



Energy Resources

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Fiscal Year 2023/24



Public Purpose

Provide, safe, reliable, and affordable Electric and Gas utility services to our customers



Priorities/Objectives



Stabilize and reduce supply costs



Meet customer needs

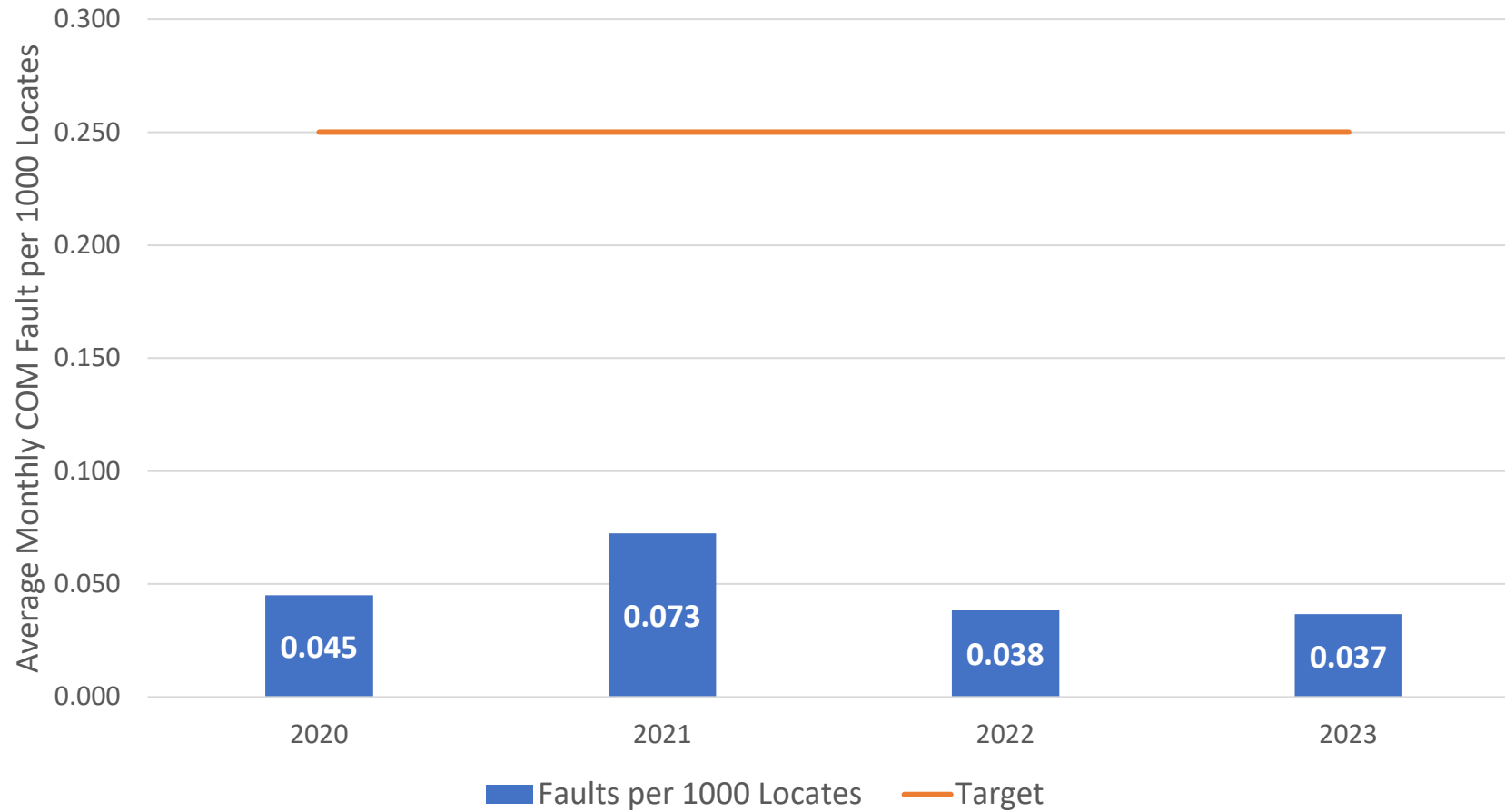
Staffing
Equipment



Provide opportunities for staff within department

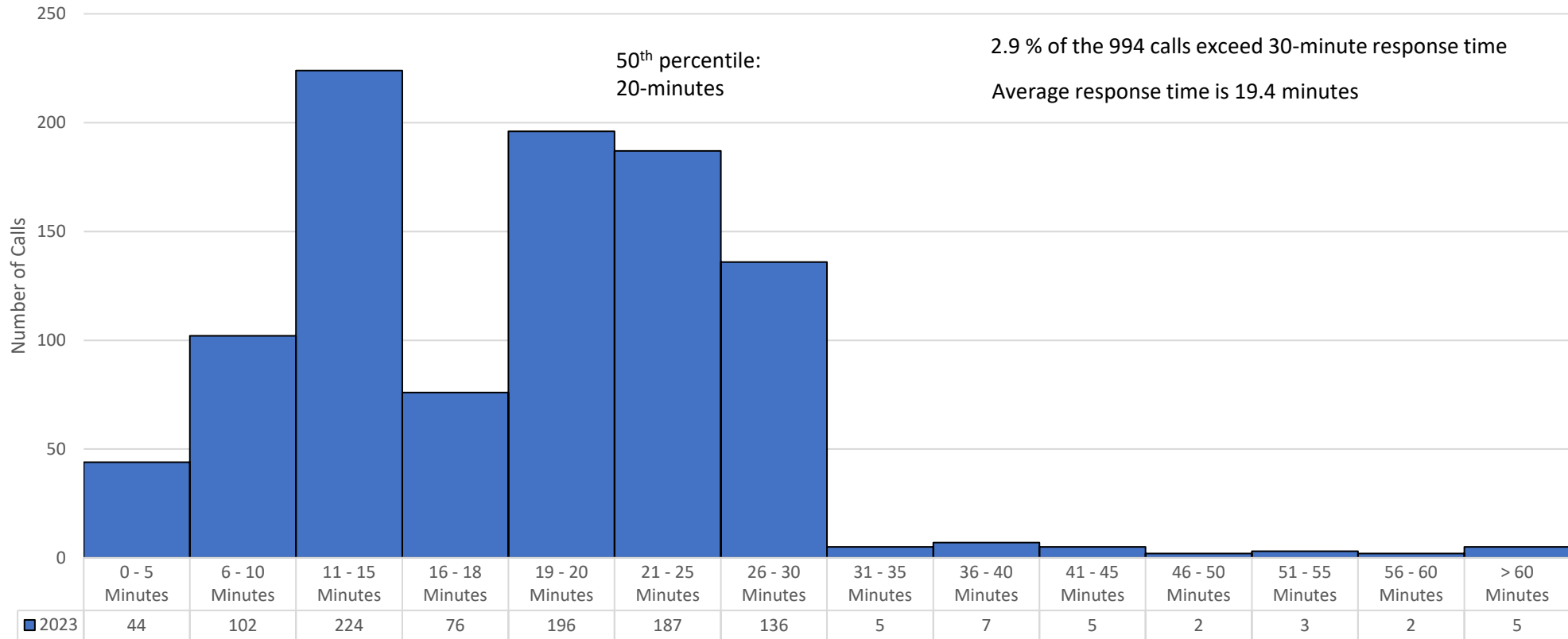
Succession Planning
Cross Training

Blue Stake Accuracy

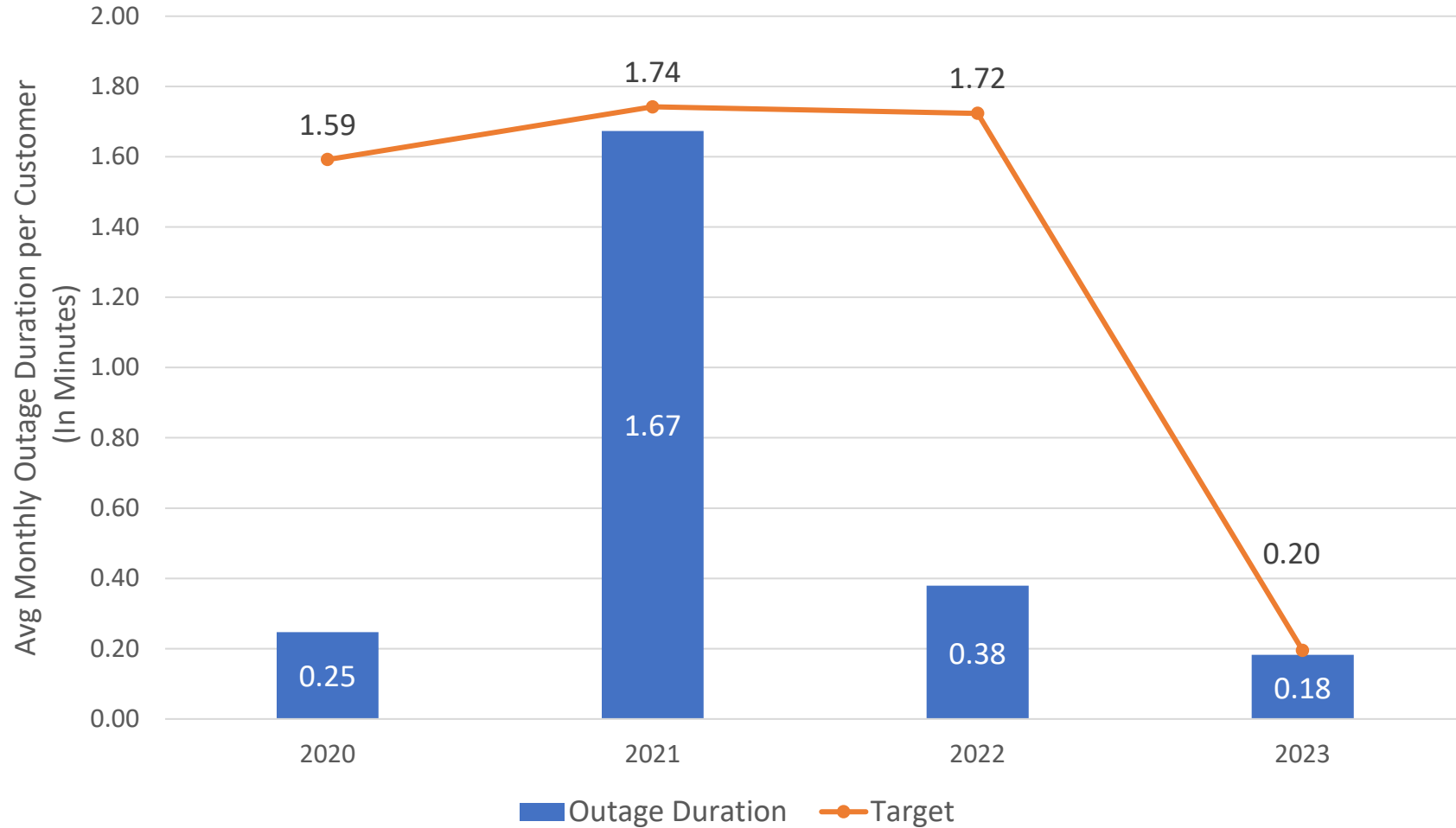


Gas Emergency Response - Mesa

FY 22-23 Response Time (Mesa)



Electric Outage Duration



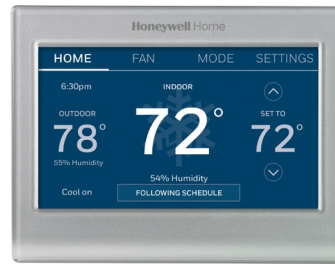
Climate Action Plan Progress - **mesa·az** electric utility



Customer Solar – 1.7 MW
149 customers, 1%
annual energy



Residential EVTOU
Rate



Aggregated Demand
Response – 1 MW, 1%
of peak demand



SRP Utility Scale
Renewable Power
16 MW, 15% annual energy



Downtown Solar 2
2.3 MW, 1.2% annual
energy

Local Energy - mesa·az electric utility



Downtown Solar 1
0.8 MW 0.4% annual energy

- MCP
- 55 N Center
- ASU
- Ice Rink

Complete



PD Microgrid
3 MW 4.4% annual energy

In design



Downtown Solar 2A
2.3 MW 0.9% annual energy

- Library
- Transportation Building
- CK Luster Building

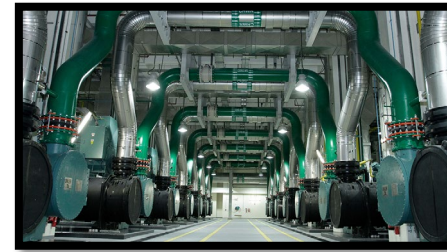
In RFP Review



Downtown Solar 2B
0.5 MW 0.3% annual energy

- Mesa Arts Center

In RFP Review



DC Microgrid
3 MW 4.4% annual energy

Concept Level



Rogers Substation Site

Under Study

Climate Action Plan Progress - mesa·az natural gas utility



Advanced Methane Detection

Project Canary –
Stationary Pilot



Advanced Methane Detection

Project Canary –
Mobile Survey



72 CNG Refuse Trucks

Local Energy



Flare to Fuel - 20% of
City Natural Gas Use



Additional RNG
Projects



Expenditure Summary

Core Business Processes	FY 21/22 Year End Actuals	FY 22/23 Revised Budget	FY 22/23 Year End Estimate	FY 23/24 Proposed Budget
Expenditures				
Energy Resources				
Electric				
Electric Business Development	\$0.2	\$0.3	\$0.3	\$0.3
Electric Substation Operations and Maintenance	\$0.8	\$1.2	\$1.0	\$1.1
Electric Meter Operations and Maintenance	\$0.5	\$0.7	\$0.6	\$0.7
Electric Transmission & Distribution Ops & Maint	\$4.0	\$4.6	\$4.4	\$4.7
Gas				
Gas Business Development	\$1.3	\$0.3	\$0.3	\$0.3
Gas System Operations	\$0.6	\$1.0	\$1.0	\$0.7
Gas Emergency Response	\$0.6	\$0.7	\$0.6	\$0.7
Gas Meter Installation and Maintenance	\$1.1	\$0.9	\$0.9	\$1.3
Gas System Maintenance	\$4.0	\$4.1	\$4.6	\$4.5
Gas Regulatory Compliance	\$0.8	\$1.0	\$0.9	\$1.0
Utility Locating	\$1.6	\$2.0	\$2.0	\$2.1
Gas Administration	\$2.6	\$2.7	\$2.8	\$2.7
Expenditures Total:	\$18.2	\$19.3	\$19.4	\$20.1
Energy Supplies				
Planning and Acquisition of Electric Energy Supplies	\$32.4	\$27.1	\$24.1	\$25.5
Planning and Acquisition of Natural Gas Supplies	\$18.7	\$16.0	\$22.2	\$19.3
Grand Total:	\$69.3	\$62.4	\$65.7	\$65.0

Dollars in Millions 10

Supports Community Needs and Growth

Four Utility Service Workers (4 FTE)

- Ongoing Cost: \$428,350
- One-time Cost: \$540,000
- Improve retention and recruitment
 - Reduce standby recurrence
 - Maintaining 30-minute response time
 - Improving employee morale
- AMI installation benefits (In-house vs. Contractor)
 - Workmanship
 - Improved customer experience
- Deliver natural gas safely to our customers

Supports Community Needs and Growth

Gas Valve Crew Leader (1 FTE)

- Ongoing Cost: \$110,483
- One-time Cost: \$170,000
- Valve maintenance is required throughout the gas system
 - Three maintenance areas
 - Growing number of new valves and main added
- System safety / regulatory compliance
 - Primary means of controlling natural gas
 - One to five-year frequency of inspections
- Lower emergency response times

Supports Community Needs and Growth




Gas Field Workers (3 FTE)

- Ongoing Cost: \$246,426
- Reduce overtime & project costs
 - Provides flexibility
 - Reduces dependency on weekend work
- Deliver natural gas safely
 - Maintenance completed on time
 - System reliability
- Reduce outstanding maintenance work packets
 - Promptly address maintenance activities

AMI Data Analyst (1 FTE)

- One-time Cost: \$6,960
- Ongoing Cost: \$104,728
- Assist with project planning and development
- Support, administer and analyze the AMI and MDMS system data and reports
- Validate rate making decisions with frequent interval usage data reporting

FY 23/24 Budget Adjustment Summary

Adjustment	FTE	One-Time	Ongoing	Council Strategic Priorities
Utility Service Workers	4	\$540,000	\$428,350	 <p>Community Health & Safety</p>  <p>Thriving Economy</p>  <p>Sustainable Environment</p>
Gas Valve Crew Leader	1	\$170,000	\$110,483	
Gas Field Worker IIs	3		\$246,426	
AMI Data Analyst	1	\$6,960	\$104,728	
Total	9	\$716,960	\$889,987	



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