreille County for continued operation of Boundary Dam.

Add \$4.45 million to align budget with estimated tax payments.

Reduce \$702,000 for lower tax payments on retail revenue resulting from lifting the Rate Stabilization Account surcharge on January 1, 2011.

These changes result in a net increase from the 2010 Adopted Budget to the 2011 Adopted Budget of approximately \$3.9 million.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Endorsed</b>
Taxes	62,574,559	70,245,290	74,139,040	77,559,239

2011 - 2012 Estimated Revenues for the City Light Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2010 Revised	2011 Adopted	2012 Endorsed
431010	Operating Grants	1,695,506	710,000	1,813,009	300,000	115,000
431200	BPA Conservation & Renewables Credit	2,497,809	2,986,316	2,486,316	1,864,737	0
431200	BPA Payments for Conservation Deferred	217,857	2,300,000	2,300,000	4,732,690	0
443250	Other O&M Revenue	9,351,595	6,619,630	7,166,223	5,374,846	5,501,958
443250	Revenue From Damage	1,853,912	1,533,540	1,510,656	1,564,569	1,596,840
443345	BPA Credit for South Fork Tolt	3,429,444	3,521,368	3,435,756	3,462,462	3,382,347
443380	Account Change Fees	1,187,742	1,448,010	1,285,162	1,455,656	1,492,047
443380	Construction & Miscellaneous Charges	447,810	(888,969)	(369,601)	1,135,719	1,161,396
443380	Late Payment Fees	3,822,947	3,622,266	4,024,072	3,706,548	3,794,205
443380	Pole Attachments	1,172,294	1,366,381	1,925,621	2,024,393	2,073,390
443380	Property Rentals	2,835,314	1,260,631	2,142,529	1,289,963	1,320,470
443380	Reconnect Charges	311,160	242,747	248,343	248,395	254,269
443380	Transmission Attach. & Cell Sites	1,439,934	2,865,433	2,043,649	2,719,612	2,749,843
443380	Water Heater & Miscellaneous Rentals	161,978	183,412	170,381	187,680	192,119
461100	Interest	4,345,301	4,208,965	3,216,112	4,427,862	10,372,915
461100	Sale of Property, Material & Equip.	0	1,725,097	1,725,097	2,546,256	2,250,000
462900	North Mountain Substation (Snohomish PUD)	223,114	329,765	274,562	369,978	377,974
462900	Transmission Sales	1,550,030	6,249,646	2,827,620	1,819,226	1,853,497
469990	Conservation - Customer Payments	0	0	0	0	0
473010	Capital Fees and Grants	4,919,992	120,717	575,401	96,000	101,000
482000	Contributions in Aid of Construction	17,613,182	27,307,357	25,792,757	26,779,093	19,351,023
482000	Suburban Undergrounding	409,213	621,676	578,526	691,417	924,094
541830	Reimbursement for CCSS - CIP	0	0	0	0	0
541830	Reimbursement for CCSS - O&M	716,061	2,297,581	2,297,581	2,297,581	2,297,581
	<b>Total Other</b>	<b>60,202,196</b>	<b>70,631,569</b>	<b>67,469,771</b>	<b>69,094,683</b>	<b>61,161,967</b>
443310	Energy Sales to Customers	543,740,989	611,146,593	619,412,276	648,272,869	688,927,974
443310	Out of System Sales	0	0	0	0	0
443310	Retail Energy Revenue from Current Diversion, Un-Permitted House Rewires and No Longer Allowing Flat-Rate Billings	0	2,106,000	877,500	2,106,000	2,106,000
443310	Seattle Green Power/Greenup	1,369,861	1,082,095	170,231	330,000	385,000
	<b>Total Retail Revenue</b>	<b>545,110,850</b>	<b>614,334,688</b>	<b>620,460,007</b>	<b>650,708,869</b>	<b>691,418,974</b>
443310	Sales from Priest Rapids	5,355,327	8,590,472	6,398,276	0	9,500,000
443345	Article 49 Sale to Pend Oreille Country	1,721,879	1,763,888	1,612,308	1,696,984	1,738,071
443345	Basis Sales	6,697,701	10,841,813	1,875,660	5,712,483	7,289,147
443345	Other Power Related Services	12,718,222	9,308,205	11,040,677	14,683,607	7,667,701
443345	Surplus Energy Sales	100,533,812	154,431,174	107,538,426	137,526,911	151,190,693



2011 - 2012 Estimated Revenues for the City Light Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2010 Revised	2011 Adopted	2012 Endorsed
	<b>Total Wholesale Sales</b>	<b>127,026,941</b>	<b>184,935,552</b>	<b>128,465,347</b>	<b>159,619,985</b>	<b>177,385,612</b>
	<b>Total Revenues</b>	<b>732,339,986</b>	<b>869,901,809</b>	<b>816,395,125</b>	<b>879,423,537</b>	<b>929,966,553</b>
379100	Use of (Contribution to) Fund Balance due to GSF St Lighting Payments	0	0	0	0	0
	<b>Total Other</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
379100	Transfers from Construction Fund	334,257,109	219,713,971	273,220,652	193,742,968	210,909,664
	<b>Total Transfers</b>	<b>334,257,109</b>	<b>219,713,971</b>	<b>273,220,652</b>	<b>193,742,968</b>	<b>210,909,664</b>
	<b>Total Resources</b>	<b>1,066,597,095</b>	<b>1,089,615,780</b>	<b>1,089,615,777</b>	<b>1,073,166,505</b>	<b>1,140,876,217</b>

City Light Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Adopted	2012 Endorsed
<b>Beginning Fund Balance</b>	<b>330,140,287</b>	<b>53,056,432</b>	<b>64,334,520</b>	<b>183,548,957</b>	<b>226,025,673</b>
Accounting and Technical Adjustments	68,451,342	241,738,978	392,435,090	236,219,684	202,376,980
Plus: Actual and Estimated Revenue	732,339,989	869,901,809	816,395,127	879,423,537	929,966,553
Less: Actual and Budgeted Expenditures	1,066,597,095	1,089,615,780	1,089,615,780	1,073,166,505	1,140,876,217
<b>Ending Fund Balance</b>	<b>64,334,520</b>	<b>75,081,439</b>	<b>183,548,957</b>	<b>226,025,673</b>	<b>217,492,989</b>
Less: Reserves against Cash Balances					
Restricted Accounts *	6,639,850	10,000,000	3,966,061	13,966,061	21,443,089
Contingency Reserve/RSA	25,000,000	25,000,000	79,069,684	101,102,938	104,036,063
<b>Total Reserves</b>	<b>31,639,850</b>	<b>35,000,000</b>	<b>83,035,745</b>	<b>115,068,999</b>	<b>125,479,152</b>
<b>Ending Unreserved Fund Balance **</b>	<b>32,694,670</b>	<b>40,081,439</b>	<b>100,513,212</b>	<b>110,956,674</b>	<b>92,013,837</b>

\* Includes Special Deposits, Debt Service Account, and Bond Reserves. Does not include the Construction Account.

\*\* Includes the Construction Account.