

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 2023-24	Estimated Receipts 2024-25		Estimated Receipts 2025-26
\$ 602,600,000	\$ 743,300,000	Balance available, July 1.....	\$ 539,500,000
		Less:	
--	--	Payments to City of Los Angeles (Held in Reserve).....	--
\$ 602,600,000	\$ 743,300,000	Adjusted Balance.....	\$ 539,500,000
1,579,959,000	1,989,939,000	Sale of Water (1).....	2,169,589,000
508,274,000	591,084,000	From Power Revenue Fund for services and materials.....	574,518,000
342,506,000	160,645,000	Proceeds from sale of bonds for construction	
		expenditures made by Water Revenue Fund.....	324,081,000
--	--	Proceeds from Securitization (2).....	--
--	--	Proceeds from Revolving Line of Credit.....	-
42,758,000	23,898,000	Proceeds from State of California Loan.....	32,537,000
238,883,000	41,713,000	Contributions in aid of constructions.....	77,189,000
36,995,000	40,591,000	Customers' deposits.....	41,524,000
9,093,000	5,995,000	From individuals, companies and governmental	
		agencies for services and materials.....	5,717,000
48,704,000	24,377,000	Miscellaneous.....	23,427,000
<u>\$ 3,409,772,000</u>	<u>\$ 3,621,542,000</u>	Total Water Revenue Fund.....	<u>\$ 3,788,082,000</u>

APPROPRIATIONS

Expenditures 2023-24	Estimated Expenditures 2024-25		Estimated Appropriation 2025-26
\$ 604,607,000	\$ 658,481,000	Salaries and wages.....	\$ 682,827,000
322,449,000	368,118,000	Materials, supplies and equipment.....	276,725,000
199,804,000	292,080,000	Water purchased for resale.....	245,712,000
183,849,000	86,185,000	Contracts - Construction work.....	239,603,000
23,434,000	12,937,000	Contracts - Operation and maintenance work.....	17,629,000
46,803,000	49,433,000	Rentals and leases.....	47,154,000
--	--	Payments to other utilities for proportionate share of	
		construction, operation and maintenance of	
		jointly-owned facilities.....	--
122,096,000	143,052,000	Outside services and regulatory fees.....	309,840,000
625,000	553,000	Purchase of land and buildings.....	257,000
21,834,000	22,448,000	Property taxes.....	22,001,000
20,031,000	24,869,000	Utility services for electricity and heat.....	29,941,000
20,278,000	17,939,000	Injuries and damages.....	16,586,000
--	78,000	Postal services.....	232,000
65,958,000	65,262,000	Professional services.....	88,898,000

WATER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2023-24	Estimated Expenditures 2024-25		Estimated Appropriation 2025-26
\$ 4,211,000	\$ 3,206,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	\$ 2,798,000
8,033,000	6,174,000	Insurance.....	6,959,000
8,784,000	9,802,000	Refunds of customers' deposits.....	10,028,000
350,452,000	431,420,000	Reimbursements to Power System for proportional share of intradepartmental facilities and activities.....	492,387,000
438,381,000	425,952,000	Redemption and Interest - Water Revenue Bond and State Loan	454,987,000
100,000,000	--	Payment of Revolving Line of Credit.....	--
137,662,000	155,753,000	Health Care Plans.....	172,535,000
140,846,000	149,648,000	Retirement and Death Benefit Insurance Plan.....	114,686,000
\$ 2,820,137,000	\$ 2,923,390,000	Total Appropriations (3).....	\$ 3,231,785,000
		Less:	
\$ 153,665,000	\$ (158,652,000)	Adjustments (Accrual, etc.).....	\$ (48,097,000)
743,300,000	539,500,000	Unexpended Balance.....	
--	--	Unappropriated Balance.....	508,200,000
\$ 3,409,772,000	\$ 3,621,542,000	Total Water Revenue Fund.....	\$ 3,788,082,000

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. Appropriations net of receipts from Power System, individuals and companies, contributions in aid of construction, customer deposits, and other miscellaneous sources, results in a Water Revenue Fund Operating Budget of \$2,509,410,000.

DEPARTMENT OF WATER AND POWER

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POWER REVENUE FUND

RECEIPTS

	Receipts	Estimated		Estimated
	2023-24	Receipts		Receipts
		2024-25		2025-26
\$	1,639,000,000	\$ 1,198,100,000	Balance available, July 1.....	\$ 1,108,000,000
			Less:	
	244,695,000	219,312,000	Payments to City of Los Angeles.....	228,205,000
\$	1,394,305,000	\$ 978,788,000	Adjusted Balance.....	\$ 879,795,000
	4,793,989,000	5,257,473,000	Sale of electric energy (1).....	5,506,594,000
	352,470,000	431,716,000	From Water Revenue Fund for services and materials.....	492,388,000
	701,374,000	983,291,000	Proceeds from sale of bonds for construction	
			expenditures made by Power Revenue Fund.....	1,819,876,000
	61,466,000	81,545,000	Contributions in aid of construction.....	93,288,000
	131,156,000	117,272,000	From individuals, companies and governmental	
			agencies for services and materials.....	106,859,000
	395,293,000	277,279,000	Miscellaneous.....	270,713,000
\$	7,830,053,000	\$ 8,127,364,000	Total Power Revenue Fund.....	\$ 9,169,513,000

APPROPRIATIONS

	Expenditures	Estimated		Estimated
	2023-24	Expenditures		Appropriation
		2024-25		2025-26
\$	1,460,521,000	\$ 1,547,431,000	Salaries and wages.....	\$ 1,589,364,000
	352,855,000	410,003,000	Materials, supplies and equipment.....	483,103,000
	1,554,395,000	1,659,471,000	Purchased energy and fuel for generation.....	1,671,562,000
	255,994,000	476,413,000	Contracts - Construction work.....	694,461,000
	74,592,000	73,301,000	Contracts - Operation and maintenance work.....	93,623,000
	20,191,000	23,909,000	Rentals and leases.....	41,470,000
	16,427,000	20,634,000	Payments to other utilities for proportionate share of	
			construction, operation and maintenance of	
			jointly-owned facilities.....	21,086,000
	213,135,000	305,845,000	Outside services and regulatory fees.....	589,412,000
	11,000	32,416,000	Purchase of land and buildings.....	19,621,000
	18,683,000	19,162,000	Property taxes.....	18,856,000
	14,485,000	15,109,000	Utility services for telecommunications and water.....	12,810,000
	25,210,000	42,895,000	Injuries and damages.....	30,561,000
	9,302,000	10,077,000	Postal services.....	10,926,000

POWER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2023-24	Estimated Expenditures 2024-25		Estimated Appropriation 2025-26
\$ 174,914,000	\$ 212,857,000	Professional services.....	\$ 397,946,000
8,296,000	11,522,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	10,804,000
47,496,000	95,468,000	Insurance.....	88,278,000
6,128,000	9,740,000	Refunds of customers' deposits.....	9,964,000
--	--	Energy Efficiency Loans to customers.....	--
506,585,000	591,386,000	Reimbursements to Water System for proportional share of intradepartmental facilities and activities.....	574,518,000
837,021,000	771,439,000	Bond redemption and interest - Electric Plant Revenue Bonds (Including Debt Restructuring).....	877,628,000
263,539,000	301,517,000	Health Care Plans.....	333,155,000
303,831,000	317,134,000	Retirement and Death Benefit Insurance Plan.....	242,463,000
\$ 6,163,611,000	\$ 6,947,729,000	Total Appropriations (2).....	\$ 7,811,611,000
		Less:	
\$ (468,342,000)	\$ (71,635,000)	Adjustments (Accrual, etc.).....	\$ (142,902,000)
1,198,100,000	1,108,000,000	Unexpended Balance.....	1,215,000,000
\$ 7,830,053,000	\$ 8,127,364,000	Unappropriated Balance.....	1,215,000,000
		Total Power Revenue Fund.....	\$ 9,169,513,000

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. Appropriations net of receipts from Water System, individuals and companies, contributions in aid of construction, and other miscellaneous sources, results in a Power Revenue Fund Operating Budget of \$6,848,363,000.

WATER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2025-26
INFRASTRUCTURE - PASS THRU	
Distribution Mains.....	\$ 170,672,000
Trunk Line & Major System Connections.....	140,835,000
Services, Meters & Hydrants.....	75,494,000
Infrastructure Reservoir Improvements.....	57,022,000
Pump Stations.....	19,923,000
Regulator Stations.....	8,965,000
Seismic Improvements.....	3,833,000
Water Systems Infrastructure Support.....	3,494,000
Griffith Park Water Distribution System.....	3,070,000
Water Services Organization Facilities - Water Infrastructure Adjustment.....	3,016,000
Planning Hydraulic Model Development - Water Infrastructure Adjustment.....	1,649,000
Total.....	\$ 487,973,000
INFRASTRUCTURE - BASE	
Water Services Organization Facilities.....	\$ 39,271,000
Water Services Organization Information Technology.....	15,133,000
Tools & Equipment.....	1,346,000
Water System Security Improvement Project.....	1,344,000
LA Aqueduct Water Resource Development.....	465,000
Total.....	\$ 57,559,000
WATER QUALITY	
Water Reuse.....	\$ 85,938,000
Water Treatment Improvements.....	69,757,000
Groundwater Remediation and Cleanup.....	28,855,000
Meter Replacement Program.....	25,139,000
Chloramination Station Installations.....	22,676,000
Water Quality Improvement Project - Trunkline Improvements.....	9,088,000
Water Quality Improvement Project - Reservoir Improvements.....	4,268,000
Tools & Equipment - Water Quality.....	1,133,000
Water Services Organization Facilities - Water Quality.....	471,000
Water System Security Improvement Project - Water Quality.....	301,000
Total.....	\$ 247,626,000
INFRASTRUCTURE - OPERATING SUPPORT	
Joint Capital-Water Share.....	\$ 46,171,000
ERP Program Water Funded.....	30,525,000
Fleet Equipment Replacements & Additions.....	29,395,000
Emergency Management Capital.....	10,334,000
Enterprise Cyber Security Water Funded.....	9,569,000
Cloud Infrastructure Water Funded.....	5,648,000
John Ferraro Building Capital (LEED).....	5,297,000
PC Equipment - Water Services.....	4,617,000
Additions & Betterments - Water Fund.....	4,546,000
Fleet Construction Projects.....	912,000
Water Ergonomics, Furniture, and Remodel.....	853,000
PC Equipment Water - Joint.....	571,000
Security Planning Capital - Water.....	476,000
Environmental Lab Capital.....	340,000
HR Capital Projects & Equipment.....	224,000
Tools & Equipment - Power Construction & Maintenance (PCM) Shops.....	195,000
Joint Facilities (Non-JFB) Water.....	53,000
Industrial Graphics Equipment.....	33,000
Cafeteria Equipment (JFB).....	17,000
Capital Projects & Equipment.....	17,000
Tools & Equipment - Corporate Services Organization.....	9,000
Total.....	\$ 149,802,000

WATER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM (continued)

	Projected Expenditures 2025-26
WSCA - RECYCLED WATER	
Watershed - Stormwater Capture.....	\$ 99,550,000
Water Recycling - Capital.....	14,751,000
Total.....	\$ 114,301,000
 WSCA - LAA	
LA Aqueduct System - Additions & Betterments South.....	\$ 21,803,000
LA Aqueduct System - Additions & Betterments North.....	11,086,000
E. Sierra Environmental Capital.....	4,524,000
Water Services Organization Facilities - WSCA - LAA.....	172,000
Total.....	\$ 37,585,000
 WSCA - WATER CONSERVATION	
Water Conservation	\$ 23,514,000
Total.....	\$ 23,514,000
 WSCA - GROUNDWATER	
Groundwater Management.....	\$ 6,413,000
Total.....	\$ 6,413,000
 OWENS VALLEY REGULATORY	
Owens Lake Dust Mitigation Project Capital Additions & Betterments.....	\$ 23,677,000
Owens Lake Supplemental Dust Control Development.....	2,687,000
Owens Lake Master Project.....	1,700,000
Total.....	\$ 28,064,000
Gross Capital.....	\$ 1,152,837,000
Accounting Accruals and Adjustments.....	1,000
Net Capital Improvement Program.....	\$ 1,152,838,000

POWER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2025-26
POWER SYSTEM RELIABILITY PROGRAM	
PSRP - Distribution.....	\$ 479,057,000
PSRP - Substation.....	193,518,000
New Business Revenue Generation PSRP.....	181,911,000
Generation Modernization.....	64,306,000
Inter-Agency and Customer Initiatives PSRP.....	63,921,000
Information Application System Capital - PSIAT.....	62,630,000
PSRP - Transmission.....	51,715,000
Critical Infrastructure Protection (CIP) Program Support	24,860,000
PSRP - Generation.....	22,075,000
Substation Reliability Improvement.....	10,713,000
General Facility Improvements - Power Construction and Maintenance - PSRP.....	6,042,000
General Facility Improvements - Transmission.....	5,705,000
Transmission Lines Additions and Betterments.....	4,169,000
Sylmar Converter Station Additions and Betterments.....	659,000
Eastern Stations Additions and Betterments.....	190,000
Total.....	\$ 1,171,471,000
 INFRASTRUCTURE	
New Business - Revenue Generation.....	\$ 89,149,000
Inter-Agency and Customer Initiatives.....	64,848,000
General Facility Improvements - Power Construction and Maintenance.....	57,775,000
Haynes Generating Station Additions and Betterments.....	49,780,000
Castaic Power Plant Additions and Betterments.....	29,803,000
Electric Vehicle Program Infrastructure (Capital).....	27,991,000
Automatic Meter Reading.....	24,038,000
Scattergood Generating Station Additions and Betterments.....	23,849,000
Palo Verde Generating Station Capital Improvements.....	17,366,000
Valley Generating Station Additions and Betterments.....	15,640,000
Harbor Generating Station Additions and Betterments.....	8,526,000
Streetlight Systems.....	8,479,000
Generation Miscellaneous Improvements on Various DWP Facilities.....	6,701,000
General Capital Expenses.....	4,999,000
Power System General (Capital).....	4,322,000
Power Construction and Maintenance General Business Equipment.....	2,598,000
NERC Critical Infrastructure Protection (CIP) Cybersecurity Power (Capital).....	2,326,000
General Facility Improvement.....	2,286,000
Generation Station and Power Plant Additions and Betterments.....	1,992,000
Owens Valley Eastern Sierra (OVES) Distribution Additions and Betterments.....	732,000
Advanced Technology Infrastructure Meters - Capital Tools and Equipment.....	113,000
Power System Disaster Recovery Capital	9,000
SmartGrid, Infrastructure.....	1,000
Total.....	\$ 443,323,000
 REPOWERING	
Scattergood Demo/Modernization	\$ 338,000
Total.....	\$ 338,000
 GAS DRILLING	
SCPPA Gas Reserves Project.....	\$ 769,000
Total.....	\$ 769,000

POWER REVENUE FUND

CAPITAL IMPROVEMENT PROGRAM (Continued)

	Projected Expenditures 2025-26
RENEWABLE PORTFOLIO STANDARD	
Long - Term Planning & Development.....	\$ 272,825,000
Valley Generating Station Additions and Betterments RPS.....	61,626,000
Distributed Energy Resources (DER) Incentive Program.....	25,148,000
Barren Ridge Renewable Transmission.....	19,439,000
Small Hydro Plants Additions and Betterments.....	13,040,000
Resource Development - Renewable Projects.....	12,548,000
Owens Valley Eastern Sierra Generation and Facilities Additions and Betterments.....	12,371,000
Energy Imbalance Market Capital.....	7,965,000
Generation Wind Power Plant Additions and Betterments.....	5,785,000
Transmission Lines.....	2,594,000
Energy Storage 10YR/<.....	886,000
Utility Built Solar.....	9,000
Total.....	<u>\$ 434,236,000</u>
OPERATING SUPPORT	
Capital Allocation from Water.....	\$ 101,050,000
ERP Program - Power Funded.....	63,280,000
GHG Funded Projects (Capital).....	40,766,000
CIS Replacement Project.....	27,559,000
Information Systems Project Funding.....	22,410,000
New Hardware and Software Implementation.....	22,288,000
Enterprise Cyber Security	18,576,000
Security Planning - Power (Capital).....	13,994,000
Customer Service Support- Analysis & Management.....	13,775,000
Revenue and Credit Management (Capital).....	13,350,000
PC Equipment Power - Joint.....	12,266,000
Cloud Infrastructure - Power Funded.....	10,964,000
Communications Systems.....	10,753,000
Fiber Optic Enterprise - Capital.....	8,621,000
Network and Collaboration Infrastructure.....	8,055,000
Remittance Processing Center (Capital).....	5,241,000
Customer Service Division Capital Projects.....	4,911,000
LCFS Funded Projects (Capital).....	4,667,000
Rate Technology.....	3,845,000
Field Operations Equipment & Betterments.....	3,672,000
Joint Facilities (Non - JFB) Power.....	2,855,000
Corporate Software Licenses.....	2,460,000
Power - Ergonomics, Furniture, and Remodel.....	1,172,000
Economic Development - Capital.....	820,000
LaKretz (Capital).....	554,000
Budget and Financial Planning System.....	550,000
Systems and Infrastructure.....	170,000
Additions and Betterments - Corporate Services.....	122,000
General Facility Improvement - ITS.....	84,000
Accounting Information Systems Development.....	63,000
Total.....	<u>\$ 418,893,000</u>
ENERGY EFFICIENCY	
Energy Efficiency - Power Funded.....	\$ 163,227,000
Total.....	<u>\$ 163,227,000</u>
Gross Capital	\$ 2,632,257,000
Accounting Accruals and Adjustments.....	<u>(1,000)</u>
Net Capital Improvement Program.....	<u>\$ 2,632,256,000</u>

**DEPARTMENT OF WATER AND POWER
WATER AND POWER EMPLOYEES' RETIREMENT, DISABILITY
AND DEATH BENEFIT INSURANCE PLAN**

RETIREMENT FUND

Actual 2023-24	Budget 2024-25	RECEIPTS Estimated 2024-25	Budget 2025-26
\$ 431,968,373	\$ 415,450,000	\$ 430,580,000	Department Contributions \$ 267,530,000
151,338,409	146,220,000	167,290,000	Member Contributions 172,310,000
1,670,931,689	1,132,310,000	1,063,210,000	Investment Return 1,228,810,000
<u>2,254,238,471</u>	<u>1,693,980,000</u>	<u>1,661,080,000</u>	TOTAL RECEIPTS 1,668,650,000
APPROPRIATIONS			
783,895,839	814,660,000	817,430,000	Benefit Payments 862,390,000
82,446,642	107,400,000	107,640,000	Administrative Expense* 146,580,000
1,387,895,990	771,920,000	736,010,000	Available for Investment 659,680,000
<u>\$ 2,254,238,471</u>	<u>\$ 1,693,980,000</u>	<u>\$ 1,661,080,000</u>	TOTAL APPROPRIATIONS \$ 1,668,650,000

**Total active investment management fee of \$75.9 M for 2023-24 Actual, \$98.6 M for 2024-25 Estimate, and \$137.9 M for 2025-26 Budget.*

DISABILITY FUND

Actual 2023-24	Budget 2024-25	RECEIPTS Estimated 2024-25	Budget 2025-26
\$ 17,914,663	\$ 17,910,000	\$ 20,660,000	** Department Contributions \$ 20,640,000
557,756	555,500	570,000	Member Contributions 575,700
1,082,133	900,000	880,000	Investment Return 850,000
<u>19,554,552</u>	<u>19,365,500</u>	<u>22,110,000</u>	TOTAL RECEIPTS 22,065,700
APPROPRIATIONS			
19,618,267	20,670,000	20,020,000	** Benefit Payments 20,710,000
1,325,607	1,830,000	1,880,000	Administrative Expense 1,870,000
(1,389,322)	(3,134,500)	210,000	Available for Investment (514,300)
<u>\$ 19,554,552</u>	<u>\$ 19,365,500</u>	<u>\$ 22,110,000</u>	TOTAL APPROPRIATIONS \$ 22,065,700

***Include \$566K for contingent disability benefits previously classified as advances and reimbursed by the Department. These benefits are incorporated into the FY2025-26 budget and will be accounted for in subsequent budgets.*

DEATH BENEFIT FUND

		RECEIPTS		
Actual 2023-24	Budget 2024-25	Estimated 2024-25		Budget 2025-26
\$ 18,629,896	\$ 18,850,000	\$ 19,630,000	Department Contributions	\$ 19,460,000
387,090	380,000	395,000	Member Contributions	395,000
1,914,642	1,330,000	1,290,000	Investment Return	1,670,000
<u>20,931,628</u>	<u>20,560,000</u>	<u>21,315,000</u>	TOTAL RECEIPTS	<u>21,525,000</u>
APPROPRIATIONS				
8,959,480	9,520,000	9,620,000	Benefit Payments	9,860,000
2,214,130	2,720,000	2,790,000	Administrative Expense	3,010,000
9,758,018	8,320,000	8,905,000	Available for Investment	8,655,000
<u>\$ 20,931,628</u>	<u>\$ 20,560,000</u>	<u>\$ 21,315,000</u>	TOTAL APPROPRIATIONS	<u>\$ 21,525,000</u>

RETIREE HEALTH BENEFITS FUND

		RECEIPTS		
Actual 2023-24	Budget 2024-25	Estimated 2024-25		Budget 2025-26
\$ 115,661,042	\$ 120,980,000	\$ 125,600,000	Department Contributions	\$ 128,330,000
-	-	-	Member Contributions	-
311,160,368	206,290,000	193,700,000	Investment Return	226,920,000
<u>426,821,410</u>	<u>327,270,000</u>	<u>319,300,000</u>	TOTAL RECEIPTS	<u>355,250,000</u>
APPROPRIATIONS				
114,570,059	119,710,000	124,110,000	Benefit Payments	126,960,000
15,120,669	19,320,000	19,330,000	Administrative Expense*** ...	26,840,000
297,130,682	188,240,000	175,860,000	Available for Investment	201,450,000
<u>426,821,410</u>	<u>327,270,000</u>	<u>319,300,000</u>	TOTAL APPROPRIATIONS	<u>355,250,000</u>

***Total active investment management fee of \$14.0 M for 2023-24 Actual, \$18.0 M for 2024-25 Estimate, and \$25.5 M for 2025-26 Budget.