

August 27, 2026

The Honorable Nithya Raman
Councilmember, Fourth District
City of Los Angeles
Room 415, City Hall

Dear Councilmember Raman:

Subject: Los Angeles Department of Water and Power's New Business
Improvements Update

Executive Summary

- Online submittal updated to allow large payments for all fees
- Process has been mapped from beginning to end with 19 opportunities for improvement identified and currently being tracked to completion
- New Business Concierge employees hired for single point of contact
- Field Engineers at Construction Districts just started Monday, August 24, 2026
- Power LA workshop held in June with follow-up scheduled for late September/Early October
- Staging area requirements reduced or eliminated
- Virtual Meter Spots at time of Los Angeles Department of Building and Safety permit instead of at 90% of project completion
- Customer facing order tracker dashboard scheduled to be released late September with Ribbon Cutting Ceremony and Press event
- Collaboration with other City Agencies, including Build LA initiative

Council File 25-0751

The Los Angeles Department of Water and Power (LADWP) recognizes the critical role timely electric service plays in supporting housing production, small businesses, electrification, and economic development. Improving the New Business customer experience is one of the Department's highest priorities.

Since LADWP's initial report in March 2026, the Department has made significant progress in its efforts to transform the New Business process. LADWP has expanded its New Business Transformation Program to reduce project timelines, simplify requirements, improve communication and transparency, increase critical staffing, modernize technology, and strengthen accountability. This work builds upon Project Powerhouse, the Fair Share Power Line Program, and LADWP's Kaizen process improvement efforts.

1. Existing Approval, Permitting, Plan Check, and Inspection Processes

Providing new electric service requires coordination across multiple LADWP organizations and, in many cases, other City agencies. Depending on project complexity, the process may include application intake, Electric Service Representative (ESR) review, service planning, engineering, customer design coordination, payment, inspection, construction, and final energization.

LADWP has mapped the complete customer journey from application through energization to identify delays, handoffs, dependencies, and opportunities to simplify, standardize, perform activities concurrently, or move requirements earlier in the process.

Particular attention is being given to the final stages of construction and energization. Final energization involves more than completion of customer construction. LADWP may need to schedule crews to complete cable work, install transformers and switches, make final electrical connections, and prepare facilities for operation. Energization may also require outage coordination, operating clearances, circuit and load transfers, and detailed switching instructions. These activities are critical to employee safety, electric system reliability, and continuity of service to surrounding customers.

LADWP is working to plan and coordinate these activities earlier, improve construction-readiness planning, schedule crews in advance where feasible, and perform activities concurrently when they do not need to occur sequentially. LADWP has also taken steps to embed staff directly with construction teams to improve coordination of the final activities leading to energization.

2. Processing Timelines, Staffing Levels, and Coordination Protocols

Project timelines vary significantly based on project type, size, complexity, infrastructure requirements, and customer dependencies, and can range from a few months to several years. LADWP's performance data shows an improving trend in average project timelines, with average project life-cycle time declining from approximately 667 days for projects created in 2022 to 430 days for projects created in 2024. At the same time, the distribution of project durations remains broad, indicating that the customer experience can vary considerably from project to project. LADWP is therefore evaluating both

average performance and the variability of project timelines, with the goal of reducing overall cycle times, minimizing extended delays, and providing customers with more consistent and predictable project delivery.

Significant challenges remain. Incoming workload has exceeded completed workload during recent periods, contributing to backlog growth. LADWP remains focused on increasing throughput, reducing aging projects, and improving the consistency and predictability of project delivery.

Process improvements alone will not achieve the desired results without sufficient organizational capacity to execute them. LADWP is undertaking a significant staffing effort in critical New Business functions to improve responsiveness, design throughput, field inspections, project coordination, and customer communication.

LADWP has hired 32 new ESRs to increase front-line capacity, improve responsiveness, and reduce the time customers wait for service-related activities. LADWP is also actively hiring and establishing a new Line Extension team dedicated to some of the Department's largest and most complex development projects.

LADWP is also expanding its Customer Concierge Program (Concierge) to provide more customers with dedicated project support and additional points of contact. The Concierge model provides active project coordination across LADWP technical and operational teams and helps identify and escalate issues that could delay projects.

Staffing investments are being aligned with workload and performance data so resources can be directed to areas having the greatest impact on customer timelines. Weekly performance reviews are used to evaluate cycle times, throughput, backlog, and schedule performance and identify areas requiring additional resources or management intervention.

3. Technology, Digital Submittals, and Application Tracking

Technology modernization is improving both customer transparency and LADWP's ability to manage project delivery. LADWP's New Business application process is now digital, allowing customers to submit applications and required project information online and complete the application process without an in-person visit. LADWP is continuing to expand its digital capabilities to make the overall development process easier to navigate and provide greater visibility into project status.

On July 13, LADWP deployed the initial phase of a Customer Project Tracker (Tracker) that provides customers with greater visibility into project status, completed milestones, upcoming activities, and responsibility for next steps. Building upon the Tracker, LADWP is developing a broader New Business Project Portal intended to guide projects

through the electric service and energization process and provide a central location for project requirements, status, milestones, responsibilities, and next steps.

LADWP has also developed online payment capability, allowing customers to make project-related payments electronically rather than visiting a Customer Service Center. Together, digital applications, project tracking, and online payments are moving LADWP toward a more complete end-to-end digital customer experience.

LADWP is also improving the integration of project information across its business systems and expanding its use of performance dashboards to support management accountability and data-driven decision-making. The long-term objective is a more transparent process in which customers and City partners can readily understand where a project stands, what has been completed, what comes next, and who is responsible for the next action.

4. Industry Benchmarking, Construction Work Areas, Staging, and Standard Engineering Plans

LADWP reviewed requirements and practices used by Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric (SDG&E), Southern California Edison (SCE), and Sacramento Municipal Utility District (SMUD), including requirements related to construction work areas, transformer staging, equipment placement, access, and other site considerations. This benchmarking helped inform LADWP's subsequent updates to its construction work area (staging area requirements), providing greater flexibility where site conditions allow while maintaining the space necessary to safely construct, operate, and maintain electrical infrastructure.

Construction work area requirements are particularly important because they affect site planning, building layout, construction sequencing, equipment access, transformer placement, and the ability of LADWP crews to safely install, operate, maintain, and repair electrical facilities. LADWP has provided updated guidance that minimizes the required square footage on a customer's property.

LADWP also participated on a 2026 California Infill panel with SCE and SMUD, providing an opportunity to compare approaches and better understand how other utilities and the development community are addressing utility infrastructure constraints associated with infill development.

LADWP recognizes that additional benchmarking is needed and will continue to baseline LADWP requirements against comparable utilities and jurisdictions to identify exemplary practices and additional opportunities that can be safely incorporated into LADWP standards.

LADWP has also established and is expanding the use of standard plans and designs that incorporate critical engineering considerations, including service planning, transformer placement, construction work areas, equipment access, clearances, and other recurring infrastructure requirements, earlier in the development process. Standard plans are intended to reduce unnecessary variation, improve consistency in design review, provide customers and their design teams with clearer expectations, and reduce the need for repeated project-specific determinations when standard conditions apply.

By identifying construction work area requirements and applying standard plans earlier, LADWP can help customers make informed decisions regarding site design, equipment placement, access, and construction sequencing before significant design or construction decisions have been made. This approach will reduce redesign, improve review efficiency, and provide greater certainty regarding the infrastructure requirements associated with new electric service. Our new Construction Work Area guidance and Standard Plans are available on LADWP.com.

LADWP will continue to identify opportunities to simplify, standardize, or provide greater flexibility in its construction work area requirements, standard plans, and other engineering standards while maintaining employee and public safety, system reliability, and the ability to safely operate and maintain electrical infrastructure.

5. Opportunities to Streamline Development-Related Processes

LADWP's Kaizen process improvement effort examined the end-to-end New Business process and identified opportunities to reduce delays, eliminate unnecessary steps, and improve coordination. The majority of the original Kaizen initiatives have been completed, and this work has expanded into the broader New Business Transformation Program.

Current efforts include simplifying processes and requirements, reducing customer handoffs, reducing engineering and design backlogs, strengthening project management, performing activities concurrently where feasible, and moving critical decisions earlier in the project lifecycle.

LADWP is also applying lessons learned through Project Powerhouse more broadly. Project Powerhouse demonstrated that project timelines can be significantly reduced through clear prioritization, dedicated coordination, earlier intervention, and increased management visibility. LADWP is incorporating these principles into the broader New Business process so the benefits can extend beyond projects formally enrolled in the program.

The Fair Share Power Line Program addresses another development challenge by providing a mechanism to share eligible costs for certain underground distribution line

extensions in the public right-of-way among benefiting customers rather than requiring a single customer to bear the entire initial cost.

LADWP is also evaluating opportunities to provide greater cost predictability earlier in project development, including simplified line extension cost methodologies and potential financial mechanisms that could reduce large upfront project costs.

6. Interdepartmental Coordination, Timeline Transparency, and Applicant Communication

LADWP is strengthening interdepartmental and stakeholder coordination. The Department established a Stakeholder Advisory Group representing commercial, multifamily, residential, electric vehicle infrastructure, distributed energy resource, engineering, and development interests. At the initial Power Ready LA Stakeholder Workshop in June 2026, stakeholders emphasized greater transparency, predictable timelines, consistent requirements, earlier coordination, clearer project status, and stronger accountability. This feedback is being incorporated into LADWP's transformation efforts.

LADWP is working with other City departments to improve coordination throughout the development process through earlier and more concurrent review, improved information sharing, and greater use of shared technology and work platforms. As part of this effort, LADWP has re-engaged with the BuildLA team to share project data and support enhancements to the City's development platform. LADWP is also leading efforts to evaluate additional software and artificial intelligence opportunities that can improve coordination and delivery of development services across City departments.

Together with the Customer Concierge Program, Customer Project Tracker, and future New Business Project Portal, these efforts are intended to provide customers with clearer project status, additional points of contact, greater transparency regarding responsibilities and next steps, and earlier identification of issues requiring resolution.

Earlier engagement through the City development process can also allow electric service requirements affecting site design, equipment placement, construction work areas, system capacity, and construction sequencing to be identified before they result in redesign or project delays.

7. Power Capacity Mapping, Growth Forecasting, and Infrastructure Investment

LADWP currently conducts electric capacity analyses and makes capacity information available to assist customers in evaluating potential development locations.

LADWP is expanding this work through a more localized energy demand forecasting framework that considers development activity, housing growth, electrification, and

customer demand. This work is intended to develop the capacity and growth analysis requested by the Council, identify areas where anticipated development may exceed available distribution capacity, and allow infrastructure constraints to be identified earlier.

The objective is to increasingly anticipate infrastructure needs and make appropriate system investments before capacity constraints affect individual development projects.

Conclusion

Since LADWP's initial report, the Department has made significant progress in reforming the New Business process, including improved metrics, 32 additional ESRs, a dedicated New Business Line Extension team, expanded customer support, new project tracking and online services, revised construction work area and staging requirements informed by industry benchmarking, expanded use of standard plans and designs, end-to-end process mapping, stronger stakeholder and interdepartmental coordination, and expanded infrastructure forecasting and performance management.

Significant work remains, particularly in addressing project backlogs, throughput, schedule performance, and the wide variation in project delivery timelines. LADWP will continue using performance data, industry benchmarking, standard plans, and stakeholder feedback to drive shorter and more predictable project timelines, clearer and more consistent requirements, earlier infrastructure planning, improved customer communication, and greater accountability throughout the development process.

If you have any questions, please contact me at (213) 367-1338, or you may have a member of your staff contact Mr. Paul Habib, Director of Legislative and Governmental affairs, at (213) 367-4305.

Sincerely,



David W. Hanson
Interim General Manager

EA:slr

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