



Seattle City Light

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2019-2020 Proposed Budget Overview

9/26/18

1. Primary Services & Performance Measurement

I. Reliability	2018 Goal	Status as of August	Prjctd. 2018 Performance	2019 Goal
Average Outage Duration Per Customer (in minutes)	<62.5	46.2	64.0	<62.5
Average Outage Frequency Per Customer (average annual interruptions)	<0.45	0.55	0.55	<.45
Vegetation Management	420 Miles	281 Miles	420 Miles	420 Miles

2. Clean Energy	2018 Goal	Status as of August	Prjctd. 2018 Performance	2019 Goal
Energy Efficiency Contracted Energy Savings, in Average Megawatts (aMW)	12.25	8.37	12.25	12.25

1. Primary Services & Performance Measurement (continued)

3. Finance	2018 Goal	Status as of August	Prjctd. 2018 Performance	2019 Goal
Debt Service Coverage	1.80	1.80	1.80	1.80

4. Safety	2018 Goal	Status as of August	Prjctd. 2018 Performance	2019 Goal
Total Recordable Incident Rate – Injuries per 200,000 hours	<3.40	4.12	3.60	<3.40

5. Customer Service	2018 Goal	Status as of August	Prjctd. 2018 Performance	2019 Goal
Streetlight Response within 14 days	90%	90%	90%	90%
Estimated bills	<2%	5%	2%	1%

2. Strategic Priorities for 2019

▶ Customer Service

- ▶ Complete advanced metering conversion, improve billing practices
- ▶ Improve customer service (longer service hours and more communication options)

▶ Affordability

- ▶ Business processes improvements to reduce operating costs
- ▶ Update rate design
- ▶ Pursue cost savings and revenues in wholesale market operations

▶ Clean Energy

- ▶ Continue industry leadership in environmental stewardship
- ▶ Deliver innovative programs to promote clean energy solutions

3. Budget Summary 2016 – 2020

	2016 Actual (\$000s)	2017 Actual (\$000s)	2018 Adopted (\$000s)	2019 Proposed (\$000s)	2020 Proposed (\$000s)
Appropriation (Other)	\$1,487,289	\$1,511,279	\$1,409,511	\$1,374,524	\$1,421,575
Change Budget Year to Year (\$, %)		\$23,990 1.6%	(\$101,768) (6.7%)	(\$34,987) (2.5%)	\$47,051 3.4%
Employment (FTEs)	1868.3	1779.8	1816.8	1791.3	1784.8
Change FTEs Year to Year (Count, %)		(88.5) (4.7%)	37.0 2.1%	(25.5) (1.4%)	(6.5) (0.4%)

4. Legislative & Policy Framework

Year	Change	Reference	Effects
2018	Using Utility Property for Public Benefit	HB2382	Financial impact on utility
2020	I-937 Renewable Energy Target Increase from 9% to 15% in 2020		Increase in Renewable Energy Credits (REC) costs
Future	Pursuing a change in state law for Electric Vehicle Charging Stations		Increased revenue
2018	Strategic Plan 2019-2024	Resolution 31819	Establishes path forward for current and future needs of City Light and its customers

5. Major Proposed Budget Changes

Dollars in Millions

Description	2018 Adopted (\$s)	2019 Proposed (\$s)	Change in \$ (\$s)	% Increase (Decrease)
Remove vacant positions (33 FTEs) and increase vacancy rate	\$155.2	\$149.0	(\$6.2)	(4%)
Reduce temporary staffing	\$6.5	\$3.9	(\$2.6)	(40%)
Reduce Training and Travel	\$5.5	\$4.0	(\$1.5)	(27%)
Reduce Consulting, Vegetation Management & Conservation Incentives	\$61.0	\$50.3	(\$10.7)	(18%)
Capital Program Reductions	\$388.9	\$349.4	(\$39.5)	(10%)