

Public Utilities Board Adopts AMP Fiscal Year 2010 Budget

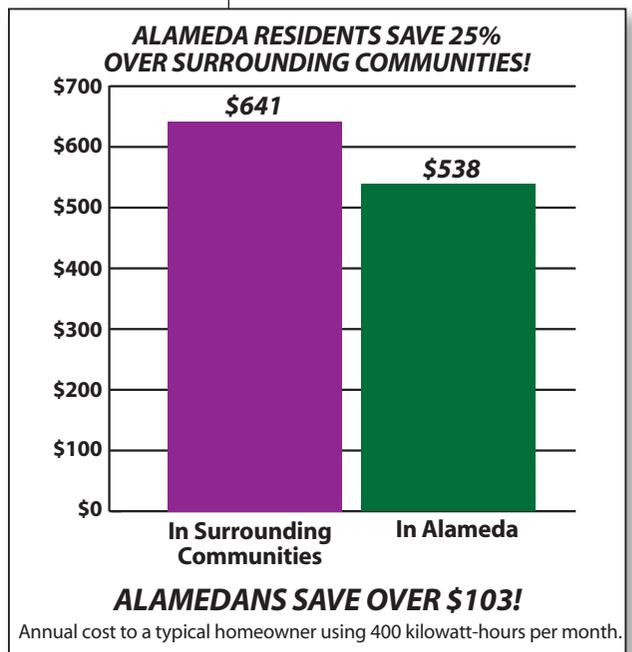
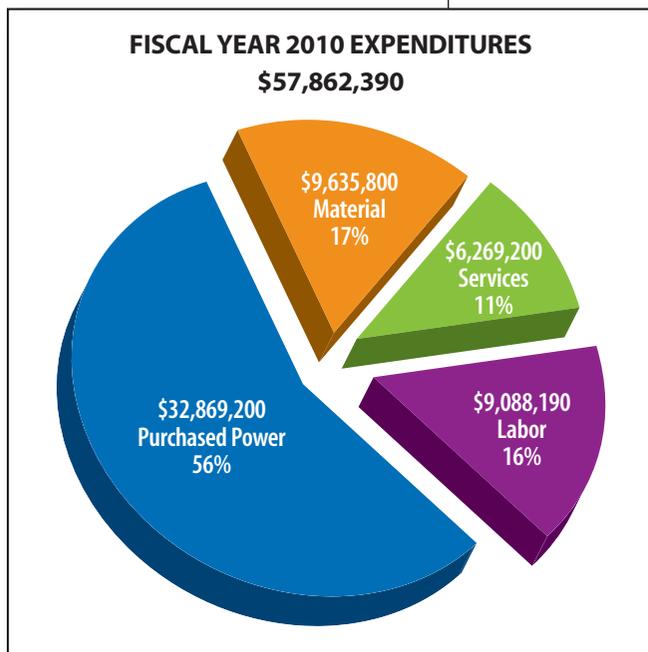
At its regular June meeting, the Public Utilities Board approved Alameda Municipal Power's (AMP) Fiscal Year 2010 budget. All AMP customer groups will continue to see significant savings of almost 25% over rates in nearby communities. And AMP remains as first among all electric utilities in California in the amount of renewable power it provides to its customer-owners.

Virtually 90% of the power consumed in Alameda is carbon-free!

Board President Ann McCormick stated, "AMP continues to be fiscally stable; we're maintaining lower rates; and we are doing our part by increasing contributions to the City."

The City General Fund will benefit from a direct transfer of \$2.8 million by

AMP. An additional payment in lieu of taxes and as a return on investment of almost \$1.3 million will be provided to the City. Other direct cost allocations and fees paid to the City by AMP will total almost \$1.1 million. By the close of Fiscal Year 2010, AMP will have transferred almost \$99 million to the City since its first transfer in 1914.

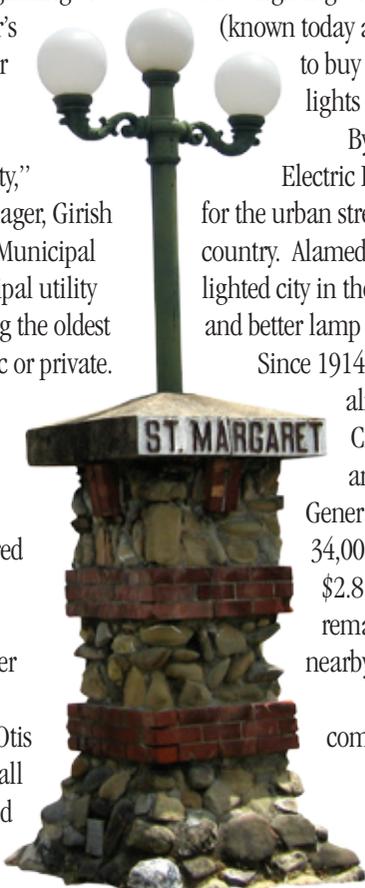


Happy Birthday to Us! Providing 123 Years of Reliable and Dedicated Service to the City of Alameda!

July 11 marks the beginning of Alameda Municipal Power's 123rd year of service to our community.

"The City has good reason for pride in its utility," according to General Manager, Girish Balachandran. Alameda Municipal Power is the oldest municipal utility in California and is among the oldest in the nation, either public or private.

In 1882, Thomas Edison proved that central station electric service could work. Only 3 years later, the City entered into a contract with the Jenney Electric Company to build a 90 kilowatt power plant at what is now the corner of Park Street and Otis Drive. Thirteen 125-foot tall iron masts were also placed throughout the City for



street lighting. The City's Board of Trustees (known today as our City Council) voted to buy the plant and the street-lights on July 11, 1887.

By 1913, the "Alameda Electric Lamp Post" was a model for the urban streetlight systems across the country. Alameda was known as the best lighted city in the Bay Area, having more and better lamp posts than any other city.

Since 1914, AMP has returned almost \$99 million to the City's General Fund. The annual direct return to the General Fund, stemming from 34,000 customers, is now at the \$2.8 million level, while rates remain well below those in nearby communities.

Well over half the money coming into AMP is used to

See Happy Birthday on page 2

AMP is one of the largest businesses based in Alameda, with budgeted expenditures for the 2010 Fiscal Year of approximately \$57 million. "This budget demonstrates our success at streamlining the AMP organization. Staffing is back at 1998 levels," McCormick noted.

"Our power portfolio remains exceptionally strong, and we are well positioned to continue our commitment of providing environmentally responsible power at low rates," she continued.

Power costs are the largest items in the AMP budget. Almost \$33 million, or about 56% of total expenditures, will be spent for power by the end of Fiscal Year 2010. AMP buys power from the Northern California Power Agency, a group of 15 public power entities, that has developed hydroelectric, geothermal, and gas-fired combustion turbine plants. AMP also buys power from the federal government's Western Area Power Administration, including the Central Valley (hydroelectric) Project. AMP also has contracts for the output of a wind farm and several landfill-gas-to-energy facilities.

Utilities commonly use balancing accounts to stabilize rates to customers.

See Budget on page 2



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AMP is committed to both the efficient use of energy and assuring that Alameda stays *The Greenest Little Utility in America*. That's why we have energy efficiency programs to help you make choices that **help the planet and save money on your electric bill**.

For more information, program rules, and an application, please log on to www.alamedamp.com or call 748-3947! *Residential customers only, please.*

Alameda Municipal Power. The Greenest Little Utility in America.

Keep Safe— Don't Be Afraid to Ask!

Crooks and other ne're-do-wells have claimed to be utility workers or contractors working for a utility to gain entry to a home. Sometimes, they may claim an appliance or wiring needs immediate repair. They may even threaten to shut off service unless you pay them money on the spot. At particular risk are seniors, the disabled, and those for whom English is a second language.

Annually, thieves steal hundreds of thousands of dollars from homes or by credit card numbers given by customers over the phone. That's why it's a crime to impersonate a utility worker.

Don't let it happen to you!

Alameda Municipal Power Meter Readers, Meter Service Workers, and members of our Line Crew, are in the field every day in their work. Occasionally, they

may even need access to your back yard or basement. However, we don't want to be confused with the bad folk!

Customers request most utility visits, so be suspicious if someone shows up without an appointment. Have the worker wait outside a locked door while you call AMP (748-3900) to check on the individual and confirm that they are an AMP employee. No honest service person objects to being checked, and crooks probably won't stick around.



All Alameda Municipal Power employees carry photo identification cards. Please always ask to see our identification when we come to see you. If you have any doubts, please call our Customer Service Representatives on 748-3900. After all, we're here to serve you!

Budget from page 1



AMP expects to draw on its balancing account, created over 20 years ago, to offset its Fiscal Year 2010 revenue deficit. At the Budget Workshop held in May, the Board directed staff to continue to discuss underlying assumptions, risks, and policy decisions regarding long-term rates at future public meetings and workshops.

Alameda Municipal Power's rates have not been changed significantly over the past 6 years. Residential customers comprise approximately 88% of all AMP accounts, and the rates they pay are about 25% less than in surrounding communities.

The AMP Fiscal Year 2010 begins on July 1, 2009, and runs through June 30, 2010.

Happy Birthday! from page 1

buy electricity. We've had great success by investing in power resources that are economical, reliable, and good to the environment. About 90% of Alameda's power is generated using renewable resources.

According to the City Charter, four Commissioners are appointed by the Mayor with the concurrence of the City Council to the Public Utilities Board. They and the City Manager establish policy, approve major purchases, and provide local control for one of Alameda's largest businesses.

The FLASH is published as a service to the customer-owners of Alameda Municipal Power. Readers are invited to submit ideas, suggestions, comments, or questions by writing to the editor at Alameda Municipal Power P.O. Box H Alameda, CA, 94501-0263 or by email to mccabe@alamedamp.com.

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ALAMEDA MUNICIPAL POWER

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CLIP and KEEP!

Important AMP contact numbers:

- Customer Service..... 748-3900
- After Hours/Emergency 748-3902
- TDD (hearing impaired) 522-7538
- E-mail..... info@alamedamp.com
- Internet www.alamedamp.com