



Denton Municipal Electric

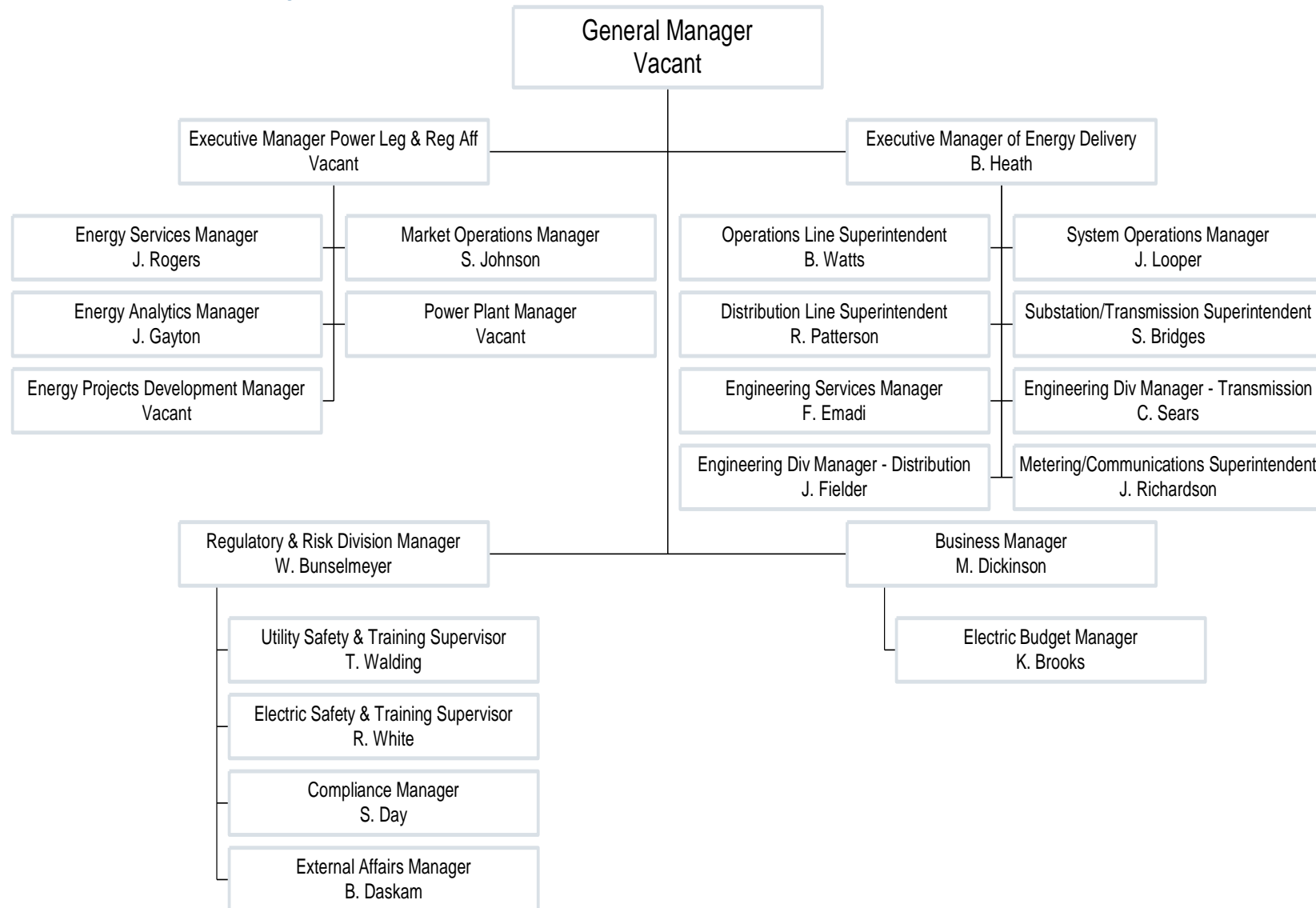
Denton City Council Department Presentation



DME FTE's By Functional Area

FTE's By Functional Area	FY 2014-15 Actuals	FY 2015-16 Actuals	FY 2016-17 Budget	FY 2016-17 Estimate	FY 2017-18 Proposed
Electric Administration	9	10	11	9	9
Power Supply	1	2	2	2	2
EMO	11	14	15	14	17
Energy Services	4	5	5	6	6
Regulatory & Risk	3	4	4	4	4
Denton Energy Center	0	0	1	7	12
Operations & Maintenance	23	23	25	25	25
System Operations	19	22	22	22	22
Distribution	31	32	33	33	33
Substations	10	10	11	11	11
General Operations Admin	1	2	2	3	3
Engineering	25	26	27	21	21
Metering	24	24	24	24	24
Communications	9	10	11	11	11
Safety & Training	4	4	4	4	4
Total FTE's	174	188	197	196	204

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Electric Department Goals and Accomplishments

Accomplishments for 16-17:

1. For fifth consecutive year, DME exceeded national average in system reliability.
2. Achieved 42-48% Renewable Energy.
3. Paid off approximately \$33 Million of TMPA debt over the last two years with no overall rate increase.
4. Reduced Energy Cost Adjustment (ECA) rate by 7% which is estimated to reduce ratepayer expense by \$3.8 Million through the end of FY 2016-17.
5. Will complete 69kV conversion to 138kV from Denton North Interchange to North Lakes Substation by July 2017.

Goals for 17-18:

1. Maintain competitive rates.
2. Ensure safety for DME employees and general public.
3. Comply with state and federal regulations.
4. Manage infrastructure needs for future growth and development plans.
5. Maximize use of Renewable Energy.
6. Increase Transparency and Fiscal Accountability of Department

Electric Department Performance Measures

Performance Measures:

1. Average Service Availability Index (ASAI) – Ratio of total number of customer hours that service was available.
2. System Average Interruption Duration Index (SAIDI) – Average outage duration for each customer served
3. System Average Interruption Frequency Index (SAIFI) – Average number of interruptions that a customer would experience.
4. Number of Electrical outages due to vegetation touching or knocking down electrical lines.
5. Percentage of Underground Cables Installed on Distribution System – Total electrical line that is under ground as compared to overhead line installed.
6. System Capacity – Illustrates the highest point of electrical demand during the year.
7. System Load Factor – Shows steadiness of electric load over time.
8. Renewable Energy – Percentage of renewable energy.
9. Energy Management Organization (EMO) Savings – Show EMO performance

Electric Department Cost Containment Strategies

Summary of Department efforts:

1. Filling five existing vacancies in Engineering with Engineering consultants.
2. Eliminated two management positions.
3. Increased budget for Salary Savings to \$308,000 to recognize positions vacancies and turnover potential.
4. Reduced Debt Service \$1.2 Million in FY 2017-18 as a result of lower interest rates.
5. Internally developed four software packages for improved EMO operations.
6. Implementation of Workforce Management System to facilitate move to paperless environment.

Electric Department Process Improvements

Completed Projects:

1. Implemented MyDME.com Application in February for ratepayers to view their electric usage details the next day – Accessed 20,421 times as of June 2017.
2. Began utilizing Electric system data to coordinate and implement distribution switching schemes to automate power restoration activities, which will shorten the duration of outages.
3. Began process to implement Asset Management and Radio Frequency Identification Device (RFID) or Tag.
4. Standardized PC Models for entire department; simplified support, troubleshooting and procurement.

Future Projects:

1. Utilize temporary interns and programmers to supplement staff.
2. Convert an EMO operator position to an Energy Trading and Risk Management (ETRM) analyst position.
3. Replace current ETRM system with a more robust system.

Electric Department Expenditure Budget Highlights (in Millions)

Expenses	FY 2014-15 Actuals	FY 2015-16 Actuals	FY 2016-17 Budget	FY 2017-18 Proposed
Purchased Power & Fuel	\$94.1	\$73.9	\$80.9	\$79.0
Transmission of Power	3.9	4.1	4.5	5.6
Personnel Services	12.9	15.0	18.5	19.8
Operations & Maintenance	6.5	7.4	14.3	16.2
ROI & Franchise Fee	11.7	12.1	13.4	14.0
Debt Service	23.1	29.1	29.6	34.4
Cost of Service	10.0	11.6	11.6	11.4
Fixed Assets	0	0	0.7	0.7
Total	\$162.2	\$153.2	\$173.5	\$181.1

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Questions / Comments

