

# Energy Resources

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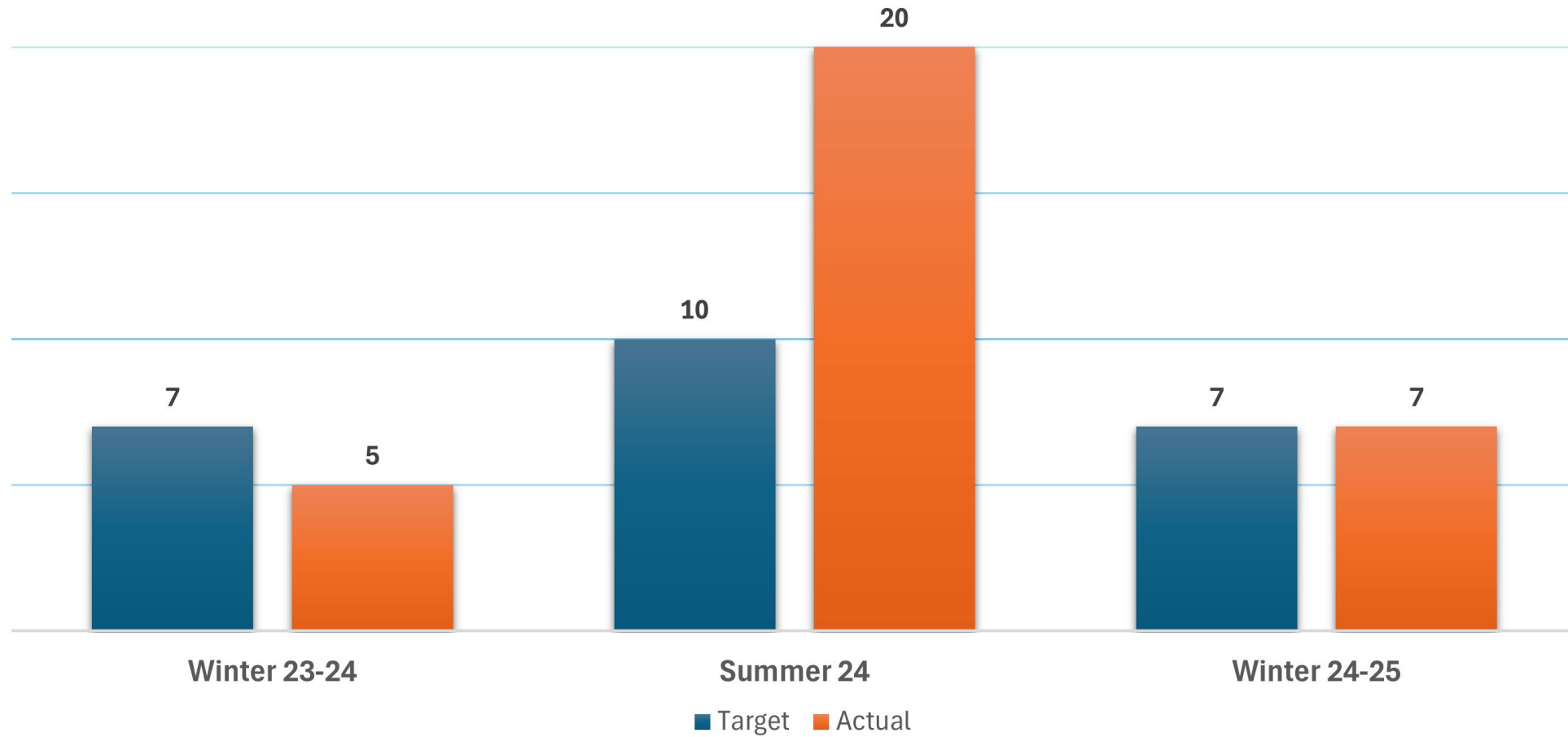
Fiscal Year 2025/26

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

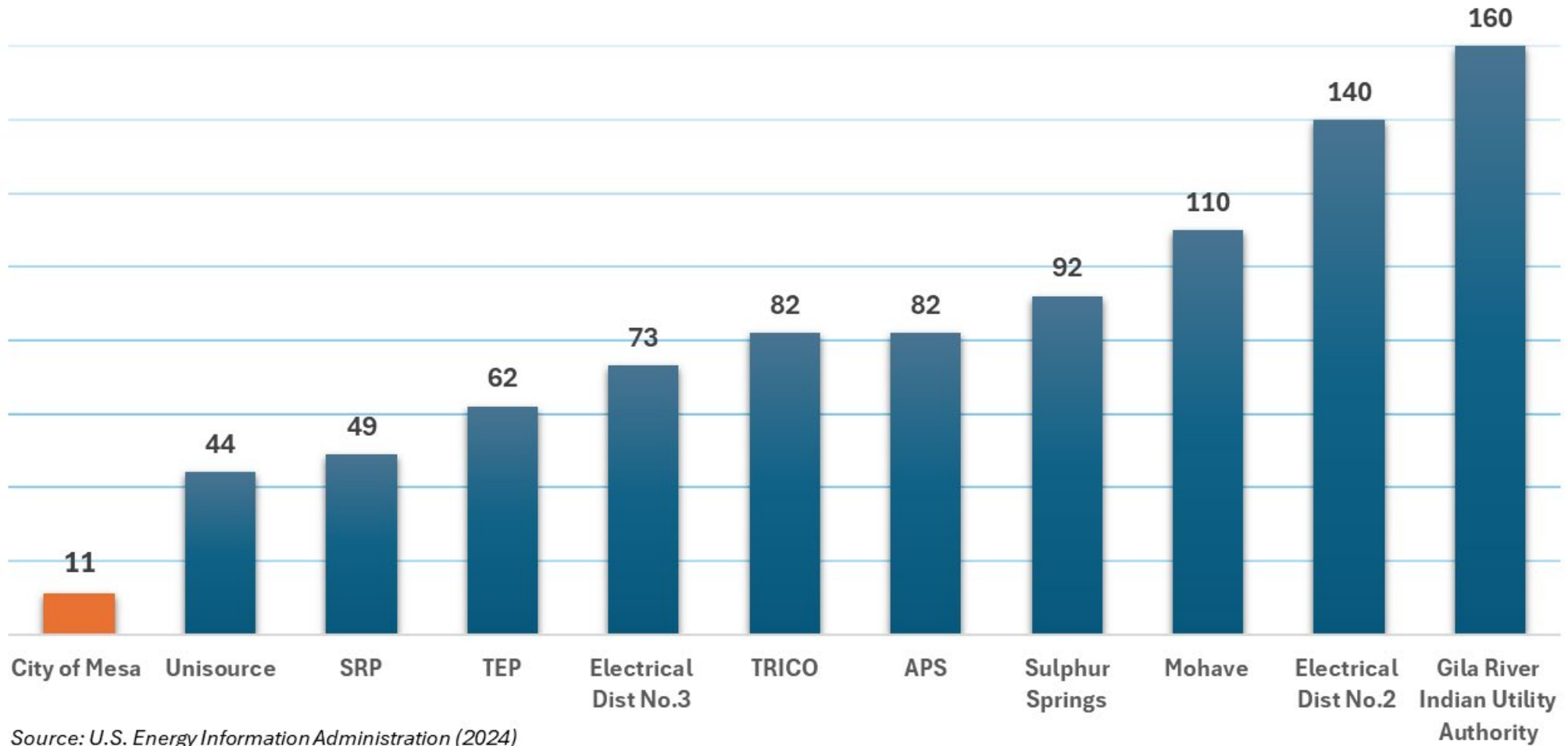


- Stabilize and reduce supply costs
- Meet customer needs
  - Staffing
  - Ensuring reliability of Natural Gas and Electric service
- Provide opportunities for staff within department
  - Succession Planning
  - Cross Training
- Sustainability

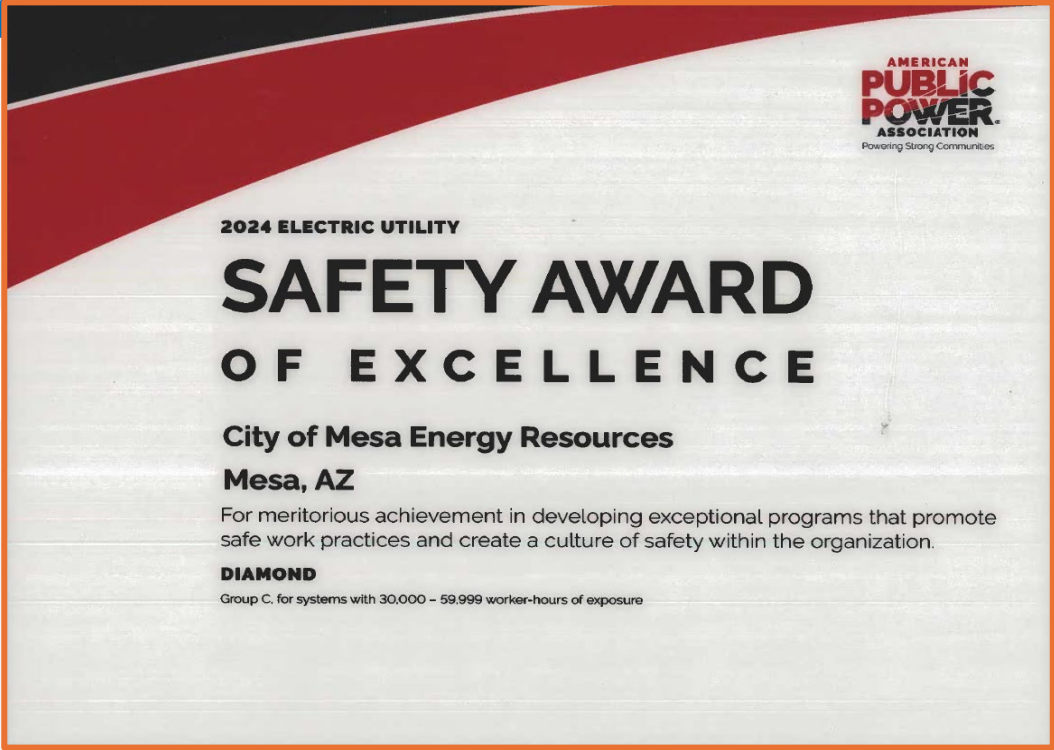
Seasonal Minutes of Outage per Customer - SAIDI



## 2023 SAIDI - ARIZONA



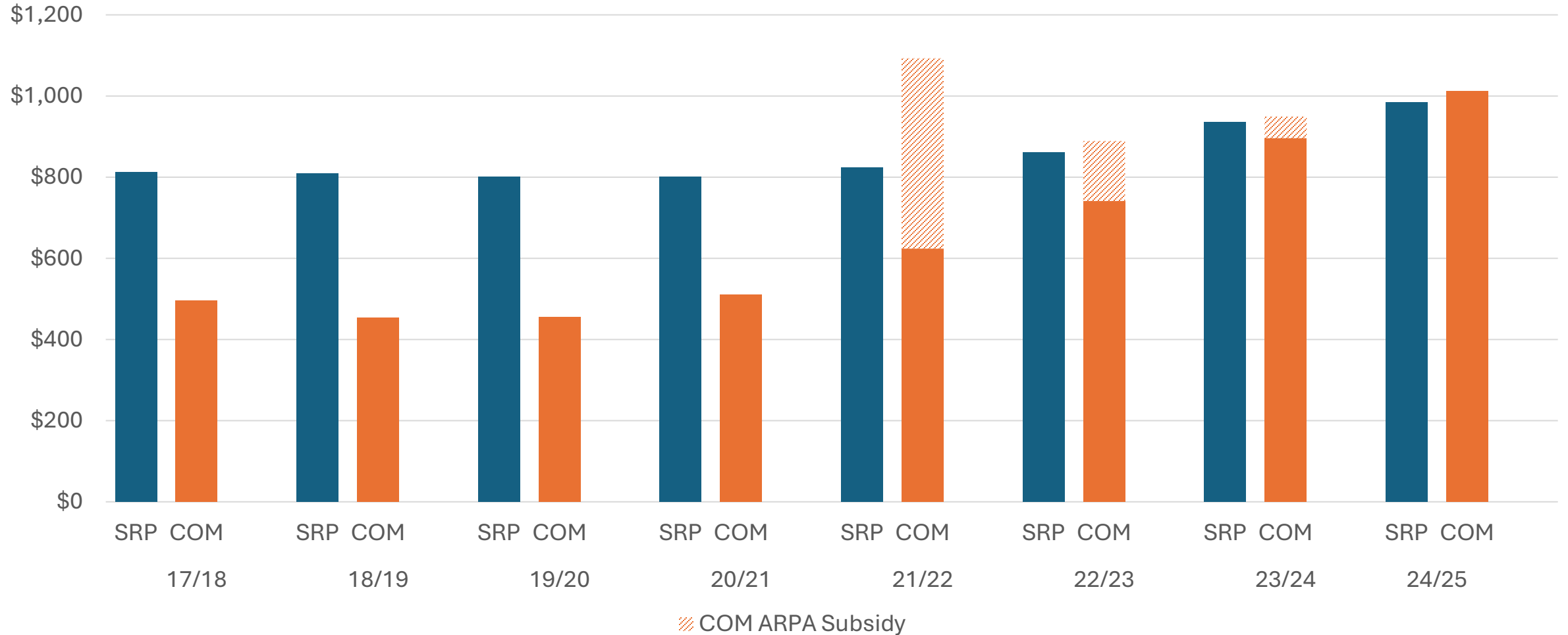
Source: U.S. Energy Information Administration (2024)



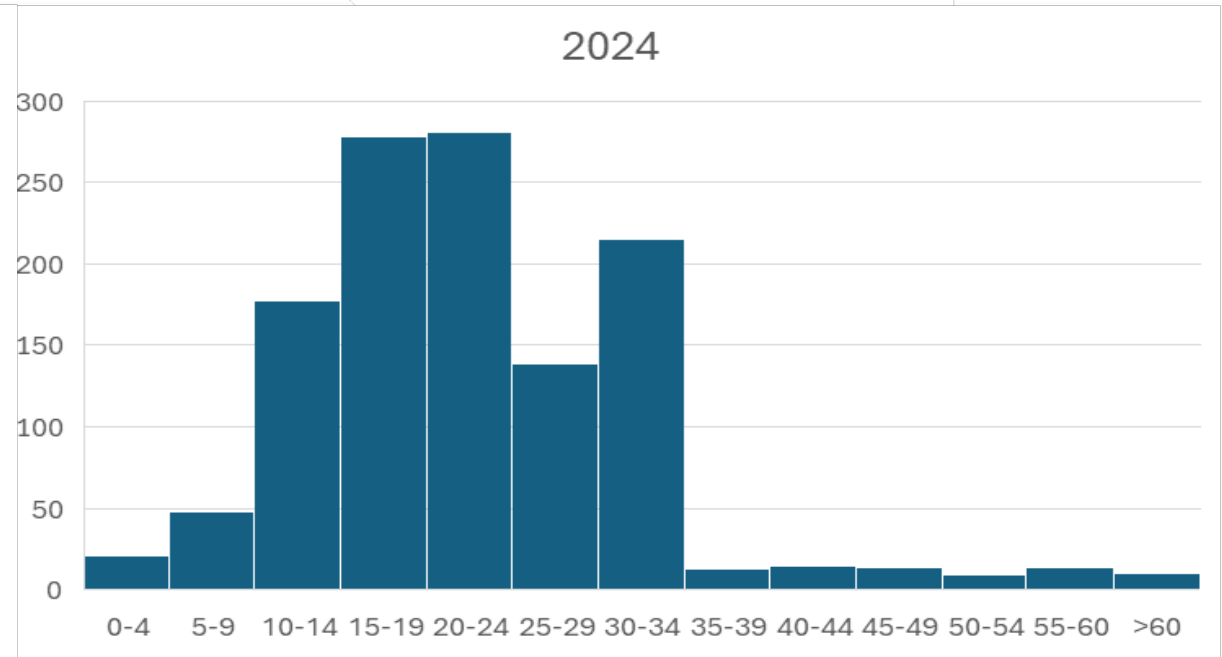
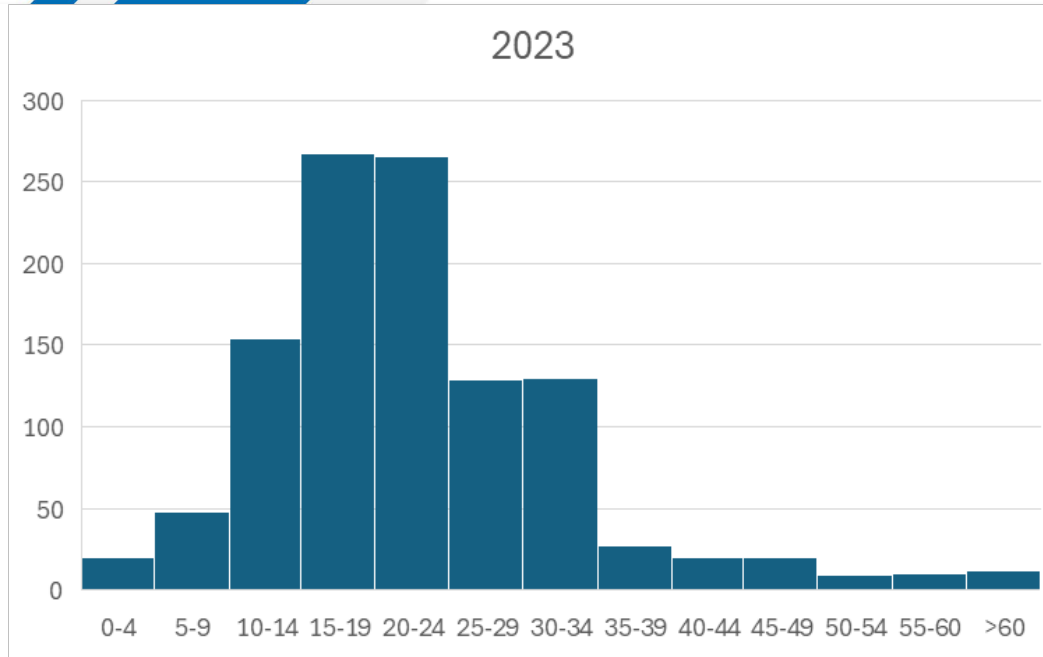
# Supply Cost Comparison



### Total Residential Customer Electric Supply Cost - SRP vs COM



# Gas Emergency Response Time - Mesa



Mean	24 minutes
50 <sup>th</sup> Percentile	21 minutes
75 <sup>th</sup> Percentile	26 minutes
Service Calls	1108

Mean	22 minutes
50 <sup>th</sup> Percentile	21 minutes
75 <sup>th</sup> Percentile	28 minutes
Service Calls	1233 (11% ↑ YoY)



# Department Financial Summary



Core Business Process Energy Resources	FY 23/24 Year End Actuals	FY 24/25 Revised Budget	FY 24/25 Year End Estimate	FY 25/26 Proposed Budget
<b>Expenditures</b>				
<b>Electric Operations and     Maintenance</b>	\$6.4	\$6.7	\$6.2	\$7.1
<b>Gas Operations and     Maintenance</b>	\$14.1	\$14.9	\$14.1	\$15.5
<b>Expenditures Total:</b>	\$20.5	\$21.6	\$20.3	\$22.6
<b>Energy Supply</b>				
<b>Planning and Acquisition of     Electric Energy Supplies</b>	\$28.8	\$31.6	\$29.9	\$25.2
<b>Planning and Acquisition of     Natural Gas Supplies</b>	\$15.2	\$17.5	\$18.1	\$17.8
<b>Energy Supply Total</b>	\$44.0	\$49.1	\$48.0	\$43.0
<b>Grand Total</b>	<b>\$64.5</b>	<b>\$70.7</b>	<b>\$68.3</b>	<b>\$65.6</b>

Figures in millions,  
rounded

**Total fund reduction target: \$358,574**

## Position Reclassifications – \$15,012

- Management Assistant II to Department Training & Safety Specialist
- Electric Substation Technician to Geographic Information System Specialist

## Gas Lifecycle Equipment - \$161,051

- Funding moved to Utility Replacement, Extension & Renewal from Utility Fund Operating

## New Revenue - \$240,000

- Gas developer deposits estimated at \$3M per year
- Eight percent retained as revenue

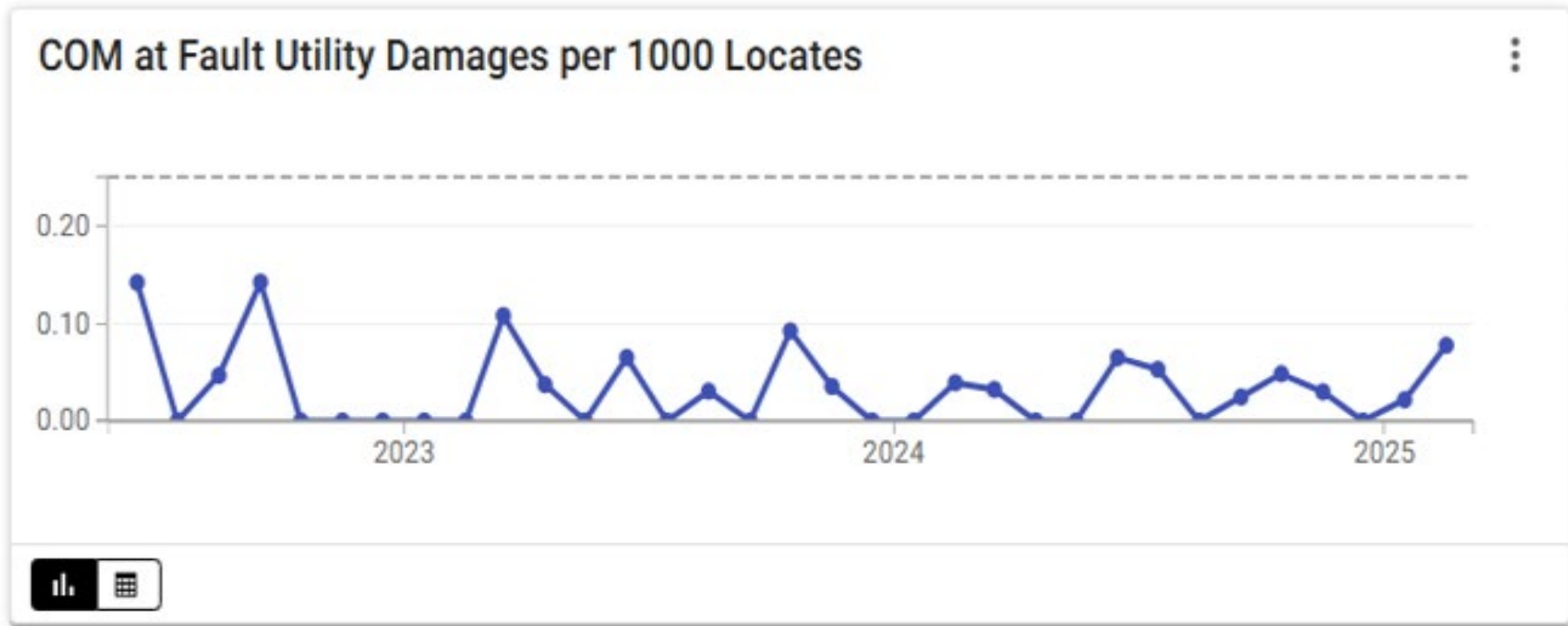
**Total Reductions/New Revenue - \$416,063**

# Reducing Budget Pressure



	<b>Additional Income</b>	<b>Budget Reductions</b>	<b>Total</b>
Position Reclassifications		\$15,012	
Gas Lifecycle Equipment		\$161,051	
New Revenue	\$240,000		
<b>Total Reduction to Budget Impact</b>			<b>\$416,063</b>

# Performance Measure - Utility Locating



# Performance Measure - Utility Locating



Fiscal Year	Annual Tickets	Annual Bore Footage	Overtime Hours	Number of Employees
20/21	235,749	344,202	3,983	14
21/22	257,880	317,204	2,929	15
22/23	287,203	670,674	3,259	17
23/24	350,473	645,175	2,106	24
24/25 proj.	452,778	1,414,000	2,965	24
Increase from 23/24	29%	119%	40.7%	

## **Utility Locators - \$1,049,441**

- Five (5) FTE – 1 supervisor and 4 locators
- Ongoing Costs - \$537,916
- One-time Costs - \$511,525
- Current staff and temporary/contracted locators struggling to support all locating activities
- Utility locating 48-hour turnaround required by law
- Fines – Ten late tickets during December (1) and January (9) totaling \$27,500

## **Flare to Fuel Vehicle - \$98,000**

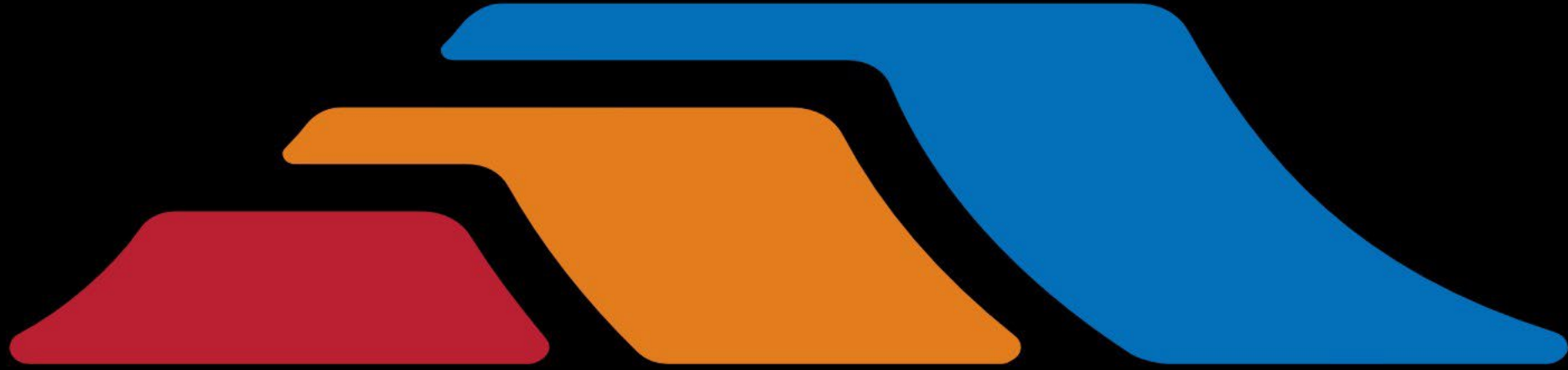
- (New) Renewable Natural Gas Coordinator Position
- Ongoing Costs - \$8,000
- Budgeted One-time Costs - \$90,000
- Northwest Wastewater Reclamation Plant - Renewable Natural Gas Facility
- Needed for supplies, standby/emergency maintenance after hours, travel to City facilities
- Support the production of locally generated, sustainable natural gas
- Electric Truck

# FY 25/26 Budget Enhancement Summary



Adjustment	FTE	One-Time	Ongoing	Fund
Utility Locators	5	\$511,525	\$537,916	Various
Flare to Fuel Vehicle		\$90,000	\$8,000	Utility Fund
<b>Total</b>	<b>5</b>	<b>\$601,525</b>	<b>\$545,916</b>	





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