

Seattle City Light

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Department Overview

Seattle 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 454,000 residential, business, and industrial customers within a 131-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 hydroelectric facilities that it owns directly 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.

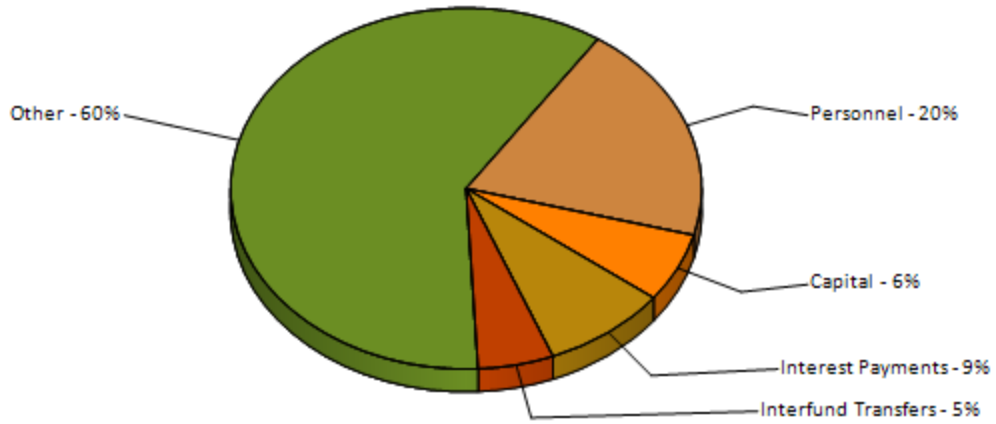
Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$1,020,610,711	\$1,023,130,257	\$1,053,358,255
Total Operations	\$1,020,610,711	\$1,023,130,257	\$1,053,358,255
Other funding - Capital	\$388,900,281	\$351,393,594	\$368,216,282
Total Appropriations	\$1,409,510,992	\$1,374,523,851	\$1,421,574,537
Full-time Equivalent Total*	1,816.80	1,791.30	1,784.80

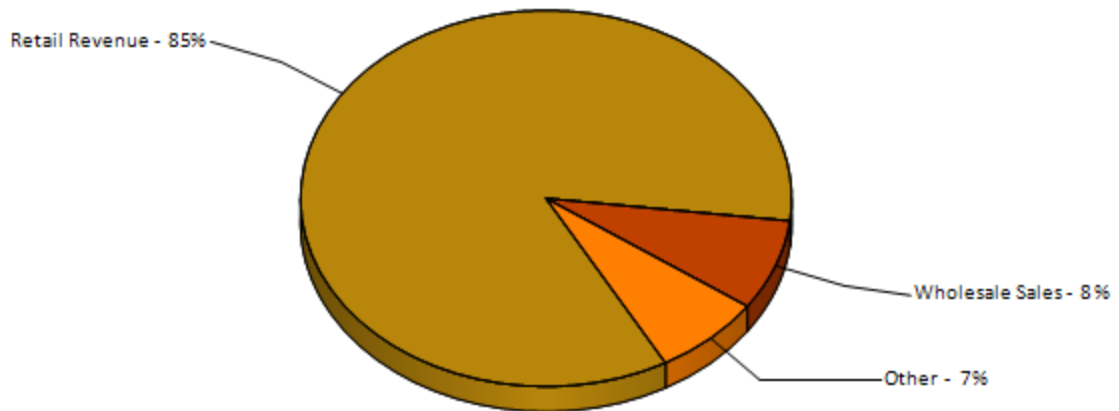
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

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2019 Proposed Budget - Expenditure by Category



2019 Proposed Budget - Revenue by Category



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Budget Overview

Seattle City Light completed its 2019-2024 Strategic Plan and rate path in July 2018. The 2019-2020 Proposed Budget reflects the priorities outlined in the plan.

The most significant development in the plan, which informs changes to the proposed budget, is that Seattle City Light - and the utility industry as a whole - are entering a new era where the relied-upon annual increases in electricity consumption and the associated revenues are not materializing. Due to conservation efforts and advances in technology like LED lighting and energy efficient appliances, electricity consumption is now expected to decline by approximately 1% annually over the next six years. Furthermore, these declines are occurring at a time of unprecedented growth and economic development in the region.

To compensate for the decline in consumption, City Light projected rate increases as high as 10% early in 2018. Rather than fund status quo operations with rate increases, the Mayor directed City Light to review their operating and capital budgets to find cost savings without jeopardizing essential services and safety, with the goal of bringing increases more in line with inflation. The 2019-2020 Proposed Budget incorporates ongoing reductions of \$18 million (6%) to City Light's O&M budget, and \$241 million (9%) to their six-year capital budget. City Light is confident that the reductions will not adversely impact core functions. The department will monitor operations and prioritize spending to ensure that current customer service levels are maintained.

The ongoing reductions noted above were achieved primarily by eliminating 22 vacant positions; reducing the travel and training budget; cutting the use of temporary employees in half (from 81 to 40); and increasing the vacancy rate assumption from 4% to 5.5%. In addition to these reductions, the Mayor directed departments to eliminate positions that have been vacant for a significant period of time, and to reduce the historic underspend from fuel budgets. This resulted in an ongoing reduction of \$250,000 in the fuel budget and the elimination of an additional 11 vacant FTEs, bringing the total FTE reduction for City Light in the 2019-2020 Proposed Budget to 33.

The department's capital program is approximately \$360 million in both 2017 and 2018. Two significant projects, the Denny Substation and the Advanced Metering Initiative, will be completed in late 2018 and early 2019 respectively. The two most costly projects, forecast to spend just over \$20 million each in 2019, are the Alaskan Way Viaduct and Seawall Replacement project, and the Boundary License Mitigation project. For more detailed information on the capital program, please see the 2019-2024 Proposed Capital Improvement Program.

To support the capital program and other eligible City Light costs, the 2019-2020 Proposed Budget anticipates a 2019 bond issue of approximately \$255 million.

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Incremental Budget Changes

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	2019		2020	
	Budget	FTE	Budget	FTE
2018 Adopted Budget	\$ 1,409,510,992	1,816.80	\$ 1,409,510,992	1,816.80
Baseline Changes				
Baseline Technical Adjustments - O&M Budget	\$ 24,361,537	0.00	\$ 52,239,641	0.00
Baseline Technical Adjustments - Capital Budget	-\$ 34,490,263	0.00	-\$ 28,867,229	0.00
Proposed Changes				
Remove Vacant Positions	-\$ 895,726	-11.00	-\$ 895,726	-11.00
O&M Reductions	-\$ 20,846,266	-14.50	-\$ 19,696,372	-22.00
Infrastructure Maintenance	\$ 5,136,000	0.00	\$ 10,665,000	0.00
Capital Program Adjustments	-\$ 8,002,423	0.00	-\$ 1,131,769	1.00
Proposed Technical Changes				
Reduce Fuel Budget	-\$ 250,000	0.00	-\$ 250,000	0.00
Total Incremental Changes	-\$ 34,987,141	-25.50	\$ 12,063,545	-32.00
2019 - 2020 Proposed Budget	\$ 1,374,523,851	1,791.30	\$ 1,421,574,537	1,784.80

Descriptions of Incremental Budget Changes

Baseline Changes

Baseline Technical Adjustments - O&M Budget - \$24,361,537

This annual update funds increases for inflation, debt service payments, taxes, and salary and wage adjustments. It also aligns the base budget with the initiatives outlined in the 2017-2022 Strategic Plan in preparation for any proposed budget adjustments that incorporate new initiatives and adjustments through the 2019-2024 Strategic Plan.

Baseline Technical Adjustments - Capital Budget - (\$34,490,263)

This adjustment establishes the base capital budget by taking the 2019 and 2020 capital project dollars that were approved in the 2017-2022 Adopted Capital Improvement Program (CIP) and replacing the 2018 amounts that were used as the starting point. The reduction of \$34.5 million reflects an overall decrease in project spending as several large projects - the Advanced Metering Initiative and the Denny Substation - will be completed in late 2018 and early 2019.

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Proposed Changes

Remove Vacant Positions - (\$895,726)/(11.00) FTE

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed 11 positions. These reductions will not impact delivery of core services.

O&M Reductions - (\$20,846,266)/(14.50) FTE

When City Light developed its draft Strategic Plan rate path, a rate increase of 10% was projected for 2019. To keep rates more affordable for customers, the Mayor directed City Light to find cost savings in both operating and capital budgets without jeopardizing essential services and safety. The 2019-2020 Proposed Budget implements \$18 million in permanent, ongoing reductions to the Operating & Maintenance (O&M) budget, and \$241 million in reductions to the six-year capital budget. These reductions brought the rate increases down to 5.8% for 2019 and 5.4% for 2020.

This budget adjustment incorporates the majority of the \$18 million in O&M reductions into the budget.

Reductions include:

- \$2.7 million by eliminating 22 vacant positions by 2020;
- \$2.6 million by changing the vacancy rate assumption from 4% to 5.5%, (approximately \$900,000 of this original reduction is now taken out of the citywide "Remove Vacant Positions" reduction along with an additional 11 FTEs);
- \$2.6 million by eliminating 40 of the department's 81 temporary positions;
- \$1.5 million by reducing 27% of the travel and training budget; and
- \$7.7 million by reducing general O&M budgets. The primary reductions are:
 - \$6 million from a \$25 million consulting budget; and
 - \$700,000 from an approximately \$6 million tree trimming budget by going to a five-year rather than four-year tree trimming cycle.

In addition to the \$18 million in O&M reductions, this adjustment removes \$3 million in deferred O&M expenditures for conservation incentives. The conservation incentives budget is typically underspent by approximately \$4 million annually from a \$30 million budget. City Light regularly exceeds their conservation targets as set by state law through I-937, and is confident that it will continue to do so in the future despite this reduction.

Infrastructure Maintenance - \$5,136,000

This action funds five items related to the maintenance or replacement of City Light assets. Funding will go towards the development of a long-term plan for Cedar Falls hydro plant assets; renovations or new construction for the facilities at the Boundary, Skagit and Diablo sites; and the replacement of aging underground cables throughout the service territory.

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Informed by the recently-completed 20-year facilities master plan, \$250,000 (\$5 million over six years), is budgeted to fund improvements at the Boundary Hydro facility. Improvements include a new administration facility, a consolidated workshop, a new warehouse, and the renovation of the fleet maintenance building.

Funding of \$386,000 (\$15.7 million over six years), will be used to implement the most critical improvements called for in Phase 2 of the Skagit Facility Master plan. Improvements include a new fire hall, new security offices, and renovations to the community hall and bunkhouses.

To refurbish and replace the powerhouse systems at the Diablo and Boundary facilities, \$2.5 million is budgeted in 2019 (the total project cost is \$3.0 million). The main repair is a roof replacement at the Diablo Powerhouse; additional items include fire suppression systems, sump pump drives, and powerhouse air exhaust headers.

This adjustment also accelerates the spending of previously-budgeted funds for the Cedar Falls hydro project maintenance planning by adding \$1.2 million in 2020 (\$0 in 2019) to fund a long-term plan which will inform future capital investments. This is a multi-purpose facility that provides hydropower, drinking water, and the local fire system water supply.

Lastly, approximately 200 miles of City Light's 1,000 miles of underground, direct-buried cables are at or near the end of their useful life of 40 years. This adjustment adds \$2.0 million in 2019 to the project, and adds a total of \$132 million to the full six-year CIP budget. This is a long-term project, and it will take approximately 20 years to replace all 200 miles of cable.

Capital Program Adjustments - (\$8,002,423)

This annual adjustment reprioritizes funding in the capital program and funds several new projects. New projects include Sound Transit Preliminary Work, funded at \$500,000 in 2019, and University of Washington Capacity Additions, with no funding in 2019 but \$2.0 million in 2020.

The net reduction in 2019 to the remaining projects is \$8,502,423. Most of this reduction is due to the removal of the Technical Training Center project, which reduces the budget by \$9.7 million. There is also a 1.0 FTE added to the budget, however no dollars are associated with the add as it is already funded in the budget. The position will staff the salmonid hatchery as part of the Boundary License agreement. For additional information on City Light's capital program please see the 2019-2024 Proposed CIP.

Proposed Technical Changes

Reduce Fuel Budget - (\$250,000)

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was a \$250,000, or 12.6% reduction in its fuel budget. This reduction will not affect the department's ability to maintain business operations.

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Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
Financial Services - CIP Budget Summary Level			
Light Fund	4,924,603	2,722,195	2,785,614
Total for BSL: BC-CL-W	4,924,603	2,722,195	2,785,614
Power Supply & Environ Affairs - CIP Budget Summary Level			
Light Fund	111,576,132	107,172,492	116,428,560
Total for BSL: BC-CL-X	111,576,132	107,172,492	116,428,560
Transmission and Distribution - CIP Budget Summary Level			
Light Fund	154,772,680	145,931,243	149,867,071
Total for BSL: BC-CL-Y	154,772,680	145,931,243	149,867,071
Customer Focused - CIP Budget Summary Level			
Light Fund	117,626,866	95,567,664	99,135,037
Total for BSL: BC-CL-Z	117,626,866	95,567,664	99,135,037
Leadership and Administration Budget Summary Level			
Light Fund	12,236,500	12,377,739	11,632,235
Total for BSL: BO-CL-A	12,236,500	12,377,739	11,632,235
Customer Service, Communications and Regulatory Affairs Budget Summary Level			
Light Fund	106,041,339	92,257,839	95,694,565
Total for BSL: BO-CL-C	106,041,339	92,257,839	95,694,565
Debt Services Budget Summary Level			
Light Fund	219,031,585	230,449,286	240,913,370
Total for BSL: BO-CL-D	219,031,585	230,449,286	240,913,370
Engineering and Technology Innovation O&M Budget Summary Level			
Light Fund	29,543,492	39,598,248	40,822,288
Total for BSL: BO-CL-E	29,543,492	39,598,248	40,822,288
Leadership and Administration - Financial Services O&M Budget Summary Level			
Light Fund	13,421,314	15,947,022	17,695,343
Total for BSL: BO-CL-F	13,421,314	15,947,022	17,695,343

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Generation Operations and Engineering O&M Budget Summary Level			
Light Fund	29,282,378	27,902,392	29,715,893
Total for BSL: BO-CL-G	29,282,378	27,902,392	29,715,893

Long-Term Purchased Power Budget Summary Level			
Light Fund	311,102,350	298,051,673	307,722,319
Total for BSL: BO-CL-L	311,102,350	298,051,673	307,722,319

Leadership and Administration - General Expense Budget Summary Level			
Light Fund	38,218,706	54,686,758	52,253,255
Total for BSL: BO-CL-N	38,218,706	54,686,758	52,253,255

Power Management and Strategic Planning O&M Budget Summary Level			
Light Fund	17,778,478	16,230,545	16,611,074
Total for BSL: BO-CL-P	17,778,478	16,230,545	16,611,074

Taxes Budget Summary Level			
Light Fund	98,774,281	104,834,481	108,556,535
Total for BSL: BO-CL-Q	98,774,281	104,834,481	108,556,535

Short-Term Purchased Power Budget Summary Level			
Light Fund	40,406,121	40,406,121	40,408,243
Total for BSL: BO-CL-S	40,406,121	40,406,121	40,408,243

Transmission and Distribution O&M Budget Summary Level			
Light Fund	88,029,779	74,024,259	74,675,180
Total for BSL: BO-CL-T	88,029,779	74,024,259	74,675,180

Environmental Affairs O&M Budget Summary Level			
Light Fund	16,744,388	16,363,894	16,657,955
Total for BSL: BO-CL-V	16,744,388	16,363,894	16,657,955

Department Total	1,409,510,992	1,374,523,851	1,421,574,537
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Department Full-time Equivalent Total*	1,816.80	1,791.30	1,784.80
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

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Budget Summary by Fund for City Light

	2018 Adopted	2019 Proposed	2020 Proposed
41000 - Light Fund	1,409,510,992	1,374,523,851	1,421,574,537
Budget Totals for SCL	1,409,510,992	1,374,523,851	1,421,574,537

Revenue Overview

2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
431010	Operating Grants	0	0	0
431200	BPA Payments for Conservation Deferred	10,000,000	2,000,000	9,000,000
443250	Other O&M Revenue	7,904,025	6,805,689	6,839,717
443250	Revenue From Damage	1,693,214	984,681	989,605
443345	BPA Credit for South Fork Tolt	3,163,145	3,106,613	3,051,490
443380	Account Change Fees	1,584,317	1,886,791	1,896,225
443380	Construction & Miscellaneous Charges	197,897	43,729	43,948
443380	Late Payment Fees	3,925,515	2,898,842	2,913,337
443380	Pole Attachments	2,406,454	2,672,070	2,685,430
443380	Property Rentals	2,655,072	2,550,946	2,563,700
443380	Reconnect Charges	1,144,971	128,962	129,607
443380	Transmission Attach. & Cell Sites	1,482,240	1,694,680	1,703,154
443380	Water Heater & Miscellaneous Rentals	162,350	162,018	162,828
461100	Federal Subsidies of Interest Payments on Debt	5,970,262	5,970,262	5,970,262
461100	Interest Earnings	8,425,449	8,327,667	9,400,619
461100	Sale of Property, Material & Equip.	0	0	0
462900	North Mountain Substation (Snohomish PUD)	416,386	423,961	432,137
462900	Transmission Sales	3,000,000	3,000,000	3,000,000
473010	Capital Fees and Grants	110,600	112,782	115,660
482000	Contributions in Aid of Construction	36,882,215	33,846,476	35,535,749
482000	Suburban Undergrounding	1,503,262	1,580,171	1,661,016
	Total Other	92,627,374	78,196,339	88,094,483
443310	Energy Sales to Customers	879,759,171	920,004,829	966,735,309
443310	Seattle Green Power/GreenUp/Community Solar	1,571,420	1,606,779	2,106,869
	Total Retail Revenue	881,330,591	921,611,608	968,842,179
443310	Sales from Priest Rapids	1,989,728	1,603,000	1,508,454

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443345	Article 49 Sale to Pend Oreille Country	2,124,725	2,175,169	2,224,056
443345	Basis Sales	1,000,000	1,000,000	1,000,000
443345	Other Power Related Services	5,557,500	7,204,156	4,557,500
443345	Surplus Energy Sales	84,456,686	72,776,182	67,776,182
	Total Wholesale Sales	95,128,639	84,758,508	77,066,192
	Total Revenues	1,069,086,604	1,084,566,454	1,134,002,853
379100	Use of (contribution to) Fund Balance	340,424,386	289,957,397	287,571,684
	Total Transfers	340,424,386	289,957,397	287,571,684
	Total Resources	1,409,510,990	1,374,523,851	1,421,574,537

Appropriations By Budget Summary Level (BSL) and Program

Financial Services - CIP Budget Summary Level

The purpose of the Financial Services - CIP Budget Summary Level is to provide for the capital costs of rehabilitation and replacement of the utility's financial systems and information technology infrastructure, and the development and implementation of large software applications. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
FINANCE AND IT SYSTEMS	4,924,603	2,722,195	2,785,614
Total	4,924,603	2,722,195	2,785,614
Full-time Equivalents Total*	10.71	10.71	10.71

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Power Supply & Environ Affairs - CIP Budget Summary Level

The purpose of the Power Supply & Environmental Affairs - CIP Budget Summary Level is to provide for the capital costs of maintaining the physical generating plant and associated power license and regulatory requirements. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
BOUNDARY	51,512,495	48,479,995	57,785,510
CEDAR FALLS - TOLT	2,737,126	4,856,152	4,764,146
FLEETS AND FACILITIES	21,240,473	18,530,346	24,072,513
POWER SUPPLY OTHER	13,022,596	6,160,897	4,983,540
SKAGIT	23,063,442	29,145,102	24,822,851
Total	111,576,132	107,172,492	116,428,560
Full-time Equivalents Total*	73.26	73.26	74.26

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The following information summarizes the programs in Power Supply & Environ Affairs - CIP Budget Summary Level:

BOUNDARY Program

The Boundary program funds the capital costs for the Boundary physical generating plant and associated regulatory requirements.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
BOUNDARY	51,512,495	48,479,995	57,785,510
Full-time Equivalents Total	22.04	22.04	23.04

CEDAR FALLS - TOLT Program

The Cedar Falls - Tolt program funds the capital costs for the Cedar Falls - Tolt physical generating plant and associated regulatory requirements.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
CEDAR FALLS - TOLT	2,737,126	4,856,152	4,764,146
Full-time Equivalents Total	5.72	5.72	5.72

FLEETS AND FACILITIES Program

The Fleets And Facilities program funds the capital costs for the fleet replacement program and facility improvements.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
FLEETS AND FACILITIES	21,240,473	18,530,346	24,072,513
Full-time Equivalents Total	11.36	11.36	11.36

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POWER SUPPLY OTHER Program

The Power Supply Other program funds the capital costs for the generating plant and regulatory requirements of facilities not included in the other programs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
POWER SUPPLY OTHER	13,022,596	6,160,897	4,983,540
Full-time Equivalents Total	8.56	8.56	8.56

SKAGIT Program

The Skagit program funds the capital costs for the Skagit physical generating plant and associated regulatory requirements.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
SKAGIT	23,063,442	29,145,102	24,822,851
Full-time Equivalents Total	25.57	25.57	25.57

Transmission and Distribution - CIP Budget Summary Level

The purpose of the Transmission and Distribution - CIP Budget Summary Level is to provide for the capital costs of installation, major maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, and other elements of the utility's transmission and distribution systems. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DISTRIBUTION OTHER	11,531,936	19,895,338	17,708,293
NETWORK	21,918,147	24,493,579	29,526,220
RADIAL	68,846,292	60,718,640	63,688,524
SUBSTATIONS	34,281,189	29,573,335	28,140,203
TRANSMISSION	18,195,116	11,250,351	10,803,831
Total	154,772,680	145,931,243	149,867,071
Full-time Equivalents Total*	158.06	158.06	158.06

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The following information summarizes the programs in Transmission and Distribution - CIP Budget Summary Level:

DISTRIBUTION OTHER Program

The Distribution Other program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of other elements of the utility's transmission and distribution systems not included in other programs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
DISTRIBUTION OTHER	11,531,936	19,895,338	17,708,293
Full-time Equivalents Total	10.09	10.09	10.09

NETWORK Program

The Network program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of network system equipment.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
NETWORK	21,918,147	24,493,579	29,526,220
Full-time Equivalents Total	29.30	29.30	29.30

RADIAL Program

The Radial program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of radial system equipment.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
RADIAL	68,846,292	60,718,640	63,688,524
Full-time Equivalents Total	69.57	69.57	69.57

SUBSTATIONS Program

The Substation program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of substation equipment.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
SUBSTATIONS	34,281,189	29,573,335	28,140,203
Full-time Equivalents Total	39.04	39.04	39.04

TRANSMISSION Program

The Transmission program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of transmission lines and other elements of the utility's transmission system.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
TRANSMISSION	18,195,116	11,250,351	10,803,831
Full-time Equivalents Total	10.06	10.06	10.06

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Customer Focused - CIP Budget Summary Level

The purpose of the Customer Focused - CIP Budget Summary Level is to provide for the capital costs of customer service connections, meters, and other customer-driven projects, including large inter-agency projects requiring utility services or relocations. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUSTOMER AND BILLING	502,562	64,153	209,435
CUSTOMER OTHER	441,102	1,192,905	336,134
LOCAL JURISDICTIONS	16,637,984	13,777,159	22,349,850
SERVICE CONNECTIONS	72,524,708	50,458,459	47,620,857
TRANSPORTATION RELOCATIONS	27,520,510	30,074,988	28,618,761
Total	117,626,866	95,567,664	99,135,037
Full-time Equivalents Total*	56.82	56.82	56.82

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The following information summarizes the programs in Customer Focused - CIP Budget Summary Level:

CUSTOMER AND BILLING Program

The Customer and Billing program provides the funding to support some of the customer billing functions at the utility and to fund City Light's customer call center improvement program.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUSTOMER AND BILLING	502,562	64,153	209,435
Full-time Equivalents Total	0.00	0.00	0.00

CUSTOMER OTHER Program

The Customer Other program provides funding to support the customer service engineering program and the Neighborhood Voluntary Undergrounding program.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
CUSTOMER OTHER	441,102	1,192,905	336,134
Full-time Equivalents Total	0.13	0.13	0.13

LOCAL JURISDICTIONS Program

The Local Jurisdictions program funds the capital costs for projects in local jurisdictions requiring utility services or relocations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
LOCAL JURISDICTIONS	16,637,984	13,777,159	22,349,850
Full-time Equivalents Total	5.32	5.32	5.32

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SERVICE CONNECTIONS Program

The Service Connections program funds the capital costs of customer service connections and meters.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
SERVICE CONNECTIONS	72,524,708	50,458,459	47,620,857
Full-time Equivalents Total	42.66	42.66	42.66

TRANSPORTATION RELOCATIONS Program

The Transportation Relocations program funds the capital costs for large inter-agency transportation projects requiring utility services or relocations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
TRANSPORTATION RELOCATIONS	27,520,510	30,074,988	28,618,761
Full-time Equivalents Total	8.71	8.71	8.71

Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations to the department.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ADMIN SVS ADMIN O&M	18,766,422	18,727,644	17,756,531
Indirect Cost Recovery Offset	-6,529,922	-6,349,905	-6,124,296
Total	12,236,500	12,377,739	11,632,235
Full-time Equivalents Total*	91.17	90.17	90.17

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

The following information summarizes the programs in Leadership and Administration Budget Summary Level:

ADMIN SVS ADMIN O&M Program

The Administrative Services O&M program funds the O&M costs for employee and management support services. These including safety programs, organizational development, training, administrative support, and labor relations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ADMIN SVS ADMIN O&M	18,766,422	18,727,644	17,756,531
Full-time Equivalents Total	91.17	90.17	90.17

Seattle City Light

Indirect Cost Recovery Offset Program

The purpose of the Indirect Cost Recovery Offset program is to offset the overhead costs applied to the capital programs from the Leadership & Administration BSL.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery Offset	-6,529,922	-6,349,905	-6,124,296
Full-time Equivalents Total	0.00	0.00	0.00

Customer Service, Communications and Regulatory Affairs Budget Summary Level

The purpose of the Customer Service, Communications, and Regulatory Affairs Budget Summary Level is to provide customer services and communications, to implement demand-side conservation measures that offset the need for additional generation resources, and to monitor compliance with federal electric reliability standards and secure critical utility infrastructure. Customer services include metering, billing, account management, and support for customer information systems. The utility's General Manager and government affairs functions are also included in this Budget Summary Level.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG ADMIN O&M	8,826,112	8,826,112	8,826,112
CUST COMM REG OPS O&M	97,956,369	83,431,727	86,868,453
CUST COMM REG SECRTY G&A O&M	-741,142	0	0
Total	106,041,339	92,257,839	95,694,565
Full-time Equivalents Total*	294.15	273.65	266.15

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

The following information summarizes the programs in Customer Service, Communications and Regulatory Affairs Budget Summary Level:

CUST COMM REG ADMIN O&M Program

The Customer Service, Communications, and Regulatory Affairs Administration O&M program provides administrative support to carry out the following functions: customer services and communications, the implementation of demand-side conservation measures that offset the need for additional generation resources, the monitoring of compliance with federal electric reliability standards, and the securing of critical utility infrastructure.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG ADMIN O&M	8,826,112	8,826,112	8,826,112
Full-time Equivalents Total	0.00	0.00	0.00

Seattle City Light

CUST COMM REG OPS O&M Program

The Customer Service, Communications, and Regulatory Affairs Operations O&M program provides the operational support to carry out the following functions: customer services and communications, the implementation of demand-side conservation measures that offset the need for additional generation resources, the monitoring of compliance with federal electric reliability standards, and the securing of critical utility infrastructure.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG OPS O&M	97,956,369	83,431,727	86,868,453
Full-time Equivalents Total	294.15	273.65	266.15

CUST COMM REG SECRY G&A O&M Program

The Customer Service, Communications, and Regulatory Affairs G&A O&M program previously provided general and administrative support for the regulatory, security and compliance program. This funding has been moved in 2019 to the Customer Service, Communications and Regulatory Affairs Administration O&M program.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG SECRY G&A O&M	-741,142	0	0
Full-time Equivalents Total	0.00	0.00	0.00

Debt Services Budget Summary Level

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

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DEBT SVS OPS	219,031,585	230,449,286	240,913,370
Total	219,031,585	230,449,286	240,913,370

Engineering and Technology Innovation O&M Budget Summary Level

The purpose of the Engineering and Technology Innovation Budget Summary Level is to provide engineering and leadership on emerging utility technology, asset management, transportation electrification, solar, and other technologies. The energy delivery engineering and asset management functions are also included in this Budget Summary Level.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ENG & TECH INNOVTN ADMIN O&M	14,058,011	17,521,733	17,683,162
ENG AND TECH INNOVTN OPS O&M	15,485,481	22,076,515	23,139,126
Total	29,543,492	39,598,248	40,822,288
Full-time Equivalents Total*	219.00	219.00	219.00

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

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The following information summarizes the programs in Engineering and Technology Innovation O&M Budget Summary Level:

ENG & TECH INNOVTN ADMIN O&M Program

The Engineering & Technology Innovation Administration O&M program funds the administrative work associated with engineering and leadership on emerging utility technologies, engineering of energy delivery, asset management, transportation electrification, and solar and other technologies.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ENG & TECH INNOVTN ADMIN O&M	14,058,011	17,521,733	17,683,162
Full-time Equivalents Total	117.66	117.66	117.66

ENG AND TECH INNOVTN OPS O&M Program

The Engineering & Technology Innovation Operations O&M program funds the operational work associated with engineering and leadership on emerging utility technologies, engineering of energy delivery, asset management, transportation electrification, and solar and other technologies.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ENG AND TECH INNOVTN OPS O&M	15,485,481	22,076,515	23,139,126
Full-time Equivalents Total	101.34	101.34	101.34

Leadership and Administration - Financial Services O&M Budget Summary Level

The purpose of the Leadership and Administration - Financial Services Budget Summary Level is to manage the utility's financial health through planning, risk mitigation, and provision of information to make financial decisions. Information technology services are also provided through this Budget Summary Level to support systems and applications used throughout the utility.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
FINANCIAL SERVICES ADMIN O&M	0	3,193,417	3,212,428
FINANCIAL SERVICES O&M	20,111,689	18,567,907	19,021,685
Indirect Cost Recovery	-6,690,375	-5,814,302	-4,538,770
Total	13,421,314	15,947,022	17,695,343
Full-time Equivalents Total*	128.33	127.33	127.33

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

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The following information summarizes the programs in Leadership and Administration - Financial Services O&M Budget Summary Level:

FINANCIAL SERVICES ADMIN O&M Program

The Customer Service, Communications, and Regulatory Affairs Administration O&M program provides administrative support for staff working in the areas of financial planning, risk mitigation, and information technology.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
FINANCIAL SERVICES ADMIN O&M	0	3,193,417	3,212,428
Full-time Equivalents Total	47.24	46.24	46.24

FINANCIAL SERVICES O&M Program

The Financial Services O&M program funds the O&M work required to manage the utility's financial planning, financial reporting, risk mitigation, and information technology systems and applications.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
FINANCIAL SERVICES O&M	20,111,689	18,567,907	19,021,685
Full-time Equivalents Total	81.09	81.09	81.09

Indirect Cost Recovery Program

The purpose of the Indirect Cost Recovery program is to offset the overhead costs applied to the capital programs in the Leadership & Administration - Financial Services O&M BSL.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery	-6,690,375	-5,814,302	-4,538,770
Full-time Equivalents Total	0.00	0.00	0.00

Generation Operations and Engineering O&M Budget Summary Level

The purpose of the Generation Operations and Engineering Budget Summary Level is to provide power to City Light customers by engineering and operating the power production facilities in a clean, safe, efficient, and reliable manner. The utility's power production engineering and generation operations are included in this Budget Summary Level.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
GENERATION OPS & ENG ADMIN O&M	29,282,378	27,902,392	29,715,893
Total	29,282,378	27,902,392	29,715,893
Full-time Equivalents Total*	177.89	177.89	177.89

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

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Long-Term Purchased Power Budget Summary Level

The purpose of the Long-Term Purchased Power Budget Summary Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to meet the utility's long-term demand for power. This Budget Summary Level provides appropriations for planned transactions beyond 24 months in advance.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
LONG TERM PURCH PWR OPS O&M	311,102,350	298,051,673	307,722,319
Total	311,102,350	298,051,673	307,722,319

Leadership and Administration - General Expense Budget Summary Level

The purpose of the Leadership and Administration - General Expense Budget Summary Level is to provide for the general 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.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CITY ALLOCATIONS	57,155,771	60,802,457	58,236,200
DEPARTMENT WIDE COSTS	11,157,498	20,536,687	20,675,794
Indirect Cost Recovery	-30,094,563	-30,094,563	-30,094,563
Pooled Benefits and PTO	1	3,442,178	3,435,825
Total	38,218,706	54,686,758	52,253,255

The following information summarizes the programs in Leadership and Administration - General Expense Budget Summary Level:

CITY ALLOCATIONS Program

The City Allocations program funds the costs for city services that are provided to the utility.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CITY ALLOCATIONS	57,155,771	60,802,457	58,236,200
Full-time Equivalent Total	0.00	0.00	0.00

DEPARTMENT WIDE COSTS Program

The Departmentwide Costs program funds departmentwide O&M services that support other programs.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DEPARTMENT WIDE COSTS	11,157,498	20,536,687	20,675,794
Full-time Equivalent Total	0.00	0.00	0.00

Seattle City Light

Indirect Cost Recovery Program

The purpose of the Indirect Cost Recovery program is to offset the overhead costs applied to the capital programs from the Leadership & Administration - General Expense BSL.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery	-30,094,563	-30,094,563	-30,094,563
Full-time Equivalents Total	0.00	0.00	0.00

Pooled Benefits and PTO Program

The Pooled Benefits program funds costs for health and dental insurance, workers compensation, and unemployment insurance contributions.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Pooled Benefits and PTO	1	3,442,178	3,435,825
Full-time Equivalents Total	0.00	0.00	0.00

Power Management and Strategic Planning O&M Budget Summary Level

The purpose of the Power Management and Strategic Planning O&M Budget Summary Level is to provide electric power for City Light customers; to support the power marketing operations of the utility; and to provide utility-wide support services such as shops, real estate, fleet, and facility management services.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
PWR MGT & STRATEGIC PLAN O&M	17,778,478	16,230,545	16,611,074
Total	17,778,478	16,230,545	16,611,074
Full-time Equivalents Total*	44.66	44.66	44.66

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

Taxes Budget Summary Level

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

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
TAXES OPS O&M	98,774,281	104,834,481	108,556,535
Total	98,774,281	104,834,481	108,556,535

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Short-Term Purchased Power Budget Summary Level

The purpose of the Short-Term Purchased Power Budget Summary Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to manage the utility's short-term demand given the variability of hydroelectric power. This Budget Summary Level provides appropriations for planned transactions up to 24 months in advance.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
SHORT TERM PURCH PWR OPS O&M	40,406,121	40,406,121	40,408,243
Total	40,406,121	40,406,121	40,408,243

Transmission and Distribution O&M Budget Summary Level

The purpose of the Transmission and Distribution O&M Budget Summary Level is to provide reliable electricity to customers through operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
TRANSMISSION & DIST ADMIN O&M	31,108,300	5,949,982	6,105,595
XSMN & DIST DEFERRED O&M	34,111	0	0
XSMN & DIST FLEET O&M	-778,996	16,067,349	15,883,355
XSMN & DIST PWR DIST OPS O&M	57,666,363	52,006,927	52,686,229
Total	88,029,779	74,024,259	74,675,180
Full-time Equivalents Total*	511.75	508.75	508.75

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

The following information summarizes the programs in Transmission and Distribution O&M Budget Summary Level:

TRANSMISSION & DIST ADMIN O&M Program

The Transmission & Distribution Administration O&M program funds the operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
TRANSMISSION & DIST ADMIN O&M	31,108,300	5,949,982	6,105,595
Full-time Equivalents Total	106.65	103.65	103.65

Seattle City Light

XSMN & DIST DEFERRED O&M Program

The Transmission & Distribution Deferred O&M program funds the deferred O&M costs of City Light's overhead and underground distribution systems, substations, and transmission systems.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST DEFERRED O&M	34,111	0	0
Full-time Equivalents Total	0.00	0.00	0.00

XSMN & DIST FLEET O&M Program

The Transmission & Distribution Fleet program funds fleet management and support for distribution, transmission and generation programs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST FLEET O&M	-778,996	16,067,349	15,883,355
Full-time Equivalents Total	81.94	81.94	81.94

XSMN & DIST PWR DIST OPS O&M Program

The Transmission & Distribution Operations O&M program funds the operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST PWR DIST OPS O&M	57,666,363	52,006,927	52,686,229
Full-time Equivalents Total	323.16	323.16	323.16

Environmental Affairs O&M Budget Summary Level

The purpose of the Environmental Affairs O&M Budget Summary Level is to help the utility generate and deliver energy in an environmentally responsible manner. This Budget Summary Level also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ENVIRO AFFAIRS ADMIN O&M	9,306,430	8,792,526	8,929,413
ENVIRO AFFAIRS DEFERRED O&M	2,623,505	2,606,019	2,663,434
ENVIRO AFFAIRS OPS O&M	4,814,454	4,965,350	5,065,109
Total	16,744,388	16,363,894	16,657,955
Full-time Equivalents Total*	51.00	51.00	51.00

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

Seattle City Light

The following information summarizes the programs in Environmental Affairs O&M Budget Summary Level:

ENVIRO AFFAIRS ADMIN O&M Program

The Environmental Affairs Administration O&M program performs the administrative work associated with utility generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ENVIRO AFFAIRS ADMIN O&M	9,306,430	8,792,526	8,929,413
Full-time Equivalents Total	19.03	19.03	19.03

ENVIRO AFFAIRS DEFERRED O&M Program

The Environmental Affairs Deferred O&M program funds the deferred O&M costs related to the utility's generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ENVIRO AFFAIRS DEFERRED O&M	2,623,505	2,606,019	2,663,434
Full-time Equivalents Total	4.90	4.90	4.90

ENVIRO AFFAIRS OPS O&M Program

The Environmental Affairs Operations O&M program performs operational work associated with utility generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ENVIRO AFFAIRS OPS O&M	4,814,454	4,965,350	5,065,109
Full-time Equivalents Total	27.08	27.08	27.08