

Putting Customers First



L.A.'S POWER TRANSFORMATION

LA's clean energy future - A future with more efficient use of energy, expanded renewable energy resources, and zero coal - is being built right now through a complete transformation of LADWP's power supply.

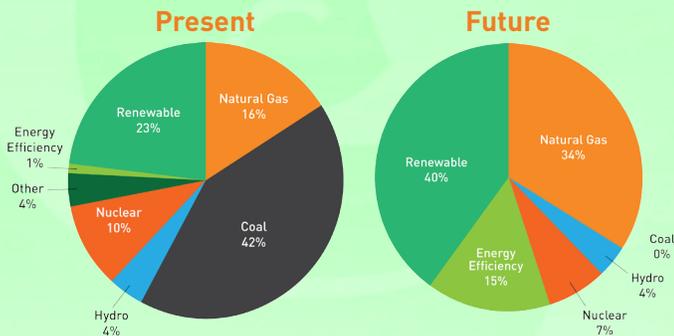
Over the next 15 years, LADWP will replace over 70% of its power supply as well as rebuild and modernize much of the grid infrastructure used to reliably deliver power to our customers and do so in a cost effective manner.

- **Renewable Energy**
Expand renewables to 33% of energy supply by 2020 and 40% by 2030
- **Rebuilding Local Power Plants**
Eliminate ocean-water cooling at 9 generating units at 3 coastal power plants by 2029
- **Power Reliability**
Replace rapidly aging infrastructure related to generation, transmission, distribution, and substations
- **Electrification of the Transportation Sector**
Replace high polluting fossil fuel petroleum with electricity

Each element is essential for reducing greenhouse gas emissions from LA's power supply while ensuring reliability. LADWP's Power Integrated Resource Plan (IRP) provides a roadmap for this power supply transformation.

As LADWP executes major projects and programs, a strong emphasis is placed on local programs designed to increase customer participation in our power supply transformation. Programs such as energy efficiency, local solar, demand response, and electric vehicle charging create opportunities for community involvement and local job growth in support of LADWP's goals.

In future years, LADWP's IRP process will also help set a pathway to longer term targets established in Mayor Eric Garcetti's Sustainable City pLAN.



Elements of Transformation

To transition to a clean energy future, LADWP is making unprecedented investments in:

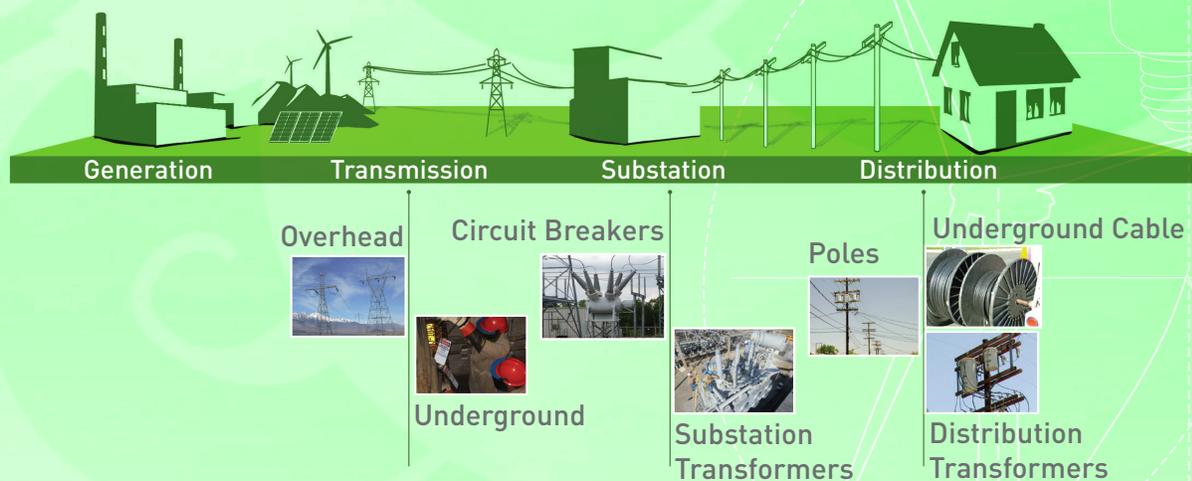
- **Coal Replacement**
Eliminate power received from L.A.'s last two coal plants by 2025
- **Energy Efficiency**
Reduce city's energy use by at least 15% by 2020



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Power System Infrastructure Reliability – The Power System Reliability Program (PSRP) addresses all Power System assets affecting reliability in an integrated and comprehensive manner. It identifies corrective actions as well as capital expenditures designed to minimize future outages and maintain reliability in the short and long term.

From 2000 through 2007, underspending on Power System infrastructure resulted in a steady increase in distribution outages, nearly doubling. In 2007, LADWP launched its initial Power Reliability Program (PRP), which targeted replacing aging Power System distribution assets. Since then, LADWP has seen a 30% reduction in outages. In 2013, realizing the value of a proactive reliability program, LADWP developed a broader Power System Reliability Program (PSRP) to encompass all generation, transmission, and substation assets as well as distribution assets.

Competitive Rates – While implementing programs to reduce greenhouse gas emissions and maintain superior reliability, LADWP’s goal is to provide competitive electric rates with sound business principles. LADWP’s power rates are consistently among the lowest in Southern California, and significantly lower than the state’s investor owned utilities.

Comparison of Residential Power Bills



Based on 500 kWh per Month as of January 2015

To learn more about the IRP, visit: www.ladwp.com/powerIRP