

LONG BEACH ENERGY

To safely provide the residents and businesses of Long Beach and Signal Hill with reliable and cost-competitive natural gas and solid waste disposal services.

Chapter Overview

The Long Beach Energy Department (LBE) is still developing its F.O.R. Long Beach full strategic plan. As part of an initial strategic business planning process, the Department developed its program structure and some basic output or workload, program performance measures. The program structure and performance measures serve as the basis for the City's performance-based program budget and adds clarity to the City's budget by aligning program information (listing of services), budget allocations and basic performance information. As the Department completes the full strategic business planning process, additional program information and performance measures will be developed.

As part of the full strategic planning process, the Department will also identify significant issues confronting it and will develop strategic objectives to address those issues. Until that time, the Department has identified a number of challenges it is currently facing. These challenges and corresponding opportunities have been included in this budget chapter to provide context to the Department's activities and resources.

Please note that while the Department has developed output measures for each program, a number of these measures are new and will take time to fully develop and collect performance data. Therefore, some performance measures are presented without corresponding performance data.

Table of Contents

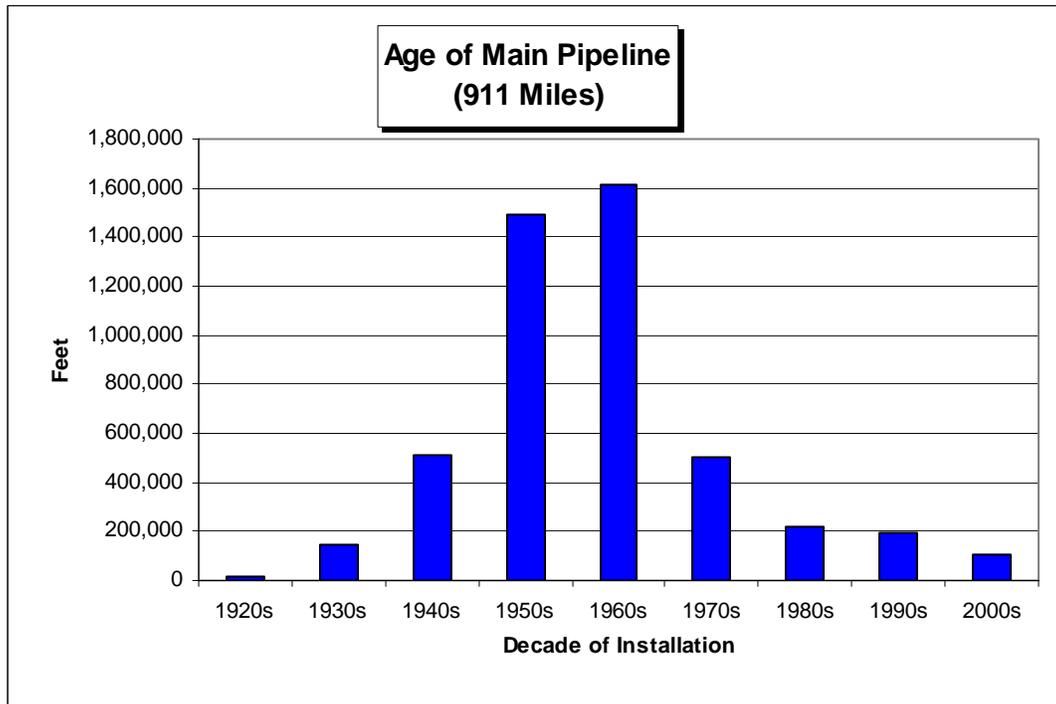
Service Delivery Environment	321
Challenges and Opportunities	322
Summary by Line of Business and Fund	323
Natural Gas Purchases and Sales Line of Business Summary and Accomplishments	324
Program Summaries	325 - 326
Natural Gas Distribution Line of Business Summary and Accomplishments	327
Program Summaries	328 - 329
Natural Gas Customer Services Line of Business Summary and Accomplishments	330
Program Summaries	331
Solid Waste Line of Business Summary and Accomplishments	332
Program Summaries	333
Administration Line of Business Summary and Accomplishments	334
Program Summary	335
Summary by Character of Expense	336
Personal Services	337 - 339
Year Three Implementation - Financial Strategic Plan	340
Key Contacts	341

Service Delivery Environment

The Long Beach Energy Department (LBE) operates the fifth largest municipally owned natural gas utility in the country, and is one of only three in the State. The gas utility continues to provide safe and reliable natural gas services to residents and businesses of Long Beach and Signal Hill, serving approximately 500,000 customers with 150,000 meters.

The gas utility maintains gas supply agreements with both local and national providers and purchases approximately 13 billion cubic feet of gas annually to meet the needs of its customers in a secure and cost competitive manner. The majority of the gas supply purchased contains a “floor” (minimum) and a “ceiling” (maximum) on the price of the natural gas delivered to LBE. This structure limits the customers’ exposure to extremely volatile natural gas prices.

LBE also operates the Southeast Resource Recovery Facility (SERRF). SERRF is a solid waste management facility that uses mass burn technology to reduce the volume of solid waste trash by approximately 80% as it produces electrical energy. In an environmentally safe and responsible manner, residential and commercial solid waste is combusted in high temperature boilers to produce steam, which in turn is used to run a turbine-generator producing electricity. Some of the electricity is used to operate the facility and the remainder is sold.



Challenges and Opportunities

Challenges

- The Long Beach Energy Department's (LBE) gas system consists of over 1,800 miles of underground pipelines. The pipeline system must be safely maintained in compliance with the U.S. Department of Transportation (DOT) guidelines and standards. While the pipeline system is deemed to be in relatively good condition based on leakage records and pipeline inspections, a substantial reinvestment in pipeline replacement will be necessary over the next decade and beyond.
- The majority of the natural gas pipeline was installed in the 1930s, 40s and 50s. Industry practices suggest gas infrastructure replacement every 50 to 70 years for safety and to minimize costly maintenance. LBE has worked with the Department of Financial Management to incorporate a short-term and long-term pipeline financing strategy which resulted in a 10 year plan for pipeline replacement.

Opportunities

- The Gas Services Bureau will be continuing its implementation of a Soft-Close Program to generate savings. A Soft-Close program will allow, under certain circumstances, residential gas service to remain on for a short period of time after customers request termination of their utility services. This will reduce service trips to residences, given that new tenants typically sign up for service within 30 days.
- SERRF (waste-to-energy plant) will attempt to reduce the time required to replace major parts rather than rebuilding existing equipment, thus increasing the amount of time the facility operates.
- LBE will develop an enhanced Public Education and Awareness campaign providing valuable safety information to customers regarding various aspects of natural gas and its delivery.
- An updated long-term pipeline replacement program is commencing and will provide for approximately \$56 million of capital improvements over the next six years. These improvements consist primarily of selective removal of aging pipeline; removal or replacement of 300 gate valves; upgrade from six pressure districts to one uniform pressure district; upgrade or removal of approximately 40 district regulating stations; upgrades to the cathodic protection system; and significant improvements to the geographic information system (GIS). Upgrading the overall system will increase safety and lower operating costs.

Summary by Line of Business and Fund

FY 06 Budget by Line of Business

Line of Business	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Natural Gas Purchases and Sales					
Expenditures	64,737,632	78,610,026	78,885,867	100%	104,922,190
Revenues	85,644,895	105,685,776	101,198,877	96%	121,984,101
FTEs	3.10	3.00	3.00	100%	6.00
Natural Gas Distribution					
Expenditures	11,377,556	10,874,140	13,640,094	125%	12,518,789
Revenues	578,238	683,997	567,506	83%	1,848,297
FTEs	111.15	109.50	109.50	100%	111.50
Natural Gas Customer Services					
Expenditures	3,780,953	4,876,405	4,292,537	88%	4,755,285
Revenues	1,879,435	1,864,214	1,900,539	102%	1,881,155
FTEs	51.75	52.50	52.50	100%	54.50
Solid Waste					
Expenditures	46,616,809	47,223,943	45,653,985	97%	48,101,767
Revenues	43,432,860	41,781,000	40,568,697	97%	42,309,000
FTEs	3.00	4.00	4.00	100%	4.00
Administration					
Expenditures	10,120,254	8,716,619	9,068,460	104%	5,537,340
Revenues	1,700,116	1,288,001	1,873,459	145%	1,519,885
FTEs	40.00	28.25	28.25	100%	22.25
Department TOTAL					
TOTAL Expenditures	136,633,204	150,301,134	151,540,943	101%	175,835,370
TOTAL Revenues	133,235,544	151,302,988	146,109,078	97%	169,542,438
TOTAL FTEs	209.00	197.25	197.25	100%	198.25

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

* Unaudited

** Amounts exclude all-years carryover. See budget ordinance in the front section of this document.

FY 06 Budget by Fund

Fund	Expenditures	Revenues	Net Fund Support
Gas	127,733,603	127,233,438	500,165
SERRF	48,101,767	42,309,000	5,792,767
Total	175,835,370	169,542,438	6,292,932

Natural Gas Purchases and Sales Line of Business

Program	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Natural Gas Purchases and Sales					
Expenditures	64,571,886	78,537,626	78,658,928	100%	104,854,792
Revenues	85,628,892	105,685,776	101,189,650	96%	121,984,101
FTEs	3.00	3.00	3.00	100%	6.00
Compressed Natural Gas Vehicle Fuel					
Expenditures	165,745	72,400	226,939	313%	67,398
Revenues	16,002	-	9,227	100%	-
FTEs	0.10	-	-	NA	-
Line of Business TOTAL					
TOTAL Expenditures	64,737,632	78,610,026	78,885,867	100%	104,922,190
TOTAL Revenues	85,644,895	105,685,776	101,198,877	96%	121,984,101
TOTAL FTEs	3.10	3.00	3.00	100%	6.00

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

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Purpose Statement: To be developed during the department's Full Strategic Business Planning process in the coming months. This information will be available as part of the FY 07 Budget Development Process.

FY 05 Key Accomplishment:

- Maintained an average residential gas bill below that of like utilities operating in Southern California.

Natural Gas Purchases and Sales Program

Focus Area: Utilities

Line of Business: Natural Gas Purchases and Sales

Program Description: To purchase quality natural gas and maintain secure sources, while obtaining competitive pricing for gas utility customers and to deliver natural gas service to its customers at rates comparable to like utilities operating in Southern California.

Key Services Provided: Purchase natural gas, monitor market regulatory and legislative mandates, manage natural gas contracts and monitor rate structures, maintain high levels of customer service and satisfaction

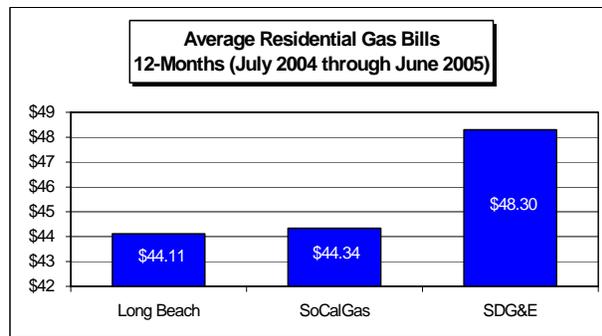
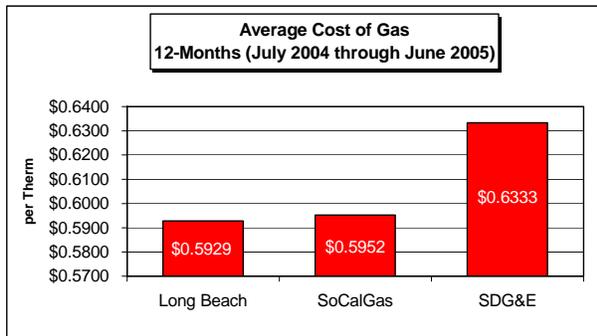
Natural Gas Purchases and Sales	Actual FY 04	Budget FY 05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Expenditures***	64,571,886	78,537,626	78,658,928	100%	104,854,792
Revenues***	85,628,892	105,685,776	101,189,650	96%	121,984,101
FTEs	3.00	3.00	3.00	100%	6.00

* Unaudited

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*** This Program is entirely funded by the Gas Fund.

Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
Cost of Gas Per Therm	\$0.53	\$0.55	\$0.63	115%	\$0.72
Average Residential Gas Bill	\$33.69	\$41.71	\$44.80	107%	\$49.89



FY 06 Budget Note: Put out for bid and renegotiate primary natural gas supply contract and maintain rates at or below those of like utilities operating in Southern California. Natural Gas Purchases and Sales Program Expenditures include Gas Fund Transfers to the General Fund.

Compressed Natural Gas Vehicle Fuel Program

Focus Area: Utilities

Line of Business: Natural Gas Purchases and Sales

Program Description: To maintain fueling stations providing Compressed Natural Gas (CNG) to fuel City vehicles and to sell to the public.

Key Services Provided: Purchase and sale of CNG

Compressed Natural Gas Vehicle Fuel *	Actual FY 04	Budget FY05	Year End ** FY 05	Percent of Budget	Adopted *** FY 06
Expenditures****	165,745	72,400	226,939	313%	67,398
Revenues****	16,002	-	9,227	100%	-
FTEs	0.10	-	-	NA	-

* Additional budget, both revenue and expense, is contained in another Line of Business

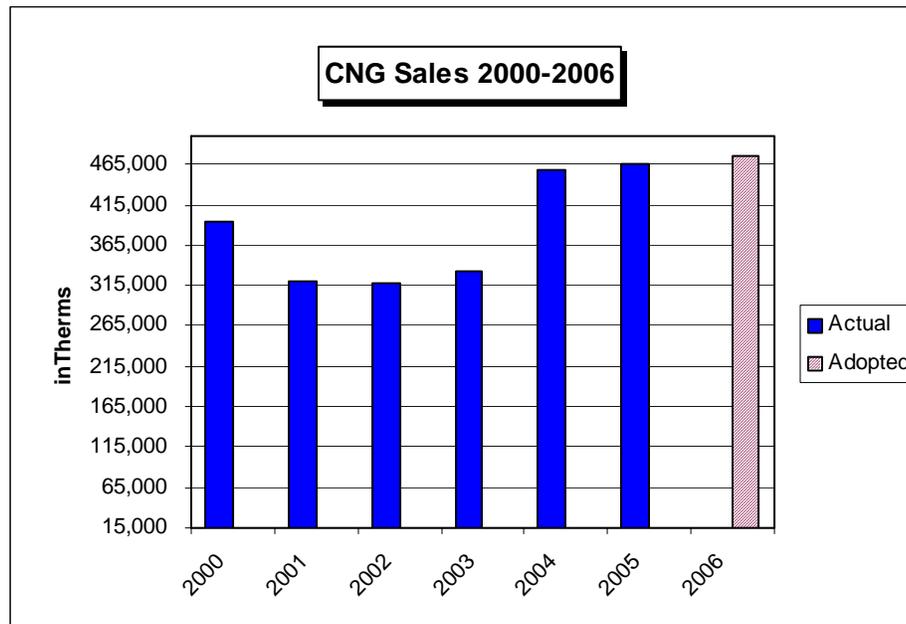
** Unaudited

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**** This Program is entirely funded by the Gas Fund

Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
# of Therms Sold *	458,619	470,862	471,000	100%	445,000

*A Typical vehicle CNG tank holds 10 Therms



FY 06 Budget Note: Determine the most cost-effective method for operation and maintenance of City's four CNG stations.

Natural Gas Distribution Line of Business

Program	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Pipeline Integrity (Maintenance and Replacement)					
Expenditures	9,440,211	8,481,238	11,523,283	136%	10,419,534
Revenues	500,976	663,672	481,146	72%	1,785,812
FTEs	88.00	88.00	88.00	100%	92.00
Meters and Regulators					
Expenditures	1,937,345	2,392,902	2,116,811	88%	2,099,255
Revenues	77,262	20,325	86,360	425%	62,485
FTEs	23.15	21.50	21.50	100%	19.50
Line of Business TOTAL					
TOTAL Expenditures	11,377,556	10,874,140	13,640,094	125%	12,518,789
TOTAL Revenues	578,238	683,997	567,506	83%	1,848,297
TOTAL FTEs	111.15	109.50	109.50	100%	111.50

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

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Purpose Statement: To be developed during the department's Full Strategic Business Planning process in the coming months. This information will be available as part of the FY 07 Budget Development Process.

FY 05 Key Accomplishment:

- Having successfully met the FY 03 goal of installing approximately 20,000 feet of main pipeline, the Department "ramped" up the replacement program, to install almost four times the amount of main pipeline in FY 05 to a total of approximately 70,000 feet.

Pipeline Integrity (Maintenance & Replacement) Program

Focus Area: Utilities

Line of Business: Natural Gas Distribution

Program Description: To provide for infrastructure integrity, pipeline safety and system preservation by maintaining the industrial standards of the pipeline.

Key Services Provided: Maintenance and replacement of the Natural Gas Pipeline, Regulatory compliance

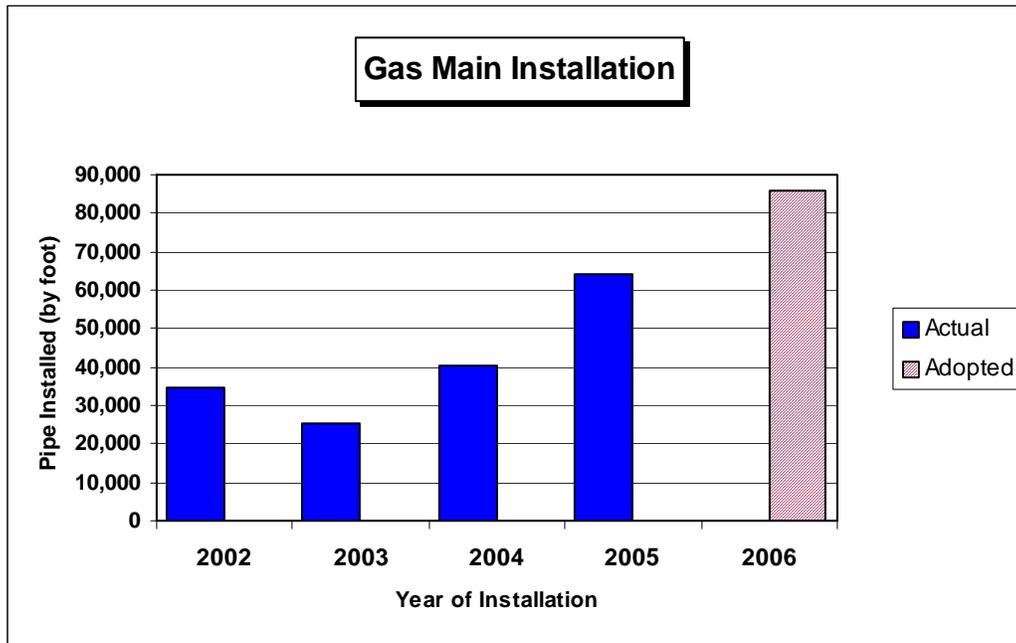
Pipeline Integrity (Maintenance and Replacement)	Actual FY 04	Budget FY 05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Expenditures***	9,440,211	8,481,238	11,523,283	136%	10,419,534
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FTEs	88.00	88.00	88.00	100%	92.00

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*** This Program is entirely funded by the Gas Fund.

Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
# of Feet of Main Pipeline Installed and/or Replaced	40,433	69,400	69,400	100%	84,500



FY 06 Budget Note: Implement the first year of a ten-year planned pipeline investment strategy to replace aging infrastructure to improve safety and the efficient delivery of natural gas to LBE customers.

Meters and Regulators Program

Focus Area: Utilities

Line of Business: Natural Gas Distribution

Program Description: To replace and install aging meters and regulators for gas utility customers to ensure accurate measurement.

Key Services Provided: Replace and install meters and regulators

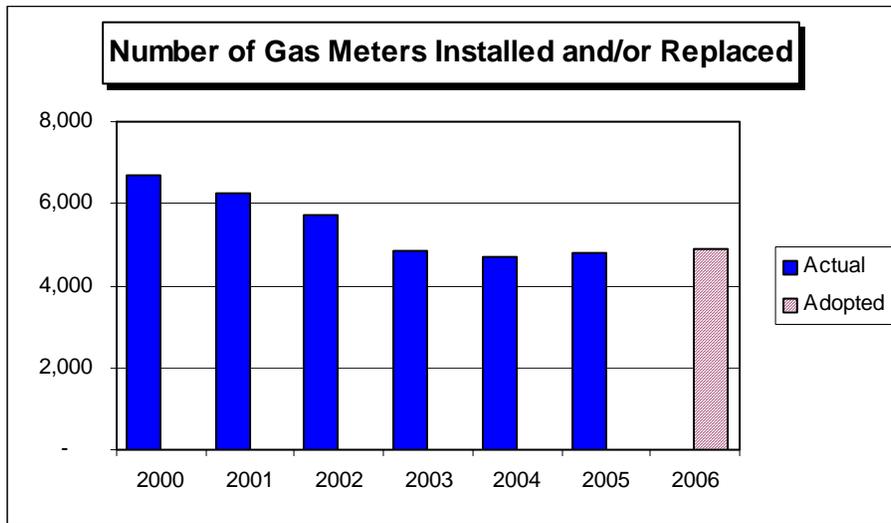
Meters and Regulators	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Expenditures***	1,937,345	2,392,902	2,116,811	88%	2,099,255
Revenues***	77,262	20,325	86,360	425%	62,485
FTEs	23.15	21.50	21.50	100%	19.50

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Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
# of Meters Installed and/or Replaced	4,721	4,558	4,784	105%	4,877



FY 06 Budget Note: Participate in the planned pipeline investment strategy to replace aging meters and regulators that will provide for the safety and efficient delivery of natural gas delivery to LBE customers.

Natural Gas Customer Services Line of Business

Program	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Gas & Water Meter Turn Ons/Offs Program					
Expenditures	3,780,953	4,876,405	4,292,537	88%	4,755,285
Revenues	1,879,435	1,864,214	1,900,539	102%	1,881,155
FTEs	51.75	52.50	52.50	100%	54.50
Line of Business TOTAL					
TOTAL Expenditures	3,780,953	4,876,405	4,292,537	88%	4,755,285
TOTAL Revenues	1,879,435	1,864,214	1,900,539	102%	1,881,155
TOTAL FTEs	51.75	52.50	52.50	100%	54.50

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

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Purpose Statement: To be developed during the department's Full Strategic Business Planning process in the coming months. This information will be available as part of the FY 07 Budget Development Process.

FY 05 Key Accomplishment:

- Participated in upgrading the aging gas distribution system through capital improvement projects and normal hardware replacements to meet projections established for FY 05 of over 4,500 gas meters installed or replaced.

Gas & Water Meter Turn Ons/Offs Program

Focus Area: Utilities

Line of Business: Natural Gas Customer Services

Program Description: To provide necessary service to gas and water utility customers.

Key Services Provided: Turn ons and turn offs of services

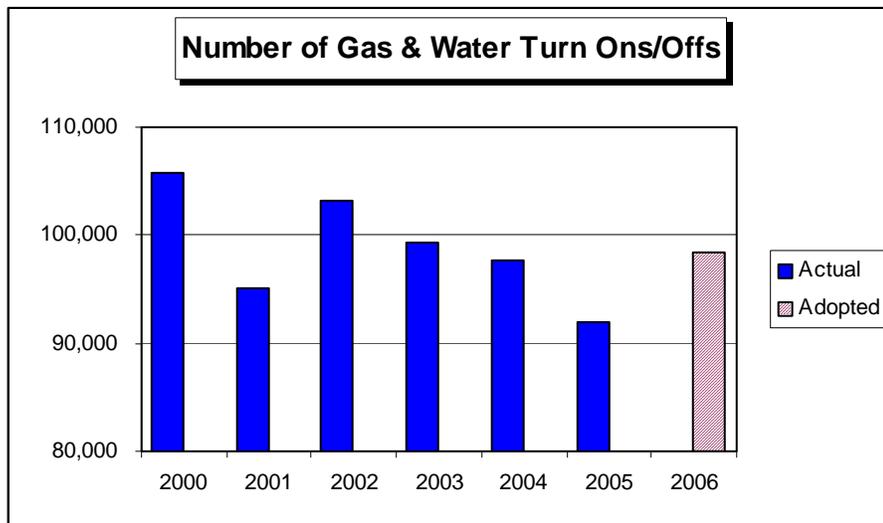
Gas & Water Meter Turn Ons/Offs	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Expenditures***	3,780,953	4,876,405	4,292,537	88%	4,755,285
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*** This Program is entirely funded by the Gas Fund.

Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
# of Customer Service Call Responses	97,590	91,989	91,989	100%	98,428



FY 06 Budget Note: Continued implementation of a “soft-close” program that reduces the number of service trips to individual properties.

Solid Waste Line of Business

Program	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Trash to Energy Program					
Expenditures	46,616,809	47,223,943	45,653,985	97%	48,101,767
Revenues	43,432,860	41,781,000	40,568,697	97%	42,309,000
FTEs	3.00	4.00	4.00	100%	4.00
Line of Business TOTAL					
TOTAL Expenditures	46,616,809	47,223,943	45,653,985	97%	48,101,767
TOTAL Revenues	43,432,860	41,781,000	40,568,697	97%	42,309,000
TOTAL FTEs	3.00	4.00	4.00	100%	4.00

Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

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Purpose Statement: To be developed during the department's Full Strategic Business Planning process in the coming months. This information will be available as part of the FY 07 Budget Development Process.

FY 05 Key Accomplishment:

- SERRF will process 461,000 tons of refuse.
- SERRF will sell 207,000 megawatts of electricity to Southern California Edison.
- SERRF will destroy 460,000 pounds of confiscated narcotics and drug paraphernalia for federal, state, and local law enforcement agencies.

Trash to Energy Program

Focus Area: Utilities

Line of Business: Solid Waste

Program Description: To reduce the environmental and financial cost of refuse disposal to LBE customers, Long Beach, Lakewood and area private haulers.

Key Services Provided: Combust local solid waste, generate electricity

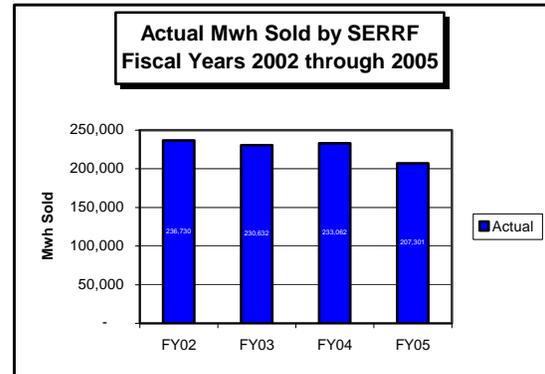
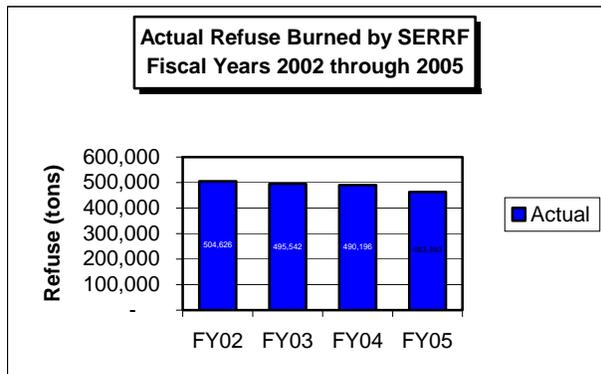
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FTEs	3.00	4.00	4.00	100%	4.00

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Key Performance Measures	Actual FY 04	Budget FY 05	Year End FY 05	Percent of Budget	Adopted FY 06
# of Tons of Trash Converted	504,626	490,196	463,955	95%	470,000
# Mwh of Electricity Sold	236,730	233,062	206,640	89%	221,000



FY 06 Budget Note: There are no significant operational, budgetary and/or performance changes for this program in FY 06.

Administration Line of Business

Program	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Administration					
Expenditures	10,120,254	8,716,619	9,068,460	104%	5,537,340
Revenues	1,700,116	1,288,001	1,873,459	145%	1,519,885
FTEs	40.00	28.25	28.25	100%	22.25
Line of Business TOTAL					
TOTAL Expenditures	10,120,254	8,716,619	9,068,460	104%	5,537,340
TOTAL Revenues	1,700,116	1,288,001	1,873,459	145%	1,519,885
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Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

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Purpose Statement: To provide central administrative support, coordination, and direction to the entire Department. The Administration Line of Business will be more fully developed during the department's Full Strategic Business Planning process in the coming months, providing information for the FY 07 Budget Development Process.

FY 05 Key Accomplishments:

- Worked with the Department of Financial Management to incorporate, develop a short-term and long-term financing strategy to pay for replacement of aging pipeline infrastructure.
- Implemented Safety and Workers' Compensation program improvements.
- Implemented new Program Budget structure and will further enhance performance information with completion of Business Plan in FY 06.

Administration Program

Focus Area: Leadership, Management and Support

Line of Business: Administration

Program Description: To provide central administrative support, coordination and direction for the entire Department.

Key Services Provided: Human Resources, Training, Risk Management, Employee Safety, Workers' Compensation, Budget and Accounting, Procurement, Billing and Collections, Contract Management, Public Information and Communications, Records Management and Executive Leadership

Administration	Actual FY 04	Budget FY05	Year End * FY 05	Percent of Budget	Adopted ** FY 06
Expenditures	10,120,254	8,716,619	9,068,460	104%	5,537,340
Revenues	1,700,116	1,288,001	1,873,459	145%	1,519,885
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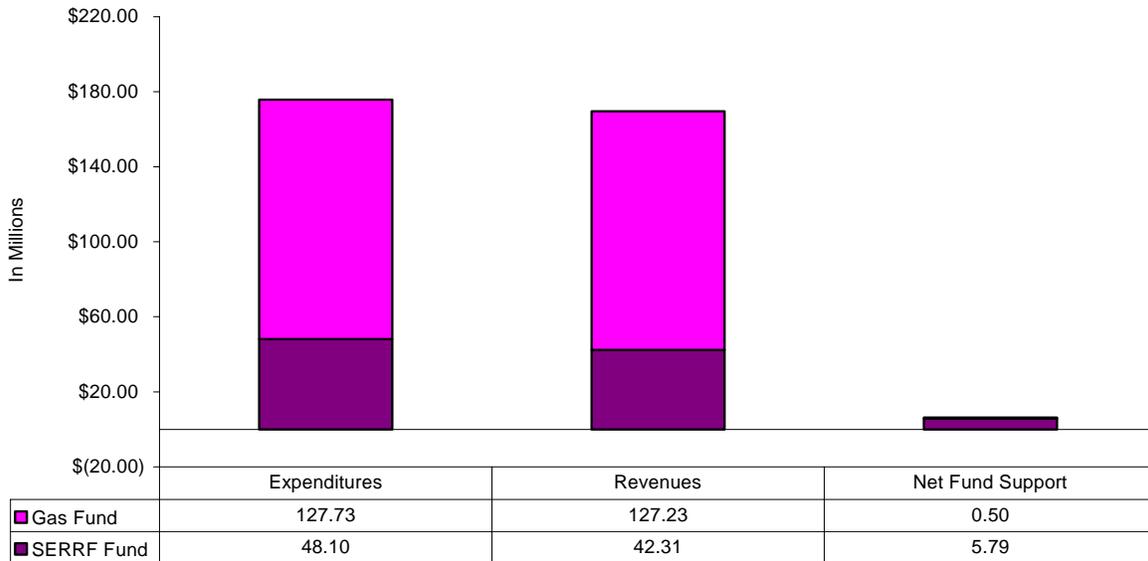
Note: Historical Expenditure and FTE information have been recast from the Bureau level to the Program level.

Key Performance Measures	Actual FY 04	Budget FY05	Year End FY 05	Percent of Budget	Adopted FY 06
June Expenditure ETC as % of Year End Actual	102%	100%	100%	100%	100%
June Revenue ETC as % of Year End Actual	101%	100%	104%	104%	100%
Department Vacancy Rate	15%	0%	15%	(a)	0%
Overtime as % of Total Salaries	10%	4%	8%	(a)	4%
# of Workers' Comp. Claims Involving LostTime	13	13	9	(a)	8
# of Lost Work Hours (Expressed in Full Time Equivalentents) from Workers' Comp. During Fiscal Year	4.94	4.94	2.93	(a)	2.78
Average Reporting Lag Time (in Days) for Workers' Comp. Claims During Fiscal Year	(a)	(a)	(a)	(a)	1 day

FY 06 Budget Note: There are no significant operational, budgetary and/or performance changes for this program in FY 06.

Summary by Character of Expense

Adopted* FY 06 Budget by Fund



	Actual FY 04	Adopted* FY 05	Adjusted FY 05	Year End* * FY 05	Adopted* FY 06
Expenditures:					
Salaries, Wages and Benefits	31,003,779	15,597,029	15,441,831	13,299,442	15,876,857
Materials, Supplies and Services	114,529,934	98,087,698	106,244,823	110,180,652	127,918,338
Internal Support	24,532,882	7,314,323	7,314,323	7,371,917	3,491,924
Capital Purchases	11,638,872	809,700	823,450	1,113,431	5,809,700
Debt Service	4,297,492	1,037,021	1,037,021	1,381,417	1,082,585
Transfers to Other Funds	19,303,373	18,148,559	18,148,559	18,225,683	21,655,966
Prior Year Encumbrance	-	-	-	-	-
Total Expenditures	205,306,331	140,994,331	149,010,008	151,572,542	175,835,370
Revenues:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	80	-
Licenses and Permits	1,211,397	-	-	-	-
Fines and Forfeitures	6,000,191	-	-	-	-
Use of Money & Property	3,638,881	1,303,286	1,303,286	1,372,522	1,216,504
Revenue from Other Agencies	1,007,856	-	(1,100,000)	-	-
Charges for Services	160,586,424	130,764,306	143,456,857	137,987,823	167,104,934
Other Revenues	8,579,810	946,000	6,197,023	6,453,900	946,000
Interfund Services - Charges	23,319,212	345,822	345,822	294,754	275,000
Intrafund Services - GP Charges	32,346	-	-	-	-
Harbor P/R Revenue Transfers	-	-	-	-	-
Other Financing Sources	2,921,418	-	-	-	-
Operating Transfers	-	-	-	-	-
Total Revenues	207,297,534	133,359,414	150,202,988	146,109,078	169,542,438
Personnel (Full-time Equivalents)	519.76	197.25	197.25	197.25	198.25

* Amounts exclude all-years carryover. See budget ordinance in the front section of this document.

** Unaudited

Personal Services

Classification	FY 04 Adopt FTE	FY 05 Adopt FTE	FY 06 Adopt FTE	FY 05 Adopted Budget	FY 06 Adopted Budget
Director - Long Beach Gas and Oil	1.00	0.50	0.50	78,145	84,034
Accounting Clerk II	1.00	1.00	-	32,876	-
Accounting Clerk III	2.00	2.00	1.00	78,893	39,447
Accounting Technician	2.00	2.00	2.00	87,049	82,978
Administrative Aide II	2.00	1.00	2.00	44,078	84,876
Administrative Analyst I	1.00	-	-	-	-
Administrative Analyst II	1.00	1.00	1.00	65,160	65,160
Administrative Analyst III	5.00	1.00	1.00	70,374	61,608
Assistant Administrative Analyst I	1.00	1.00	-	48,433	-
Assistant Administrative Analyst II	-	-	1.00	-	50,851
Clerk Typist I	1.00	-	-	-	-
Clerk Typist II	3.00	-	-	-	-
Clerk Typist III	11.00	2.00	2.00	75,176	68,142
Clerk Typist IV	1.00	-	-	-	-
Community Information Specialist I	0.63	-	-	-	-
Community Information Specialist II	0.75	-	-	-	-
Construction Inspector I	2.00	4.00	4.00	201,967	210,695
Construction Inspector II	4.00	4.00	4.00	246,278	239,597
Corrosion Control Supervisor	1.00	1.00	1.00	52,277	52,288
Customer Service Representative I	5.00	-	-	-	-
Customer Service Representative II	4.00	-	-	-	-
Customer Service Representative III	2.00	1.00	1.00	39,447	39,447
Department Safety Officer	1.00	1.00	1.00	75,030	75,030
Electrician	1.00	1.00	1.00	50,680	41,424
Engineering Aide III	1.00	1.00	1.00	40,351	40,351
Engineering Technician I	2.00	2.00	2.00	94,507	86,041
Engineering Technician II	4.00	4.00	5.00	204,085	251,091
Equipment Mechanic I	21.00	-	-	-	-
Equipment Mechanic II	27.00	2.00	-	82,831	-
Executive Secretary	1.00	0.75	0.75	34,273	37,070
Financial Services Officer	1.00	1.00	1.00	75,030	77,464
Fleet Services Supervisor	9.00	-	-	-	-
Garage Service Attendant I	20.00	-	-	-	-
Garage Service Attendant I-NC	6.50	-	-	-	-
Garage Service Attendant II	9.00	-	-	-	-
Garage Service Attendant III	3.00	-	-	-	-
Gas Crew Utility Assistant I	3.00	3.00	3.00	111,866	101,674
Gas Crew Utility Assistant II	27.00	27.00	29.00	1,001,673	1,084,330
Gas Crew Utility Assistant III	10.00	10.00	10.00	446,623	446,623
Gas Distribution Supervisor I	6.00	6.00	6.00	339,442	333,582
Gas Distribution Supervisor II	2.00	2.00	2.00	127,009	115,485
Gas Field Service Representative II	46.00	46.00	46.00	1,862,504	1,835,812
Gas Field Service Representative III	15.00	14.00	14.00	618,743	626,734
Gas Instrument Technician	4.00	4.00	4.00	197,516	188,575
Gas Maintenance Supervisor I	12.00	10.00	10.00	534,261	547,946
Gas Maintenance Supervisor II	1.00	1.00	1.00	63,504	63,504
Gas Supply and Business Officer	-	-	1.00	-	80,031
Subtotal Page 1	----- 283.88	----- 157.25	----- 158.25	----- 7,080,083	----- 7,111,890

Personal Services

Classification	FY 04 Adopt FTE	FY 05 Adopt FTE	FY 06 Adopt FTE	FY 05 Adopted Budget	FY 06 Adopted Budget
Subtotal Page 1	283.88	157.25	158.25	7,080,083	7,111,890
General Maintenance Supervisor II	1.00	1.00	1.00	49,379	51,970
Helicopter Mechanic	1.00	-	-	-	-
Maintenance Assistant I	2.00	1.00	1.00	29,812	29,812
Maintenance Assistant III	1.00	-	-	-	-
Manager-Business Operations	1.00	0.50	1.00	51,621	93,777
Manager-Electric Generation	1.00	1.00	1.00	114,130	114,130
Manager-Energy Services	1.00	-	-	-	-
Manager-Engineering & Construction	1.00	1.00	1.00	115,047	115,047
Manager-Environmental Services	1.00	-	-	-	-
Manager-Fleet Services	1.00	-	-	-	-
Manager-Gas Services	1.00	1.00	1.00	83,597	84,417
Mechanical Engineer	3.00	3.00	3.00	231,213	229,317
Mechanical Equipment Stock Clerk I	5.00	-	-	-	-
Mechanical Equipment Stock Clerk II	2.00	-	-	-	-
Motor Sweeper Operator	18.00	-	-	-	-
Parking Control Checker I	18.00	-	-	-	-
Parking Control Checker I-NC	4.90	-	-	-	-
Parking Control Checker II	3.00	-	-	-	-
Parking Control Supervisor	1.00	-	-	-	-
Payroll/Personnel Assistant II	2.00	1.00	1.00	37,588	37,588
Payroll/Personnel Assistant III	1.00	0.75	1.00	31,062	41,415
Personnel and Training Officer	1.00	0.75	-	67,814	-
Pipeline Welder	8.00	8.00	7.00	402,608	348,481
Principal Construction Inspector	-	-	1.00	-	57,835
Recycling And Sustainability Officer	1.00	-	-	-	-
Recycling Specialist I	1.00	-	-	-	-
Recycling Specialist II	1.00	-	-	-	-
Refuse Field Investigator	3.00	-	-	-	-
Refuse Operator I	12.84	-	-	-	-
Refuse Operator I-NC	14.14	-	-	-	-
Refuse Operator II	4.00	-	-	-	-
Refuse Operator III	72.00	-	-	-	-
Refuse Supervisor	7.00	-	-	-	-
Secretary	7.00	4.00	4.00	161,720	161,720
Security Officer I	3.00	-	-	-	-
Security Officer II	2.00	-	-	-	-
Senior Accountant	1.00	1.00	1.00	70,374	66,871
Senior Civil Engineer	1.00	1.00	1.00	90,851	90,851
Senior Engineering Technician I	1.00	1.00	1.00	61,803	59,470
Senior Equipment Operator	5.00	5.00	5.00	245,691	244,720
Senior Mechanical Engineer	1.00	1.00	2.00	74,274	148,579
SERRF Operations Officer	1.00	1.00	1.00	80,808	80,808
Special Projects Officer	1.00	-	-	-	-
Stock & Receiving Clerk	3.00	2.00	2.00	65,751	65,751
Storekeeper I	1.00	1.00	1.00	37,588	37,588
Storekeeper II	1.00	1.00	1.00	42,489	42,489
Subtotal Page 2	----- 506.76	----- 194.25	----- 196.25	----- 9,225,302	----- 9,314,526

Year Three Implementation - Financial Strategic Plan

Long Beach Energy Structural Deficit Reductions

DESCRIPTION	SERVICE IMPACT
Bad Debt expense for FY 06 is substantially reduced, based on present stabilized activity (\$363,643)	No service impact. The previous year's budget for Bad Debt included historical costs resulting from the 2001 natural gas price crisis. The estimate for FY 06 is substantially reduced, based on the most current activity
Reduced Technology and Fleet Services charges to Long Beach Energy (\$20,522)	No service impact. This item pertains to reductions in the Technology Services Department reduced costs associated with vacant positions and Public Works Department reduction in equipment
Pipeline Lease Agreement revenue (\$97,000)	New revenue is received from a Pipeline Agreement with SoCalGas. Quarterly payments are made to Long Beach Energy from SoCalGas with a percentage increase each calendar year based on the Consumer Price Index
Personal Services savings resulting from the reduction of a position (\$49,242)	No service impact. Work responsibilities were absorbed among remaining staff
Tented Fumigation Fees for turning gas on and off for tented fumigations (\$100,000)	This is a new fee and no history had been developed regarding how much revenue to expect. \$100,000 is budgeted in FY 06 and will offset the purchase of needed gas meters and regulators with this revenue
Gas Services Charged (\$300,000)	No service impact. This is existing, but previously unbudgeted revenue
Gas Reconnection Fee Increase for Gas customers whose services are turned off for non-payment (\$174,000)	No service impact. Gas customers whose services are turned off for non-payment reimburse only a portion of the costs to terminate and restore services. This proposal is to increase the Reconnection Fee from \$35.00 to \$50.00
Staffing Conversion of five vacant positions, including one management position, to five different classifications which better suit the Department's planned operations (\$33,000)	This will have a positive impact on service. During FY 05 LBE reviewed staffing needs and converted five positions. This decision resulted in a net reduction to LBE's structural costs

Key Contacts

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