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CITY PUBLIC SERVICE BOARD

of San Antonio, Texas

27th ANNUAL REPORT

Fiscal Year Ended January 31,

1969

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Scenic View of Venetian-like San Antonio River



ELECTRICITY AND NATURAL GAS

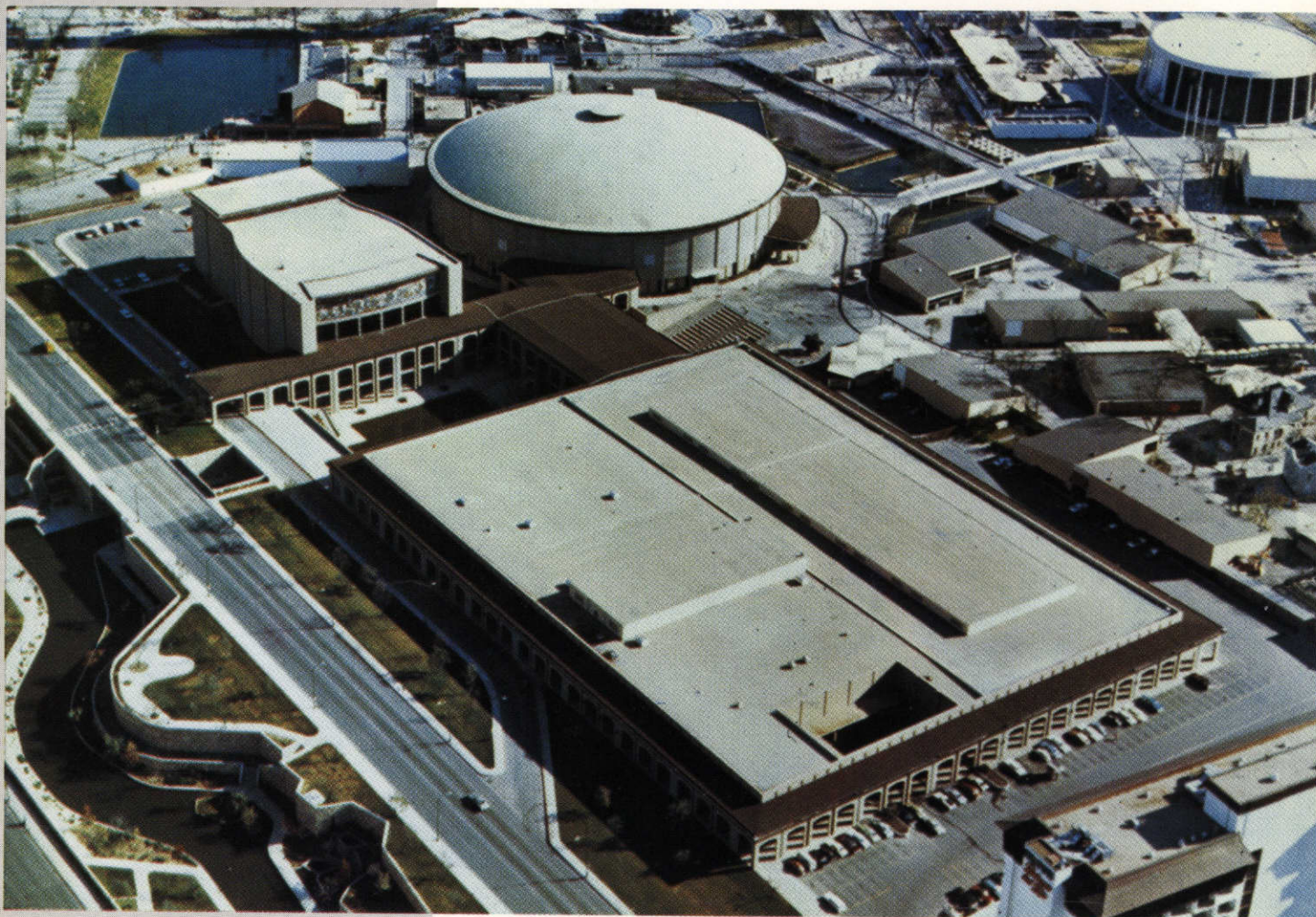
MARKET



Awe-inspiring 750-foot "Tower of the Americas", tallest observation tower in the Western Hemisphere

San Antonio is an amazing market. A few years ago it ranked 20th in population . . . then 17th . . . 15th . . . and today it is America's 13th largest city. Its burgeoning population, now in excess of 800,000, will soon top 1,000,000. During the past three years there has been 1/2 billion dollars in new construction. Much more is planned for the future. There is no stopping this dynamic, thriving market. New industry continues to move into San Antonio along with a booming expansion of existing industry. This expansion is due to a highly diversified economy, availability of productive manpower and a wonderfully mild, year 'round climate.

One of the world's most picturesque cities, San Antonio has retained the unique charm of its rich heritage in a modern setting. Whether one's taste runs to grand opera, hard rock, Dixieland Jazz or mariachis . . . whether it be drama, symphony, stock show or spectacular parades . . . whether it be travelling on one of the nation's largest expressway systems or taking an unbelievably beautiful boat ride on San Antonio's famous Downtown River . . . whether it be steak, French cuisine or tamales . . . whether it be zooming up the 750-foot Tower of the Americas or pausing at the Alamo . . . San Antonio is that rare blend of the historic past and the modern future.



Impressive new Civic Center Complex includes 200,000-square foot Convention/Exhibit Building, 2,800-seat Theatre of the Performing Arts and 10,000-seat Arena.

WHAT MAKES SAN ANTONIO GROW?

Twelve pages of this report, in full color, are devoted to the story of the dynamic economy of this fast-growing area. In addition to informing our readers, copies of this section in booklet form will be sent to the nation's business leaders as part of the Board's industrial development program.

27th ANNUAL REPORT—FEB. 1, 1968-JAN. 31, 1969
CITY PUBLIC SERVICE BOARD—SAN ANTONIO, TEXAS

CONTENTS

Page

4	Management	23	Automation
5	Highlights	24	Financial Review
6	Report of Progress	26	Balance Sheet
8	Customer Service	28	Revenues
10	Electricity	29	Long Term Debt
12	Gas	30	10 Yr. Financial Review
13	Personnel	32	10 Yr. Operating Review
15 - 22	San Antonio Facts	34	Systems Map

A HISTORY OF CITY PUBLIC SERVICE BOARD

The City Public Service Board came into being on October 24, 1942 when the City of San Antonio purchased the gas and electric utilities for \$33,950,000 in bonds, payable solely out of the revenues from the properties.

Prior to that time, the gas, electric and transportation facilities had been operated by a private company, the San Antonio Public Service Company. However, following the Holding Company Act of 1935, the properties had to be sold since they were part of a holding company group.

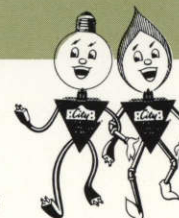
Under the provisions of the indenture and in accordance with Texas statutes, the governing body of the City of San Antonio appointed a five-member Board of Trustees, one of whom is the Mayor of the City of San Antonio, who serves ex-officio. Five trustees is the maximum permitted under state law.

The new Board began operations without any equity or operating funds. During World War II, it also experienced shortages of equip-

ment and personnel, yet managed to provide good service to a San Antonio which was rapidly expanding during the war years.

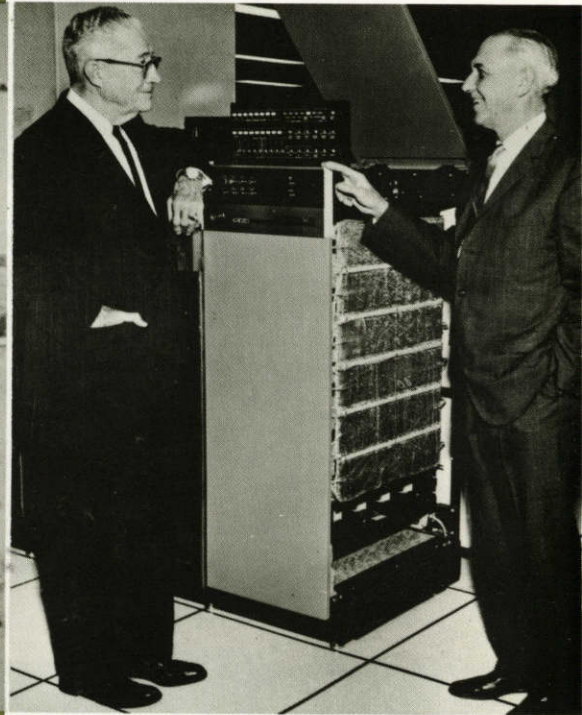
San Antonio's rapid expansion has continued to date, with an increase in requirements for electric service of 11 per cent annually and a substantial increase in requirements for natural gas as well. To meet these needs, the Board has increased its generating facilities from 88,000 kw in 1942 to 1,298,000 kw in 1969 with funds obtained solely out of revenues without recourse to any tax funds. Gas and electric transmission and distribution facilities have also been increased as needed to serve the customers who have increased from 74,049 gas and 89,891 electric customers in 1942 to 196,566 and 228,564 respectively on Jan. 31, 1969.

The utilities are a rapidly expanding source of income for the City of San Antonio, having provided \$93,211,027 in benefits since the utility systems were acquired, while still maintaining traditionally low rates for all classifications of customers.





Four members of the Board of Trustees (above) are pictured on a tour of the CPSB's Calaveras power plant and dam project. Left to right are: J. H. Morse, Albert Steves III, John R. Locke and Leroy G. Denman, Jr. In other picture, Mayor W. W. McAllister, left, ex-officio member of the Board of Trustees, reviews computer operations with O. W. Sommers, General Manager.



THE MANAGEMENT STAFF

O. W. SOMMERS
General Manager

J. T. DEELY
Asst. Gen. Mgr.

SYSTEM MANAGERS

W. E. BESSELLIEU
Sec. Treas.

C. DICKENS, JR.
Controller

L. E. BOULDEN
Admin. Services

O. H. HEGEMANN
Gas System

J. M. COSTELLO
Personnel

H. A. TYNAN
Electric System

E. A. WEST
Computer Operations

DEPARTMENT MANAGERS

W. F. DREISS
Operation Services
and Control

R. M. JOLLY
Engineering

B. C. JACKSON
Purchasing and Stores

J. B. POSTON
Special Engineering

A. E. SCHWEPPE
Building Operations
and Claims

L. J. SPENGLER
Customer Relations

J. K. SPRUCE
Construction

P. T. WHITMORE
Transportation

M. J. ZIMMERMAN
Power

C. G. KRAUSE
Engineering Consultant

BOARD OF TRUSTEES

LEROY G. DENMAN, JR., Chairman
Chairman, S. A. Loan & Trust Co.

*ALBERT STEVES III, Vice Chairman
President, Ed. Steves & Sons, Inc.

JOHN R. LOCKE, Trustee
Partner, Kelso, Locke & King, Attys.

J. H. MORSE, Trustee
President, Joske's of Texas (Ret.)

W.W. McALLISTER, Ex-Officio Trustee
Mayor, City of San Antonio

*Died, March 15, 1969

FORMER TRUSTEES

CHARLES GEORGE
11-26-62 to 1-25-65

GEN. JOHN M. BENNETT, JR.
1-6-50 to 1-31-64

MELROSE HOLMGREEN
2-1-51 to 10-31-62

J. H. CALVERT
10-10-50 to 1-31-62

W. E. SIMPSON
11-29-48 to 1-31-60

W. P. NAPIER
10-24-42 to 2-1-51

J. H. FROST
8-6-47 to 10-9-50

D. F. YOUNGBLOOD
10-24-42 to 12-31-49

COL. W. B. TUTTLE
10-24-42 to 11-29-48

FRANZ C. GROOS
10-24-42 to 6-4-47

HIGHLIGHTS OF THE YEAR

Gross Revenue increased \$7,780,976 to	\$72,050,096
Maximum Electric System Load increased 101,000 KW to	941,000
Distribution Substations added 159,449 KVA to total	1,865,749
38.4 Miles of Transmission Lines were added to total	485.1
8,419 Electric Customers were added to total	228,564
6,521 Gas Customers were added to total	196,566
50 Miles of Gas Mains were added to total	2,350

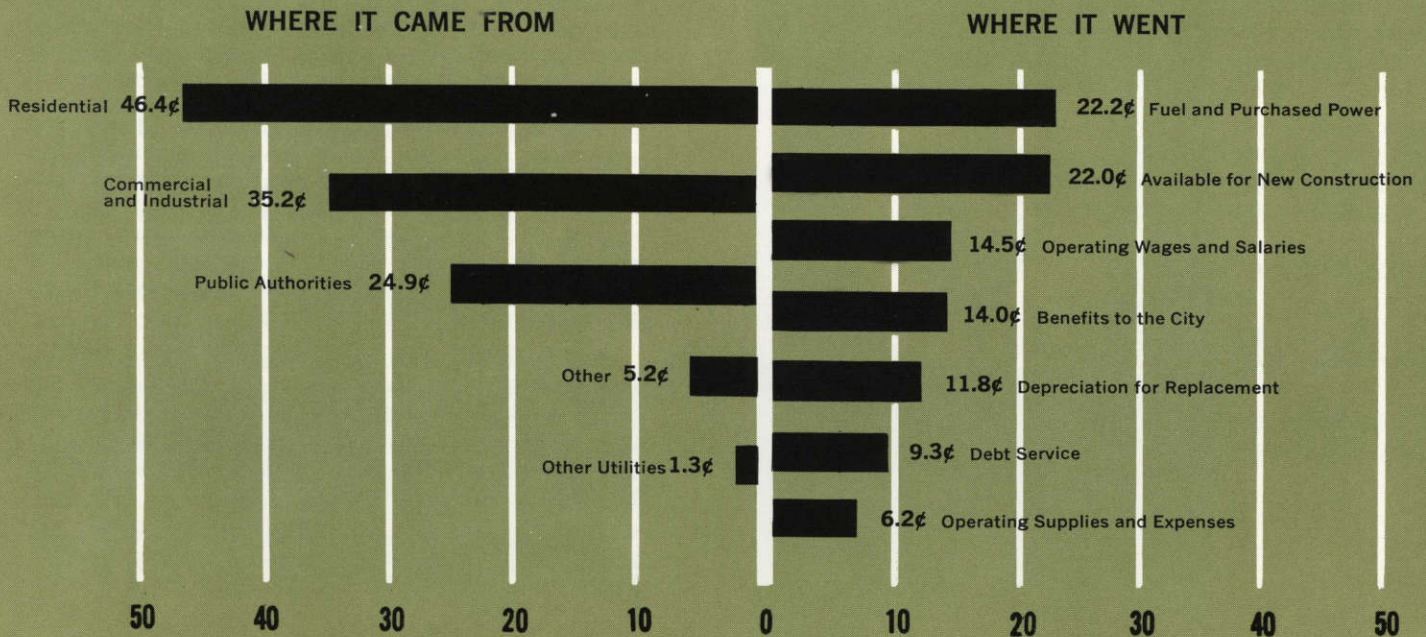


SUMMARY OF APPLICATION OF REVENUE AND SOURCE OF FUNDS FOR IMPROVEMENTS

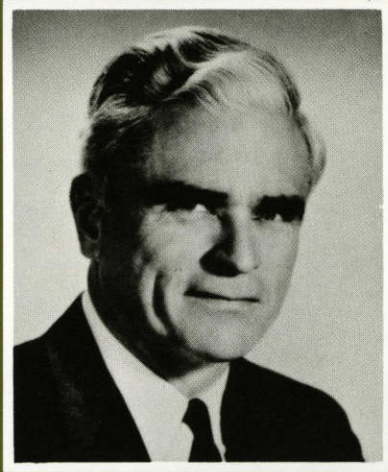
Gross Revenue for 1968-69	<u>\$72,050,096</u>
Application of Revenue:	
Purchase of Gas and Electricity	\$15,975,174
Other Operating and General Expenses	10,953,657
Maintenance of the Systems	4,010,109
Benefits to the City	10,087,013
For Debt Requirements	6,728,784
Allowances for Depreciation	8,476,414
Balance from Operations	<u>15,818,945</u>
Total	<u>\$72,050,096</u>

Amount Spent for Replacements, Improvements, and Expansion of Gas and Electric Systems	<u>\$39,790,660</u>
Funds obtained from:	
Depreciation Allowance	\$ 8,476,414
Balance from Operations	15,818,945
Contributions and Advances in Aid of Construction	1,194,843
Bond Construction Fund	14,155,849
Sale of Property	144,609
Improvements and Contingency Fund	<u>-0-</u>
Total	<u>\$39,790,660</u>

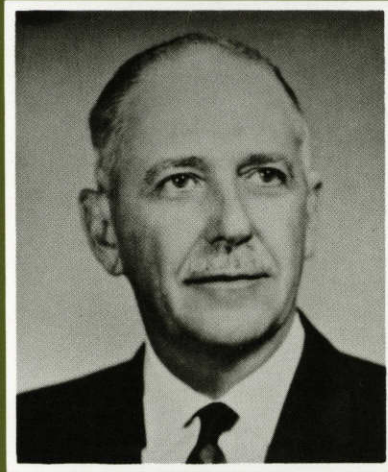
SOURCE AND DISTRIBUTION OF THE CPSB UTILITY REVENUE DOLLAR



Leroy G. Denman, Jr.
Chairman



O. W. Sommers
General Manager



PROGRESS REPORT 1968 - 1969

The fiscal year ending January 31, 1969 was one of very successful achievements for the City Public Service Board. New records were set in the number of customers served, use per customer, peak load, total revenues, and amount of construction completed.

New lows were set in the cost per kilowatt hour to residential customers and in the amount of heat energy required for generating each kilowatt hour. All of these further document the continued growth and vitality of San Antonio and the soundness of the Board's planning in serving area needs for electricity and natural gas.

The Board's tradition of providing the best service at the lowest possible rates has been maintained throughout the fiscal year. There were very few service interruptions and all of these affected only small areas. Continuing rate studies show that San Antonio residential customers enjoy the lowest gas and electric rates of any of the twenty-five major cities in the U. S. and any of the large cities of Texas. Rates for commercial, industrial and governmental customers are also very low.

Through the active participation of Mayor W. W. McAllister, ex-officio trustee, the aims of the City Council and the Board are coordinated in the operation of the utilities. The City which purchased the utilities for \$33,950,000 in 1942 has found, due to the formula for payments to the City General Fund, an increasing source of benefits. Contributions, based on fourteen per cent of gross revenues, for the first time passed the \$10 million mark in the past fiscal year. Total benefit to the City during more than twenty-six years of operations have amounted to \$93,211,027.

The principal challenge that has faced the Board ever since its inception has been the planning and construction of facilities to keep pace with increasing requirements. At the end of the fiscal year, a record 228,564 electric customers were being served, an increase of 8,419 over last year. Gas customers numbered 196,566, also a record and an increase of 6,521 for the year.

The peak load of the electric system is growing at a rate of eleven per cent a year — much faster than the average utility. This growth means that while most utilities are doubling their facilities every ten years, the CPSB must double its facilities every seven or eight years.

The gas system, which has recently been completely modernized, also is growing at a healthy rate.

Because of continuing heavy construction requirements, a record \$40,267,000 was spent, exceeding the previous year by \$9,100,000. Over half of all expenditures for construction were for expansion of electric production facilities. The second generating unit of the Braunig power plant, of 250,000 kw capability, was completed last May and construction was immediately started on a 417,000 kw third unit which is due to be in operation in 1970.

The acquisition of approximately 8,000 acres of land for the new Calaveras power plant and man-made cooling lake was virtually complete at the end of the fiscal year and construction of the earthen dam for the 3,500 acre lake was nearing completion.

The Calaveras lake will supplement runoff water by pumpage of sewage effluent from the City sewage disposal plant. Pumping facilities for up to 50,000 gpm are complete and the three year project of filling the lake was initiated.

Construction is due to start on the first 446,000 kw unit at the Calaveras power plant in early 1970 with completion early in 1972. A similar unit will go into operation in 1974.

Good progress was also made on construction of a 90-mile, 138 kv double circuit electric transmission loop around the perimeter of the metropolitan area on a thirteen-mile radius. The entire project will be completed in 1972. Provisions have been made for the addition of extra high voltage 345 kv lines on the same right-of-way when needed in the future. Total transmission system expenditures were \$3,020,000.

The addition of new customers and improvement of facilities for present customers necessitated expenditures of \$2,548,000 for the gas system and \$5,211,000 for the electric system. Improvements for service to customers in the gas system amounted to \$1,055,000 and in the electric system, \$4,819,000.

General property additions for the year were \$1,969,000. Included was a new building to be completed in 1969 for centralized customer facilities at 146 Navarro, automotive and construction equipment, and expenditures for the new Gas and Electric Operating System. This computer based data acquisition and control system will provide instant and more complete information on conditions in the system, recall information, improved system control through automatic handling of system conditions and elimination of many human errors. The system can be programmed for changes and expansions in the future.

Revenues during the past fiscal year reached a new record of \$72,050,096 compared with last year's \$64,269,120. Operating expenses were \$30,938,940. After deducting \$10,087,013 for benefits to the City of San Antonio, \$6,728,784 for bond requirements and \$8,476,414 for replacement of plant, a balance of \$15,818,945 was available to apply toward the cost of new plant.

The additional \$14,155,849 obtained from the revenue bond fund was necessary to pay for construction.

For the new fiscal year, a construction budget of \$43,101,000 has been approved. It includes a carry-over of \$3,327,000 in incompleting construction orders from the past year. Approximately \$20 million will be expended for power plant construction.

It is estimated that revenues from operations will need to be supplemented by approximately \$12 million from revenue bonds in fiscal year 1969-70. To continue the necessary rate of construction, additional bond funds will be required in the near future.

The Board has been fortunate in the re-investment of bond funds until they are needed. Time deposits during the past two years have yielded 5.5 per cent on bond funds bearing an average interest rate of 3.69 per cent. However, time deposits for the next two fiscal years have been bid for by local banks up to the legal maximum of 6.25 per cent. During the past year, interest earnings from these sources have amounted to more than interest on outstanding bonds.

In operations, excellent progress is being made in management technology. A data base for a Management Information System is rapidly being accumulated on the Board's RCA Spectra 70/45 computer system and studies are being made to automate every practical work function.

The Trustees note with deep sorrow the sudden death of Vice Chairman Albert Steves III, which occurred on March 15, 1969, as this report was being prepared. The Board and the community at large will miss his sound advice on financial matters and his unselfish service as a civic, social and business leader.

The Board of Trustees and the management staff is keenly appreciative of its human resources. They recognize with deep appreciation that without the high degree of motivation and dedication to duty of Board employees such highly successful operations would not be possible.

With the implementation of the plans that have been made, the good service and low rates that the San Antonio area has enjoyed for over twenty-six years also seems assured for the future.

Very truly yours,

LEROY G. DENMAN, JR.
Chairman

O. W. SOMMERS
General Manager



Customers can transact nearly all business with the utilities by phone or through the mails.



Video data terminals will provide complete account information upon demand.



Classes in nutrition and homemaking are provided free to any group.

SERVING OUR CUSTOMERS

Innovations Added

Many innovations have been made in providing the Board's customers with prompt, efficient service. It is now possible for the customer to transact nearly all of his business with the Board by phone or through the mails.

During the 1969-70 fiscal year, a new Customer Information Center will be opened across the street from the downtown office building, centralizing mail, phone and personal customer contacts. Customer contact personnel will have video data terminals available which will provide complete, updated information on any account upon demand. All accounts may be located both by addresses or account numbers.

To implement this system the Board has initiated a standardized address system which ultimately will benefit all of the service area. The program has the enthusiastic endorsement of local businessmen and all governmental agencies.

Free Services

The Board acts as an information center for all inquiries concerning uses of electricity and natural gas and actively solicits such inquiries. In addition, through Home Services, it provides information on cooking, menu planning, kitchen planning, lighting, heating, air conditioning, and all appliances. Load-building advertising, printed material and leaflets are sent out monthly with utility bills.

Representatives maintain close liaison with such groups as appliance dealers; electrical, plumbing, heating and air conditioning contractors; engineers and architects; home builders and all others who are allies in the promotion of sales of gas and electricity.

As part of its active sales promotion and advertising programs, the Board initiates eighteen major city-wide appliance promotions in cooperation with retailers and wholesalers and also a number of smaller promo-

SERVING OUR CUSTOMERS

(continued)

tions which provide information to the customers on the maximum utilization of the electricity and natural gas which is available at such low rates.

Lecturers can be provided for classes in electricity at the schools. The Board actively supports the "Wiring on the Farm" program of the Future Farmers of America and Four H Clubs. The Certified Wiring program promotes the adequate installation of electrical outlets for present and future needs and a Housepower program encourages the upgrading of wiring in older homes.

Speakers are also available on all topics relating to electricity and natural gas and the operation of the utilities in the community.

Industrial Development

In cooperation with the San Antonio Chamber of Commerce, industrial development advertisements appear in the national news press. These messages concerning the attractions of the San Antonio area have generated a great amount of economic development activity and have spearheaded community-wide efforts to obtain new business and industry.

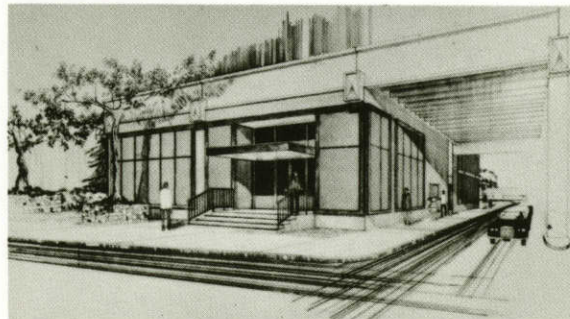
The Board also maintains a staff of engineers and technicians to assist present and prospective business and industrial accounts in the full utilization of gas and electricity for manufacturing, processing, air conditioning and heating, lighting and any other purposes.

San Antonio has reaped many economic benefits from HemisFair, the six-month celebration of the Alamo City's 250th birthday held April 6-October 6, 1968. The number of hotel and motel rooms has expanded dramatically, tourist attractions and business has increased and an unprecedented amount of publicity has been focused on this area. These activities and related good business conditions have resulted in revenues that were three per cent above forecasted increase.

The average residential use of electricity rose to 6,237 kwh, an increase of 424 kwh over the previous year's record. The cost per kwh for residential use, was a record breaking low of 1.96¢ kwh. Last year the cost per kwh was under 2¢ for the first time, reaching 1.99¢. The objective of the load building advertising program — similar to that used by both privately and publicly owned utilities — is to maintain lower rates in times when inflation has caused the cost of nearly everything else to rise. Prices per kwh of electricity today are about half of what they were in 1942 and the price of natural gas is just under what it was over 26 years ago. In the same period, the cost of most commodities has more than doubled.



Advertising informs customers on best utilization of gas and electricity at low CPSB rates.



New Customer Information Center will open in April, 1969.



Joint trenching for gas and underground electric service is economical in rocky areas.

ELECTRIC SYSTEM...

Power to Keep San Antonio Growing

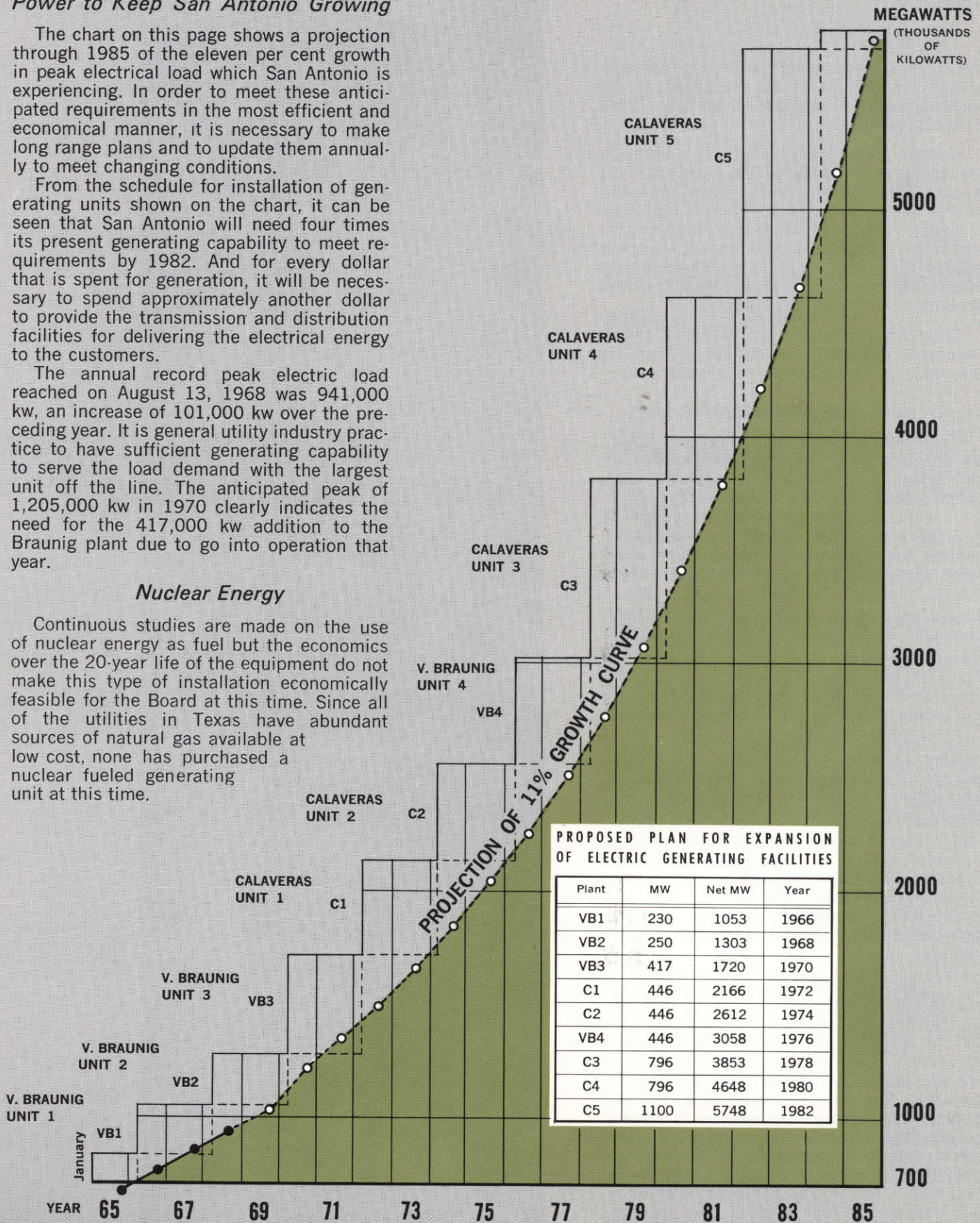
The chart on this page shows a projection through 1985 of the eleven per cent growth in peak electrical load which San Antonio is experiencing. In order to meet these anticipated requirements in the most efficient and economical manner, it is necessary to make long range plans and to update them annually to meet changing conditions.

From the schedule for installation of generating units shown on the chart, it can be seen that San Antonio will need four times its present generating capability to meet requirements by 1982. And for every dollar that is spent for generation, it will be necessary to spend approximately another dollar to provide the transmission and distribution facilities for delivering the electrical energy to the customers.

The annual record peak electric load reached on August 13, 1968 was 941,000 kw, an increase of 101,000 kw over the preceding year. It is general utility industry practice to have sufficient generating capability to serve the load demand with the largest unit off the line. The anticipated peak of 1,205,000 kw in 1970 clearly indicates the need for the 417,000 kw addition to the Braunig plant due to go into operation that year.

Nuclear Energy

Continuous studies are made on the use of nuclear energy as fuel but the economics over the 20-year life of the equipment do not make this type of installation economically feasible for the Board at this time. Since all of the utilities in Texas have abundant sources of natural gas available at low cost, none has purchased a nuclear fueled generating unit at this time.



ELECTRIC SYSTEM...

(continued)

With the increase in size of the generating units and increasing requirements for electrical energy in the San Antonio system, the Board will find it practical to utilize extra high voltage 345 kv transmission lines in its system and for interconnects with other utilities within the next decade.

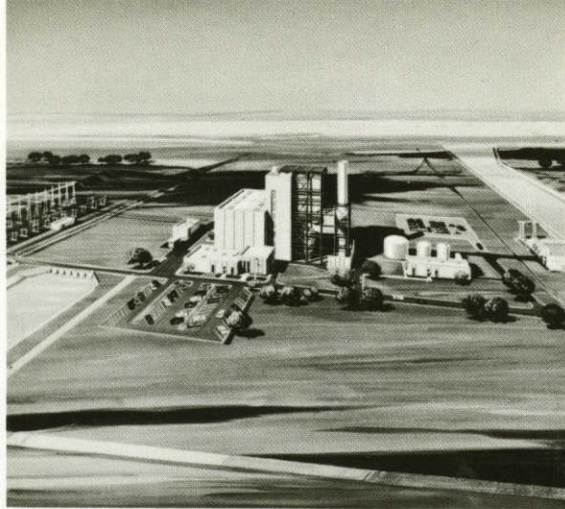
The CPSB is a member of the Texas Interconnected Systems, a group of nine electric utilities operating within the state. Through interconnecting lines, energy can be obtained from pooled generating reserves to meet emergencies and to effect operating economies. The group meets periodically to exchange ideas and formulate plans to meet anticipated operating conditions within the systems.

Record Sales

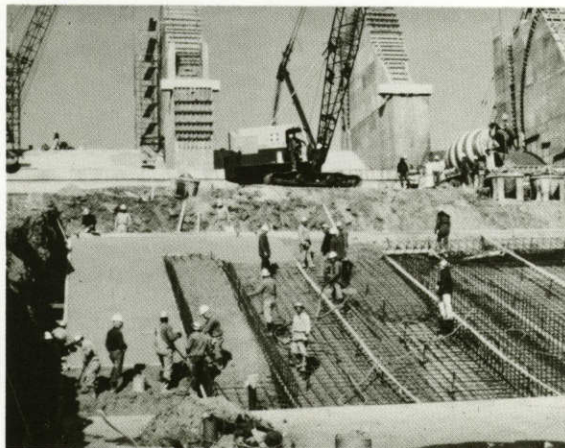
A record 3,697,687,460 kwh were sold during the fiscal year, producing \$54,737,072 in revenues. The installation of and reliance on larger generating units with more heat efficiency and the maximization of efficient operating techniques has resulted in establishing a new record in low cost generation during the year. In December, the average amount of heat required to generate one kilowatt-hour was 9,947 BTU, the lowest it has ever been.

Construction on the 417,000 kw third unit of the Braunig power plant, the transmission loop, and substations and other distribution facilities continued on schedule. Good progress is also being made on the development of the Calaveras cooling lake and power plant project which will add 3,500,000 kw of electric generating capability over the next fifteen years.

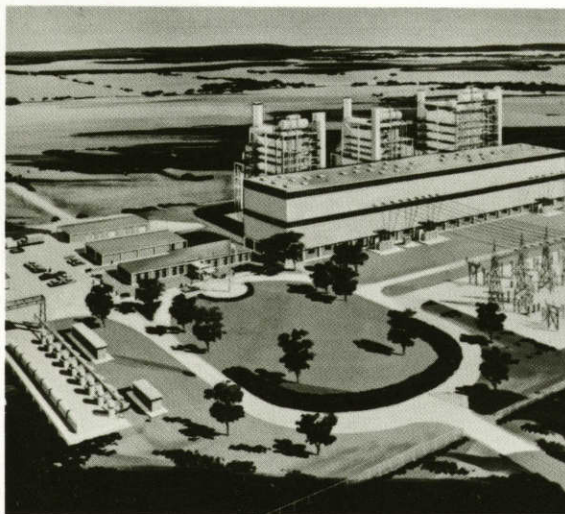
Because of FHA regulations, installations of Underground Residential Distribution in new subdivisions increased 200 per cent in 1968. At year's end, 2,826 lots were being served by URD.



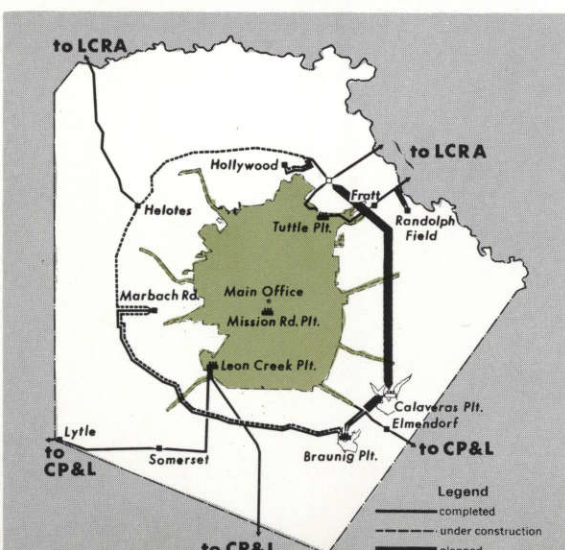
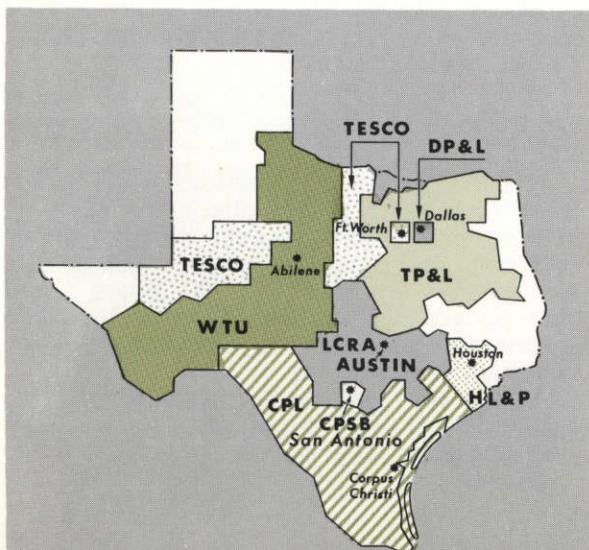
First 446,000 kw unit at Calaveras power plant as it will appear when completed in 1972.



Construction is nearing completion on the dam at the Calaveras cooling lake and power plant.



Braunig power plant as it will appear when 417,000 kw third unit is completed in 1970.



Far left: Service areas of the nine Texas Interconnected Systems electric utilities.

90-mile electric transmission loop.

Highly sensitive leak surveyor was leased to test gas system.



GAS . . . *The Low Cost Fuel*

San Antonio's modern, 2,350 mile gas system provided excellent service for its 196,566 customers during the fiscal year. Pressures were maintained at proper levels throughout the year and maintenance of supply lines was continued at a high level.

Favorable weather, particularly in the early months of the fiscal year, resulted in sales of 28,486,008 mcf and revenues of \$14,190,548, a good increase over the previous year sales of \$12,634,259.

Some of the older steel and nearly all of the remaining cast iron mains and services were replaced in a continuing program of system improvements. Most of the system is maintained under cathodic protection, a technique which prevents the corrosion of underground pipes for many years.

Leak surveys at schools, churches and public buildings are made on a continuing basis. As a research study during the year, newly-developed, highly-sensitive leak detection equipment was leased for other surveys in the system.

With the growth of Underground Residential Distribution, several gas installation crews have been assigned to work on both gas and electric underground installations. Studies and experiments are being made on joint trenching installations for gas and electricity in both rock and dirt subsoil conditions.

TRANSPORTATION . . . *Saving Back Breaking Labor*

Maximum usage is made of such labor saving machines as backhoes, trenchers, cable plows for underground residential distribution lines, rock drills, aerial buckets, mechanical line tensioning equipment and a wide variety of powered hand tools.

Eight hundred and twenty-nine vehicles of all kinds and descriptions, including many compact passenger cars, are utilized in addition to many trailers which add to the usefulness of various pieces of equipment. The two largest pieces of rolling stock are 15,000 KVA and 30,000 KVA mobile transformer units which are used for emergencies and for routine maintenance at the substations.

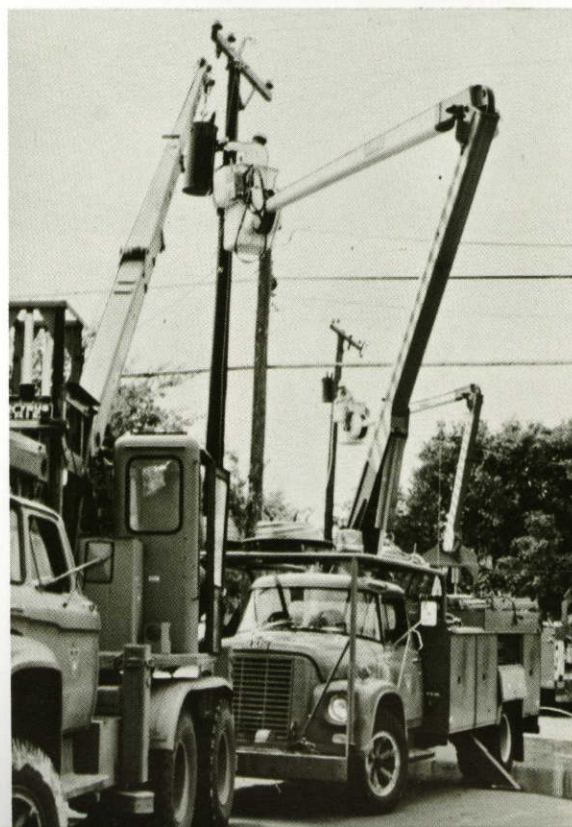
Many pieces of equipment such as cranes and tractors are leased when it is more economical.

A central garage is maintained at the Salado Street Distribution Center, offering complete repair and maintenance services for construction equipment and passenger vehicles. Supplementary garages are located at the Board's four other service centers. Most of the routine work is done after working hours to provide maximum utilization of equipment.

During the year, Board vehicles traveled 6,844,980 miles in providing customers with prompt and efficient service.



Over 50 miles of new gas mains were added to meet the needs of growing San Antonio



Maximum utilization is made of labor-saving equipment such as these aerial buckets.

PERSONNEL . . .

A Search for Excellence

Despite the continued growth and expansion of the Board, the number of personnel has remained about the same. At the end of the fiscal year, 2,424 were employed as compared with 2,411 the preceding year.

The increasing reliance the Board is placing on computers for record keeping, operations and engineering problems, and the greater use of advanced technology and equipment has resulted in changes in the nature and scope of many jobs. However, personnel affected have been assigned to other work areas or retrained to perform new jobs. In every instance, the objective is to provide employees with interesting work that properly challenges their capabilities, and to realize economies through the utilization of the maximum capabilities of each employee.

The new utility technology has brought with it a need for higher educational and training qualifications both at entry levels and on the job. For this reason, increasing emphasis has been placed on training for all levels of employment.

Training Opportunities

During the year, nearly a thousand employees took advantage of classes offered and taught by Board instructors or qualified outside teachers. These ranged in subject matter from instruction leading to sitting for the GED test to operations research. In addition, 116 employees participated in the college and technical school Tuition Refund Program which is available for all. Eleven employees were approved for special educational leaves of absence to obtain degrees in fields related to their Board employment.

The Board participated in the College Business Exchange Program last summer, awarding fellowships to two university professors. One, a mathematician, taught a course in operations research designed for managerial and engineering personnel and assisted with technical computer programming. The other, a Certified Public Accountant, designed a unique customer service application form which is now in use. A third professor of electrical engineering was employed to teach a short course in computer applications for power system engineers.

Other programs have had the full support of the Board. Sixty-one students were employed under the summer college recruitment program. The Board is participating in and providing assistance to the National Alliance for Businessmen Program. Fifteen disadvantaged youths were hired last summer. An executive has been loaned full time to help staff the local NAB office and implement the program in the San Antonio area.

Recruiting

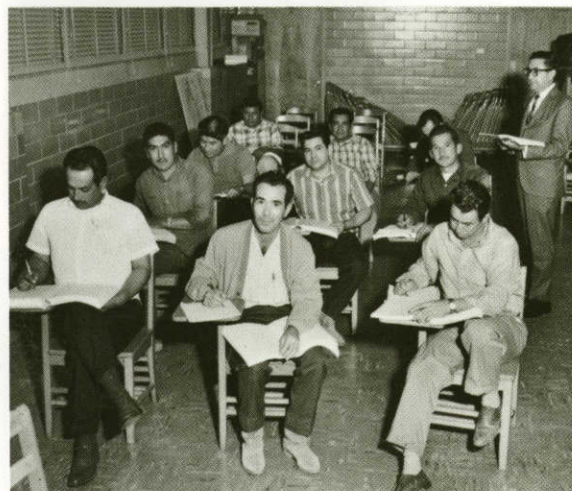
Active recruitment programs are conducted at all colleges and universities in the state with a regular schedule of visits each semester. Recruitment efforts are also directed



Training conferences determine educational needs and plan means for meeting them.



Interviews with employees give direction to improving qualifications.

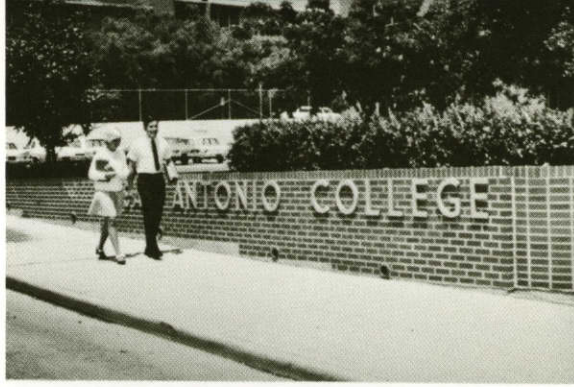


Many employees were afforded opportunities for brushing up to pass GED tests.



Miss Fair Share pins lapel button on O. H. Hegemann, Gas System Manager and United Fund President.

All employees are urged to participate in the Board's Tuition Refund Plan.



PERSONNEL . . .

(continued)

toward the local high schools. During the past year, 450 high school students from one school district participated in the Board's "Partnership with the Community" program which aims at familiarizing students with utility operations. Qualified speakers for career days and other events are also utilized in recruiting efforts.

Plant tours are offered to all groups. During the past year, trainees from the Job Corps, high school science classes and college and business school students taking technical training have visited the Board gas and electric facilities.

Students on power plant tour.



Equal Opportunity

The Board is an Equal Opportunity Employer. It has a longstanding policy of hiring the best qualified persons for job openings that occur, so the passage of the Civil Rights Act of 1964 did not necessitate any changes in procedure.

A unique and original program was developed, beginning early in 1967, to expand the existing training programs for Board personnel. This program inaugurated a "self-help" classroom training for the Board's laborers, enabling interested personnel to successfully complete the General Educational Development program for high school. This program is especially valuable for those who have not had educational opportunities. Good progress is being made in upgrading minority groups as better educated and better trained applicants are appearing at the entry grades.

Benefits

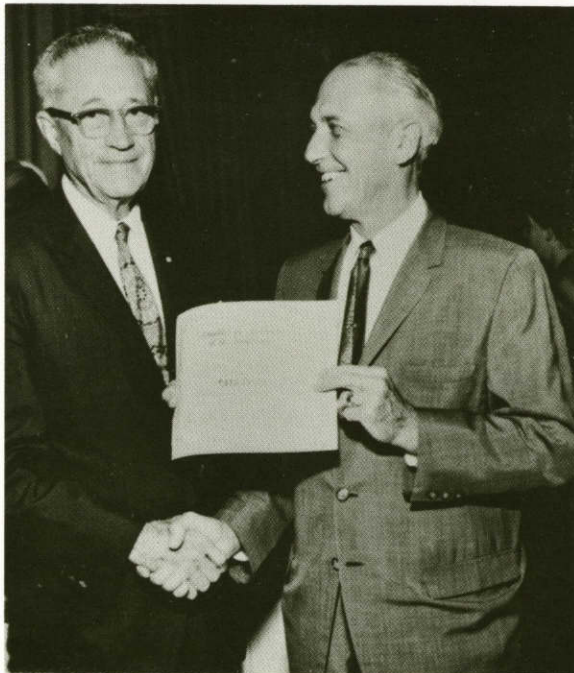
On July 1, 1968, a 5.5 per cent wage increase was granted to all employees paid on a per hour basis. The Board also granted an additional five per cent increase to these employees effective April 1, 1969. Similar increases as merited were granted to employees on the monthly payroll.

A full range of employee benefits is available including group hospitalization and life insurance, social security and an annuity-type pension plan. The Board and its employees contribute jointly to support these benefits.

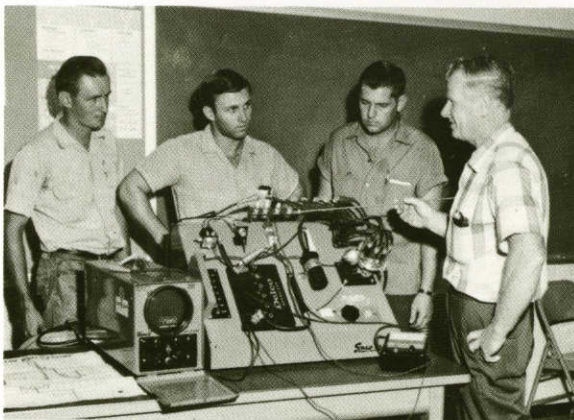
Service clubs offer employees an opportunity to meet monthly for educational and informational programs. They also provide opportunities for picnics, dances, golf tournaments, fishing contests and a wide range of other activities. Employee teams participate in softball, flag football and bowling leagues.

Every fall the Board conducts its annual charity drive with the proceeds divided among the agencies of the United Fund and the Boy Scouts. This year, a record \$66,366 was contributed — \$28.30 per capita. This represents an increase of \$5,893 over the preceding year.

O. W. Sommers accepts "Hire the Handicapped" award from Mayor McAllister.



Ignition simulator used for on-the-job training.



Computer sciences taught by an outstanding professor.





San Antonio is on the threshold of becoming one of the world's largest medical centers!

The emerging 683-acre South Texas Medical Center will encompass a \$100 million "medical city" . . . employing more than 10,000 people. This spectacular complex includes the University of Texas Medical School, a Teaching Hospital, America's first nuclear-age hospital and virtually every conceivable kind of medical facility and school. The \$24 million, 760-bed Veterans Administration Hospital is in the final planning stage.

In the early 1970's, San Antonio will have a total hospital complex value of one-quarter billion dollars with 12,000 hospital beds.



Brooke Army Medical Center, world famous for its clinical treatment of severe burns



Air Force's largest hospital, Wilford Hall USAF Hospital, Lackland AFB



Hub of rapidly expanding facilities at the South Texas Medical Center, University of Texas Medical School and Bexar County Hospital complex

Apollo fire extinguisher developed at Southwest Research Institute



Testing, design and quality control of deep submersibles at SwRI laboratories



Part of caged baboon colony for medical research at Southwest Foundation for Research and Education



RESEARCH

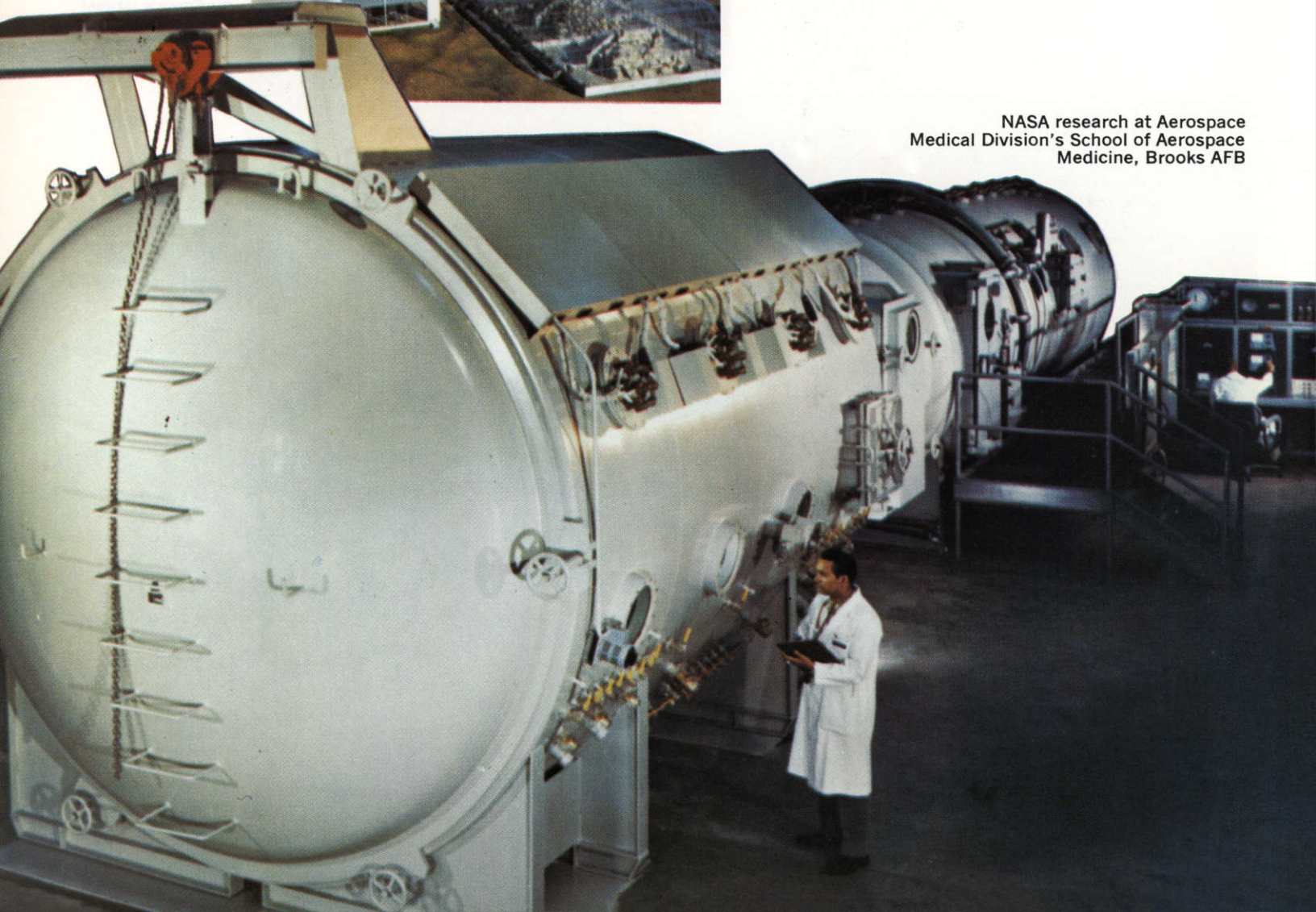
San Antonio has an ideal environment for Research & Development.


It's a "City of Science" where some of the nation's finest scientific research facilities surround excellent institutions of higher learning. America's 13th largest city is the home of Southwest Research Center, one of the country's foremost research and development organizations. Its staff of 1400 is engaged in research in basic and engineering sciences.

Choice industrial tracts for research laboratories and technical manufacturing are available. Taxes and utility costs are very reasonable—far below the national average.

The city's unique charm, mild year 'round climate and superb living conditions **attract** and **keep** professional and technical people.

NASA research at Aerospace Medical Division's School of Aerospace Medicine, Brooks AFB





INDUSTRY

Electronics, Pharmaceuticals, Apparel, Research & Development, Aerospace, Food Processing, Metal Fabrication, Science... San Antonio is all these and more, covering a broad industrial spectrum.

Diversified manpower is available, productive and cooperative. Plant costs are less for San Antonio's 850 manufacturers due to its mild year 'round climate.

San Antonio offers numerous economic assets for profitable business and manufacturing activities.



Technician welding steel parts



Scientists studying a seismic cross-section to determine oil field locations



Ideal climate for pharmaceutical operations

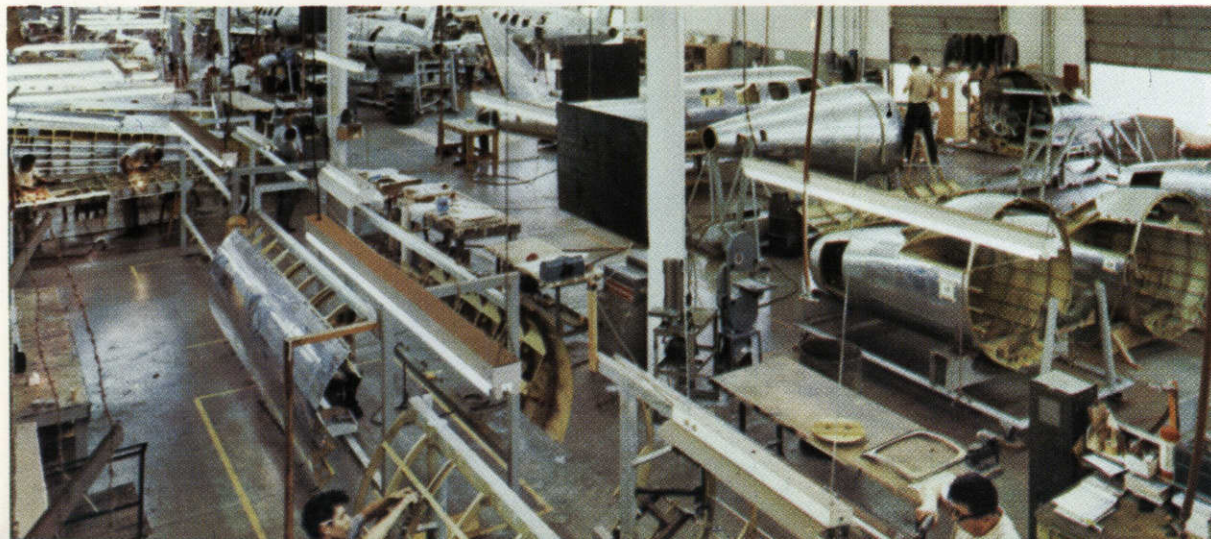
Giant apparel manufacturing center



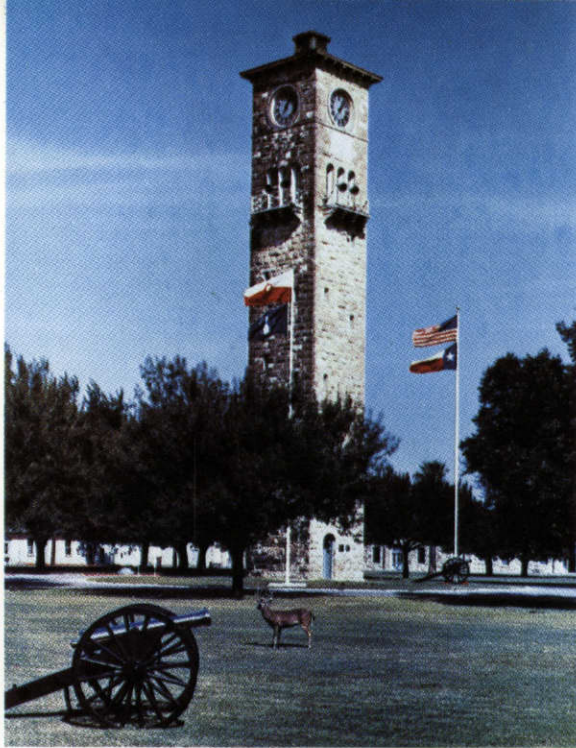
Battery production line check point



Quality checking coils of air conditioning units



The aircraft industry, a significant part of San Antonio's economy



Historic clocktower, focal point in the Headquarters Fourth U. S. Army Quadrangle at Fort Sam Houston



An integral part of San Antonio's economic growth is one of the world's greatest concentrations of military installations.

The annual military/civilian payroll and purchases by these installations pour an additional half-billion dollars into San Antonio's vibrant economy.

Facilities like Kelly AFB's 25,000 civilian employees provide opportunities for San Antonio's highly trained technicians.



Lackland AFB, a major training complex of military, technical and professional schools

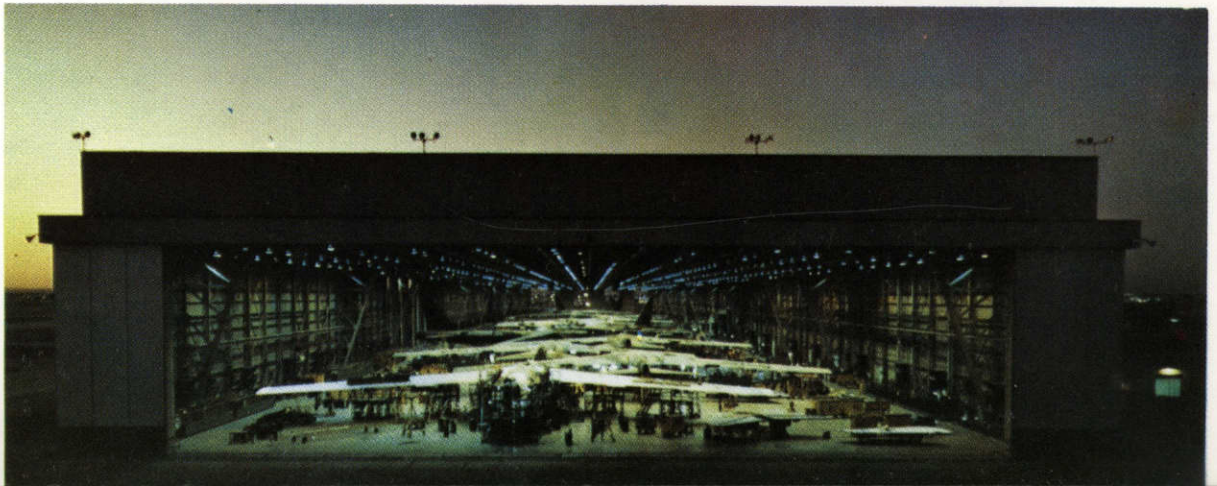
Aerospace Medical Division and USAF School of Aerospace Medicine, Brooks AFB



Randolph AFB, Headquarters for Air Force's Air Training Command



Kelly AFB's huge hangar can accommodate 12 football fields; official maintenance depot for the C-5 Galaxy aircraft



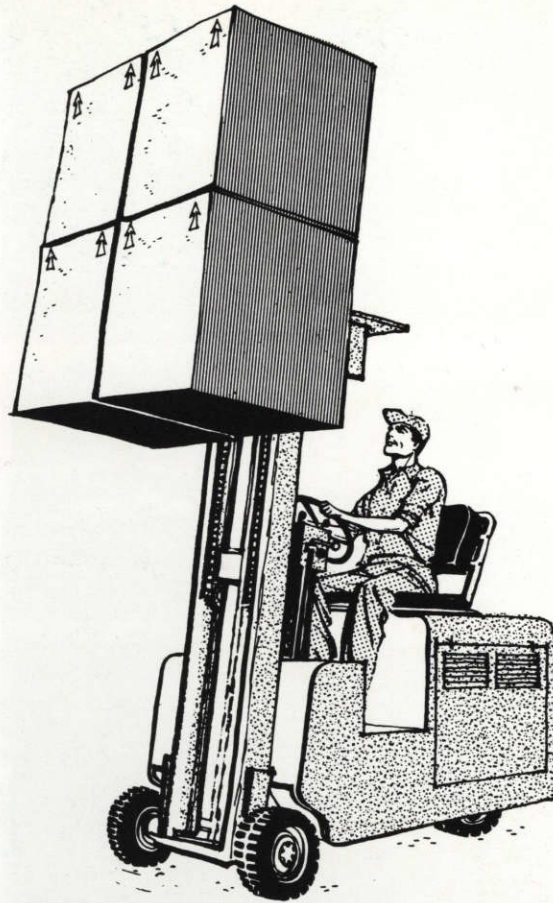


RETAIL-WHOLESALE

The Alamo City is a major retail/wholesale center serving as a 50-county primary hub with a total net effective buying income of \$4½ billion.

San Antonio is the nucleus of a mighty \$3 billion retail market with more than 625,000 households. Its Primary Retail Trade Territory has a population in excess of 2,350,000.

In addition, San Antonio is one of the nation's fastest growing warehousing and distribution centers.



Huge retail complex, typical of San Antonio's modern downtown and suburban shopping centers



TOURISM

The Alamo, "Shrine of Texas Liberty"



Year 'round golf on one of San Antonio's many courses



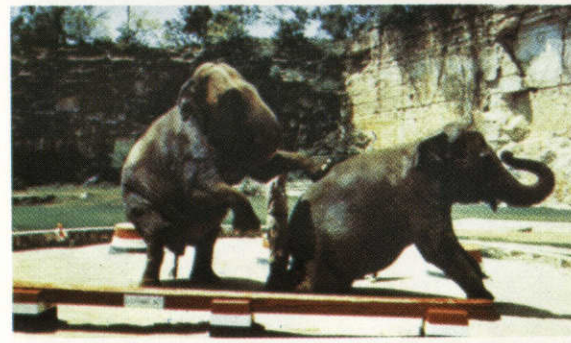
Exotic riverfront dining in the heart of downtown



The colorful Oriental Sunken Garden



A 12-month attraction, America's third largest zoo



A gala evening with lively Latin music



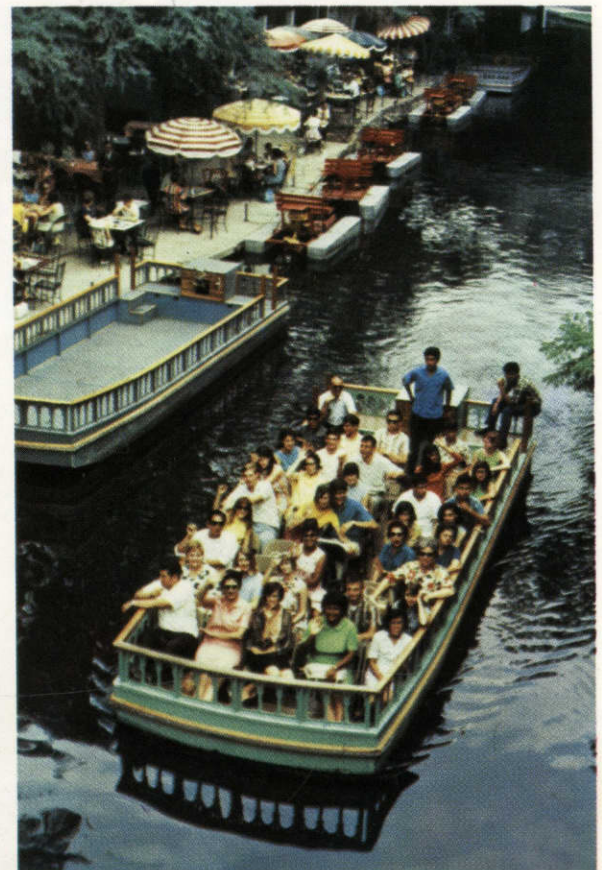
America's 13th largest city is a mecca for carefree living. Families enjoy a leisurely way of life usually reserved for the two-week tourist. But San Antonians enjoy this resort living all year long . . . with a 12-month mild climate that's healthful and conducive to productive, uninterrupted work . . . uninterrupted golf, tennis, fishing and hunting, too!

Proud Americans are enthralled at the Alamo and the other historic missions. Many enjoy dining outdoors at riverfront restaurants or soaring up the 750-foot Tower of the Americas for a breath-taking, panoramic view of Texas countryside . . . or an unforgettable boat ride on the Venice-like river in the heart of downtown San Antonio . . . or listening to the Latin musical beat of a proud, romantic heritage.

And San Antonio vibrates with cultural excellence. Its symphony is universally acclaimed. Art flourishes here with numerous galleries and museums. Stars of music, ballet and legitimate theatre appear throughout the year.

A friend to all faiths, San Antonio has more than 500 churches representing 41 denominations.

Afoot or by boat, a memorable experience along one of the world's most picturesque rivers





EDUCATION

San Antonio excels in educational facilities. It boasts seven accredited universities and colleges. Another 4-year university is in the planning stage.

The outstanding public, parochial and private school systems, including military academies, maintain high academic standards.

The magnificently beautiful, well-stocked main library located in the heart of downtown San Antonio is the central focal point of a network of branch and mobile libraries scattered throughout the city.

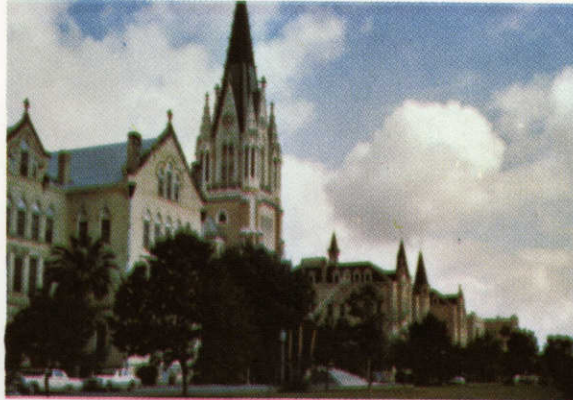
Jubilee Memorial at Incarnate Word College



Administration Building, St. Philip's College



Entranceway to new Engineering Science Building, Trinity University



Majestic Gothic spires dot campus at Our Lady of the Lake College



Magnificent new Library Building, San Antonio College



Modern, well-stocked Academic Library, St. Mary's University



Part of a spectacular medical complex, the University of Texas Medical School

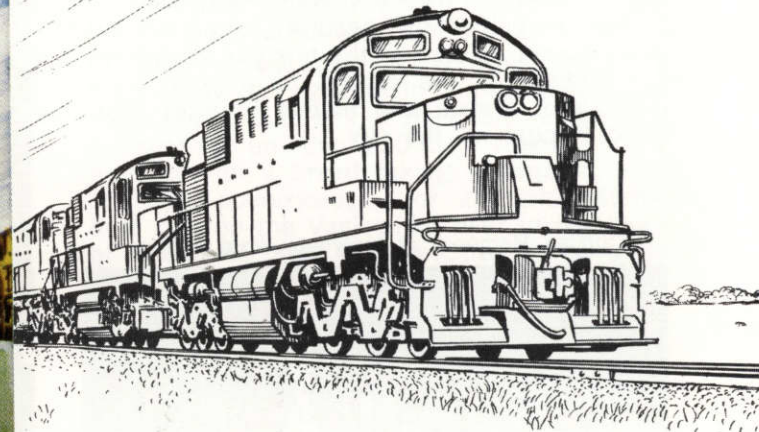
TRANSPORTATION

International Airport with direct jet service throughout the Western Hemisphere



San Antonio is a major air, rail, truck and bus transportation center. It is an important, primary distribution point for regional, national and international markets. The magnificent International Airport handles 6 regularly scheduled jet airlines serving over 30 major marketing areas throughout the United States, Canada, Mexico and Latin America.

Daily service by 60 freight trains and 4 passenger trains

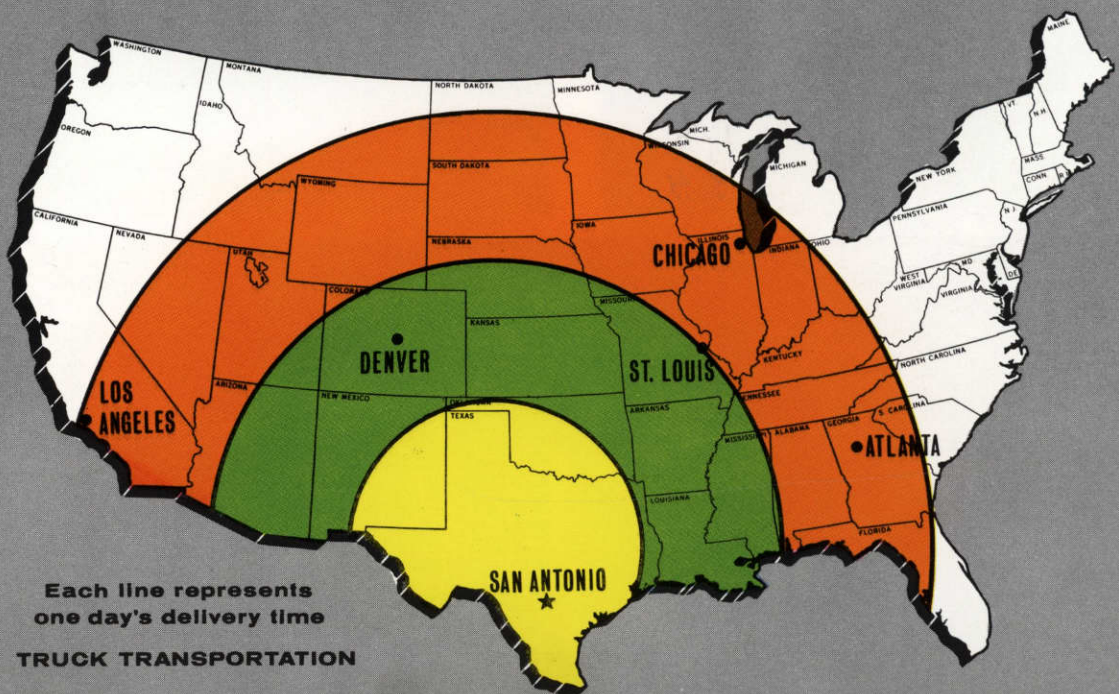


Any point easily accessible within 25 minutes via modern expressways



The Alamo City is also served by 3 trunk railroads, 3 motor bus lines and 37 common carrier truck lines. A 145-mile ultra-modern expressway system crisscrosses this most picturesque, recreational paradise of 800,000 friendly people . . . living in a thriving, profitable climate . . . America's 13th largest city.

Ideally located between Atlantic-Pacific Oceans ("Gateway to Mexico") with second day truck deliveries to Los Angeles, Chicago and Atlanta



COMPUTER OPERATIONS...

The MIS Technology

The Board is rapidly progressing toward establishment of a Management Information System which will provide completely current information for operations and upon which to base decisions.

The six year task of building a data base for the MIS is about half completed. Meanwhile, all practical work functions are being automated according to plans formulated three years ago and updated periodically.

The first step of the conversion from the small punch card oriented computer to the third generation RCA Spectra 70/45 computer was completed in 1967. During the past fiscal year, computer operations were in a transitional period in preparation for the integrated information system. The first advanced application will be the on-line video data terminal customer services system previously described.

Voluminous meter record card files were discarded during the past year as this information was incorporated into the computer system. The Board also initiated mark scan meter reading, a technique whereby the meter reader records the meter readings for each customer's account on a special form which is then read into the computer by a scanner at the rate of 300 cards a minute. The time consuming key punch operation is thus eliminated and the chances of human error are materially reduced. Utilizing this same scanner for processing cash payments has served to further reduce manual key entry and improve accuracy.

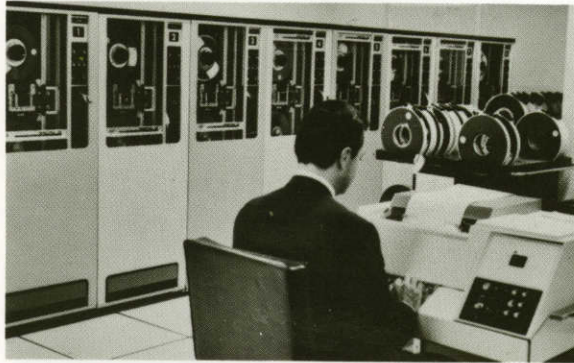
The gas and electric systems are being completely remapped according to the latest techniques. The revamped system includes 500,000 points of reference addressable and readable on the computer, a master map kept current at all times, microfilm and Xerography to produce highly workable, accurate maps for all purposes in 100- and 500-ft. scales.

Two Sigma 5 digital computers have arrived and have been temporarily installed at the main office for programming the Gas and Electric Operations system. The GEO system combines gas and electric operations. Through utilization of computers, it will offer these advantages: (1) instant and more complete information; (2) recall; (3) elimination of tedious human recordings by typeouts; (4) automatic handling of operations, which will reduce human error; (5) improved system control; and (6) ample provision for programming changes as the system expands.

The computers for the GEO system can also be utilized for engineering problems and will be tied in with the RCA Spectra 70/45 computer in the MIS concept to allow automatic data transfer for Management reporting purposes. The newer power plants also utilize computers for data acquisition control and telemetering.



Console in foreground. Left to right, back: central processor, mass storage unit and video data terminal.



Another view of the console with tape drives in the background.



Random access disc drives store 5,000,000 bits of data.



High speed printer has a capability of 1,250 lines per minute.



Farrington scanner reads documents at up to 300 per minute.



The two Sigma 5's for the GEO system have been temporarily set up at the Main offices for programming.

New 21,000 lumen fixtures in downtown San Antonio add to the beauty of the night scene.



New 100-ft. towers at expressway interchanges feature clusters of ten 55,000 lumen fixtures.



FINANCIAL REVIEW...

The Board in its accounting procedures conforms to the uniform system of accounts recommended by the National Association of Railroad and Utilities Commissioners and adopted by the Federal Power Commission. This uniform system of accounting permits direct comparison with various unit costs of other utilities. These analyses show that the Board operating expenses are usually below that of other utilities with comparable situations.

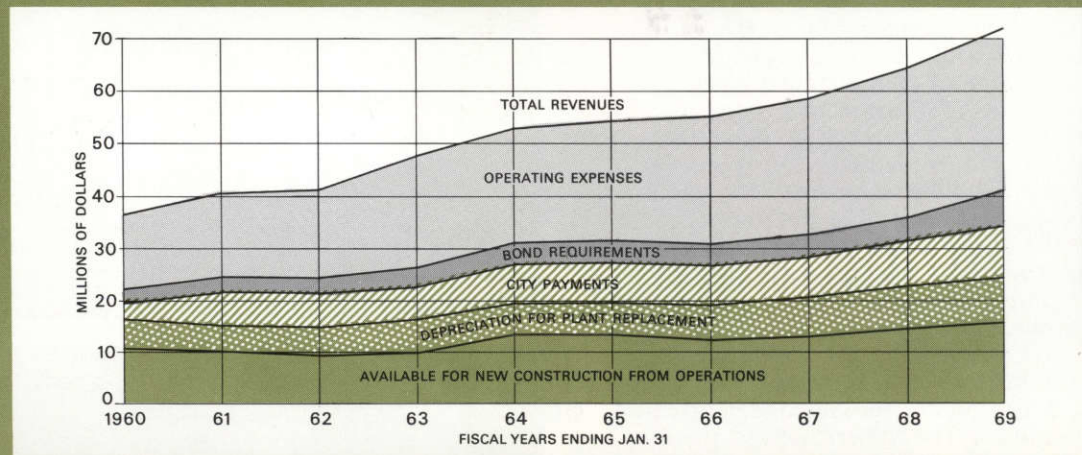
All revenues of the Board are deposited in the General Fund and applied as provided in Bond Indentures. First priority is to pay the current expenses of operating, maintaining and repairing the systems. Following in sequence are the payment of bond interest and principal; payments in lieu of taxes; 12.5 per cent of gross revenues into the Improvements and Contingencies Fund; and reimbursement for services, additions to the street and traffic lighting system and an additional payment to the City to bring total benefits and services to 14 per cent of gross revenues. All funds remaining are deposited in the Improvements and Contingencies Fund.

Benefits To The City

Under the original indenture in 1942, the gas and electric utilities paid the City of San Antonio \$210,300 in lieu of taxes for the first eight years and also provided gas and electric service and street lighting installations for average benefits of \$450,000 a year. Later, as the City and its utilities grew, the amount of cash payments, refunds for service and construction of street lighting increased each year.

On February 1, 1960, the third supplemental indenture became effective providing for an amendment whereby the CPSB would contribute to the City of San Antonio benefits of \$6,508,000 a year for three years for services, street lighting and cash in lieu of

ANNUAL REVENUES APPLIED



With the cost of materials, salaries, bond requirements and all other expenses increasing at a steady rate, the amount of funds available for construction has not increased at as rapid a ratio. The only alternative has been to utilize more revenue bond financing for necessary additions.

taxes and thereafter, beginning February 1, 1963, an additional payment to bring the total to fourteen per cent of gross revenues.

Benefits to the City this fiscal year were:

Payments in Lieu of Taxes,	\$ 2,931,525
Refund, Gas and Electricity,	2,052,473
Street Lighting Construction,	475,934
Additional Cash Payments,	4,627,081
Total	<u>\$10,087,013</u>

Total benefits to the City of San Antonio from October 24, 1942 through January 31, 1969 amounted to \$93,211,027. Payments and services to the City during the past fiscal year represent twenty per cent of the total city budget and served to keep taxes low.

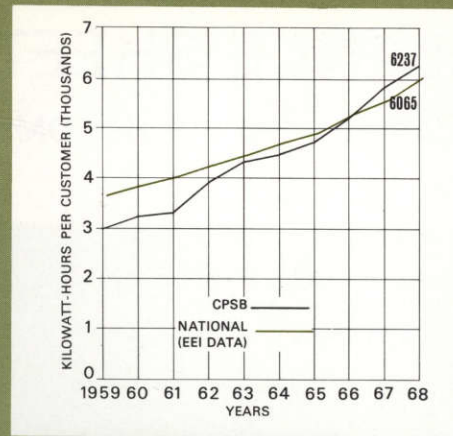
In addition, the Board made payments totaling \$95,725 for two per cent street rental franchises to nineteen other incorporated cities within the service area.

Street Lighting

San Antonio has 27,786 street lights installed, making it one of America's best lighted cities. Street lighting is authorized by the City traffic engineer and installed by the Board under a \$500,000 annual budget allocated out of payments to the City. This past year, \$475,934 was spent. Installations covered 424 of the new 7,000 lumen mercury vapor residential lamps, 371 arterial street lights and 319 expressway lights. Expenditures for traffic signals amounted to \$140,598.

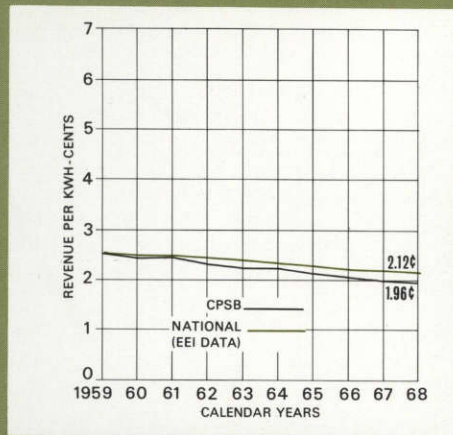
San Antonio's many expressway, street widening, storm and sanitary sewer, and urban renewal projects necessitated an expenditure of \$125,300 during the year to rearrange gas pipe lines and electric facilities ahead of construction.

RESIDENTIAL ELECTRIC



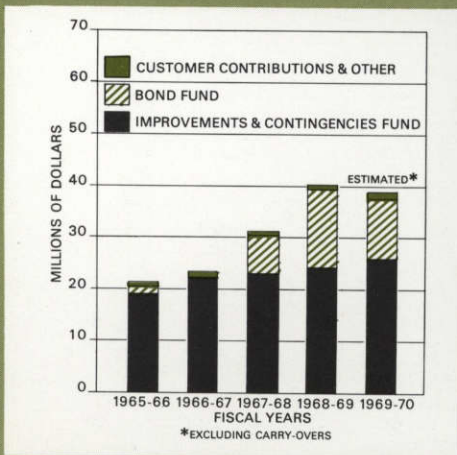
Rapid increases in numbers of customers and sales promotion efforts keep kilowatt hour sales well above the national average.

RESIDENTIAL ELECTRIC



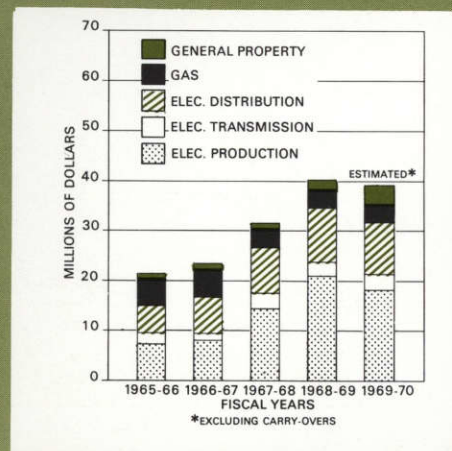
Despite continuing effects of inflation, the average price per residential kilowatt hour of electricity continues to decline.

SOURCES OF FUNDS FOR CONSTRUCTION



Expanded construction requirements make it necessary for the Board to rely more heavily on revenue bond financing.

USES OF ALL FUNDS FOR CONSTRUCTION



More than half of all construction funds are spent on power plant expansion to meet the growing needs of the customers.



CITY PUBLIC SERVICE BOARD

BALANCE SHEET

JANUARY 31, 1969 WITH COMPARATIVE FIGURES FOR 1968

ASSETS	JANUARY 31 1969	JANUARY 31 1968
UTILITY PLANT — on the basis of cost		
Electric	\$262,553,115	\$236,404,557
Gas	73,693,555	70,148,095
General	6,607,463	6,681,912
Construction work in progress	40,462,073	32,680,842
	<u>\$383,316,206</u>	<u>\$345,915,406</u>
Less allowances for depreciation	77,354,905	70,440,215
	<u>\$305,961,301</u>	<u>\$275,475,191</u>
RESTRICTED CASH AND SECURITIES		
Deposited with trustee under terms of trust indenture:		
U. S. Government securities at cost and accrued interest (quoted market prices: \$5,698,287 in 1969; \$4,663,886 in 1968)	\$ 5,832,929	\$ 4,802,827
Cash, including time deposits — improvements and contingencies fund	5,000,161	5,000,161
Cash, including time deposits — bond construction fund	25,509,490	9,498,590
Cash — from sale of property (Article VII fund)	—0—	22,194
	<u>\$ 36,342,580</u>	<u>\$ 19,323,772</u>
CURRENT ASSETS		
Cash, including time deposits — operating funds	\$ 9,257,016	\$ 8,141,127
Accounts receivable	4,986,058	4,922,535
Material and supplies — at average cost	6,056,160	6,179,705
Prepayments and other	775,158	869,951
	<u>\$ 21,074,392</u>	<u>\$ 20,113,318</u>
UNAMORTIZED DEBT EXPENSE	67,063	41,138
	<u>\$363,445,336</u>	<u>\$314,953,419</u>

LIABILITIES AND EQUITY

	JANUARY 31 1969	JANUARY 31 1968
LONG-TERM DEBT — less current maturities		
Revenue refunding bonds, 1951 series, 1.75% — 2%, due serially to 1972	\$ 3,005,000	\$ 4,460,000
Revenue improvement bonds, 1953 series, 2.9%, due serially to 1976	6,800,000	7,000,000
Revenue improvement bonds, 1957 series, 3.25% — 3.5%, due serially to 1980	14,745,000	15,235,000
Revenue improvement bonds, 1962 series, 2.75% — 3.25%, due serially to 1984	17,460,000	17,860,000
Revenue improvement bonds, 1968 series, 4.3% — 5%, due serially to 1989	29,030,000	—0—
	\$ 71,040,000	\$ 44,555,000
EQUITY		
Appropriated retained earnings:		
Bond reserve fund	\$ 5,832,929	\$ 4,802,827
Improvements and contingencies fund	5,000,161	5,000,161
	\$ 10,833,090	\$ 9,802,988
Earnings reinvested in plant	262,083,828	242,809,928
	\$272,916,918	\$252,612,916
CURRENT LIABILITIES		
Current maturities of long-term debt	\$ 3,045,000	\$ 2,490,000
Accounts payable	5,415,999	5,238,346
Customers' service deposits	1,865,323	1,831,788
	\$ 10,326,322	\$ 9,560,134
DEFERRED CREDITS AND RESERVES		
Customers' advances for construction	\$ 880,790	\$ 1,080,247
Reserve for injuries and damages	199,846	204,404
Other deferred credits	122,462	173,193
	\$ 1,203,098	\$ 1,457,844
CONTRIBUTIONS IN AID OF CONSTRUCTION	7,958,998	6,767,525
PURCHASE AND CONSTRUCTION COMMITMENTS — \$40,134,000 in 1969, \$47,701,000 in 1968		
	\$363,445,336	\$314,953,419



STATEMENT OF REVENUE AND APPLICATION OF REVENUE

Years ended January 31, 1969 and January 31, 1968

	1969	1968
THE REVENUE FROM OPERATIONS WAS		
Electric sales	\$ 54,737,072	\$ 49,722,829
Gas sales	14,190,549	12,634,259
Interest and other	3,122,475	1,912,032
TOTAL REVENUE	<u>\$ 72,050,096</u>	<u>\$ 64,269,120</u>
THE REVENUE WAS APPLIED AS FOLLOWS		
For operating and maintaining the system — Note:		
Gas and electricity purchased	\$ 15,975,174	\$ 14,427,709
Other operating and general expenses	10,953,657	10,279,497
Maintenance	4,010,109	3,860,286
TOTAL FOR OPERATING AND MAINTAINING THE SYSTEM	<u>\$ 30,938,940</u>	<u>\$ 28,567,492</u>
For City of San Antonio:		
In lieu of taxes	\$ 2,931,525	\$ 2,887,143
Refund for gas and electric services	2,052,473	1,743,920
Construction of street lighting facilities	475,934	373,270
Additional payment to equal 14% of gross revenue	4,627,081	3,993,344
TOTAL FOR CITY OF SAN ANTONIO	<u>\$ 10,087,013</u>	<u>\$ 8,997,677</u>
For debt requirements:		
Interest and debt expense	\$ 2,738,681	\$ 1,492,673
Retirement of bonds	2,960,000	2,435,000
Addition to bond reserve fund	1,030,103	283,129
TOTAL FOR DEBT REQUIREMENTS	<u>\$ 6,728,784</u>	<u>\$ 4,210,802</u>
For additions to utility plant (exclusive of street lighting facilities for City of San Antonio):		
Total expenditures	\$ 39,790,660	\$ 30,793,327
Less funds provided from sources other than revenue:		
Bond construction fund	\$ 14,155,849	\$ 7,407,146
Sale of property	144,609	55,674
Improvements and contingencies fund	—0—	73
Customers' advances and contributions for construction	1,194,843	837,285
	<u>\$ 15,495,301</u>	<u>\$ 8,300,178</u>
TOTAL FOR ADDITIONS TO UTILITY PLANT	<u>\$ 24,295,359</u>	<u>\$ 22,493,149</u>
TOTAL REVENUE APPLIED	<u>\$ 72,050,096</u>	<u>\$ 64,269,120</u>

NOTE: This statement presents revenue and the application of revenue and accordingly does not include charges for depreciation which amounted to \$8,476,414 in 1969 and \$8,125,557 in 1968. The Board provides for depreciation at amounts calculated to amortize the cost of the assets over their estimated useful lives using straight-line rates. At the time of retirement of property, the allowance for depreciation has been charged with original cost of the property and the cost of removal, and has been credited with the salvage value and any other amounts recovered. Expenditures for maintenance and repairs were charged to expenses; and renewals and betterments were capitalized.

REPORT FROM THE INDEPENDENT AUDITOR

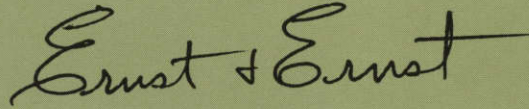
Board of Trustees
 City Public Service Board of San Antonio
 San Antonio, Texas

ERNST & ERNST
 2100 TOWER LIFE BUILDING
 SAN ANTONIO, TEXAS 78205

We have examined the financial statements of the City Public Service Board of San Antonio for the year ended January 31, 1969. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously made a similar examination of the financial statements for the preceding year.

In our opinion, the accompanying balance sheet presents fairly the financial position of the City Public Service Board of San Antonio at January 31, 1969, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Further, in our opinion the accompanying statement of revenue and application of revenue presents fairly the information set forth therein.

San Antonio, Texas
 February 28, 1969



LONG TERM DEBT REQUIREMENTS... ALL ISSUES

January 31, 1969	Year Ending January 31,	Principal	Interest	Total Requirements
	1970	\$ 3,045,000	\$ 2,694,613	\$ 5,739,613
	1971	3,130,000	2,601,200	5,731,200
	1972	3,220,000	2,514,151	5,734,151
	1973	3,305,000	2,420,574	5,725,574
	1974	3,405,000	2,311,713	5,716,713
	1975	3,515,000	2,199,290	5,714,290
	1976	3,620,000	2,082,005	5,702,005
	1977	3,740,000	1,958,125	5,698,125
	1978	3,860,000	1,825,185	5,685,185
	1979	4,000,000	1,688,175	5,688,175
	1980	4,135,000	1,546,280	5,681,280
	1981	4,270,000	1,399,595	5,669,595
	1982	4,415,000	1,257,005	5,672,005
	1983	4,565,000	1,104,142	5,669,142
	1984	3,300,000	947,695	4,247,695
	1985	3,430,000	816,640	4,246,640
	1986	3,560,000	665,720	4,225,720
	1987	3,710,000	509,080	4,219,080
	1988	3,850,000	345,840	4,195,840
	1989	4,010,000	176,440	4,186,440
Less:		<u>\$74,085,000</u>	<u>\$31,063,468</u>	<u>\$105,148,468</u>
Current maturities (maturing within one year)		3,045,000	2,694,613	5,739,613
		<u>\$71,040,000</u>	<u>\$28,368,855</u>	<u>\$ 99,408,855</u>



FACTS AT A GLANCE

10 YEAR FINANCIAL REVIEW

Years ending January 31,

REVENUE AND APPLICATION: (000 Omitted)

	1969	1968	1967	1966
Revenues:				
Electric sales	\$ 54,737	\$ 49,723	\$ 44,781	\$ 41,990
Gas sales	14,191	12,634	12,546	11,800
Other income	3,122	1,912	1,656	1,540
Total Revenues	<u>\$ 72,050</u>	<u>\$ 64,269</u>	<u>\$ 58,983</u>	<u>\$ 55,330</u>
Revenues applied:				
Cost of operating systems:				
Gas and electricity purchased	\$ 15,975	\$ 14,428	\$ 12,906	\$ 12,464
Other operating expenses	10,954	10,280	9,335	8,864
Maintenance	4,010	3,860	3,600	3,160
Total	<u>\$ 30,939</u>	<u>\$ 28,568</u>	<u>\$ 25,841</u>	<u>\$ 24,488</u>
Payments and services to City:				
Payments in lieu of taxes	\$ 2,932	\$ 2,887	\$ 2,736	\$ 2,703
Refunds for services	2,052	1,744	1,678	1,598
Construction of street lighting	476	373	491	384
Additional payment	4,627	3,993	3,352	3,061
Total	<u>\$ 10,087</u>	<u>\$ 8,997</u>	<u>\$ 8,257</u>	<u>\$ 7,746</u>
Debt retirement:				
Interest and debt expense	\$ 2,739	\$ 1,493	\$ 1,558	\$ 1,622
Bond retirement and reserve	3,990	2,718	2,573	2,471
Total	<u>\$ 6,729</u>	<u>\$ 4,211</u>	<u>\$ 4,131</u>	<u>\$ 4,093</u>
Additions to plant:				
Total expenditures for year	\$ 39,791	\$ 30,793	\$ 22,834	\$ 20,867
Addition to improvement and contingencies fund	-0-	-0-	-0-	172
	<u>\$ 39,791</u>	<u>\$ 30,793</u>	<u>\$ 22,834</u>	<u>\$ 21,039</u>
Less provided from other sources:				
Bond construction fund	\$ 14,156	\$ 7,407	\$ 36	\$ 1,534
Sale of property	145	56	60	-0-
Improvements and contingencies fund	-0-	-0-	1,413	-0-
Customers' advances and contributions	1,195	837	571	502
	<u>\$ 15,496</u>	<u>\$ 8,300</u>	<u>\$ 2,080</u>	<u>\$ 2,036</u>
Total	<u>\$ 24,295</u>	<u>\$ 22,493</u>	<u>\$ 20,754</u>	<u>\$ 19,003</u>
Total Revenues Applied	<u>\$ 72,050</u>	<u>\$ 64,269</u>	<u>\$ 58,983</u>	<u>\$ 55,330</u>

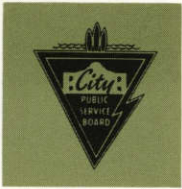
BALANCE SHEET DATA: (000 Omitted)

Utility Plant at Cost	\$ 383,316	\$ 345,915	\$ 317,618	\$ 297,777
Annual Construction Additions	40,267	31,167	23,325	21,252
Depreciation Reserve	77,355	70,440	63,980	59,170
Annual Depreciation Allowance	8,476	8,126	7,570	7,039

*Includes \$1,000 increase in Operating Fund

CITY PUBLIC SERVICE BOARD

1965	1964	1963	1962	1961	1960
\$ 41,626	\$ 40,012	\$ 35,963	\$ 30,734	\$ 29,743	\$ 27,255
11,236	11,251	10,143	9,350	9,676	8,856
1,423	1,214	620	729	811	860
<u>\$ 54,285</u>	<u>\$ 52,477</u>	<u>\$ 46,726</u>	<u>\$ 40,813</u>	<u>\$ 40,230</u>	<u>\$ 36,971</u>
\$ 11,552	\$ 11,173	\$ 10,325	\$ 6,903	\$ 7,129	\$ 6,525
8,207	7,531	8,004*	6,910	6,379	5,899
3,015	2,675	2,645	2,693	2,357	2,223
<u>\$ 22,774</u>	<u>\$ 21,379</u>	<u>\$ 20,974</u>	<u>\$ 16,506</u>	<u>\$ 15,865</u>	<u>\$ 14,647</u>
\$ 2,669	\$ 2,648	\$ 2,396	\$ 2,232	\$ 2,039	\$ 1,857
1,611	1,539	1,356	1,226	1,130	1,018
503	458	544	379	546	468
2,817	2,702	2,212	2,671	2,793	-0-
<u>\$ 7,600</u>	<u>\$ 7,347</u>	<u>\$ 6,508</u>	<u>\$ 6,508</u>	<u>\$ 6,508</u>	<u>\$ 3,343</u>
\$ 1,685	\$ 1,746	\$ 1,351	\$ 1,158	\$ 1,200	\$ 1,241
2,435	2,623	2,222	1,936	1,883	1,792
<u>\$ 4,120</u>	<u>\$ 4,369</u>	<u>\$ 3,573</u>	<u>\$ 3,094</u>	<u>\$ 3,083</u>	<u>\$ 3,033</u>
\$ 22,763	\$ 13,806	\$ 23,585	\$ 21,295	\$ 18,883	\$ 18,512
-0-	6,130	-0-	-0-	-0-	-0-
<u>\$ 22,763</u>	<u>\$ 19,936</u>	<u>\$ 23,585</u>	<u>\$ 21,295</u>	<u>\$ 18,883</u>	<u>\$ 18,512</u>
\$ -0-	\$ -0-	\$ 4,162	\$ 4,626	\$ -0-	\$ -0-
133	80	-0-	92	2	53
2,343	-0-	3,222	1,438	3,826	1,752
496	474	530	434	281	759
<u>\$ 2,972</u>	<u>\$ 554</u>	<u>\$ 7,914</u>	<u>\$ 6,590</u>	<u>\$ 4,109</u>	<u>\$ 2,564</u>
<u>\$ 19,791</u>	<u>\$ 19,382</u>	<u>\$ 15,671</u>	<u>\$ 14,705</u>	<u>\$ 14,774</u>	<u>\$ 15,948</u>
<u>\$ 54,285</u>	<u>\$ 52,477</u>	<u>\$ 46,726</u>	<u>\$ 40,813</u>	<u>\$ 40,230</u>	<u>\$ 36,971</u>
\$ 279,054	\$ 258,980	\$ 246,568	\$ 224,349	\$ 204,704	\$ 187,026
23,266	14,264	24,129	21,675	19,430	18,980
52,259	45,779	40,852	35,838	31,627	27,709
6,714	6,226	5,737	5,304	4,901	4,975



FACTS AT A GLANCE

10 YEAR OPERATING REVIEW

Years ending January 31,

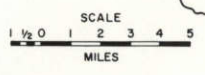
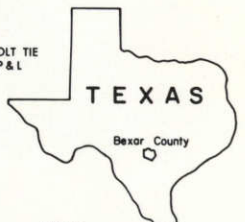
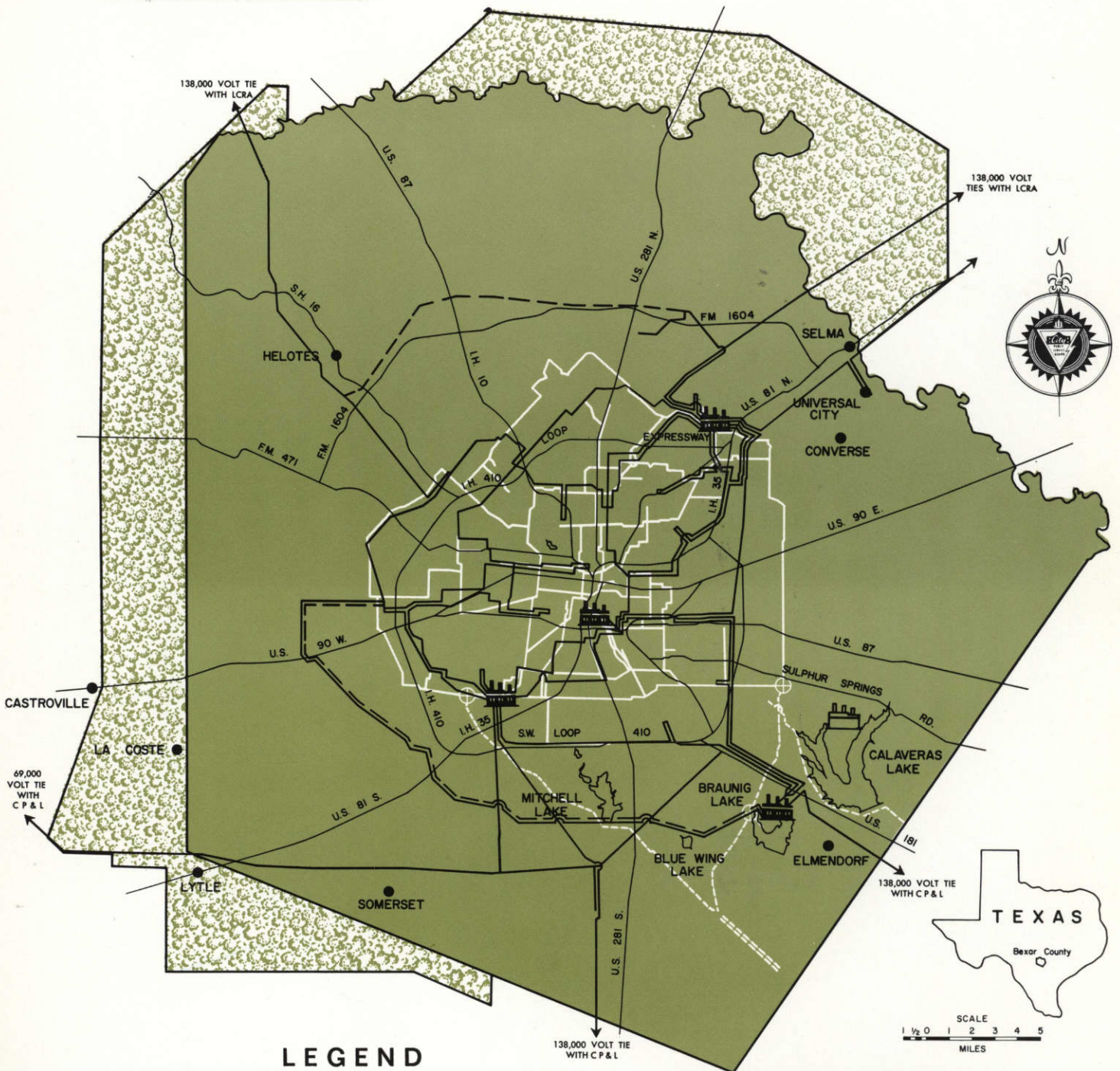
	1969	1968	1967	1966
OPERATING REVENUES. (000 Omitted)				
Electric:				
Residential	\$ 24,391	\$ 22,331	\$ 19,987	\$ 18,242
Commercial & Industrial	21,092	18,975	17,331	16,458
Street Lighting	1,388	1,254	1,146	1,063
Public Authorities	6,478	5,728	5,092	5,042
Other Utilities	785	810	711	714
Miscellaneous	603	625	514	471
Total Electric	<u>\$ 54,737</u>	<u>\$ 49,723</u>	<u>\$ 44,781</u>	<u>\$ 41,990</u>
Gas:				
Residential	\$ 9,033	\$ 8,073	\$ 8,149	\$ 7,604
Commercial & Industrial	4,266	3,710	3,622	3,444
Public Authorities	729	660	642	615
Miscellaneous	163	191	133	137
Total Gas	<u>\$ 14,191</u>	<u>\$ 12,634</u>	<u>\$ 12,546</u>	<u>\$ 11,800</u>
SALES: (000 Omitted)				
Electric — KWH:				
Residential	1,243,099	1,120,918	979,053	867,452
Commercial & Industrial	1,583,731	1,404,947	1,250,953	1,141,255
Street Lighting	48,866	42,114	39,175	36,312
Public Authorities	763,805	688,254	594,741	561,455
Other Utilities	58,186	69,538	49,896	54,497
Total	<u>3,697,687</u>	<u>3,325,771</u>	<u>2,913,818</u>	<u>2,660,971</u>
Gas — MCF:				
Residential	12,978	11,578	11,912	11,010
Commercial & Industrial	13,278	11,502	11,666	11,063
Public Authorities	2,230	2,000	2,005	1,910
Total	<u>28,486</u>	<u>25,080</u>	<u>25,583</u>	<u>23,983</u>
PURCHASE FOR RESALE:				
Electric (1000) KWH	6,278	5,521	4,093	24,009
Gas (1000) MCF	29,271	26,209	25,651	25,625
ELECTRIC GENERATION (1000) KWH	3,930,310	3,512,454	3,107,040	2,811,698
ELECTRIC GENERATION CAPACITY — KW	1,303,000	1,053,000	1,053,000	823,000
ELECTRIC PEAK DEMAND — KW	941,000	840,000	759,000	664,000
NUMBER OF CUSTOMERS:				
Electric	228,564	220,145	211,785	207,120
Gas	196,566	190,045	183,248	178,888
RESIDENTIAL AVERAGES:				
Electric:				
Revenue per customer	\$ 122.37	\$ 115.79	\$ 106.52	\$ 99.73
KWH per customer	6,237	5,813	5,218	4,742
Revenue per KWH	1.96¢	1.99¢	2.04¢	2.10¢
Gas:				
Revenue per customer	\$ 50.91	\$ 47.03	\$ 48.87	\$ 47.09
MCF per customer	73	67	71	68
Revenue per MCF	70¢	70¢	68¢	69¢

CITY PUBLIC SERVICE BOARD

1965	1964	1963	1962	1961	1960
\$ 17,821	\$ 17,010	\$ 15,567	\$ 13,222	\$ 12,779	\$ 11,823
16,447	15,469	13,962	12,069	11,487	10,878
1,005	936	840	789	717	627
5,184	5,173	4,496	3,581	3,407	2,946
698	953	670	682	1,010	664
471	471	428	391	343	317
<u>\$ 41,626</u>	<u>\$ 40,012</u>	<u>\$ 35,963</u>	<u>\$ 30,734</u>	<u>\$ 29,743</u>	<u>\$ 27,255</u>
\$ 7,222	\$ 7,258	\$ 6,245	\$ 5,931	\$ 6,046	\$ 5,436
3,261	3,199	2,759	2,410	2,620	2,493
609	654	1,031	911	918	843
144	140	108	98	92	84
<u>\$ 11,236</u>	<u>\$ 11,251</u>	<u>\$ 10,143</u>	<u>\$ 9,350</u>	<u>\$ 9,676</u>	<u>\$ 8,856</u>
798,677	756,620	678,897	551,881	532,249	473,960
1,062,151	977,353	906,785	814,522	773,746	727,589
33,998	32,320	28,772	27,152	24,560	22,194
515,083	507,066	466,559	406,226	379,554	334,637
53,611	127,504	65,138	60,015	208,442	64,298
<u>2,463,520</u>	<u>2,400,863</u>	<u>2,146,151</u>	<u>1,859,796</u>	<u>1,918,551</u>	<u>1,622,678</u>
10,425	10,625	9,664	10,075	10,366	9,197
10,443	10,303	9,900	10,126	11,052	10,730
1,816	1,940	3,991	4,132	4,208	3,952
<u>22,684</u>	<u>22,868</u>	<u>23,555</u>	<u>24,333</u>	<u>25,626</u>	<u>23,879</u>
—0—	261	36	7,425	731	6,905
23,823	23,115	24,533	25,331	26,507	24,720
2,636,078	2,567,733	2,306,681	1,990,183	2,060,064	1,747,944
823,000	823,000	656,000	656,000	551,000	551,000
625,000	571,000	548,000	440,700	438,000	395,800
203,431	199,769	196,310	192,155	187,249	182,369
175,784	173,079	170,009	166,101	161,011	156,261
\$ 99.33	\$ 97.17	\$ 90.18	\$ 78.69	\$ 78.04	\$ 74.50
4,452	4,301	3,933	3,285	3,251	2,987
2.23¢	2.25¢	2.29¢	2.40¢	2.40¢	2.49¢
\$ 45.39	\$ 46.58	\$ 40.84	\$ 39.97	\$ 42.00	\$ 39.25
66	68	63	68	72	66
69¢	68¢	65¢	59¢	58¢	59¢



ELECTRIC & GAS DISTRIBUTION SYSTEMS



LEGEND

CPSB ELECTRIC SYSTEM

- POWER PLANTS
- CALAVERAS PLANT
- TRANSMISSION SYSTEM, 138,000 OR 69,000 VOLT



CPSB GAS SYSTEM

- GAS DELIVERY STATIONS
- GAS SUPPLY LINES
- ALAMO GAS SUPPLY



UTILITIES AND GOVERNMENT

San Antonio has excellent utilities systems which have a long history of having provided not only for the immediate needs of the community but also for expansion which has been taking place at a rapid rate.

The City Public Service Board provides gas and electric service in the home county. Service is excellent and statistics from the Federal Power Commission and American Gas Association publications show that rates are among the lowest of any in the United States.

The City Water Board provides a comparable water service, pumping about 110,000 acre feet a year. The water is all obtained from the Edwards Underground Water Reservoir which supplies about eight counties. The water is noted for its exceptional purity and fine-drinking qualities. Water rates in San Antonio are among the lowest in the state and compare favorably with nearly all other areas in the U.S.

Excellent bus transportation is provided by the San Antonio Transit System which adequately serves all of the metropolitan area.

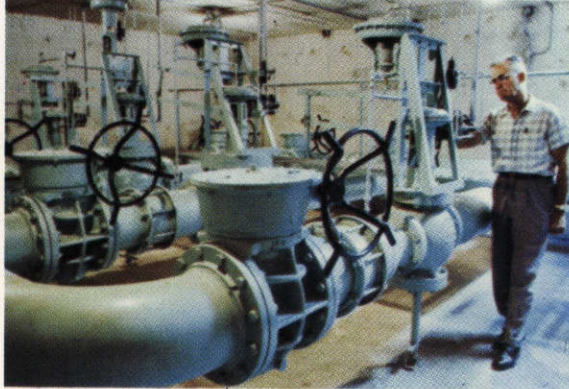
San Antonio has a stable, non-partisan council-manager form of government. Historically, the City Council has been dedicated to the progress and improvement of the community. Continued progress has been made in maintaining a modern and adequate sanitary and storm sewer system, in providing one of the finest rapid-transit expressway systems in the United States, and in maintaining streets, parks and other facilities in good condition.

The City government has played a leading role in the development of HemisFair, 1968, and is developing plans for the recreational and other uses of the 92-acre area in downtown San Antonio. The Council also has been responsible for the development of a large and well designed convention center which will provide adequate facilities for very large conventions, entertainment and civic events.

All agencies and organizations in the San Antonio metropolitan area are actively working for the continued progress of one of the fastest growing cities in the United States.



Calaveras Lake, now filling, will provide cooling waters for a new 3,500,000 kw power plant.



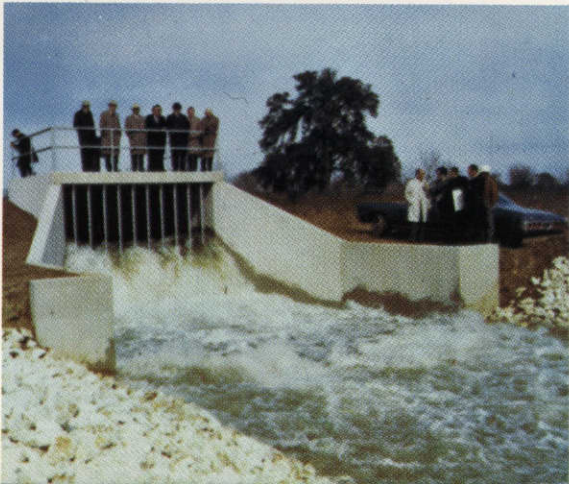
Gas pressures are regulated throughout the system from underground vaults such as this.



Natural gas is distributed through 2,350 miles of mains. Extensions are made to every growing area.

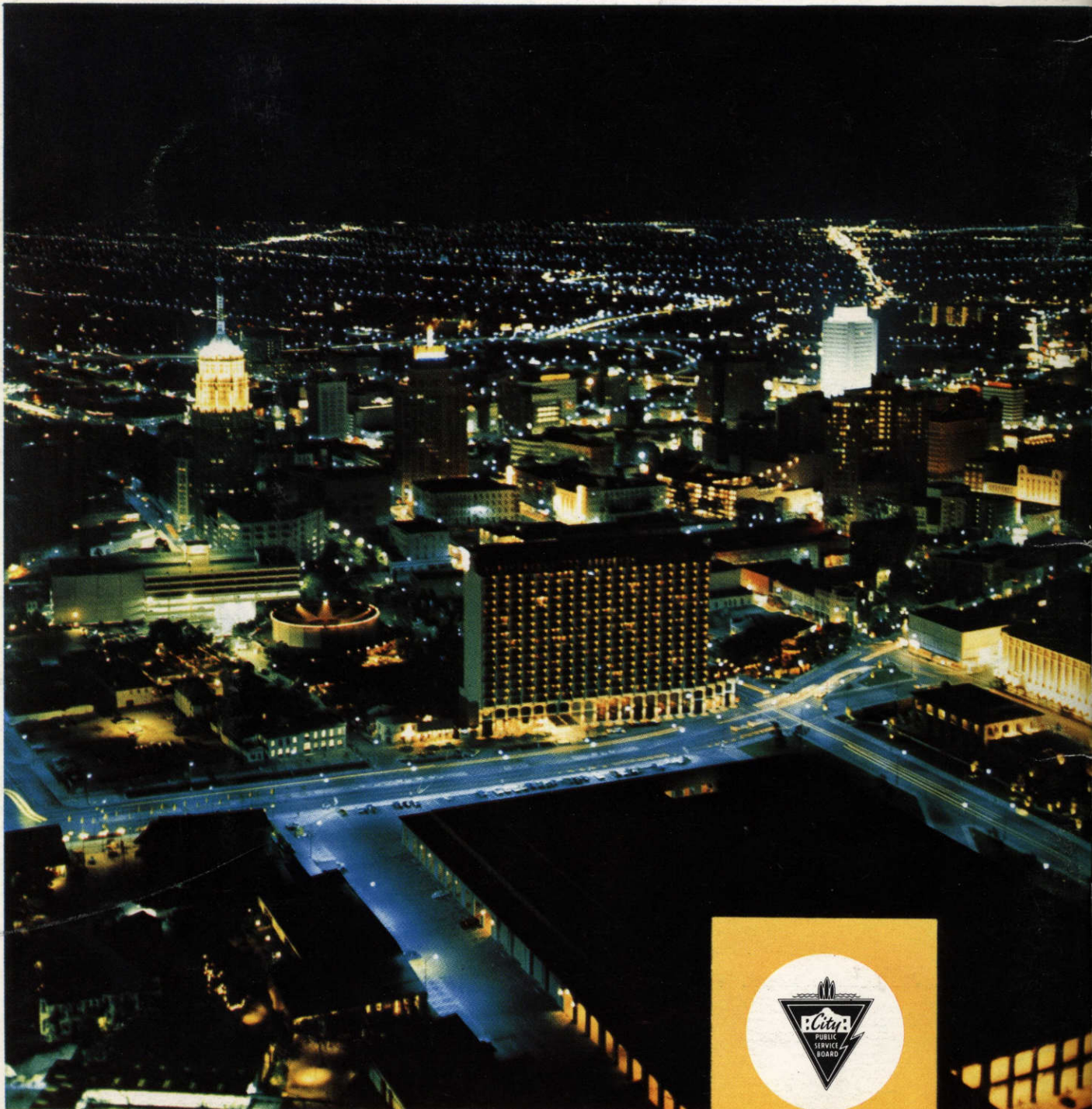


A third generating unit, of 417,000 kw capability, is being added at the Braunig power plant.



Cooling water is being pumped at a rate of 50,000 g.p.m. from the S.A. River into the new Calaveras Lake.

Annual Report FY 1968-69
City Public Service Board
Post Office Box 1771
San Antonio, Texas 78206



City Public Service Board's street lighting program has made San Antonio one of America's best lighted cities

TXPUB_00157