



CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

DATE: April 1, 2021

TO: BWP Board

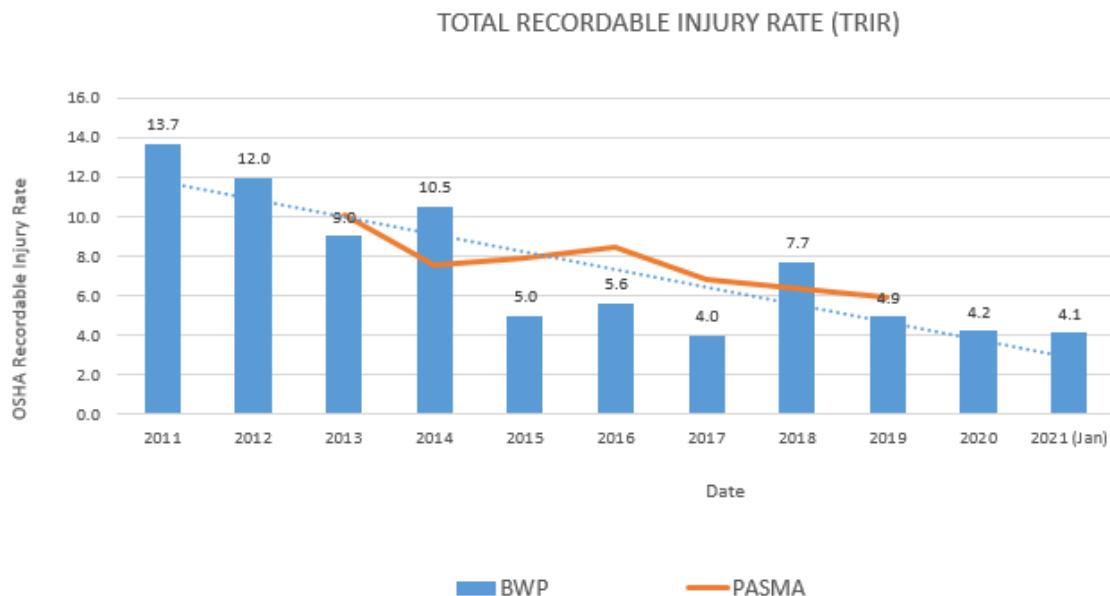
FROM: Dawn Roth Lindell, General Manager, BWP *Dawn Roth Lindell*

SUBJECT: February 2021 Operating Results

***Please note that changes from last month's report are in BOLD**

SAFETY

For this reporting period BWP experienced zero OSHA recordable injuries. BWP's 12 month rolling average rate is 4.1.



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees. Current year expressed as 12 month rolling average
 PASMA - Public Agency Safety Management Association (Utilities only Data)

Water Estimated Financial Results

For the month of January, net income (NI) was a loss of \$176,000, which was \$187,000 better than budgeted. The better result was primarily the result of lower operating expenses, lower water supply expenses due to using more ground water rather than the more expensive treated water from MWD, offset partially by lower than planned potable and recycled sales due to lower than normal rainfall.

For fiscal-year-to-date (FYTD) January, NI was \$2,302,000, which was \$1,973,000 better than budgeted. The better result was primarily attributed to lower operating expenses and lower water supply expenses due to using more ground water rather than the more expensive treated water from MWD.

For additional details, please see the section **“COVID-19 “Safer at Home” Order Impacts”** and the attached financial statements.

Electric Estimated Financial Results

For the month of January, NI was a loss of \$1,048,000, which was \$483,000 worse than budgeted. The unfavorable result was primarily the result of lower retail sales as a result of COVID-19, partly offset by lower than planned operating expenses.

For FYTD January, NI was \$5,371,000, which was \$3,480,000 better than budgeted. The better result was primarily attributed to lower operating expenses, our wholesale asset utilization program, lower retail power supply and transmission expenses, offset by lower retail sales as a result of COVID-19.

For additional details, please see the section **“COVID-19 “Safer at Home” Order Impacts”** and the attached financial statements.

COVID-19 “Safer at Home” Order Impacts

Financial Impacts

January’s results reflect the tenth month of the impacts resulting from the COVID-19 pandemic orders beginning on March 19, 2020. With many Burbank commercial enterprises being closed or curtailing operations, this order has, and is anticipated to continue to, significantly impact commercial demand for water and energy in Burbank.

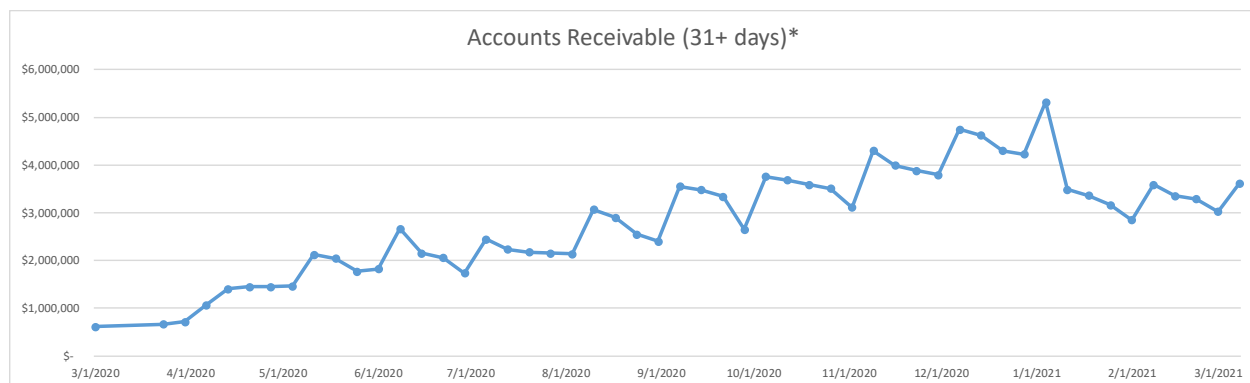
The current year’s adopted budget, based on the estimated impacts of the pandemic order at the time, reflects a 5% lower energy demand and a 3% lower potable water usage as compared to last year’s budget. Recent data has shown that the impact of COVID-19 has resulted in a significant reduction in electric demand and only a slight reduction in water demand. Along with the decrease in demand, there is a large increase in customer receivables and uncollectibles.

For the electric fund, January energy demand was 9% below budget. COVID-19 has a tremendous negative impact on energy sales, especially when commercial customers account for approximately 75% of electric sales. FYTD energy usage was 5% below budget and retail revenues were \$6,100,000 below budget, while gross margin was \$463,000 lower than budget, primarily driven by increased revenues in our wholesale asset utilization program and lower power supply costs.

For the water fund, COVID-19 has had less of an impact than it has on the electric fund. For the fiscal year, potable water demand is on budget. There is a decrease in demand from commercial customers related to COVID-19, but it has largely been offset by an increase in demand from residential customers.

Accounts Receivables

The chart below shows the drastic increase for receivables that are over 31 days old for BWP's electric and water funds.



*Excludes in-lieu and utility users tax. The COVID-19 Job Loss Bill Credit Program commenced on December 1, 2020. BWP also began engaging in customer outreach to key commercial accounts on December 17, 2020.

Audit of AR Transit

In June 2019, the accounts receivable (AR) in transit account for the electric fund had a balance of \$1.4M. The AR in transit account is a temporary holding account that reflects customer payments initiated but not yet received by the City Treasurer's Office. During the FY 18/19 year-end audit, the auditors questioned this balance and after discussions with city finance it was noted that the balance was due to a timing issue. On average, the account balance is approximately \$450,000. Due to the timing of when payments are processed by the bank, it is not unusual to see this account balance fluctuate. Unfortunately, there was no further review of the AR in transit account balance until it was brought up again during the FY 19/20 year-end audit. In October 2020, during the FY 19/20 year-end audit, the external auditors noted a significant increase in the AR in transit account. The balance at the end of June 30, 2020 was \$2.4M. At the time of the FY 19/20 year-end audit, staff was unable to reconcile the account balance against a detailed

schedule. BWP reserved \$600,000 for bad debt, until a reconciliation could be completed.

BWP began the reconciliation and quickly found that approximately \$600,000 of the increase was due to large credit card transaction processing issues. Another \$175,000 was due to processing errors during the receipt of the funds. Currently, including the reserve for bad debt, the AR in transit account amount is at \$1.6M and has not been trending upward. BWP will continue reconciling this account and expects to find another \$1M in either processing or posting errors. BWP, city treasurer's staff and city finance have met to improve the reconciliation process and added controls to flag issues quickly.

WATER DIVISION

State Water Project Update

With California off to a dry start for the water year, the California Department of Water Resources (DWR) announced an initial State Water Project (SWP) allocation of 10% of requested supplies for the 2021 water year.

Initial allocations are based on conservative assumptions regarding hydrology and factors such as reservoir storage. Allocations are reviewed monthly and may change based on snowpack and runoff information.

Lake Oroville, the SWP's largest reservoir, is currently at 38% of capacity and 54% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 50% of capacity and 68% of average. In southern California, SWP's Castaic Lake is at 75% of capacity and 87% of average.

Burbank's Water Use

The table below shows water use in Burbank during February 2020 compared to February 2021 measured in gallons per capita per day (gpcd). Also shown is a comparison of Burbank's water use based on a 12 month rolling average.

	Average Monthly Use	Rolling 12 Month Average
February 2020	124 gpcd	136 gpcd
February 2021	122 gpcd	135 gpcd

Grants

BWP worked with B & A Professional Grant Consulting to apply for a drought contingency planning grant (offered by the Bureau of Reclamation), which, if awarded, will help us fund the cost to develop the plan. The drought contingency plan outlines a strategy that builds long-term resiliency to drought and is a pre-requisite for future grant applications. This will help guide us toward meeting regulatory requirements. Applications were due January 6, 2021. The maximum funding available for each grant is \$200,000 and will be awarded October 1, 2021.

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the months of October through February.

	BOU Capacity Factor	BOU Ave. Flow Rate	Total System Blend % MWD/BOU
Oct-20	97.81%	8,803 gpm	21% / 79%
Nov-20	55.61%	5,005 gpm	49% / 51%
Dec-20	86.25%	7,762 gpm	19% / 81%
Jan-21	69.16%	6,224 gpm	24% / 76%
Feb-21	93.55%	8,402 gpm	25% / 75%

The total system blend percentage represents the total amount of water that was purchased from Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with capacity factor, is an important measure of efficiency. The capacity factor may fluctuate based on demand and plant production; the blend percentage measures how much of the total system's demand is made of purchased or produced water. The amount of MWD water needed is determined by demand, availability of BOU water, and O&M outages.

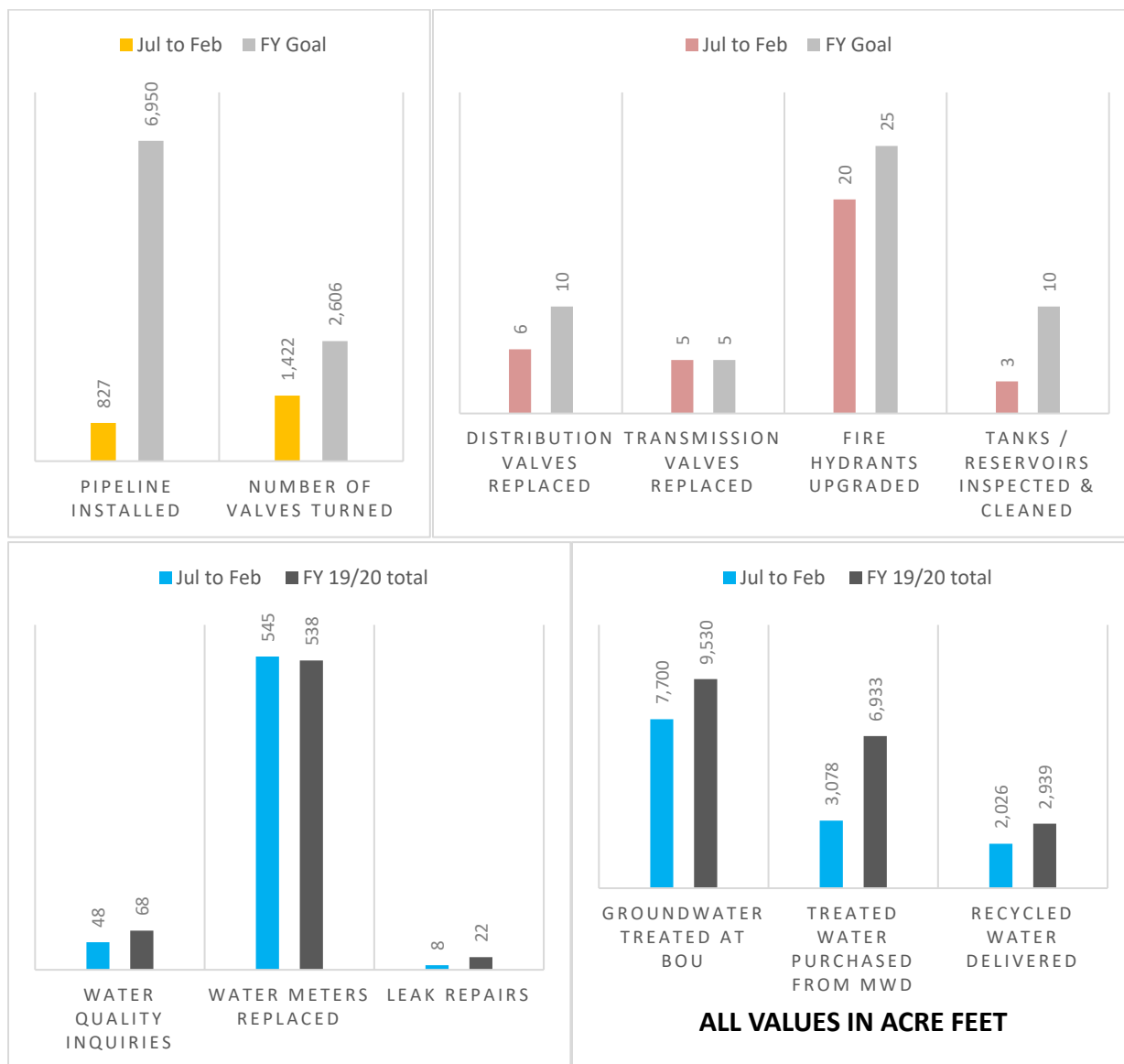
During the low water use months, BWP's demand can be lower than the BOU's treatment capacity. When this happens we use this additional capacity to continue to treat the contaminated groundwater at a higher rate and send the balance of the treated water to Los Angeles. BWP and LADWP have a transfer agreement which stipulates LADWP will directly reimburse MWD for the water used to blend and will reimburse BWP the costs related to O&M distribution and treatment. The LAIX began normal operation in February 2021 and continues to date. **The total transfer for the month of February was 271.7 ac/ft.**

Water processed at the BOU must be accounted for in Burbank's ground water credits. Groundwater credits are earned through return credits for 20% of recycled water use and by spreading raw water into the basin. **In February 2021, BWP used the MWD raw water connection at the Pacoima and Lopez spreading grounds to store 1853.1 ac/ft of water.** This fiscal year our goal is to spread about 3,000 ac/ft of water.

Key Performance Indicators

The graphs below illustrate the progress the water division has made on key performance measures through February. Note that the values provided need to be viewed with respect to where we are in the fiscal year. Pipeline installation is 12% complete and we are 58% through the fiscal year. There are several reasons for this, among them is that we shifted resources to complete the installation of all five transmission valves slated for this year. The work was complex and time consuming, but severely needed.

Also, the water division was understaffed by four workers and at times, this was made worse due to COVID, when staff had to be quarantined. This further reduced our workforce and affected productivity. Note that the number of valves turned is closely on pace with our goal and we are exceeding our pace on replacing distribution valves and upgrading fire hydrants. Tank and reservoir cleaning is conducted when demands are low, so we expect to perform more maintenance in the coming months.



Leak Alert Notifications

In 2009, BWP began installing an automated metering infrastructure (AMI) system by Itron. The system consists of endpoints that connect directly to the meter to get the meter read. The meter read was transmitted by radio from the endpoints located in the meter box and received by 10 collectors stationed throughout the city. The data was “backhauled” or bundled using the Tropos radio system and delivered to database servers that accepted and processed the meter data. Full deployment of the system (approximately 26,000 endpoints) was completed in 2011.

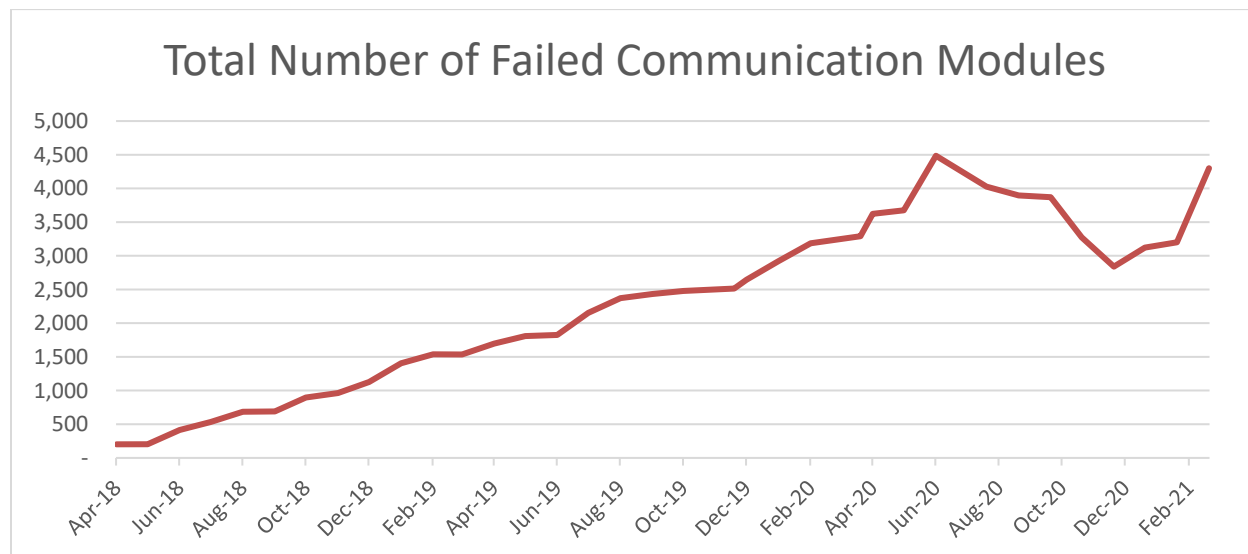
Benefits of AMI technology allow data to be collected rapidly and frequently and can be analyzed to find higher than normal usage and alert customers of leaks. BWP began providing leak alert service to residents who registered to receive notifications. This service, called Water Smart, works by receiving hourly water usage from the meter and analyzes this data to determine if a leak might be present based on continuous

usage. Since 2015, BWP has provided 11,756 leak alerts to customers. Unfortunately, a high volume of water meter communication modules are not working reliably and replacement units are no longer produced.

As of February 2021, BWP was not able to receive remote reads for 4,299 water meters out of 27,051. That is an increase of 1,098 meters (34%) since last month. The increase in manual reads is a result of several factors including: software issues with the database changes made in July, and issues with a new automatic meter reading (AMR) system. Testing was completed on the AMR system and it is currently being used in the field. Note that in August, September, October, and November during testing of the AMR system, some meters were incorrectly reported as reporting when they were not reporting through the AMI system. We have updated the statistics accordingly.

BWP previously notified customers who participate in the leak alert program that the failure of these communication modules prevents the sending of leak alert notifications, and due to continued failures BWP is now in the process of notifying additional customers.

BWP is now exploring an updated AMI system. The AMR system unfortunately will not enable BWP to notify customers of leaks at all. This will leave customers vulnerable to unnoticed leaks causing water damage, bills that could reach thousands of dollars as well as unnecessary and significant water waste.



Projects

A hydro-pneumatic tank was installed in the recycled water system to provide better service to the Valhalla Cemetery, which can draw up to 500 gpm of recycled water. When this happens, the pressure in the system drops until the Vickroy Pump Station turns on until it reaches a high-pressure set point and then turns off, at which point, the pressure drops again and the process repeats. This frequent cycling of the pumps reduces its life span and increases maintenance costs. The hydro-pneumatic tank sustains pressure in the system and eliminates the frequent cycling of the pumps.



ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

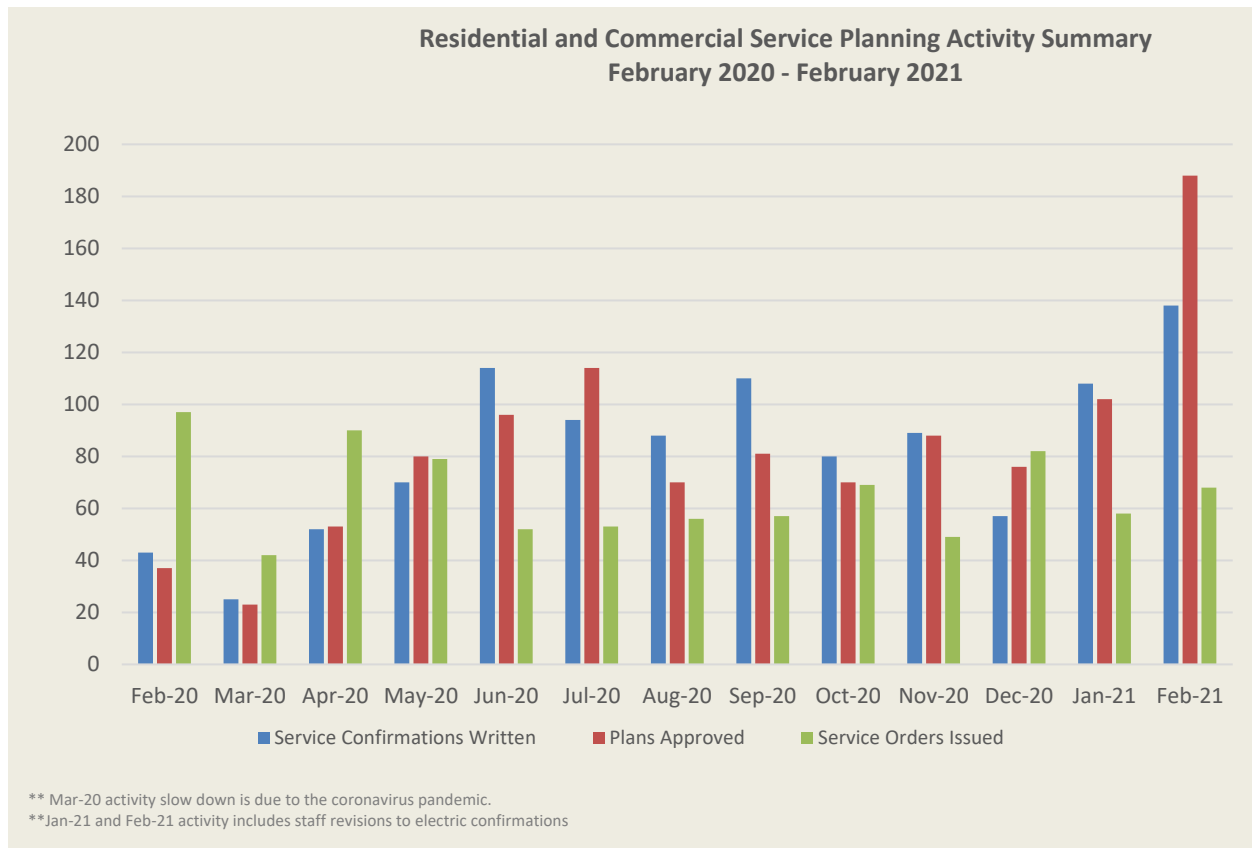
In February 2021, BWP experienced one sustained feeder outage. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,515,410 customer minutes.

Reliability Measurement	March 2019 - February 2020	March 2020 - February 2021
Average Outages Per Customer Per Year (SAIFI)	0.2516	0.4545
Average Outage Duration (CAIDI)	14.66 minutes	24.03 minutes
Average Service Availability	99.999%	99.998%
Average Momentary Outages Per Customer Per Year (MAIFI)	0.3543	0.3619
No. of Sustained Feeder Outages	4	15
No. of Sustained Outages by Mylar Balloons	2	3
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	0	0

PROJECT UPDATES

Residential and Commercial Service Planning Activities

BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing service. In order for a customer to obtain a building permit for their construction, BWP service planners must visit the customer's facility and fill out an electric service confirmation form which details what type of service is required and how it will be served. After reviewing and approving a customer's electrical plans, BWP service planners issue service orders to our field crews to carry out the inspections and electrical service work. The graph below summarizes monthly activity for our residential and commercial service planning group within the T&D engineering section.



Battery Replacement at Hollywood Way Substation

Substation batteries provide backup power for the control and protection equipment, performing a vital role in the reliable operation of the substation in case of a substation power outage. BWP maintenance crews conduct regular inspection and testing on the batteries to keep track of the battery's conformance to established performance specifications to ensure substation reliability. Based on previous battery test results, it was recommended to replace the battery bank at Hollywood Way.

Sixty new batteries, battery racks, and a battery charger were recently installed at Hollywood Way Substation in February.



Battery Bank – Before Installation



Battery Bank – After Installation

Replace 69 kV Line Protection Relays

Twenty-two line protection relays, which are manufactured by General Electric (GE), were previously installed to protect ten of BWP's 69 kV subtransmission lines. These GE line relays have now reached the end of their expected life and have been exhibiting issues associated with power supply, CPU, and display failures. In one instance, failure of a power supply caused a nuisance trip of a subtransmission line. In order to maintain reliability of the electric system, it was prudent to plan for the replacement of these aging line relays with BWP's current standard line relays, which was identified and included in BWP's capital improvement plan.

In February, the first six protective relays were installed on the Olive-Capon-Western No. 1 and No. 2 line. These relays could only be replaced during a limited window of construction due to the critical nature of those lines for transport of energy produced by the Magnolia Power Plant (MPP). As such, these relay replacements were scheduled during the MPP outage. This replacement also required coordination with field crews from Glendale Water and Power, which owns and operates the interconnection at Western Substation.



Olive (before)



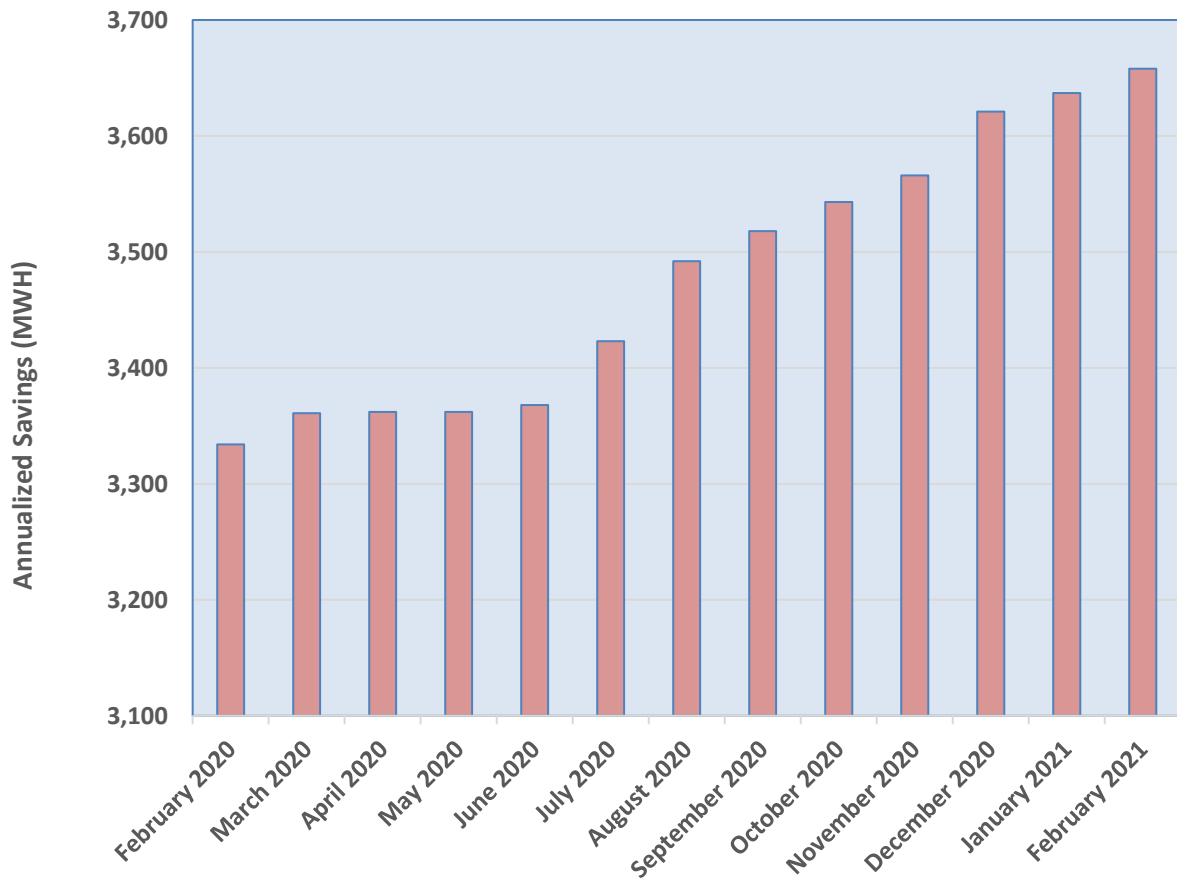
Olive (after)

STREET LIGHTING

LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high pressure sodium (HPS) street light luminaires with light emitting diodes (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. The LED replacements consume approximately 60% less energy. To date, 68.88% of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,658 MWh or a 39.47% reduction in energy consumption. LED conversions have also reduced evening load by 835 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs. The graph below shows the annualized energy savings in MWh for the past 13 months.

Annualized Energy Savings February 2020 - February 2021



CUSTOMER SERVICE

Customer Service Operations

BWP continues to assist customers through the COVID-19 Job Loss Bill Credit Program. Customer service representatives assist customers, make payment arrangements to reduce the amount in arrears, and provide additional resources to help customers manage their utility bill.

BWP Call Center Call Types & Volume

Call Types	% of Calls
Balance	18%
Update Account Info	7%
Residential Stop	8%
Residential Start	6%
Solid Waste Transfer	4%

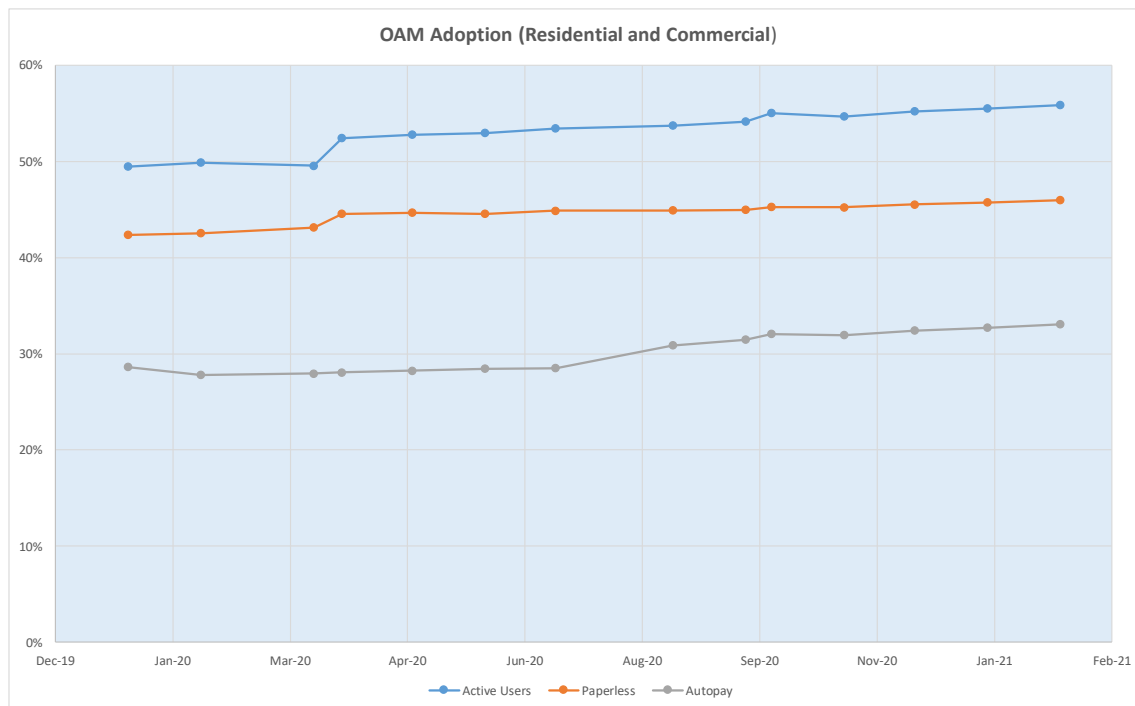
	Feb - 20	Mar - 20	Apr - 20	May - 20	Jun - 20	Jul - 20	Aug - 20	Sep - 20	Oct - 20	Nov - 20	Dec - 20	Jan - 21	Feb - 21	% Inc/Jan
Call Volume	4,337	4,320	3,543	3,392	3,582	4,055	3,812	3,783	3,527	3,055	3,684	3,383	2,897	-16.8%

Online Account Manager

The enrollment in the online account manager (OAM) is currently at 56% of all active accounts; increases in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about 80% are paperless customers helping BWP reduce costs and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and auto pay. These initiatives will continue to drive down costs. BWP's second milestone is to have 80% of all active accounts registered on the OAM by the end of 2021.

The OAM adoption plan consists of three phases. Phase one was to build awareness and promotion through broad communications. The second phase is to provide targeted messages to segments that have not adopted the OAM. The third phase is to provide incentives to adopt the OAM. Currently, about 86% of customers that have not adopted the OAM are residential. Therefore, phase two and three will be focused on residential adoption to reach the 80% overall adoption goal. The adoption plan is currently in phase two and will move into phase three during the last quarter of this calendar year.

Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Active Users	29,156	56%
Paperless	23,996	46%
Autopay	17,256	33%

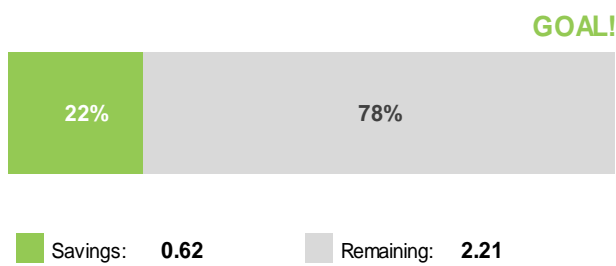
BWP's Energy Efficiency and Water Savings – Fiscal Year to February 28, 2021

To comply with state and local COVID-19 orders, both residential and commercial energy efficiency programs that required home/on-site visits have been suspended since March 2020. Despite the imposed restrictions, other energy efficiency and water conservation programs that do not require on-site visits such as BWP's rebate programs continue to operate. As a result of the continued program suspensions due to COVID-19, program activities continued to be significantly reduced for the month of **February 2021**. However, **in April 2020, the online Home Energy Audit was launched as part of a larger suite of online resources for residential customers. Promotion for the suite of resources has appeared in the *Currents* newsletter and other communication channels. The Home Energy Audit allows residential customers to complete the audit, analyze their energy use, and receive energy saving tips.** Further, commercial program participation continues to significantly contribute to the reported savings for the month of **February**, mostly from the BWP business rebates program utilized by some of the largest commercial customers. Incentives for large projects have incentive caps but yield total project efficiency savings.

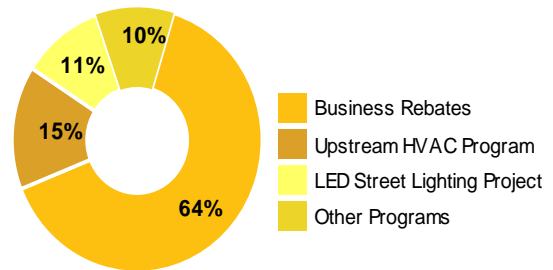
Energy Efficiency Savings FYTD 2020-2021 Period ending on 2/28/2021

1% Demand Goal = 2.83 MW

Demand Savings to Date

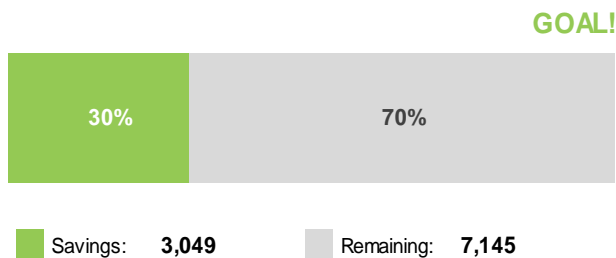


Savings by Program

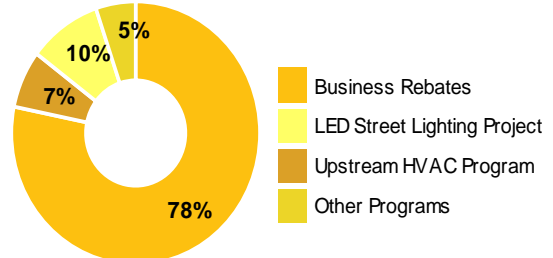


1% Consumption Savings Goal = 10,194 MWh

Savings to Date



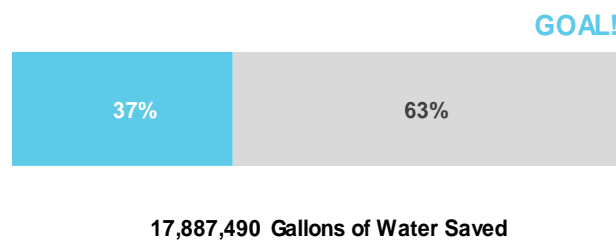
Savings by Program



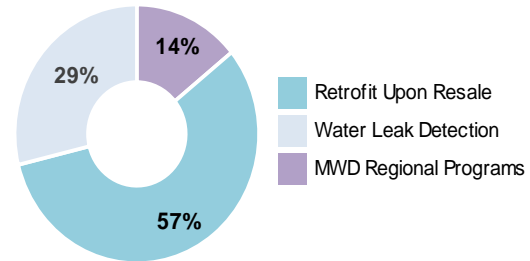
Water Savings Goal FYTD 2020-2021

1% (48,907,414 Gallons) Potable Water Savings Goal

Savings to Date

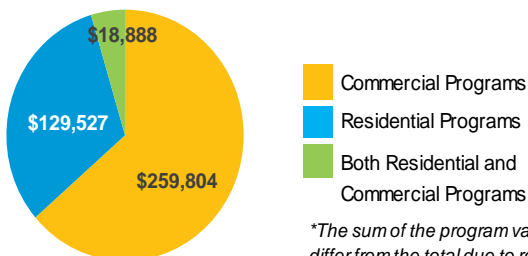


Savings by Program



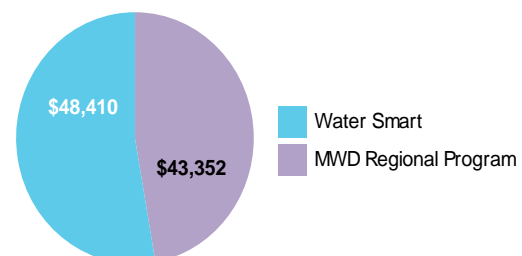
Efficiency Investments FYTD 2020-2021

*Electric Programs: \$408,220



**The sum of the program values may differ from the total due to rounding to the nearest dollar.*

Water Programs: \$91,762



Electric Vehicle (EV) Charging Program

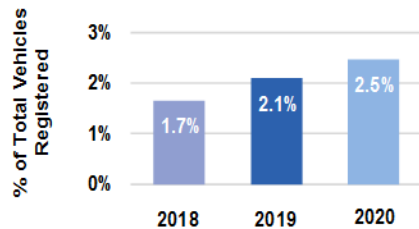
Forty-seven public EV charging ports are installed in Burbank, including 2 DC fast chargers and 18 curbside chargers. As of **February 1, 2021**, pricing for public EV charging is \$0.1753 per kWh for all hours for Level 1 and Level 2. For the DC fast chargers, the charging rate is \$0.2817 per kWh for all hours. Reduced public charger usage can likely be attributed to the safer-at-home order issued in March. Lower than expected participation in the rebate programs can likely also be attributed to COVID-19. Car sales are low across the board, which may have influenced low participation in the used car EV rebate. BWP has provided the required startup funding to the program administrator acting on behalf of the California Air Resources Board for the clean fuel rewards program. The clean fuel rewards statewide rebate is now available to California residents. The rebate provides up to \$1,500 for battery electric and plug-in electric vehicles that are leased or purchased.

The following charging ports are currently in process that comprise the goal of 24 charging ports for fiscal year 2020/21:

Project / Location	Status	Quantity
Ports added to existing public chargers locations – Various Locations	Ready for Construction	6
Downtown Project - Olive Ave. and Glenoaks Blvd.	Permitting	16
BWP workplace / public chargers Lake St. or Magnolia Blvd.	Permitting	2

Transportation Electrification 2020-2021 Period ending on 2/28/2021

EV Growth in Burbank*



Total EV/PHEV DMV Vehicle Registrations

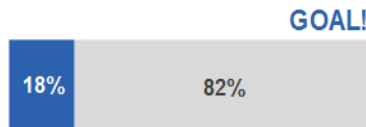
2020:	2,236
2019:	1,912
2018:	1,494

* DMV data as of Jan 01 of the reporting year

Transportation Electrification Initiatives for FY 2020-2021

Used EV Rebates

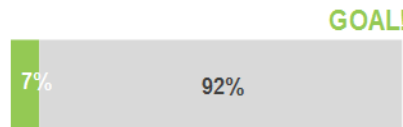
Goal: 83



Given: 15 Remaining: 68

EV Charger Rebates

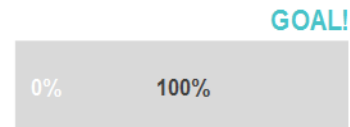
Goal: 150



Residential: 11 Remaining: 138
Commercial: 1

Public Charging Ports

Goal: 24



Installed: 0 Remaining: 24

Public Charging Port Statistics



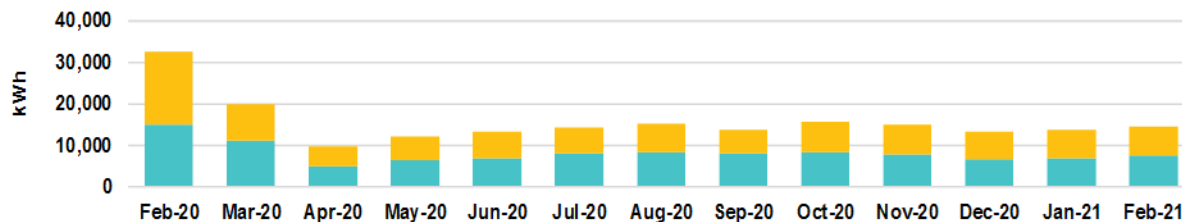
	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	Peak Charging Sessions	Charging Occupancy
	Total Ports	Total Available						
February:	47	47	1,590	14,602	\$2,636	8,411	22%	9%
Average:	47	47	1,594	14,441	\$2,804	8,319	19%	9%
FY Total:	47	47	12,755	115,530	\$22,436	66,549	19%	9%

* Source: U.S. Dept of Energy Alternative Fuels Data Center (AFDC) values used to calculate GHG savings. GHG values revised using AFDC data as of 06/09/2020.

Load Management Opportunity (LMO) Hours

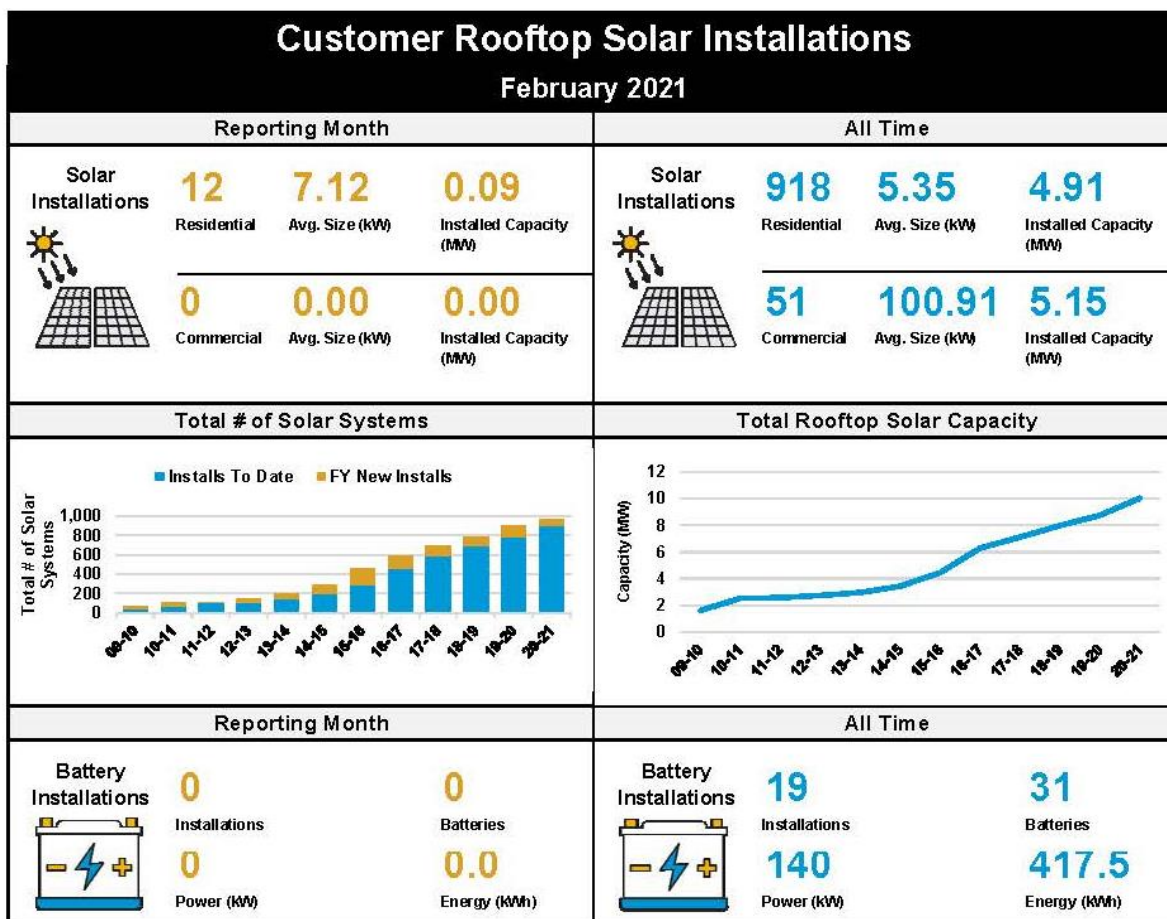
LMO Hours, 12pm-7pm

All Other Hours



Rooftop Solar and Battery Installations

Customer owned rooftop solar and battery storage system installations continue to grow. Burbank Water and Power does not provide rebates for installing these systems. However, overall, lower equipment costs and the Federal Investment Tax Credit make purchasing solar and/or battery systems more accessible. System capacity and number of installations are tracked monthly and in total below.



TECHNOLOGY

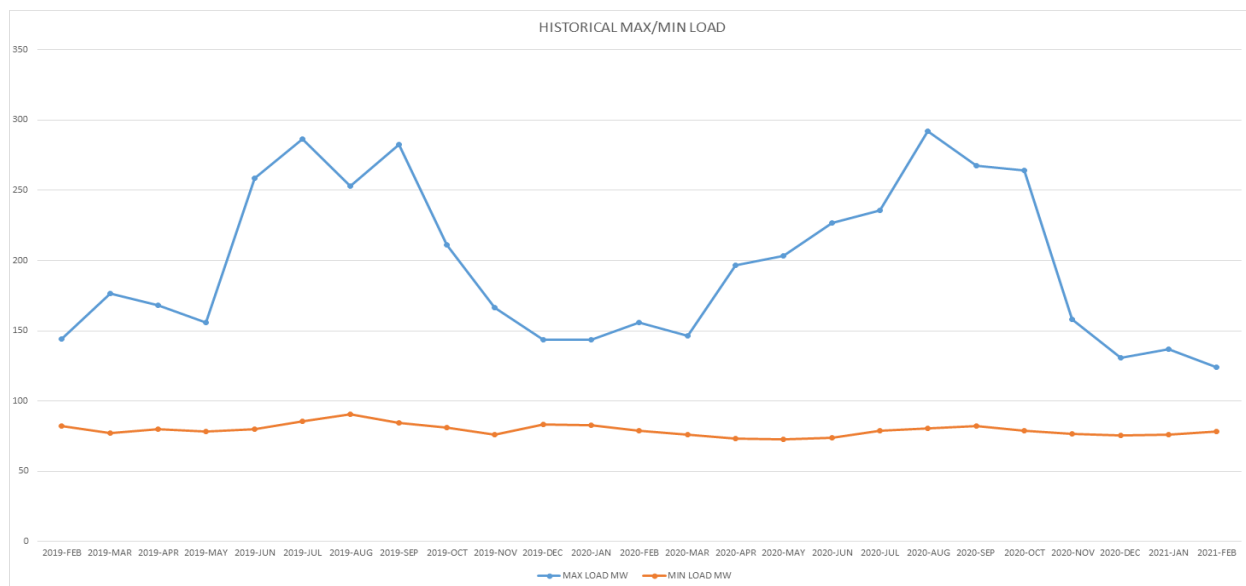
Broadband Services (ONEBurbank)

	February 2021 New Orders	Revenues for February 2021	FYTD 2020-21 Revenues	FYTD budget
Lit	5	\$132,170	\$1,005,014	\$1,053,333
Dark	1	\$164,240	\$1,600,470	\$1,580,000
Total	6	\$296,410	\$2,605,484	\$2,633,333

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for February 2021 was 124.1 MW at 11:23 AM on February 1, and the minimum load was 78.0 MW at 3:26 AM on February 24.



Minimum load values corrected for Sept & Dec 2018.

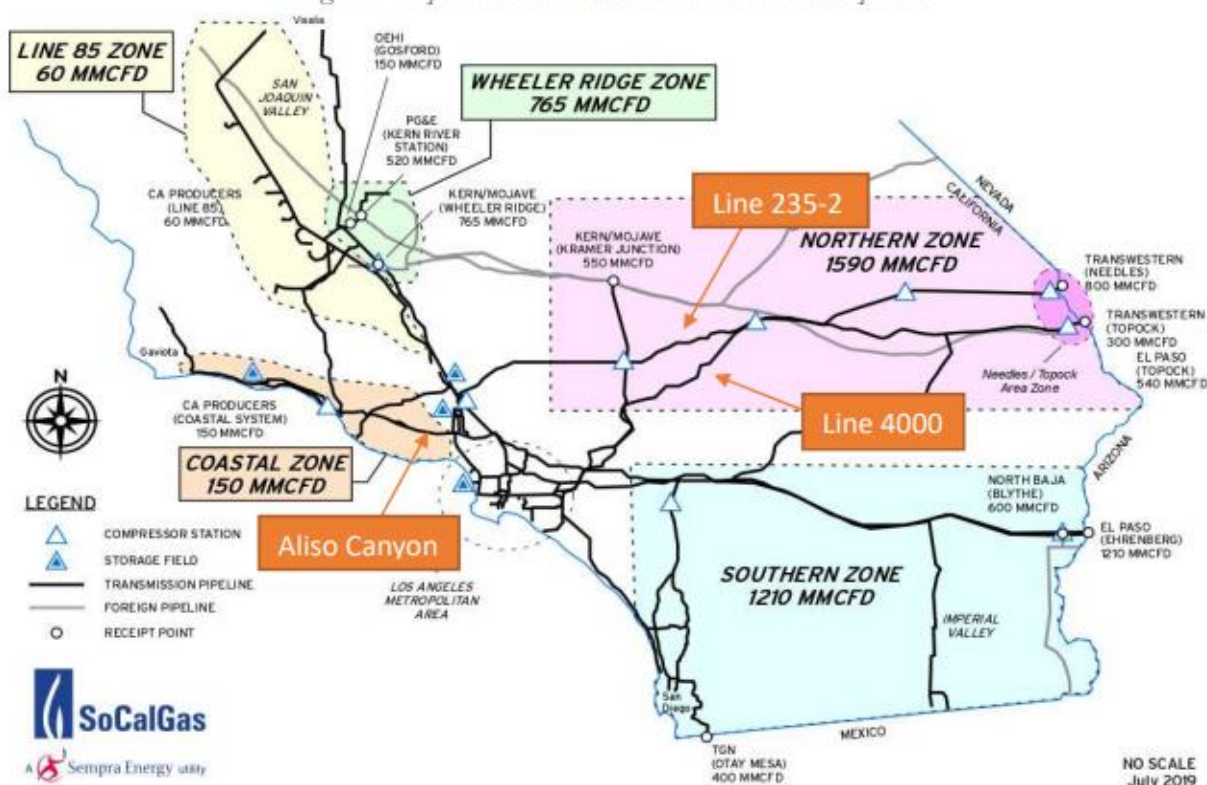
YEAR	MAX LOAD	MAX DATE
2021	137.0 MW	15-Jan-21 15:27:02
2020	292.3 MW	18-Aug-20 15:22:41
2019	282.66 MW	04-Sep-19 15:31:17
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52

Burbank and the rest of the western United States did experience a cold front, but the Burbank power system did not experience any operational issues or natural gas supply issues for February 2021. BWP had zero days of red flag warnings.

Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCalGas' system capacity and supply are primarily a function of two components: (1) transmission pipelines, which bring gas into and then transport it throughout the system; and (2) underground natural gas storage connected to transmission pipelines near system load. While one component of the system's limited supply is the transmission pipeline reductions and outages, the other critical component is storage operating constraints from the CPUC restricting the use of the Aliso Canyon Storage Facility. The current effective withdrawal protocol is restrictive

but is less restrictive than the previous protocol, in that Aliso Canyon was only allowed to be withdrawn from if curtailment was imminent, but now can occur under less acute circumstances.

Image 1: Receipt Points & Transmission Zone Firm Capacities



ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	Net Heat Rate (Btu/kWh)	Number of Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	0%	0.0	0	-	0
MPP	0%	0	0	-	0

Olive 1 and 2 remained in dry storage, with a 120-day notice required to restart. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively.

Lake 1 is currently unavailable for dispatch. The turbine experienced operational concerns in late December. As a result, it was removed and shipped to a certified facility in Houston, TX for inspection and repairs. The inspection is still in progress, but preliminary findings indicate the need to replace multiple components that are worn beyond allowable limits. It is estimated that Lake 1 may be returned to service in June 2021, however, this is dependent on the

remaining inspection findings and lead times of components determined to require replacement.

Magnolia Power Project (MPP)

	February	FYTD	YTD
Availability	0%	77%	13%
Unit Capacity Factor (240 MW)	0%	56%	9%

MPP was shut down on January 8, 2021 to perform a major inspection of the turbines/generators. Balance of plant maintenance is also being performed during this outage. This includes service of steam bypass valves, air compressors, circulating water pumps, gas compressors, and protective coatings, as well as inspection of boilers, high energy piping, tanks, vessels, and piping systems.

The GE turndown enhancement is also being completed during this outage and includes installation of upgraded hardware to the combustion turbine. Once the outage is complete, MPP will undergo recommissioning to perform emissions tuning with the new hardware. Recommissioning will be followed by performance tests to evaluate overhaul and enhancement performance metrics including heat rate and minimum MW output.

The current return to service date is March 23, 2021.

Tieton Hydropower Project (Tieton)

Tieton's 2020 generation season began April 6, 2020 with a single generation unit due to limited water flow controlled by the United States Bureau of Reclamation (BOR). On August 27, 2020 water flow increased enough to operate both generation units concurrently and both units were in operation until near the end of the generation season, which occurred on October 10, 2020. Maintenance began immediately following conclusion of the 2020 generation season and Unit 1 is being overhauled during this maintenance period. Unit 2 will also receive minor maintenance.

ENVIRONMENTAL

Air Quality

On September 2020, an application package was submitted to the South Coast Air Quality Management District (SCAQMD) to revise MPP's Title V operating permit. This application is to approve and include the final recommissioning of GE upgrades to the combustion turbine, allowing MPP to operate at a lower minimum load output (MW) while still complying with existing air quality requirements. This application was reviewed and approved by the SCAQMD and was submitted to the Environmental Protection Agency (EPA) for review. After the EPA review was complete, the SCAQMD issued a final permit in February 2021.

Storm Water

The State Water Resources Control Board Industrial General Permit requires industrial facilities to collect, at a minimum, four storm water samples per reporting year and compare them to statewide regulatory limits. **On January 28, 2021, a second set of storm water samples was collected. The results from the last two samples continue to indicate ongoing compliance issues with metals, specifically zinc. Samples were also collected from the offsite influent that commingles with BWP's storm water discharge. The offsite samples also exceeded the limits for metals.**

In order to address the storm water compliance issues, BWP is in the process of implementing a campus storm water improvement project. BWP has completed an environmental review of the project required under the California Environmental Quality Act (CEQA). The environmental review will be finalized when the project is approved by the Burbank City Council. MNS Engineers was contracted to prepare the final design plans, as well as provide engineering support and permitting support for the project. After the final design is completed, bid specifications will be prepared and a request for proposals (RFP) will be issued for the construction activities. **As an interim measure, BWP has also applied for time schedule orders that include interim limits which are achievable for this site. These will apply until the improvement project is complete.**

PROJECT UPDATES:

Power Resources

Renewable Portfolio Standard (RPS) Compliance

On December 22, 2020, the California Energy Commission (CEC) adopted new regulations on several important RPS regulations. The CEC provided clarification on how to count resources towards the long term requirement (LTR), which requires that 65% of RPS compliance come from contracts that are 10 years or longer in duration, as well as set new interim targets, post calendar year 2020. The new regulations now comply with the SB 100 requirement of utilities needing to meet a 60% RPS by 2030, meaning that 60% of BWP's retail load requirement will need to come from renewable resources by 2030.

The calendar year 2021 interim target is 35.75% RPS, by the end of the year. BWP is on track to meet that goal.

Integrated Resource Plan (IRP) Update

In the coming months, BWP will embark on an update to the 2019 IRP. This update will cover major updates since the last IRP. This includes updates as a result of the IPP renewal project, updates to load (peak, system and retail load), updates to market prices (natural gas, spot market energy, capacity, etc.) and updates to regulations. The IRP may cover additional guidance on how to meet our future RPS and GHG emissions reduction target mandates, in a cost effective manner.

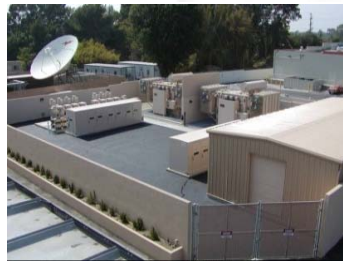
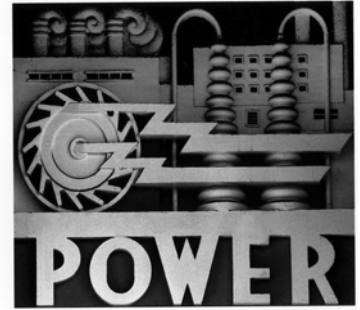
Transmission Update

Negotiations with LADWP regarding the renewal of several existing transmission service agreements (TSA), including those associated with Hoover and IPP, are ongoing. An amendment for a one-year extension of the existing Hoover TSA was approved by consent by City Council on April 28, 2020. This amendment extended the Hoover TSA through September 30, 2021. The IPP related TSA expires in 2027.

Intermountain Power Project (Delta, UT) Renewal Progress

LADWP, BWP and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production, potential energy storage, and power generation at IPP. In the medium-term, the IPP Renewal participants are targeting 30% green hydrogen combustion by July 2025, when the repowered project is scheduled to come on-line. On a monthly basis, IPP participants meet to discuss the IPP Renewal, including concerns on facilities development and potential additional resources at the site.

Burbank Water and Power



Financial Report January-21

UNAUDITED

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD January 2021
(\$ in 000's except MWh Sales)**

MTD Actual FY 20-21	MTD Budget FY 20-21	\$ Variance	% Variance		YTD Actual FY 20-21	YTD Budget FY 20-21	\$ Variance	% Variance
75,870	83,654	(7,784)	-9% ^(a)	NEL MWh	627,569	663,784	(36,215)	-5% ^(A)
				Retail				
\$ 11,059	\$ 12,206	\$ (1,147)	-9%	Retail Sales	\$ 94,982	\$ 101,082	\$ (6,100)	-6%
469	622	(153)	-25%	Other Revenues	3,043	4,354	(1,311)	-30% ^(B)
8,523	8,429	(94)	-1% ^(b)	Retail Power Supply & Transmission	63,308	65,918	2,610	4% ^(C)
3,005	4,400	(1,394)	-32%	Retail Margin	34,717	39,518	(4,802)	-12%
				Wholesale				
943	3,913	(2,970)	-76%	Wholesale Sales	18,829	31,831	(13,002)	-41%
843	3,835	2,992	78%	Wholesale Power Supply	13,854	31,195	17,341	56%
100	78	22	28%	Wholesale Margin	4,975	637	4,338	681% ^(D)
3,105	4,478	(1,373)	-31%	Gross Margin	39,692	40,155	(463)	-1%
				Operating Expenses				
636	985	350	35% ^(c)	Distribution	6,909	6,746	(162)	-2% ^(E)
115	110	(5)	-4%	Administration/Safety	1,048	805	(243)	-30% ^(F)
263	263	1	0%	Finance, Fleet, & Warehouse	1,340	1,700	360	21% ^(G)
523	525	2	0%	Transfer to General Fund for Cost Allocation	3,658	3,673	15	0%
406	476	70	15%	Customer Service, Marketing & Conservation	2,942	3,343	401	12% ^(H)
270	347	76	22%	Public Benefits	2,365	2,870	505	18% ^(I)
125	208	83	40% ^(d)	Security/Oper Technology	1,652	1,537	(116)	-8% ^(J)
96	110	14	13%	Telecom	654	793	139	17% ^(K)
115	187	73	39%	Construction & Maintenance	896	1,312	417	32% ^(L)
1,570	1,781	212	12%	Depreciation	9,411	12,468	3,058	25% ^(M)
4,116	4,992	876	18%	Total Operating Expenses	30,874	35,247	4,373	12%
\$ (1,011)	\$ (514)	\$ (497)	97%	Operating Income/(Loss)	\$ 8,818	\$ 4,908	\$ 3,910	80%

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD January 2021**

(\$ in 000's)								
MTD Actual FY 20-21	MTD Budget Budget	\$ Variance ⁽²⁾	% Variance		YTD Actual FY 20-21	YTD Budget Budget	\$ Variance ⁽²⁾	% Variance
\$ (1,011)	\$ (514)	\$ (497)	97%	Operating Income/(Loss)	\$ 8,818	\$ 4,908	\$ 3,910	80%
				Other Income/(Expenses)				
105	142	(37)	(26%)	Interest Income	791	993	(202)	(20%)
142	91	51	56%	Other Income/(Expense) ⁽⁴⁾	(2,249)	(2,022)	(227)	11%
(284)	(284)	-	0%	Bond Interest/ (Expense)	(1,988)	(1,987)	(1)	0%
(37)	(51)	14	0%	Total Other Income/(Expenses)	(3,447)	(3,017)	(430)	0%
(1,048)	(565)	(483)	85%	Net Income	5,371	1,891	3,480	184%
12	1,054	(1,043)	(99%) ^(e)	Capital Contributions (AIC)	443	7,380	(6,937)	(94%) ^(N)
<u>\$ (1,036)</u>	<u>\$ 489</u>	<u>\$ (1,525)</u>	<u>(312%)</u>	Net Change in Net Assets	<u>\$ 5,814</u>	<u>\$ 9,271</u>	<u>\$ (3,457)</u>	<u>(37%)</u>

1. This report may not foot due to rounding.

2. () = Unfavorable.

3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension), revenues and expenses related to Low Carbon Fuel Standard credits, and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
MTD January 2021
(\$ in 000's)

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	75,870	83,654	(7,784)	- NEL is 9% lower than budget, which is driven primarily by the closing of businesses within Burbank due to the pandemic orders beginning on March 19th, 2020. The average high temperature was 70.8°F, compared to the 15-year average high temperature of 70.3°F. MTD HDD were 274 versus the 15-year average of 259.
b.	Retail Power Supply & Transmission	8,523	8,429	(94)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
c.	Distribution	636	985	350	The favorable variance is primarily attributable to the timing of capital labor and savings due to vacant positions.
d.	Security/Oper Technology	125	208	83	- The favorable variance is primarily attributable to the timing of software and hardware purchases.
e.	Capital Contributions (AIC)	12	1,054	(1,043)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
FYTD January 2021
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	627,569	663,784	(36,215)	- NEL is 5% lower than budget, which is driven primarily by the closing of businesses within Burbank due to the pandemic orders beginning on March 19th, 2020, partially offset by warmer summer temperatures. Summer (Jul-Sep) actual average high temperature was 90.1°F, compared to the 15-year average high temperature of 87.7°F. Summer (Jul-Sep) CDD were 1,015 versus the 15-year average of 929.
B.	Other Revenues	3,043	4,354	(1,311)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	63,308	65,918	2,610	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Wholesale Margin	4,975	637	4,338	- The wholesale margin is higher than budget driven by BWP's asset optimization strategy during persistent and record breaking heatwave this past summer.
E.	Distribution	6,909	6,746	(162)	- The unfavorable variance is primarily attributable to the timing of work performed on MPP.
F.	Administration / Safety	1,048	805	(243)	- The unfavorable variance is attributable to timing of expenditures on membership dues and higher leave expense.
G.	Finance, Fleet, & Warehouse	1,340	1,700	360	- The favorable variance is primarily attributable to savings due to vacant positions and the timing of expenditures for professional services.
H.	Customer Service, Marketing & Conservation	2,942	3,343	401	- The favorable variance is primarily attributable to savings due to vacant positions and the timing of expenditures for professional services.
I.	Public Benefits	2,365	2,870	505	- Lifeline discounts of \$337k are recorded as a reduction to retail sales but are budgeted as an expense. The balance of the variance is attributable to lower than planned electric retail sales.
J.	Security/Oper Technology	1,652	1,537	(116)	- The unfavorable variance is primarily attributable to the timing of capital labor.
K.	Telecom	654	793	139	- The favorable variance is primarily attributable to timing of expenditures for private contractual services and savings due to vacant positions.
L.	Construction & Maintenance	896	1,312	417	- The favorable variance is primarily attributable to timing of expenditures on building grounds maintenance & repair, and more work for others and capital than planned.
M.	Depreciation	9,411	12,468	3,058	- The favorable variance is primarily attributable to a delay in capitalizing assets.
N.	Capital Contributions (AIC)	443	7,380	(6,937)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

January 2021 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME/(LOSS): \$(1,048)</u>	\$ -	\$ (483)	\$ (483)

MTD GROSS MARGIN VARIANCE

Retail Sales	-	(1,147)	(1,147)
Power Supply and Transmission:	-	-	
- Lower retail load	164	-	164
- higher than planned renewables cost and other		(353)	(353)
- lower transmission	39	-	39
- Economic dispatch and higher energy prices	-	(166)	(166)
- higher true up credit and prior period adjustments		-	-
- Lower O&M	222		222
Other Revenues	-	(153)	(153)
Wholesale Margin	22	-	22
Total	<u>\$ 446</u>	<u>\$ (1,819)</u>	<u>\$ (1,373)</u>

MTD O&M AND OTHER VARIANCES

Distribution	350	-	350
Administration/Safety	-	(5)	(5)
Finance, Fleet, & Warehouse	1	-	1
Customer Service, Marketing & Conservation	70	-	70
Public Benefits	76	-	76
Security/Oper Technology	83	-	83
Telecom	14	-	14
Construction & Maintenance	73	-	73
Depreciation expense	212	-	212
All other	16	-	16
Total	<u>\$ 894</u>	<u>\$ (5)</u>	<u>\$ 890</u>

January 2021 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Month-to-Date		
	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME/(LOSS): \$5,371</u>	\$ 3,480	-	\$ 3,480
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	-	(6,100)	(6,100)
Power Supply and Transmission			
- Lower retail load	760	-	760
- prior period true up credits and adjustments	1,457	-	1,457
- lower transmission	452	-	452
- higher than planned renewables cost and other	-	(725)	(725)
- Lower O&M	155	-	155
- Economic dispatch offset by higher energy prices	510	-	510
Other Revenues	-	(1,311)	(1,311)
Wholesale Margin	4,338	-	4,338
Total	\$ 7,673	\$ (8,136)	\$ (463)
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution	-	(162)	(162)
Administration/Safety	-	(243)	(243)
Finance, Fleet, & Warehouse	360	-	360
Customer Service, Marketing & Conservation	401	-	401
Public Benefits	505	-	505
Security/Oper Technology	-	(116)	(116)
Telecom	139	-	139
Construction & Maintenance	417	-	417
Depreciation expense	3,058	-	3,058
All other	-	(415)	(415)
Total	\$ 4,879	\$ (937)	\$ 3,943

**Burbank Water and Power
Electric Fund (496)
Statement of Cash Balances ^(a)
(\$ in 000's)**

	Jan-21	Dec-20	Sep-20	Jun-20	Dec-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments								
General Operating Reserve	\$ 65,696	\$ 65,223	\$ 65,133 ^(f)	\$ 52,719 ^{(d) (e)}	\$ 67,481	\$ 67,320 ^(b)	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA ^(g)	3,792	6,021	3,769	17,163	17,014	16,817		
Sub-Total Cash and Investments	<u>79,488</u>	<u>81,244</u>	<u>78,902</u>	<u>79,882</u>	<u>94,495</u>	<u>94,137</u>	<u>73,010</u>	<u>42,770</u>
Customer Deposits	(2,832)	(3,083)	(1,486)	(1,811)	(6,632)	(5,641)		
Public Benefits Obligation	(8,319)	(8,287)	(7,826)	(6,990)	(7,125)	(6,069)		
Pacific Northwest DC Intertie	-	(45)	(48)	(62)	(855)	(2,218)		
Low Carbon Fuel Standard ^(c)	(3,270)	(3,273)	(3,394)	(3,642)	(2,267)	(2,267)		
Cash and Investments (less Commitments)	<u>65,066</u>	<u>66,556</u>	<u>66,149</u>	<u>67,376</u>	<u>77,615</u>	<u>77,942</u>	<u>73,010</u>	<u>42,770</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Includes a \$3.95M loan to the Water Fund for the purchase of cyclic storage water.

^(c) Denotes funds reserved related to the sale of Low Carbon Fuel Standard (LCFS) credits, net of Electric Vehicle charger infrastructure expenditures.

^(d) Includes early redemption of the 2010A Electric Bonds (\$7.63M).

^(e) Includes a \$2.5M loan to the Water Fund for the purchase of cyclic storage water.

^(f) Includes a one-time payment to CalPERS (for pension) in the amount of \$2.75M.

^(g) Includes a \$4.4M drawdown to pay SCPPA for June and July power invoices, \$4.6M for July and August power invoices, and \$4.6M for August and September power invoices.

**Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD January 2021
(\$ in 000's except Gallons)**

MTD Actual FY 20-21	MTD Budget Budget	\$ Variance ⁽²⁾	% Variance		YTD Actual FY 20-21	YTD Budget Budget	\$ Variance ⁽²⁾	% Variance
364	362	2	1% ^(a)	Water put into the system in Millions of Gallons	3,238	3,224	14	0% ^(A)
27	49	(22)	(45%) ^(b)	Metered Recycled Water in Millions of Gallons	624	612	12	2% ^(B)
Operating Revenues								
\$ 1,888	\$ 1,915	\$ (27)	(1%)	Potable Water	\$ 17,555	\$ 17,445	\$ 110	1%
178	199	(21)	(11%)	Recycled Water	2,454	2,492	(39)	(2%)
128	122	6	5%	Other Revenue ⁽³⁾	889	853	36	4%
2,194	2,236	(43)	(2%)	Total Operating Revenues	20,897	20,790	107	1%
Water Supply Expenses								
834	881	46	5% ^(c)	Water Supply Expense	7,286	7,903	617	8% ^(C)
1,359	1,356	4	0%	Gross Margin	13,611	12,887	723	6%
Operating Expenses								
693	745	52	7%	Operations & Maintenance - Potable	4,704	5,235	531	10% ^(D)
138	143	6	4%	Operations & Maintenance - Recycled	853	981	128	13% ^(E)
131	208	77	37%	Operations & Maintenance - Shared Services	1,040	1,455	415	28% ^(F)
175	175	-	0%	Transfer to General Fund for Cost Allocation	1,226	1,226	-	0%
333	355	23	6%	Depreciation	2,208	2,487	279	11% ^(G)
1,469	1,626	157	10%	Total Operating Expenses	10,030	11,383	1,353	12%
(110)	(271)	161	59%	Operating Income/(Loss)	3,581	1,505	2,076	138%
Other Income/(Expenses)								
18	21	(3)	(16%)	Interest Income	121	150	(29)	(19%)
60	45	15	34%	Other Income/(Expense) ⁽⁴⁾	(389)	(217)	(172)	(79%)
(144)	(158)	(14)	(9%)	Bond Interest/(Expense)	(1,011)	(1,109)	98	9%
(66)	(92)	26	29%	Total Other Income/(Expenses)	(1,279)	(1,176)	(103)	(9%)
(176)	(363)	187	52%	Net Income/(Loss)	2,302	329	1,973	600%
19	94	(74)	(79%)	Aid in Construction	83	656	(572)	(87%) ^(H)
\$ (157)	\$ (269)	\$ 113	42%	Net Change in Net Assets	\$ 2,385	\$ 984	\$ 1,401	142%

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenue includes items such as fire protection services, damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
MTD January 2021
(\$ in 000's except Gallons)

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Water put into the system in Millions of Gallons	364	362	2	- Potable water demand was slightly higher than budget, which was perhaps driven by warmer temperatures and low rainfall, offset by the closing of businesses within Burbank due to the pandemic orders beginning on March 19th, 2020. The average high temperature was 70.8°F, compared to the 15-year average high temperature of 70.3°F. Burbank received 2.82 inches of rainfall in January as compared to the monthly normal of 3.53 inches.
b.	Recycled Water Usage in Millions of Gallons	27	49	(22)	- Recycled water demand was lower than budget due to the MPP major overhaul. January average low temperature was 41.9°F, compared to the 15-year average low temperature of 43.3°F. The average high temperature was 70.8°F, compared to the 15-year average high temperature of 70.3°F. MTD HDD were 274 versus the 15-year average of 259. MTD CDD were 16 versus the 15-year average of 5.
c.	Water Supply Expense	834	881	46	- The favorable variance was primarily a result of using more Valley/BOU water than planned which is less costly than imported MWD water.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
FYTD January 2021
(\$ in 000's except Gallons)

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Water put into the system in Millions of Gallons	3,238	3,224	14	- Potable water demand is on budget, which is driven by warmer summer temperatures and a drier winter, offset by the closing of businesses within Burbank due to the pandemic orders beginning on March 19th, 2020. Summer (Jul-Sep) actual average high temperature was 90.1°F, compared to the 15-year average high temperature of 87.7°F. Summer (Jul-Sep) CDD were 1,015 versus the 15-year average of 929. Burbank received 3.88 inches of rainfall FYTD as compared to the normal of 8.29 inches.
B.	Metered Recycled Water in Millions of Gallons	624	612	12	- FYTD Recycled water demand was higher than budget as a result of warmer summer temperatures and a drier winter. Summer (Jul-Sep) actual average high temperature was 90.1°F, compared to the 15-year average high temperature of 87.7°F. Summer (Jul-Sep) CDD were 1,015 versus the 15-year average of 929. Burbank received 3.88 inches of rainfall FYTD as compared to the normal of 8.29 inches.
C.	Water Supply Expense	7,286	7,903	617	- The favorable variance was a result of using more Valley/BOU water which is less costly than imported MWD water.
D.	Operations & Maintenance - Potable	4,704	5,235	531	- The favorable variance is primarily attributable to savings due to vacant positions, and lower than planned spending on professional services.
E.	Operations & Maintenance - Recycled	853	981	128	- The favorable variance is primarily attributable to timing of expenditures on professional services.
F.	Operations & Maintenance - Shared Services	1,040	1,455	415	- Allocated O&M is lower than budget due to favorable variances in allocated expenses (Administration, Safety, Finance, Customer Service, Marketing, Construction and Maintenance) from the Electric Fund.
G.	Depreciation	2,208	2,487	279	- The favorable variance is primarily attributable to a delay in capitalizing assets.
H.	Aid in Construction	83	656	(572)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

January 2021 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>MTD NET INCOME (LOSS): \$(176)</u>	\$ 187	\$ -	\$ 187
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	-	(27)	(27)
Recycled Revenues	-	(21)	(21)
Other Revenue	6	-	6
Water Supply Expense	46	-	46
Total	52	\$ (49)	\$ 4
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	52	-	52
Recycled Water O&M	6	-	6
Allocated O&M	77	-	77
Depreciation Expense	23	-	23
All Other	26	-	26
Total	\$ 183	\$ -	\$ 183

January 2021 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME: \$2,302</u>	\$ 1,973	\$ -	\$ 1,973
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	110	-	110
Recycled Revenues	-	(39)	(39)
Other Revenue	36	-	36
Water Supply Expense	617	-	617
Total	\$ 762	\$ (39)	\$ 723
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	531	-	531
Recycled Water O&M	128	-	128
Allocated O&M	415	-	415
Depreciation Expense	279	-	279
All Other	-	(103)	(103)
Total	\$ 1,353	\$ (103)	\$ 1,250

Water Fund (497)
Statement of Changes in Cash and Investment Balances ^(a)
(\$ in 000's)

	<u>Jan-21</u>	<u>Dec-20</u>	<u>Sep-20</u>	<u>Jun-20</u>	<u>Dec-19</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments								
General Operating Reserves	\$ 14,366	\$ 13,972	\$ 10,972 ^(e)	\$ 8,395 ^{(c) (d)}	\$ 16,341	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>16,586</u>	<u>16,192</u>	<u>13,192</u>	<u>10,615</u>	<u>18,561</u>	<u>13,775</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,292)	(1,311)	(1,133)	(1,227)	(1,650)	(1,454)		
Cash and Investments (less commitments)	<u><u>\$ 15,294</u></u>	<u><u>\$ 14,882</u></u>	<u><u>\$ 12,060</u></u>	<u><u>\$ 9,388</u></u>	<u><u>\$ 16,911</u></u>	<u><u>\$ 12,321</u></u>	<u><u>\$ 17,830</u></u>	<u><u>\$ 9,370</u></u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Includes a \$3.95M loan from the Electric Fund for the purchase of cyclic storage water.

^(c) Includes early redemption of the 2010A Water Bonds (\$2.07M).

^(d) Includes a \$2.5M loan from the Electric Fund for the purchase of cyclic storage water.

^(e) Includes a one-time payment to CalPERS (for pension) in the amount of \$440k.