

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

	Estimated Receipts 2024-25	Estimated Receipts 2025-26		Estimated Receipts 2026-27		
\$	743,300,000	\$	566,300,000	Balance available, July 1.....	\$	618,700,000
	--		--	Less:		
	--		--	Payments to City of Los Angeles (Held in Reserve).....		--
\$	743,300,000	\$	566,300,000	Adjusted Balance.....	\$	618,700,000
	2,063,183,000		2,121,654,000	Sale of Water (1).....		2,083,406,000
	579,849,000		598,615,000	From Power Revenue Fund for services and materials.....		751,962,000
	--		388,101,000	Proceeds from sale of bonds for construction expenditures made by Water Revenue Fund.....		799,363,000
	--		--	Proceeds from Securitization (2).....		--
	300,000,000		--	Proceeds from Revolving Line of Credit.....		-
	10,991,000		35,509,000	Proceeds from State of California Loan.....		34,457,000
	56,451,000		39,564,000	Contributions in aid of construction.....		93,438,000
	40,885,000		42,941,000	Customers' deposits.....		43,929,000
	6,643,000		4,724,000	From individuals, companies and governmental agencies for services and materials.....		6,044,000
	58,245,000		25,820,000	Miscellaneous.....		24,681,000
\$	3,859,547,000	\$	3,823,228,000	Total Water Revenue Fund.....	\$	4,455,980,000

APPROPRIATIONS

	Estimated Expenditures 2024-25	Estimated Expenditures 2025-26		Estimated Appropriation 2026-27		
\$	692,484,000	\$	710,347,000	Salaries and wages.....	\$	770,388,000
	430,339,000		349,367,000	Materials, supplies and equipment.....		409,011,000
	315,018,000		300,509,000	Water purchased for resale.....		219,675,000
	107,678,000		151,292,000	Contracts - Construction work.....		318,431,000
	11,137,000		20,030,000	Contracts - Operation and maintenance work.....		17,769,000
	49,805,000		49,639,000	Rentals and leases.....		67,496,000
	--		--	Payments to other utilities for proportionate share of construction, operation and maintenance of jointly-owned facilities.....		--
	124,323,000		133,588,000	Outside services and regulatory fees.....		386,525,000
	706,000		888,000	Purchase of land and buildings.....		10,946,000
	23,467,000		24,862,000	Property taxes.....		26,683,000
	26,159,000		24,425,000	Utility services for electricity and heat.....		30,162,000
	29,801,000		15,643,000	Injuries and damages.....		23,438,000
	--		73,000	Postal services.....		109,000
	57,362,000		70,221,000	Professional services.....		109,654,000

WATER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2024-25	Estimated Expenditures 2025-26		Estimated Appropriation 2026-27
\$ 4,044,000	\$ 3,408,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	\$ 3,051,000
9,344,000	5,703,000	Insurance.....	7,079,000
9,985,000	8,835,000	Refunds of customers' deposits.....	9,038,000
427,439,000	502,351,000	Reimbursements to Power System for proportional share of intradepartmental facilities and activities.....	559,081,000
429,285,000	442,856,000	Redemption and Interest - Water Revenue Bond and State Loan	493,675,000
--	100,000,000	Payment of Revolving Line of Credit.....	70,000,000
151,406,000	178,061,000	Health Care Plans.....	193,256,000
143,137,000	116,712,000	Retirement and Death Benefit Insurance Plan.....	106,035,000
\$ 3,042,919,000	\$ 3,208,810,000	Total Appropriations (3).....	\$ 3,831,502,000
		Less:	
\$ (250,328,000)	\$ 4,282,000	Adjustments (Accrual, etc.).....	\$ (79,278,000)
566,300,000	618,700,000	Unexpended Balance.....	
--	--	Unappropriated Balance.....	545,200,000
\$ 3,859,547,000	\$ 3,823,228,000	Total Water Revenue Fund.....	\$ 4,455,980,000

1. Includes "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 \$2,911,448,000.

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

	Estimated Receipts 2024-25	Estimated Receipts 2025-26		Estimated Receipts 2026-27
\$	1,198,100,000	\$ 1,131,000,000	Balance available, July 1.....	\$ 1,694,000,000
	219,312,000	225,782,000	Less:	
			Payments to City of Los Angeles.....	219,884,000
\$	978,788,000	\$ 905,218,000	Adjusted Balance.....	\$ 1,474,116,000
	5,197,962,000	5,656,183,000	Sale of electric energy (1).....	5,845,267,000
	424,024,000	502,234,000	From Water Revenue Fund for services and materials.....	559,166,000
	1,141,773,000	1,599,931,000	Proceeds from sale of bonds for construction expenditures made by Power Revenue Fund.....	1,690,280,000
	150,000,000	--	Proceeds from Revolving Line of Credit.....	--
	63,915,000	88,418,000	Contributions in aid of construction.....	101,385,000
	139,181,000	116,401,000	From individuals, companies and governmental agencies for services and materials.....	119,691,000
	348,372,000	270,612,000	Miscellaneous.....	255,946,000
\$	8,444,015,000	\$ 9,138,997,000	Total Power Revenue Fund.....	\$ 10,045,851,000

APPROPRIATIONS

	Estimated Expenditures 2024-25	Estimated Expenditures 2025-26		Estimated Appropriation 2026-27
\$	1,623,356,000	\$ 1,659,143,000	Salaries and wages.....	\$ 1,781,387,000
	443,468,000	501,584,000	Materials, supplies and equipment.....	641,427,000
	1,548,966,000	1,665,894,000	Purchased energy and fuel for generation.....	1,636,813,000
	449,225,000	370,807,000	Contracts - Construction work.....	765,899,000
	66,332,000	77,018,000	Contracts - Operation and maintenance work.....	93,476,000
	20,706,000	27,196,000	Rentals and leases.....	32,969,000
	20,812,000	23,195,000	Payments to other utilities for proportionate share of construction, operation and maintenance of jointly-owned facilities.....	28,411,000
	216,419,000	362,559,000	Outside services and regulatory fees.....	664,415,000
	50,222,000	99,991,000	Purchase of land and buildings.....	113,565,000
	19,795,000	20,768,000	Property taxes.....	22,002,000
	17,565,000	17,535,000	Utility services for telecommunications and water.....	15,889,000
	90,458,000	26,852,000	Injuries and damages.....	30,029,000
	10,087,000	10,866,000	Postal services.....	13,100,000

POWER REVENUE FUND

APPROPRIATIONS (Continued)

Expenditures 2024-25	Estimated Expenditures 2025-26		Estimated Appropriation 2026-27
\$ 162,612,000	\$ 262,510,000	Professional services.....	\$ 480,126,000
13,869,000	12,922,000	Transportation, lodging and employee mileage reimbursements in connection with construction, operation and maintenance work.....	9,594,000
66,016,000	76,179,000	Insurance.....	91,467,000
8,235,000	4,279,000	Refunds of customers' deposits.....	4,378,000
580,460,000	599,517,000	Reimbursements to Water System for proportional share of intradepartmental facilities and activities.....	751,961,000
754,824,000	904,222,000	Bond redemption and interest - Electric Plant Revenue Bonds (Including Debt Restructuring).....	1,006,831,000
--	--	Payment of Revolving Line of Credit.....	150,000,000
303,732,000	344,668,000	Health Care Plans.....	373,045,000
306,463,000	250,401,000	Retirement and Death Benefit Insurance Plan.....	224,103,000
\$ 6,773,622,000	\$ 7,318,106,000	Total Appropriations (2).....	\$ 8,930,887,000
		Less:	
\$ (539,393,000)	\$ (126,891,000)	Adjustments (Accrual, etc.).....	\$ 137,036,000
1,131,000,000	1,694,000,000	Unexpended Balance.....	1,252,000,000
		Unappropriated Balance.....	
\$ 8,444,015,000	\$ 9,138,997,000	Total Power Revenue Fund.....	\$ 10,045,851,000

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 \$7,894,699,000.

WATER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2026-27
INFRASTRUCTURE - PASS THRU	
Distribution Mains.....	\$ 180,426,000
Trunk Line & Major System Connections.....	126,540,000
Services, Meters & Hydrants.....	79,403,000
Infrastructure Reservoir Improvements.....	44,274,000
Pump Stations.....	28,267,000
Water Systems Infrastructure Support.....	16,126,000
Regulator Stations.....	10,404,000
Seismic Improvements.....	4,566,000
Water Service Organization Facilities - Water Infrastructure Adjustment.....	4,162,000
Griffith Park Water Distribution System.....	3,751,000
Planning Hydraulic Model Development - Water Infrastructure Adjustment.....	1,761,000
Total.....	\$ 499,680,000
INFRASTRUCTURE - BASE	
Water Service Organization Facilities.....	\$ 28,227,000
Water Service Organization Information Technology.....	17,372,000
Water System Security Improvement Projects.....	3,615,000
Tools & Equipment.....	1,329,000
LA Aqueduct Water Resource Development.....	52,000
Total.....	\$ 50,595,000
WATER QUALITY	
Water Reuse.....	\$ 208,354,000
Water Treatment Improvements.....	174,027,000
Chloramination Station Installations.....	35,459,000
Meter Replacement Program.....	25,624,000
Groundwater Remediation and Cleanup.....	22,738,000
Water Quality Improvement Project - Trunkline Improvements.....	11,590,000
Water Quality Improvement Project - Reservoir Improvements.....	9,979,000
Tools & Equipment - Water Quality.....	1,287,000
Water Service Organization Facilities - Water Quality.....	555,000
Water System Security Improvement Projects - Water Quality.....	203,000
Total.....	\$ 489,816,000
INFRASTRUCTURE - OPERATING SUPPORT	
Joint Capital-Water Share.....	\$ 79,317,000
Fleet Equipment Replacements & Additions.....	49,845,000
Emergency Management Capital	24,519,000
Enterprise Cyber Security Water Funded.....	14,901,000
ERP Program Water Funded.....	14,380,000
John Ferraro Building Capital (LEED).....	4,366,000
PC Equipment - Water Services.....	4,082,000
Fleet Construction Projects.....	3,626,000
Cloud Infrastructure Water Funded.....	3,102,000
Facilities Additions & Betterments - Water Fund.....	2,454,000
Security Planning Capital - Water.....	2,200,000
Water Ergonomics, Furniture, and Remodel.....	927,000
Joint Facilities (Non-JFB) Water.....	608,000
PC Equipment Water - Joint	552,000
HR Capital Projects & Equipment.....	534,000
Corporate Safety Capital	338,000
Environmental Lab Capital.....	336,000
Tools & Equipment - Power Construction & Maintenance (PCM) Shops.....	280,000
Industrial Graphics Equipment.....	33,000
Cafeteria Equipment (JFB).....	18,000
Tools & Equipment - Corporate Services Organization.....	10,000
Total.....	\$ 206,428,000

WATER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM (continued)

	Projected Expenditures 2026-27
WSCA - RECYCLED WATER	
Watershed - Stormwater Capture.....	\$ 61,808,000
Water Recycling - Capital.....	7,502,000
Total.....	\$ 69,310,000
 WSCA - LAA	
LA Aqueduct System - Additions & Betterments South.....	\$ 18,948,000
LA Aqueduct System - Additions & Betterments North.....	10,787,000
E. Sierra Environmental Capital.....	5,601,000
Water Services Organization Facilities - WSCA - LAA.....	190,000
Total.....	\$ 35,526,000
 WSCA - WATER CONSERVATION	
Water Conservation	\$ 29,070,000
Total.....	\$ 29,070,000
 WSCA - GROUNDWATER	
Groundwater Management.....	\$ 12,479,000
Total.....	\$ 12,479,000
 OWENS VALLEY REGULATORY	
Owens Lake Dust Mitigation Project Capital Additions & Betterments.....	\$ 20,258,000
Owens Lake Master Project.....	2,804,000
Owens Lake Supplemental Dust Control Development.....	2,596,000
Total.....	\$ 25,658,000
Gross Capital.....	\$ 1,418,562,000
Accounting Accruals and Adjustments.....	(2,000)
Net Capital Improvement Program.....	\$ 1,418,560,000

POWER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM

	Projected Expenditures 2026-27
POWER SYSTEM RELIABILITY PROGRAM	
PSRP - Distribution.....	\$ 563,305,000
PSRP - Substation.....	251,504,000
New Business Revenue Generation PSRP.....	194,055,000
Unified Utilities Rebuild.....	191,426,000
Inter-Agency and Customer Initiative PSRP.....	77,809,000
Critical Infrastructure Protection (CIP) Program Support.....	70,112,000
Information Application System Capital - PSIAT.....	59,274,000
Advanced Meter Infrastructure.....	56,800,000
Generation Modernization.....	37,620,000
PSRP - Transmission.....	34,147,000
PSRP - Generation.....	25,772,000
General Facility Improvements - Transmission.....	14,884,000
Substation Reliability Improvement.....	11,122,000
General Facility Improvements - Power Construction and Maintenance - PSRP.....	5,652,000
Sylmar Converter Station Additions and Betterments.....	2,900,000
Transmission Lines Additions and Betterments.....	649,000
Eastern Stations Additions and Betterments.....	143,000
Total.....	\$ 1,597,174,000
 OPERATING SUPPORT	
Capital Allocation from Water.....	\$ 179,053,000
Joint Facilities (Non - JFB) Power.....	63,147,000
GHG Funded Projects (Capital).....	43,707,000
Enterprise Cyber Security.....	28,925,000
Information Systems Project Funding.....	26,546,000
New Hardware and Software Implementation.....	26,512,000
CIS Replacement Project.....	24,772,000
ERP Program - Power Funded.....	22,741,000
Communications Systems.....	17,701,000
Revenue and Credit Management (Capital).....	16,760,000
PC Equipment Power - Joint.....	12,961,000
Fiber Optic Enterprise - Capital.....	11,970,000
Customer Service Support- Analysis & Management.....	10,234,000
Network and Collaboration Infrastructure.....	7,889,000
Cloud Infrastructure - Power Funded.....	6,021,000
Remittance Processing Center (Capital).....	5,133,000
LCFS Funded Projects (Capital).....	4,686,000
Security Planning - Power (Capital).....	4,044,000
Rate Technology.....	3,885,000
Customer Service Division Capital Projects.....	3,190,000
Field Operations Equipment & Betterments.....	1,850,000
Power - Ergonomics, Furniture, and Remodel.....	1,207,000
Budget and Financial Planning System.....	911,000
LaKretz (Capital).....	832,000
Economic Development - Capital.....	823,000
Corporate Software Licenses.....	303,000
Systems and Infrastructure.....	179,000
Additions and Betterments - Corporate Services.....	146,000
Accounting Information Systems Development.....	80,000
General Facility Improvement - ITS.....	54,000
Total.....	\$ 526,262,000

POWER REVENUE FUND
CAPITAL IMPROVEMENT PROGRAM (Continued)

	Projected Expenditures 2026-27
INFRASTRUCTURE	
New Business - Revenue Generation.....	\$ 92,456,000
Inter-Agency and Customer Initiative.....	76,792,000
Haynes Generating Station Additions and Betterments.....	62,215,000
Castaic Power Plant Additions and Betterments.....	41,129,000
Automatic Meter Reading.....	37,579,000
Palo Verde Generating Station Capital Improvements.....	24,552,000
General Facility Improvements - Power Construction and Maintenance.....	23,231,000
Valley Generating Station Additions and Betterments.....	20,134,000
Scattergood Generating Station Additions and Betterments.....	17,503,000
Harbor Generating Station Additions and Betterments.....	15,145,000
Electric Vehicle Program Infrastructure (Capital).....	13,265,000
Streetlight Systems.....	10,021,000
Wholesale Energy Resource Mgmt General Capital Expenses.....	5,104,000
Power System General (Capital).....	4,589,000
Power Construction and Maintenance General Business Equipment.....	2,644,000
Generation Miscellaneous Improvements on Various DWP Facilities.....	2,281,000
Generation Station and Power Plant Additions and Betterments.....	2,035,000
Owens Valley Eastern Sierra (OVES) Distribution Additions and Betterments.....	749,000
Advanced Technology Infrastructure Meters - Capital Tools and Equipment.....	482,000
Power System Engineering General Facility Improvement.....	305,000
NERC Critical Infrastructure Protection (CIP) Cybersecurity Power (Capital).....	109,000
Total.....	<u>\$ 452,320,000</u>
REPOWERING	
Scattergood Demo/Modernization	\$ 464,000
Haynes Demo/Modernization.....	43,000
Total.....	<u>\$ 507,000</u>
GAS DRILLING	
SCPPA Gas Reserves Project.....	\$ 719,000
Total.....	<u>\$ 719,000</u>
RENEWABLE PORTFOLIO STANDARD	
Transmission Lines.....	\$ 158,690,000
RE Cinco Solar Facility.....	113,410,000
Valley Generating Station Additions and Betterments RPS.....	40,290,000
Distributed Energy Resources (DER) Incentive Program.....	26,821,000
Barren Ridge Renewable Transmission.....	21,809,000
Long - Term Planning & Development.....	17,072,000
Small Hydro Plants Additions and Betterments.....	16,586,000
Owens Valley Eastern Sierra Generation and Facilities Additions and Betterments.....	16,075,000
Resource Development - Renewable Projects.....	11,194,000
Energy Imbalance Market Capital.....	8,944,000
Generation Wind Power Plant Additions and Betterments.....	6,374,000
Energy Storage 10YR/<.....	157,000
Total.....	<u>\$ 437,422,000</u>
ENERGY EFFICIENCY	
Energy Efficiency - Power Funded.....	\$ 245,277,000
Total.....	<u>\$ 245,277,000</u>
Gross Capital	\$ 3,259,681,000
Accounting Accruals and Adjustments.....	<u>2,000</u>
Net Capital Improvement Program.....	<u>\$ 3,259,683,000</u>

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

RETIREMENT FUND

		RECEIPTS		
Actual 2024-25	Budget 2025-26	Estimated 2025-26		Budget 2026-27
\$ 433,308,167	\$ 268,980,000	\$ 297,980,000	Department Contributions	\$ 294,000,000
181,754,501	172,310,000	173,520,000	Member Contributions	178,380,000
<u>2,010,205,838</u>	<u>1,228,810,000</u>	<u>1,262,040,000</u>	Investment Return	<u>1,344,070,000</u>
2,625,268,506	1,670,100,000	1,733,540,000	TOTAL RECEIPTS	1,816,450,000
APPROPRIATIONS				
824,098,940	862,390,000	852,030,000	Benefit Payments	898,880,000
112,865,649	148,020,000	148,020,000	Administrative Expense*	160,040,000
<u>1,688,303,917</u>	<u>659,690,000</u>	<u>733,490,000</u>	Available for Investment	<u>757,530,000</u>
<u>\$ 2,625,268,506</u>	<u>\$ 1,670,100,000</u>	<u>\$ 1,733,540,000</u>	TOTAL APPROPRIATIONS	\$ 1,816,450,000

**Total active investment management fee of \$105.8 M for 2024-25 Actual, \$137.9 M for 2025-26 Estimate, and \$148.5 M for 2026-27 Budget.*

DISABILITY FUND

		RECEIPTS		
Actual 2024-25	Budget 2025-26	Estimated 2025-26		Budget 2026-27
\$ 21,296,712	\$ 20,920,000	\$ 17,080,000	** Department Contributions	\$ 16,990,000
581,927	575,700	590,000	Member Contributions	595,900
1,877,155	850,000	850,000	Investment Return	880,000
<u>23,755,794</u>	<u>22,345,700</u>	<u>18,520,000</u>	TOTAL RECEIPTS	18,465,900
APPROPRIATIONS				
20,406,574	20,710,000	21,830,000	** Benefit Payments	22,480,000
1,635,482	2,140,000	2,140,000	Administrative Expense	2,540,000
<u>1,713,738</u>	<u>(504,300)</u>	<u>(5,450,000)</u>	Available for Investment	<u>(6,554,100)</u>
<u>\$ 23,755,794</u>	<u>\$ 22,345,700</u>	<u>\$ 18,520,000</u>	TOTAL APPROPRIATIONS	\$ 18,465,900

***Include \$1.27 M 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	Budget	Estimated		Budget
2024-25	2025-26	2025-26		2026-27
\$ 19,635,914	\$ 19,890,000	\$ 21,070,000	Department Contributions	\$ 21,320,000
401,420	395,000	366,000	Member Contributions	369,700
3,982,634	1,670,000	1,900,000	Investment Return	1,950,000
<u>24,019,968</u>	<u>21,955,000</u>	<u>23,336,000</u>	TOTAL RECEIPTS	<u>23,639,700</u>
APPROPRIATIONS				
9,526,536	9,860,000	8,370,000	Benefit Payments	8,640,000
2,480,885	3,440,000	3,440,000	Administrative Expense	4,060,000
12,012,547	8,655,000	11,526,000	Available for Investment	10,939,700
<u>\$ 24,019,968</u>	<u>\$ 21,955,000</u>	<u>\$ 23,336,000</u>	TOTAL APPROPRIATIONS	<u>\$ 23,639,700</u>

RETIREE HEALTH BENEFITS FUND

		RECEIPTS		
Actual	Budget	Estimated		Budget
2024-25	2025-26	2025-26		2026-27
\$ 129,447,730	\$ 128,560,000	\$ 136,490,000	Department Contributions	\$ 141,380,000
-	-	-	Member Contributions	-
370,680,907	226,920,000	235,690,000	Investment Return	251,010,000
<u>500,128,637</u>	<u>355,480,000</u>	<u>372,180,000</u>	TOTAL RECEIPTS	<u>392,390,000</u>
APPROPRIATIONS				
128,243,470	126,960,000	134,550,000	Benefit Payments	139,520,000
21,126,186	27,070,000	27,070,000	Administrative Expense*** ...	29,600,000
350,758,981	201,450,000	210,560,000	Available for Investment	223,270,000
<u>500,128,637</u>	<u>355,480,000</u>	<u>372,180,000</u>	TOTAL APPROPRIATIONS	<u>392,390,000</u>

***Total active investment management fee of \$19.9 M for 2024-25 Actual, \$25.5 M for 2025-26 Estimate, and \$ 27.7 M for 2026-27 Budget.