



April 7, 2005

Dear Glendale Water & Power Customers,

Recently, the Glendale community has experienced electrical outages that have decreased reliability of our electrical system. Glendale Water & Power understands that it is critical for Glendale to have a reliable electrical system. Be assured that we are undertaking aggressive actions to restore and improve our system to provide more reliable service.

Glendale Water & Power continually seeks to improve the overall electrical system. Most recently, we embarked on a \$40,000,000 program to modernize the lines and equipment throughout our system. Initiated in November 2004, this modernization program will employ improved technologies and methodologies to increase system reliability for our customers.

Unfortunately, a series of events beyond our control caused equipment damage and temporarily weakened isolated parts of our distribution system. These events included a lightning strike, major automobile accidents, and small wildlife crawling into energized equipment.

The most critical of these events occurred on March 8, when a small animal damaged a transformer. This event weakened our system and left it vulnerable to more minor events that would normally be handled by our system, but instead caused subsequent outages.

To address the immediate need to strengthen the parts of our system weakened by some of these events, Glendale Water & Power is taking immediate action to provide short and long-range system reliability. These actions include:

1. Moving a 200,000-pound transformer on April 3 from our Tropic substation, to be used as a backup to the main location at the Kellogg facility outside of Grayson Power Plant.
2. Placing into service the 200,000-pound transformer on the weekend of April 9. This will restore our system to the same level of reliability we had before the animal caused the transformer to fail on March 8, 2005.
3. Installing additional protection equipment between April - June of this year. This equipment is specifically designed to further protect the transformers in case of nearby equipment problems.
4. Purchasing two new transformers costing \$1.1 million and placing them into service at Grayson Power Plant. The two existing transformers will be used as spares to be called into service in case of disasters. Scheduled delivery of the two new transformers is July 2005.

These short-range solutions will make the distribution system stronger than it was before.

Furthermore, these aggressive moves will provide Glendale Water & Power the system reliability we all expect and deserve while we continue our long-range modernization program that began in November 2004. The initial \$17,000,000 phase of the program will completely replace a major portion of the distribution equipment at our main power plant location by June 2006. We very much appreciate your patience as we create a lasting infrastructure that will serve Glendale for decades to come.

Sincerely,

Ignacio R. Troncoso  
Director, Glendale Water & Power

# GWP has the Answer...???

Q  
A

On my GWP utility bill, the "Electric Customer Charge" and the "Fuel Adjustment Charge" appear to be the same. Are you charging me twice for the same costs?

The "Electric Customer Charge" and the "Fuel Adjustment Charge" represent different operating expenses in our costs of doing business.

The **Electric Customer Charge** indicates the costs for direct customer services including meter reading, troubleshooting, billing, and our customer service call center.

The **Fuel Adjustment Charge** reflects the cost of the fuel we purchase to generate electricity at our city's Grayson Power Plant and the outside energy we purchase for use in Glendale. The Fuel Adjustment charge is reviewed twice per year and is adjusted, if required, to correctly reflect the cost of these purchases.

Because approximately 50 percent of the electricity distributed by GWP is generated at power plants using natural gas as their fuel, the price of natural gas plays an important role in determining our Fuel Adjustment Charge. (For more information about natural gas prices, please read the article on Page 4 in this newsletter.)

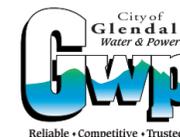
*\*\*Please note: the answers to many of your questions about your utility bill can be found on the back of your bill.*

## ReSource Central

### Glendale Water & Power Office Hours

Customer Services Hours of Operation:	Monday - Thursday: 8:30 a.m. - 5:00 p.m.	Fridays: 8:30 a.m. - 4:30 p.m.
Drive-up Bill Payment Hours of Operation:	Monday - Friday: 9:00 a.m. - 4:00 p.m.	
Engineering Hours of Operation:	Monday - Thursday 7:30 a.m. - 4:45 p.m.	Fridays: 8:00 a.m. - 4:15 p.m.
CLOSED:	Monday, May 30, Memorial Day	Monday, July 4, Independence Day

Glendale Water & Power Commission Meetings: 1st Monday of each month 4:00 p.m.  
Glendale City Council Chambers (except holidays)



GWP Electric Bill Questions:  
818.548.3300

GWP Water Bill Questions:  
818.548.3300

GWP Automated Telephone Service:  
818.548.3300

GWP Automated Telephone Service  
For Hearing Impaired (TTY):  
818.409.7062

Power Outage:  
818.548.2011

Water Emergencies:  
818.548.2011

Street Light Repair:  
818.548.2011

Trees in Electric Wires:  
818.548.4861 or  
818.548.2011

Tree Power:  
818.957.4425

Senior Citizen Discounts:  
818.548.3300

Smart Home Surveys:  
818.265.5062

Smart Home Rebates:  
1.866.557.1411  
(toll-free)

Smart Home Solar Solutions:  
818.548.2750

Peak Hogs Program:  
818.548.3300

Smart Home Air  
Conditioning / Duct  
Programs:  
1.877.422.2432  
(toll-free)

Smart Business Lighting  
Rebates Program:  
818.548.2750

Smart Business Energy  
Saving & Upgrade Program:  
1.800.263.9313

City of Glendale Website: [www.ci.glendale.ca.us](http://www.ci.glendale.ca.us)

Glendale Water & Power Website: [www.GlendaleWaterAndPower.com](http://www.GlendaleWaterAndPower.com)



141 North Glendale Ave., Level 2, Glendale, CA 91206

May - June 2005 ● Volume 5, Number 2

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## GWP Small Business Program Wins Award

Glendale Water & Power recently won the California Municipal Utilities Association's (CMUA) *Resource Efficiency Award* for our **Smart Business Energy Saving Upgrade Program**.

At the CMUA Annual Conference in March, GWP received the coveted award for the best "innovative and comprehensive approaches to the usage of Public Benefit Funds" in the small utility category. Each year, in extremely close competition, public utilities from throughout California submit their programs for awards consideration.

Our **Smart Business Energy Saving Upgrade Program**, the first-of-its-kind was developed by the GWP PBC Programs Section in May 2002. The program provides a free energy survey for our small business customers as well as \$1,000 worth of free energy and water saving upgrades. To date, over 1,500 small businesses in Glendale have participated. To learn more about this program, please call 1-800-263-9313 or visit our website at [www.GlendaleWaterAndPower.com](http://www.GlendaleWaterAndPower.com). ■



Left to right: Joe Flores, Business Accounts Representative; Craig Kuennen, Programs Coordinator; Atineh Haroutunian, Assistant Programs Coordinator; Hector Gutierrez, Business Accounts Representative.

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# May is **Water Awareness Month**

In recognition of **WATER AWARENESS MONTH** during the month of May, Glendale *Water & Power* is providing a number of activities for our customers.

## The Water Pirates of Neverland "Run Aground" at Glendale's Central Library

On **Monday, May 2**, at 7:00 p.m., GWP will be hosting a live production by the National Theatre for Children. Admission is free.

This entertaining program teaches children the importance of water and ways to conserve it through the antics of witty characters in an amusing story. The performance will be held at the Glendale Central Library 222 E. Harvard St. **Space is limited, so please arrive early.**



### Do You Know Where Your Water Comes From or How it Gets Here?

#### TOUR OUR PHOTO EXHIBIT AT THE GLENDALE CENTRAL LIBRARY TO LEARN THE ANSWERS.

Glendale *Water & Power* invites you to visit our colorful historical & educational photo exhibit on display at the Glendale Central library during the month of May.

## FREE Landscape Classes



Glendale *Water & Power* and Burbank Water and Power will co-host free landscape classes for Glendale and Burbank residents. Designed for the non-technical gardener, these 3 1/2 hour classes teach participants to identify common water-wasting problems in irrigation systems and offer suggestions on the best plants to use in Southern California landscapes. Enrollment is limited. Call **(818) 238-3730** to register. Refreshments will be served.

- Saturday . . . May 7 . . . **Basic Landscape Design**
- Saturday . . . May 14 . . . **Landscape Plants**
- Saturday . . . May 21 . . . **Landscape Sprinkler Systems**
- Saturday . . . May 28 . . . **Landscape Watering and Fertilizing**
- Saturday . . . June 11 . . . **Course Overview**  
all 4 classes condensed in one session

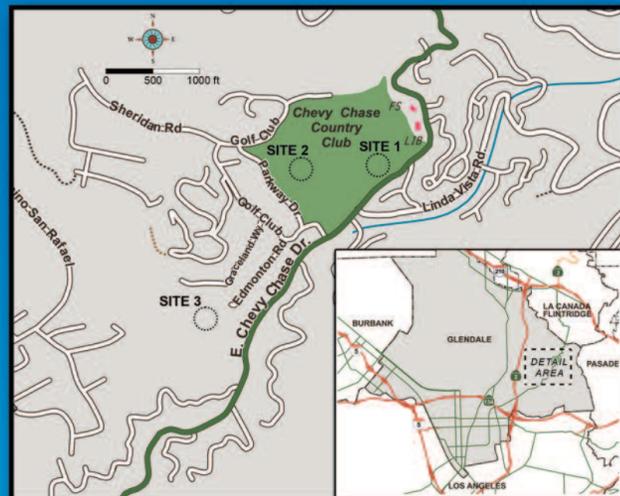
# The Chevy Chase Reservoir Replacement Project

Glendale *Water & Power* is in the second year of our citywide water system improvement program. This program will improve water quality, water system reliability and fire flow in GWP service areas. Priority is being given to the areas that have been identified by the Glendale Fire Department as needing increased water flow for fire fighting purposes.

One of the current projects is the replacement of the Chevy Chase Reservoir 968 buried under three feet of earth and turf in the Chevy Chase Country Club golf course. The 14.5 million gallon (MG) concrete reservoir, which was originally constructed in the 1920's, has undergone numerous repairs. After the 1994 Northridge earthquake, routine inspections revealed that the integrity of the structure has been compromised. It has been determined that the most cost effective solution is to replace the reservoir with a new modern-design concrete one.

The first task in the reservoir project is to look at selected construction sites (including the present site) to determine the most satisfactory location.

The high water level in the existing reservoir is at an elevation which establishes the service pressure for many homes in Chevy Chase Canyon. Therefore, this elevation is important, and must be continued with the new reservoir. The storage capacity of the new reservoir should also mirror the existing 14.5 MG capacity. Using elevation and capacity as guides, three candidate sites have been selected for consideration with tank design alternatives at each site.



- Site No. 1** is at the location of the existing reservoir. Design Alternatives for Site 1 include:  
**(Alt. A)** replacing the existing tank with a 14.5 million gallon reservoir, smaller in diameter and deeper;  
**(Alt. D)** sharing water storage with Site No. 2 by constructing a 7.25 MG tank at each site;  
**(Alt. E)** sharing water storage with Site 2 by first constructing a 3.5 MG tank at Site 2 and then constructing an 11.5 MG tank at Site 1;  
**(Alt. F)** constructing two tanks at Site 1, one 4.5 MG and the other 10.5 MG.
- Site No. 2** is also within the boundaries of the golf course, approximately 600 feet west of the existing reservoir. Design Alternatives for Site 2 include:  
**(Alt. B)** constructing a single 14.5 MG tank at Site 2; Design Alternatives D and E also utilize this site (see above).
- Site No. 3** is located on a hillside south and west of the Country Club on a new continuation of Edmonton Road. Design Alternatives for Site 3 include:  
**(Alt. C)** constructing a single 14.5 MG tank at Site 3.

A number of important technical and engineering aspects that must be evaluated during the reservoir siting study include costs of construction (range from \$8.6 million to \$13.7 million), length of construction (from 17 months to 27 months), and pipeline alignment. Numerous environmental factors such as aesthetics, biological impacts, and geology/soils will be reviewed as well as air quality, noise and traffic (number of truck trips range from 1000 to 5000) during construction. In order to discuss this project and the three alternative sites with our customers, GWP scheduled two community meetings at the Chevy Chase Country Club in April.

For more information about this project, please contact **Gary Roepke, Project Manager** at 1-800-491-1720. ■

# The Relationship of **Electric Generation** with **Natural Gas**

## What Does Natural Gas Have To Do with My Electric Company?

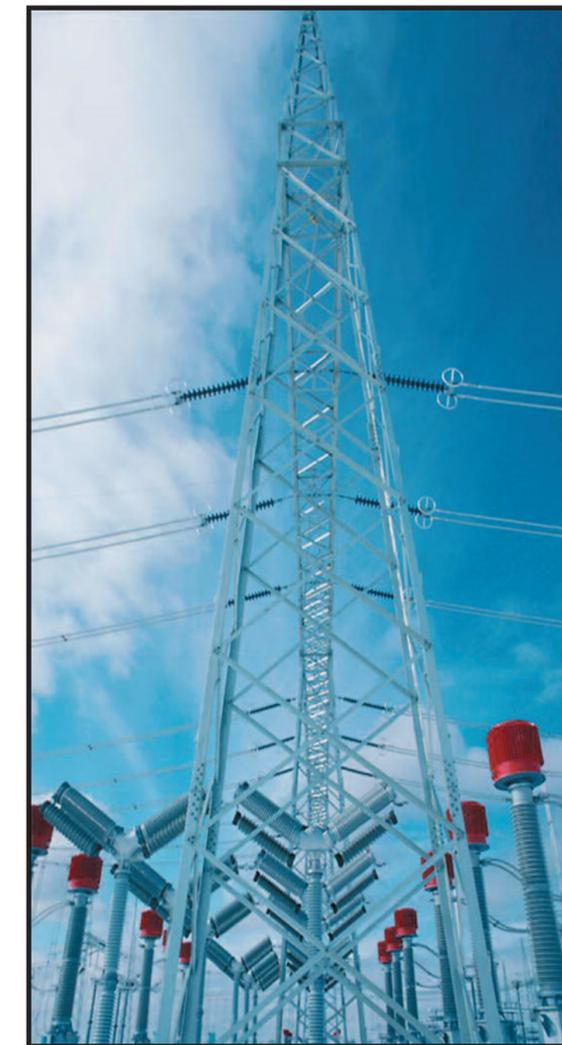
Natural gas plays a major role in the making of electricity used in homes and businesses. At Glendale *Water & Power*, approximately 50 percent of the electricity delivered to our customers is generated at power plants using natural gas. For that reason, the price of natural gas has a significant effect on the price of GWP electricity.

During the last few years, the price for natural gas has been volatile and has more than doubled since January 2002. However, during this time, GWP has been able to keep our electricity prices steady by the use of sound management practices and purchasing strategies to control natural gas costs. For example, GWP purchases gas for use 12 to 15 months in advance whenever the prices are favorable and delays purchases when prices are high. This technique works well when gas prices are fluctuating.

In spite of this, the increasing price of natural gas continues to put upward pressure on electricity prices. That is why GWP is also looking at other techniques to keep electricity prices low including purchasing fuel reserves and contracting for longer term gas purchases at better prices.

One Southern California utility — **not Glendale** — announced recently that due, in part, to rising natural gas prices, over half of their residential customers will see a 7%-8% increase in their electric rates beginning in April.

In our efforts to keep costs and



prices down, GWP will continue to make prudent purchasing decisions. As always, we are committed to provide reliable and trustworthy service to our customers at competitive rates. ■



Reliable • Competitive • Trusted