

DEPARTMENT OF WATER AND POWER

This Department, under the City Charter, is responsible for supplying the City and its inhabitants with water and electric energy by constructing, operating, and maintaining for that purpose works extending throughout the City and to Inyo and Mono Counties to import water and electric energy and to other western states to import electric energy; fixes rates for water and electric service subject to approval of the Council by ordinance; controls its own funds; and maintains a retirement, disability, and death benefit insurance plan.

WATER REVENUE FUND

RECEIPTS

Receipts 2020-21	Estimated Receipts 2021-22		Estimated Receipts 2022-23
\$ 644,500,000	\$ 845,800,000	Balance available, July 1.....	\$ 559,200,000
--	--	Less:	
--	--	Payments to City of Los Angeles (Held in Reserve).....	--
\$ 644,500,000	\$ 845,800,000	Adjusted Balance.....	\$ 559,200,000
1,493,000,000	1,477,692,000	Sale of Water (1).....	1,571,968,000
366,783,000	391,691,000	From Power Revenue Fund for services and materials.....	491,284,000
475,800,000	259,413,000	Proceeds from sale of bonds for construction expenditures made by Water Revenue Fund.....	496,654,000
--	--	Proceeds from Securitization (2).....	--
--	--	Proceeds from Revolving Line of Credit.....	--
85,300,000	30,514,000	Proceeds from State of California Loan.....	10,782,000
56,000,000	72,111,000	Contributions in aid of constructions (incl. Prop 1 State Grant Proceeds).....	185,796,000
34,805,453	36,391,000	Customers' deposits.....	37,227,898
4,074,000	6,173,000	From individuals, companies and governmental agencies for services and materials.....	6,244,000
19,600,000	15,295,000	Miscellaneous.....	17,485,000
\$ 3,179,862,453	\$ 3,135,080,000	Total Water Revenue Fund.....	\$ 3,376,640,898

APPROPRIATIONS

Expenditures 2020-21	Estimated Expenditures 2021-22		Estimated Appropriation 2022-23
\$ 493,584,000	\$ 518,887,000	Salaries and wages.....	\$ 557,517,000
172,955,000	179,375,000	Materials, supplies and equipment.....	232,752,000
296,300,000	313,850,000	Water purchased for resale.....	275,302,000
226,841,000	298,042,000	Contracts - Construction work.....	288,270,000
14,237,000	11,031,000	Contracts - Operation and maintenance work.....	10,964,000
41,598,000	39,123,000	Rentals and leases.....	45,467,000
--	--	Payments to other utilities for proportionate share of construction, operation and maintenance of jointly-owned facilities.....	--
79,539,000	87,455,000	Outside services and regulatory fees.....	196,484,000
1,574,000	13,677,000	Purchase of land and buildings.....	1,498,000
18,155,000	17,667,000	Property taxes.....	20,001,000
28,088,000	28,255,000	Utility services for electricity and heat.....	27,837,000
13,642,000	15,392,000	Injuries and damages.....	16,593,000
--	9,000	Postal services.....	26,000
53,758,000	57,999,000	Professional services.....	87,142,000

WATER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2020-21	Estimated Expenditures 2021-22		Estimated Appropriation 2022-23
\$ 1,569,000	\$ 1,987,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	\$ 2,180,000
4,073,000	3,532,000	Insurance.....	6,700,000
11,538,411	8,789,000	Refunds of customers' deposits.....	8,991,099
293,044,000	338,196,000	Reimbursements to Power System for proportional share of intradepartmental facilities and activities.....	468,629,000
336,700,000	348,166,000	Redemption and Interest - Water Revenue Bond and State Loan	399,023,000
--	--	Payment of Revolving Line of Credit.....	--
118,281,000	118,157,000	Health Care Plans.....	118,032,000
125,508,000	109,971,000	Retirement and Death Benefit Insurance Plan.....	70,021,000
\$ 2,330,984,411	\$ 2,509,560,000	Total Appropriations (3).....	\$ 2,833,429,099
		Less:	
\$ (3,078,042)	\$ (66,320,000)	Adjustments (Accrual, etc.).....	\$ (74,211,799)
845,800,000	559,200,000	Unexpended Balance.....	
--	--	Unappropriated Balance.....	469,000,000
\$ 3,179,862,453	\$ 3,135,080,000	Total Water Revenue Fund.....	\$ 3,376,640,898

1. Included "pass-throughs" for water supply costs, water quality improvements, water reclamation and conservation projects, water infrastructure, water expense stabilization, Owens Valley regulatory adjustment, low income subsidy adjustment and water right revenue.

2. Proceeds from securitization of capital expenditures for mandated and local water supply projects.

3. Net of receipts from Power System, individuals and companies, contributions in aid of construction, grants, customer deposits, and other miscellaneous sources, the Water Revenue Fund Operating Budget is \$2,095,392,201.

DEPARTMENT OF WATER AND POWER

This Department, under the City Charter, is responsible for supplying the City and its inhabitants with water and electric energy by constructing, operating, and maintaining for that purpose works extending throughout the City and to Inyo and Mono Counties to import water and electric energy and to other western states to import electric energy; fixes rates for water and electric service subject to approval of the Council by ordinance; controls its own funds; and maintains a retirement, disability, and death benefit insurance plan.

POWER REVENUE FUND

RECEIPTS

Receipts 2020-21	Estimated Receipts 2021-22		Estimated Receipts 2022-23
\$ 1,125,000,000	\$ 1,432,000,000	Balance available, July 1.....	\$ 2,226,000,000
		Less:	
218,355,000	225,015,000	Payments to City of Los Angeles.....	231,446,000
\$ 906,645,000	\$ 1,206,985,000	Adjusted Balance.....	\$ 1,994,554,000
4,318,400,000	4,541,203,000	Sale of electric energy (1).....	4,348,852,000
291,648,000	338,095,000	From Water Revenue Fund for services and materials.....	468,809,000
880,300,000	1,298,012,000	Proceeds from sale of bonds for construction expenditures made by Power Revenue Fund.....	--
90,900,000	56,123,000	Contributions in aid of construction.....	64,286,000
141,312,000	94,051,000	From individuals, companies and governmental agencies for services and materials.....	125,724,000
145,300,000	121,459,000	Miscellaneous.....	218,572,000
\$ 6,774,505,000	\$ 7,655,928,000	Total Power Revenue Fund.....	\$ 7,220,797,000

APPROPRIATIONS

Expenditures 2020-21	Estimated Expenditures 2021-22		Estimated Appropriation 2022-23
\$ 1,127,251,000	\$ 1,153,622,000	Salaries and wages.....	\$ 1,274,757,000
271,799,000	261,163,000	Materials, supplies and equipment.....	313,812,000
1,530,100,000	1,682,238,000	Purchased energy and fuel for generation.....	1,517,762,000
263,429,000	240,929,000	Contracts - Construction work.....	340,382,000
37,448,000	32,986,000	Contracts - Operation and maintenance work.....	136,465,000
13,241,000	16,365,000	Rentals and leases.....	26,770,000
51,238,000	45,576,000	Payments to other utilities for proportionate share of construction, operation and maintenance of jointly-owned facilities.....	52,773,000
250,851,000	248,573,000	Outside services and regulatory fees.....	335,120,000
4,284,000	(197,000)	Purchase of land and buildings.....	26,722,000
14,831,000	16,001,000	Property taxes.....	17,450,000
15,025,000	13,186,000	Utility services for telecommunications and water.....	14,929,000
19,592,000	25,233,000	Injuries and damages.....	20,925,000
5,818,000	7,515,000	Postal services.....	6,172,000

POWER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2020-21	Estimated Expenditures 2021-22		Estimated Appropriation 2022-23
\$ 126,682,000	\$ 189,808,000	Professional services.....	\$ 292,156,000
6,346,000	5,663,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	6,634,000
68,216,000	82,598,000	Insurance.....	81,617,000
6,949,421	5,519,000	Refunds of customers' deposits.....	5,645,445
--	--	Energy Efficiency Loans to customers.....	--
367,564,000	393,590,000	Reimbursements to Water System for proportional share of intradepartmental facilities and activities.....	491,284,000
640,100,000	663,125,000	Bond redemption and interest - Electric Plant Revenue Bonds (Including Debt Restructuring).....	705,078,000
227,547,000	237,957,000	Health Care Plans.....	249,680,000
258,027,000	233,256,000	Retirement and Death Benefit Insurance Plan.....	148,127,000
<u>\$ 5,306,338,421</u>	<u>\$ 5,554,706,000</u>	Total Appropriations (2).....	<u>\$ 6,064,260,445</u>
		Less:	
\$ (36,166,579)	\$ 124,778,000	Adjustments (Accrual, etc.).....	\$ 127,463,445
1,432,000,000	2,226,000,000	Unexpended Balance.....	
		Unappropriated Balance.....	1,284,000,000
<u>\$ 6,774,505,000</u>	<u>\$ 7,655,928,000</u>	Total Power Revenue Fund.....	<u>\$ 7,220,797,000</u>

1. Includes "pass-throughs" for fuel and purchased power costs, demand side management, renewable power portfolio, power reliability program, and low income subsidy adjustment.

2. Net of receipts from Water System, individuals and companies, contributions in aid of construction, and other miscellaneous sources, the Power Revenue Fund Operating Budget is \$5,186,869,445.

WATER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2022-23
INFRASTRUCTURE - PASS THRU	
Distribution Mains.....	\$ 141,065,000
Trunk Line & Major System Connections.....	73,847,000
Services, Meters & Hydrants.....	67,257,000
Infrastructure Reservoir Improvements.....	49,385,000
Pump Stations.....	26,042,000
Regulator Stations.....	7,443,000
Seismic Improvements.....	4,553,000
Water Systems Infrastructure Support.....	2,948,000
Griffith Park Water Distribution System.....	1,282,000
Total.....	\$ 373,822,000
INFRASTRUCTURE - BASE	
Water Services Organization Facilities.....	\$ 41,278,000
Water Services Organization Information Technology.....	14,777,000
Water System Security Improvement Project.....	2,869,000
Tools & Equipment.....	1,942,000
LA Aqueduct Water Resource Development.....	428,000
Total.....	\$ 61,294,000
WATER QUALITY	
Groundwater Remediation and Cleanup.....	\$ 175,629,000
Water Treatment Improvements.....	28,701,000
Water Quality Improvement Project - Trunkline Improvements.....	28,258,000
Meter Replacement Program.....	20,899,000
Chloramination Station Installations.....	19,373,000
Water Quality Improvement Project - Reservoir Improvements.....	16,220,000
Water Reuse.....	10,626,000
Total.....	\$ 299,706,000
OPERATING SUPPORT	
Joint Capital-Water Share.....	\$ 48,008,000
Fleet Equipment Replacements & Additions.....	30,388,000
ERP Program Water Funded.....	24,402,000
Enterprise Cyber Security Water Funded.....	9,164,000
John Ferraro Building Capital (LEED).....	8,602,000
Joint Facilities (Non-JFB) Water.....	2,389,000
PC Equipment - Water Serv.....	1,771,000
Water Ergonomics, Furniture, and Remodel.....	1,758,000
Cloud Infrastructure Water Funded.....	1,157,000
Tools & Equipment - Power Construction & Maintenance (PCM) Shops.....	424,000
Fueling Station Infrastructure.....	389,000
PC Equipment Water - Joint.....	191,000
HR Capital Projects & Equipment.....	132,000
Tools & Equipment - Corporate Services Organization.....	46,000
Cafeteria Equipment (JFB).....	23,000
Fleet Construction Project.....	15,000
Industrial Graphics Equipment.....	15,000
Additions & Betterments - Water Fund.....	14,000
Capital Projects & Equipment.....	2,000
Security Planning Capital - Water.....	1,000
Total.....	\$ 128,891,000

WATER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM (continued)

	Projected Expenditures 2022-23
WSCA - RECYCLED WATER	
Watershed - Stormwater Capture.....	\$ 30,790,000
Water Recycling - Capital.....	19,099,000
Total.....	<u>\$ 49,889,000</u>
WSCA - LAA	
LA Aqueduct System - Additions & Betterments South.....	\$ 14,588,000
E. Sierra Environmental Capital.....	10,531,000
LA Aqueduct System - Additions & Betterments North.....	9,040,000
Total.....	<u>\$ 34,159,000</u>
WSCA - WATER CONSERVATION	
Water Conservation - Water Funded.....	\$ 21,858,000
Total.....	<u>\$ 21,858,000</u>
WSCA - GROUNDWATER	
Groundwater Management.....	\$ 5,572,000
Total.....	<u>\$ 5,572,000</u>
OWENS VALLEY REGULATORY	
Owens Lake Dust Mitigation Project Capital Additions & Betterments.....	\$ 22,955,000
Owens Lake Master Project.....	5,789,000
Total.....	<u>\$ 28,744,000</u>
Gross Capital.....	\$ 1,003,935,000
Accounting Accruals and Adjustments.....	<u>1,000</u>
Net Capital Improvement Program.....	<u><u>\$ 1,003,936,000</u></u>

POWER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2022-23
POWER SYSTEM RELIABILITY PROGRAM	
PSRP - Distribution.....	\$ 309,787,000
PSRP - Substation.....	133,922,000
PSRP - Transmission.....	41,792,000
Information Application System Capital - PSIAT.....	40,086,000
PSRP - Generation.....	21,271,000
Generation Modernization.....	875,000
Total.....	<u>\$ 547,733,000</u>
INFRASTRUCTURE	
New Business - Revenue Generation.....	\$ 198,237,000
Inter-Agency and Customer Initiative.....	73,296,000
General Facility Improvements - PCM.....	32,024,000
Haynes Generating Station Additions and Betterments.....	27,427,000
Automatic Meter Reading.....	24,695,000
Valley Generating Station Additions and Betterments.....	24,198,000
Scattergood Generating Station Additions and Betterments.....	15,417,000
Substation Reliability Improvement.....	12,933,000
Palo Verde Generating Station Capital Improvements.....	12,281,000
Castaic Power Plant Additions and Betterments.....	7,853,000
Streetlight Systems.....	7,331,000
NERC Critical Infrastructure Protection (CIP) Cybersecurity Power (Capital).....	6,296,000
Generation Station and Power Plant Additions and Betterments.....	4,907,000
Sylmar Converter Station Additions and Betterments.....	3,468,000
Power System General (Capital).....	3,179,000
Power & External Energy Resources General Capital.....	2,778,000
Critical Infrastructure Protection (CIP) Program Support.....	2,220,000
General Facility Improvement -Transmission.....	1,802,000
PCM General Business Equipment.....	1,758,000
General Facility Improvement.....	1,713,000
Harbor Generating Station Additions and Betterments.....	1,551,000
SmartGrid, Infrastructure.....	1,084,000
Electric Vehicle Program Infrastructure (Capital).....	1,051,000
Eastern Stations Additions and Betterments.....	880,000
Generation Miscellaneous Improvements on Various DWP Facilities.....	676,000
Owens Valley Eastern Sierra (OVES) Distribution Additions and Betterments.....	502,000
Electrical Transportation.....	119,000
Transmission Lines Additions and Betterments.....	48,000
Power System Disaster Recovery (Capital).....	16,000
Capital Facility Improvements Power System.....	1,000
Total.....	<u>\$ 469,741,000</u>
REPOWERING	
Haynes Demo/Modernization.....	\$ 5,738,000
Castaic Modernization.....	424,000
Scattergood Demo/Modernization.....	335,000
Total.....	<u>\$ 6,497,000</u>
GAS DRILLING	
SCPPA Gas Reserves Project.....	\$ 210,000
Total.....	<u>\$ 210,000</u>
RENEWABLE PORTFOLIO STANDARD	
Long - Term Planning & Development.....	\$ 99,265,000
Barren Ridge Renewable Transmission.....	39,899,000
Power System Incentive Program.....	21,074,000
Resource Development - Renewable Projects.....	19,879,000
Transmission Lines.....	12,520,000
Energy Imbalance Market Capital.....	7,608,000
Small Hydro Plants Additions and Betterments.....	6,078,000
Owens Valley Eastern Sierra Generation and Facilities Additions and Betterments.....	4,669,000
Generation Wind Power Plant Additions and Betterments.....	1,203,000
Energy Storage 10YR/<.....	619,000
Community Solar Program.....	302,000
Power New Business RPS, incl Smart Grid RPS.....	279,000
Total.....	<u>\$ 213,395,000</u>

POWER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM (Continued)

	Projected Expenditures 2022-23
OPERATING SUPPORT	
Capital Allocation from Water.....	\$ 93,714,000
ERP Program - Power Funded.....	49,543,000
GHG Funded Projects (Capital).....	40,238,000
Revenue and Credit Management (Capital).....	21,531,000
Joint Facilities (Non - JFB) Power.....	21,441,000
CIS Replacement Project.....	18,168,000
Enterprise Cyber Security	17,788,000
New Hardware and Software Implementation.....	14,859,000
Communications Systems.....	11,491,000
Customer Service Support- Analysis & Management.....	10,384,000
Security Planning - Power (Capital).....	10,357,000
Fiber Optic Enterprise - Capital.....	9,069,000
Information Systems Project Funding.....	8,902,000
PC Equipment Power - Joint.....	5,602,000
Rate Technology.....	5,227,000
Systems and Infrastructure.....	3,726,000
LCFS Funded Projects (Capital).....	3,670,000
Cloud Infrastructure - Power Funded.....	2,247,000
Remittance Processing Center (Capital).....	1,672,000
Budget and Financial Planning System.....	1,396,000
Power - Ergonomics, Furniture, and Remodel.....	1,224,000
LaKretz (Capital).....	1,109,000
Field Operations Equipment & Betterments.....	1,085,000
Economic Development - Capital.....	837,000
Corporate Software Licenses.....	428,000
Corporate Program Mgmt.....	210,000
Additions and Betterments - Corporate Services.....	114,000
General Facility Improvement - ITS.....	77,000
CSS Energy Load Monitoring.....	5,000
Total.....	<u>\$ 356,114,000</u>
ENERGY EFFICIENCY	
Energy Efficiency - Power Funded.....	\$ 152,087,000
Total.....	<u>\$ 152,087,000</u>
Gross Capital	\$ 1,745,777,000
Accounting Accruals and Adjustments.....	1,000
Net Capital Improvement Program.....	<u>\$ 1,745,778,000</u>

**DEPARTMENT OF WATER AND POWER
WATER AND POWER EMPLOYEES' RETIREMENT, DISABILITY
AND DEATH BENEFIT INSURANCE PLAN
FY 2022-2023**

RETIREMENT FUND

		RECEIPTS		
Actual 2020-21	Budget 2021-22	Estimated 2021-22		Budget 2022-23
\$ 385,071,467	\$ 482,133,368	\$ 335,000,000	Department Contributions	\$ 351,542,348
115,876,896	123,585,000	117,000,000	Member Contributions	119,500,000
<u>3,554,020,120</u>	<u>1,107,110,000</u>	<u>1,162,000,000</u>	Investment Return	<u>1,243,000,000</u>
4,054,968,483	1,712,828,368	1,614,000,000	TOTAL RECEIPTS	<u>1,714,042,348</u>
APPROPRIATIONS				
671,277,654	704,900,000	708,500,000	Benefit Payments	754,500,000
69,858,971	81,823,023	81,162,000	Administrative Expense*	92,052,348
<u>3,313,831,858</u>	<u>926,105,346</u>	<u>824,338,000</u>	Available for Investment	<u>867,490,000</u>
<u>\$ 4,054,968,483</u>	<u>\$ 1,712,828,368</u>	<u>\$ 1,614,000,000</u>	TOTAL APPROPRIATIONS	<u>\$ 1,714,042,348</u>

**Total active investment management fee of \$63.9 M for 2020-21 Actual, \$74.8 M for 2021-22 Estimate, and \$84.9 M for 2022-23 Budget.*

DISABILITY FUND

		RECEIPTS		
Actual 2020-21	Budget 2021-22	Estimated 2021-22		Budget 2022-23
\$ 16,794,349	\$ 17,451,649	\$ 16,300,000	Department Contributions	\$ 15,924,349
528,815	540,600	541,000	Member Contributions	550,000
<u>394,848</u>	<u>1,250,000</u>	<u>1,440,000</u>	Investment Return	<u>1,490,000</u>
<u>17,718,012</u>	<u>19,242,249</u>	<u>18,281,000</u>	TOTAL RECEIPTS	<u>17,964,349</u>
APPROPRIATIONS				
15,166,762	17,060,000	17,500,000	Benefit Payments	17,850,000
1,265,077	1,437,350	1,305,000	Administrative Expense	1,469,349
<u>1,286,173</u>	<u>744,899</u>	<u>(524,000)</u>	Available for Investment	<u>(1,355,000)</u>
<u>\$ 17,718,012</u>	<u>\$ 19,242,249</u>	<u>\$ 18,281,000</u>	TOTAL APPROPRIATIONS	<u>\$ 17,964,349</u>

**DEPARTMENT OF WATER AND POWER
WATER AND POWER EMPLOYEES' RETIREMENT, DISABILITY
AND DEATH BENEFIT INSURANCE PLAN
FY 2022-2023**

DEATH BENEFIT FUND

		RECEIPTS		
Actual 2020-21	Budget 2021-22	Estimated 2021-22		Budget 2022-23
\$ 14,522,798	\$ 15,491,652	\$ 14,500,000	Department Contributions	\$ 15,407,665
373,989	380,000	380,000	Member Contributions	390,000
389,669	1,250,000	1,470,000	Investment Return	1,520,000
<u>15,286,456</u>	<u>17,121,652</u>	<u>16,350,000</u>	TOTAL RECEIPTS	<u>17,317,665</u>
APPROPRIATIONS				
10,245,251	8,500,000	9,500,000	Benefit Payments	9,000,000
1,658,919	1,901,652	1,703,000	Administrative Expense	2,152,665
3,382,286	6,720,000	5,147,000	Available for Investment	6,165,000
<u>\$ 15,286,456</u>	<u>\$ 17,121,652</u>	<u>\$ 16,350,000</u>	TOTAL APPROPRIATIONS	<u>\$ 17,317,665</u>

RETIREE HEALTH BENEFITS FUND

		RECEIPTS		
Actual 2020-21	Budget 2021-22	Estimated 2021-22		Budget 2022-23
\$ 110,261,019	\$ 118,216,639	\$ 113,200,000	Department Contributions	\$ 119,884,110
-	-	-	Member Contributions	-
625,802,467	193,730,000	204,890,000	Investment Return	219,230,000
<u>736,063,486</u>	<u>311,946,639</u>	<u>318,090,000</u>	TOTAL RECEIPTS	<u>339,114,110</u>
APPROPRIATIONS				
109,282,435	117,100,000	112,000,000	Benefit Payments	118,720,000
12,388,853	14,232,725	14,123,000	Administrative Expense**	16,164,110
614,392,198	180,613,914	191,967,000	Available for Investment	204,230,000
<u>736,063,486</u>	<u>311,946,639</u>	<u>318,090,000</u>	TOTAL APPROPRIATIONS	<u>339,114,110</u>

***Total active investment management fee of \$11.4 M for 2020-21 Actual, \$13.1 M for 2021-22 Estimate, and \$15.0 M for 2022-23 Budget.*