



CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

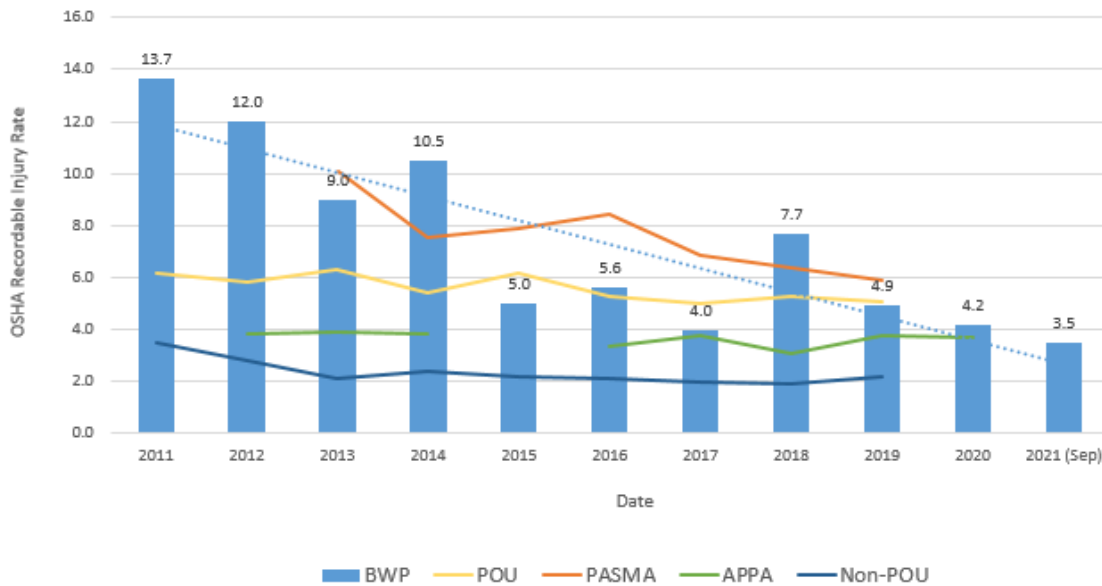
DATE: November 4, 2021
TO: BWP Board
FROM: Dawn Roth Lindell, General Manager, BWP *Dawn Roth Lindell*
SUBJECT: September 2021 Operating Results

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

SAFETY

For this reporting period BWP experienced one OSHA recordable injury. Three additional cases are being reported for June and represented in the current Total Recordable Incident Rate (TRIR). These are cases identified as hearing loss during the annual Hearing Conservation Audiometric Testing campaign. BWP’s 12 month rolling average rate is 3.5.

TOTAL RECORDABLE INJURY RATE (TRIR)



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)
 POU - Publicly Owned Utilities - Bureau of Labor Statistics
 APPA - American Public Power Authority - Average recordable injury rate for similar sized organization. Category F = 250K - 1MM manhours/year
 Non-POU - Bureau of Labor Statistics, all non-governmental utility services

Electric Financial Results

For the electric fund, August energy demand was 7% below budget. For the month of August, net income (NI) was a loss of \$2,715,000, which was \$1,638,000 worse than budgeted. The unfavorable result was primarily attributed to Lake unit repairs, higher than planned energy prices, and lower retail sales than planned, offset partially by lower than planned operating expenses.

Fiscal-year-to-date (FYTD) energy usage was 5% below budget. For FYTD August, NI was a loss of \$1,101,000, which was \$1,972,000 worse than budgeted. The unfavorable result was primarily attributed to lower retail sales than planned and Lake unit repairs, offset partially by lower than planned operating expenses.

For additional details, please see the attached financial statements.

Water Financial Results

For the water fund, MTD potable water demand was slightly lower than budget. For the month of August, NI was \$191,000, which was \$320,000 better than budgeted. The favorable result was primarily attributed to lower operating expenses and lower water supply expense as a result of using more Valley/BOU water than planned.

FYTD potable water demand was 1% below budget. For FYTD August, NI was \$862,000, which was \$608,000 better than budgeted. The favorable result was primarily attributed to lower operating expenses and lower water supply expense as a result of using more Valley/BOU water than planned.

For additional details, please see the attached financial statements.

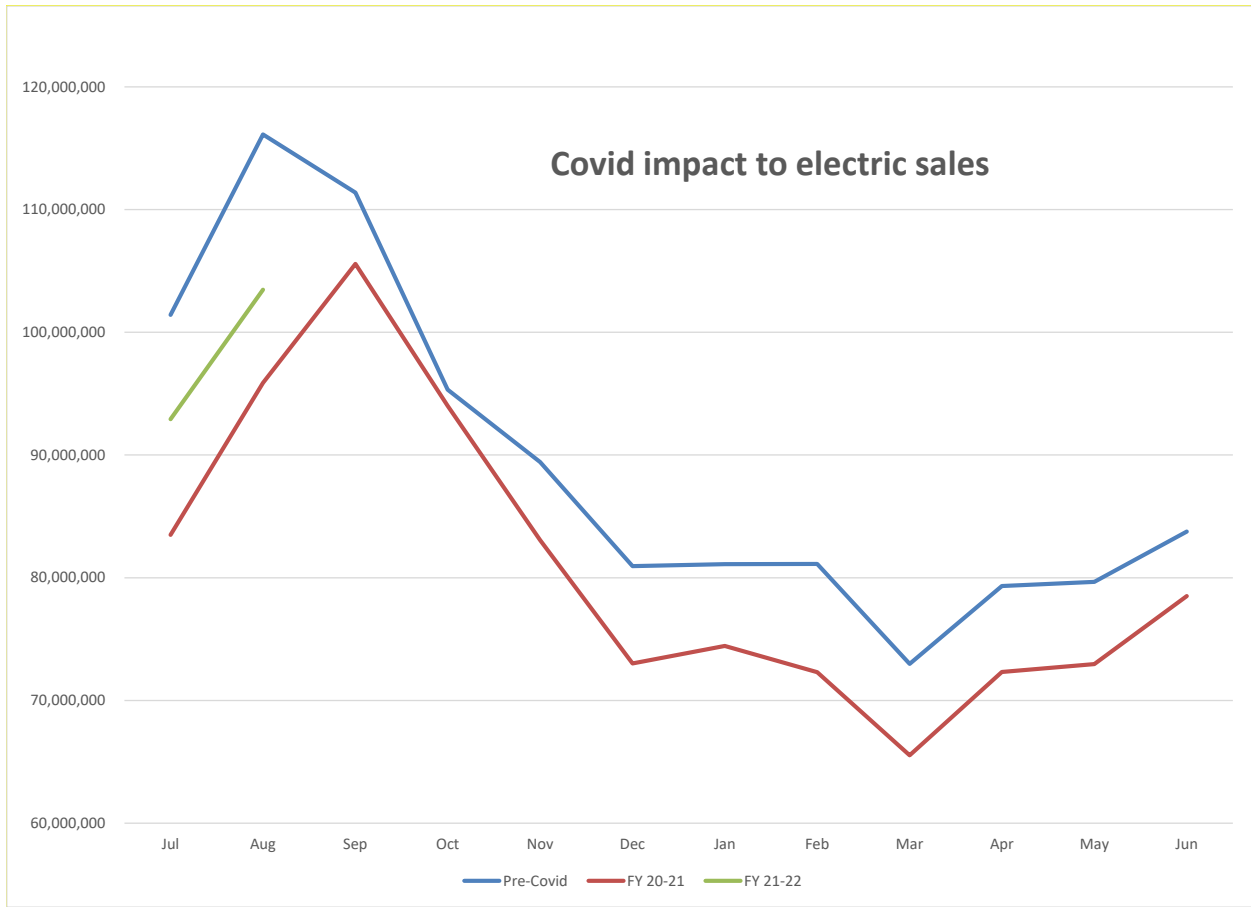
COVID-19 “Safer at Home” Order Impacts

August’s results reflect the seventeenth month of the impacts resulting from the COVID-19 pandemic beginning on March 19, 2020. With some Burbank commercial enterprises curtailing operations, this order has impacted commercial demand for water and energy in Burbank.

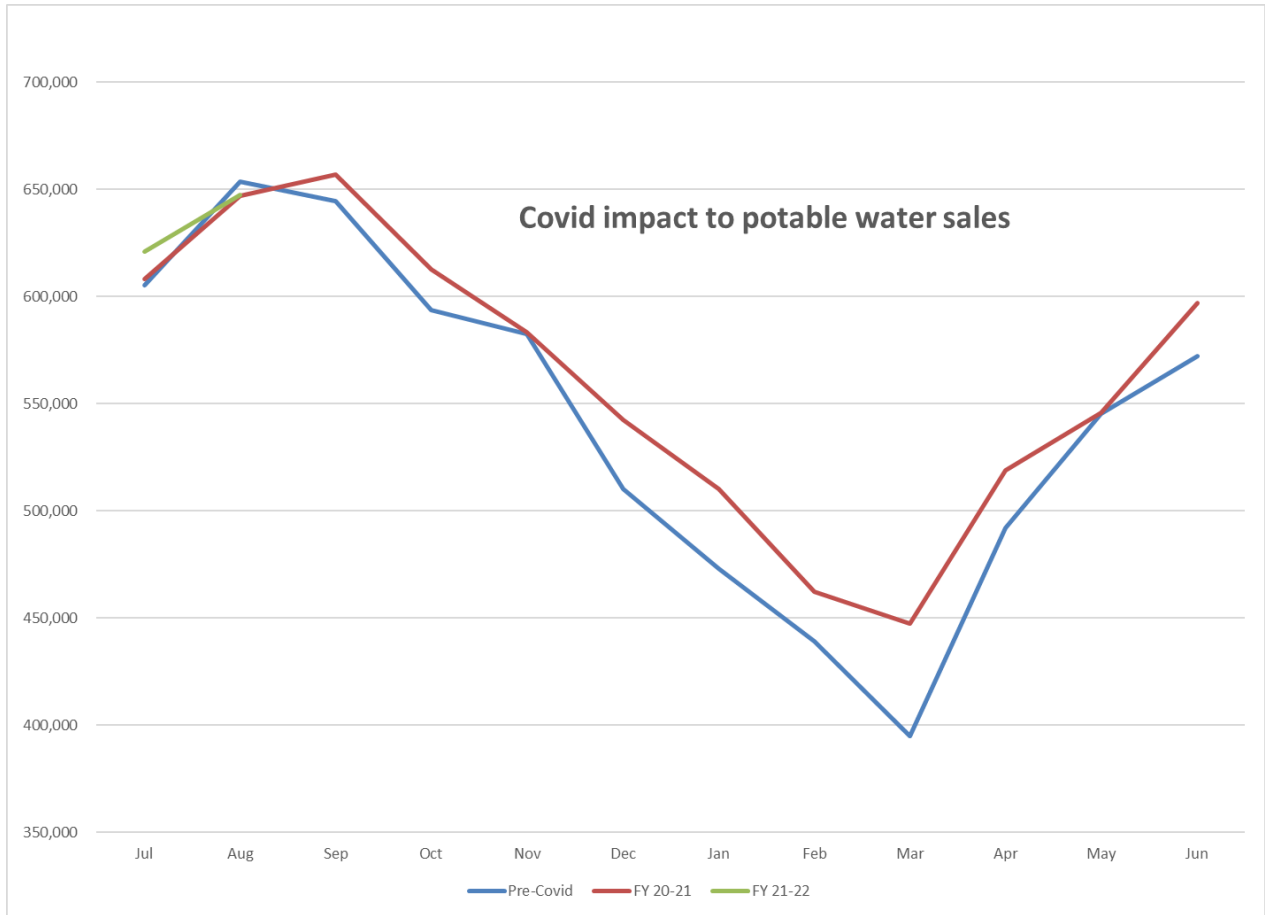
The current year’s adopted budget was based on partial economic recoveries from prior year’s budget adjustment related to the pandemic. Both energy and water demand are budgeted to increase by 1.2% and 0.5% from the prior fiscal year, respectively. Recent data has shown that the impact of COVID-19 has resulted in a reduction in electric demand and very minimal impact, if there is any, in water demand. Since the beginning of the pandemic, there has been a large increase in customer receivables.

For the electric fund, August energy demand was 7% below budget primarily driven by COVID-19. The chart below shows current fiscal year sales compared to prior fiscal year and pre-COVID. This table has not been adjusted for weather. August sales were 11% lower compared to August pre-COVID. Fiscal year to date sales

were 10% lower compared to the same period pre-COVID. Electric sales have partially recovered from prior fiscal year sales.

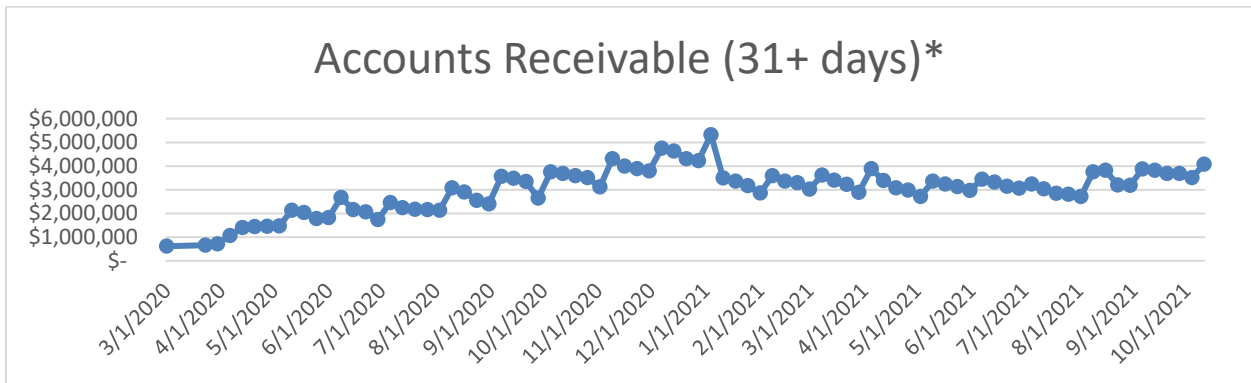


For the water fund, August’s water demand was slightly lower than budget. Water sales in general have been minimally impacted by the pandemic. The decrease in commercial sales have been offset by an increase in residential demand primarily driven by the pandemic. The chart below shows current fiscal year potable water sales compared to prior fiscal year and pre-COVID. This table has not been adjusted for weather. August sales were 1% lower compared to August pre-COVID. Fiscal year to date sales were 1% higher compared to the same period pre-COVID.



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.

WATER DIVISION

Burbank's Water Use

The table below shows water use in Burbank during **September 2020** compared to **September 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
Sept 2020	158 gpcd	137 gpcd
Sept 2021	155 gpcd	142 gpcd

The drop in the monthly average water use between September 2020 and September 2021 is 1.9%. We will track and report monthly use with the 2020 values to compare with the governor's order to reduce consumption by 15%.

	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
<u>2020</u>	<u>158</u>						
<u>2021</u>	<u>155</u>						
	<u>-1.9%</u>						

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the months of **October 2020 through September 2021**.

	BOU Capacity Factor	BOU Ave. Flow Rate	Total System Blend % MWD/BOU
20-Oct	97.81%	8,803 gpm	21% / 79%
20-Nov	55.61%	5,005 gpm	49% / 51%
20-Dec	86.25%	7,762 gpm	19% / 81%
21-Jan	69.16%	6,224 gpm	24% / 76%
21-Feb	93.55%	8,402 gpm	25% / 75%
21-Mar	96.00%	8,640 gpm	27% / 73%
21-Apr	86.40%	7,776 gpm	21% / 79%
21-May	92.72%	8,344 gpm	20% / 80%
21-Jun	88.61%	7,975 gpm	31% / 69%
21-Jul	91.93%	8,274 gpm	29% / 71%
21-Aug	84.43%	7,598 gpm	35% / 65%
21-Sep	95.98%	8,638 gpm	23% / 77%
		<i>Ave Blend %-last 3 fiscal years</i>	39% / 61%

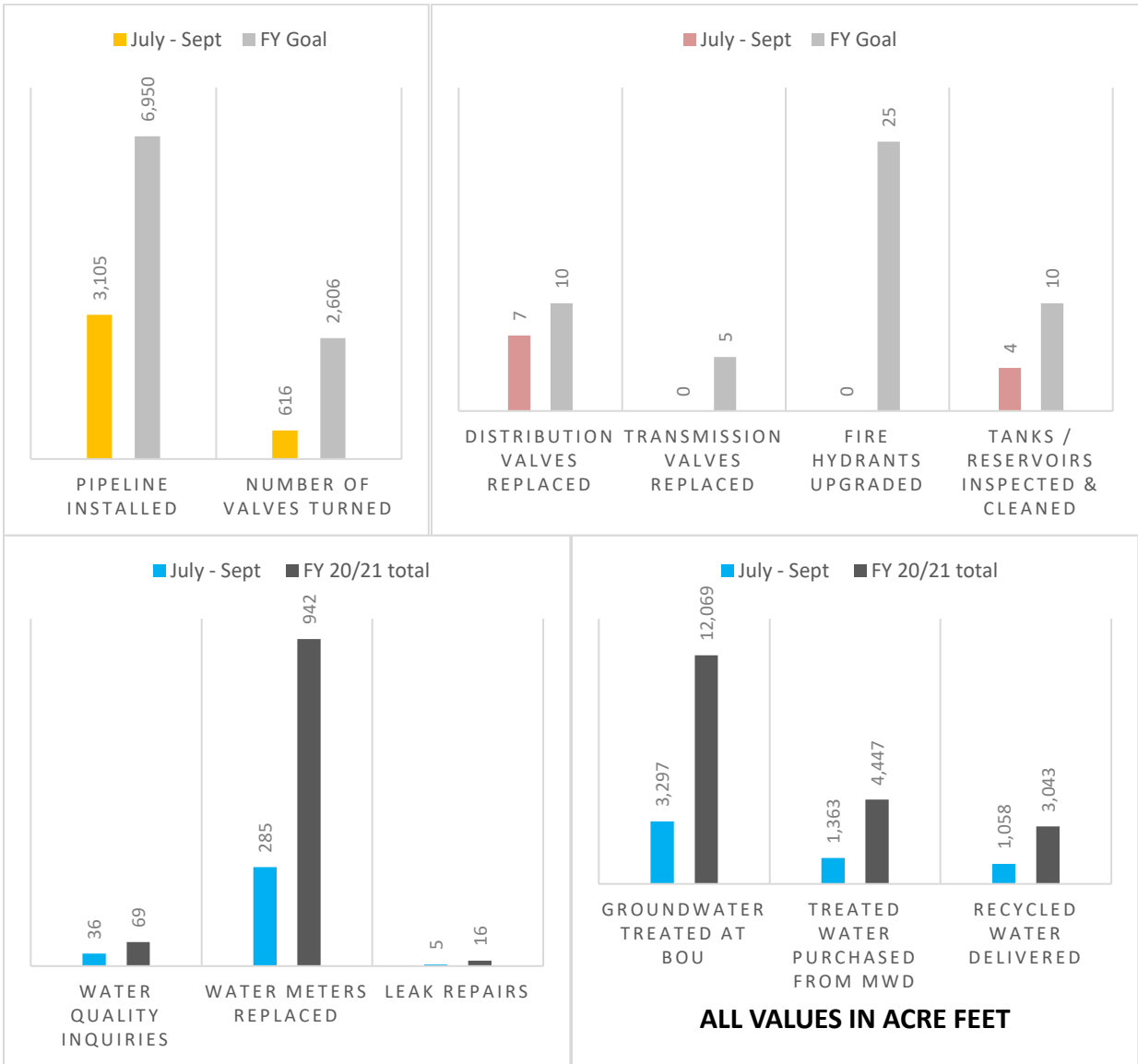
The total system blend percentage represents the total amount of water that was purchased from Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with the capacity factor, is an important measure of efficiency. The capacity factor may fluctuate based on demand and plant 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.

Key Performance Indicators

The graphs below illustrate the progress the water division has made on key performance measures through **September**. Note that the values provided need to be viewed with respect to where we are in the fiscal year. Pipeline installation is **45%** complete and we are **25%** through the fiscal year.

Chlorine gas deliveries have been sporadic and unreliable. Conditions have improved, but the main issue is the availability of truck drivers. To provide a backup to our chlorine gas supplies, staff installed a sodium hypochlorite tank and related equipment so that we now have two forms of chlorine to use (sodium hypochlorite is liquid chlorine – essentially bleach). This spreads the shortage risk across two forms of chlorine instead of relying on just one.

We closely monitor chlorine gas supplies and track it daily.



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.

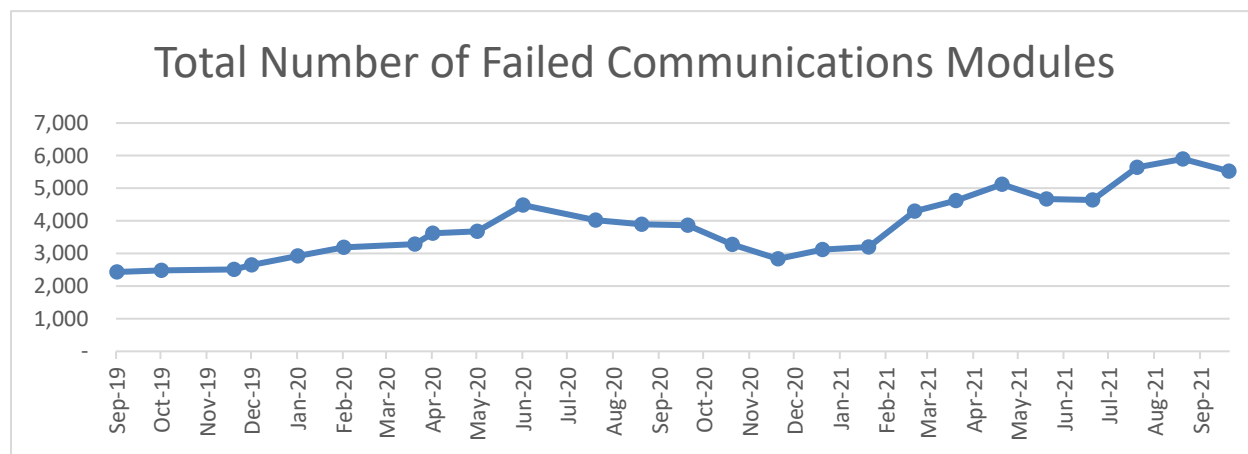
Benefits of AMI technology allow data to be collected rapidly and frequently and can be analyzed to find higher than normal usage and alert customers of leaks. BWP began providing leak alert service to residents who registered to receive notifications. This service, called Water Smart, works by receiving 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 **September 2021**, BWP was not able to receive remote reads for **5,522** water meters out of 27,060 (**20% of the total**) due to failing communications modules and they had to be read manually. In March 2021, staff deployed an interim automatic meter reading (AMR) system to read approximately 800 meters with failed communication modules and we are now able to read them.

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. 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.

BWP is in the process of developing a new AMI system. Proposals for managing the specification development and bid review have been reviewed and interviews of the top three firms were conducted. The winning firm will also assist with selection of the installation and procurement contractor and manage the bid and procurement phase for the project.



Projects

10 W. Magnolia: Crews work hard and fast to repair a broken 12” water main. Shown here is a section of Cast Iron pipe with a 5-foot lateral break that undermined the street. Unfortunately, we do have an older system in parts of the City of Burbank that will continue to have breaks. Our team responded quickly and with expert skill, managed the situation before it could turn into a much more catastrophic event. BWP has an on-going water main replacement program that will help reduce the number main breaks in the future and improve system reliability.





ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In August 2021, BWP experienced one sustained feeder outage. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,183,729 customer minutes.

Reliability Measurement	October 2019 – September 2020	October 2020 – September 2021
Average Outages Per Customer Per Year (SAIFI)	0.4660	0.2486
Average Outage Duration (CAIDI)	18.23 minutes	30.98 minutes
Average Service Availability	99.998%	99.999%
Average Momentary Outages Per Customer Per Year (MAIFI)	0.3408	0.2827
No. of Sustained Feeder Outages	10	10
No. of Sustained Outages by Mylar Balloons	1	3
No. of Sustained Outages by Animals	1	0
No. of Sustained Outages by Palm Fronds	0	0

PROJECT UPDATES

Distribution Capital Projects

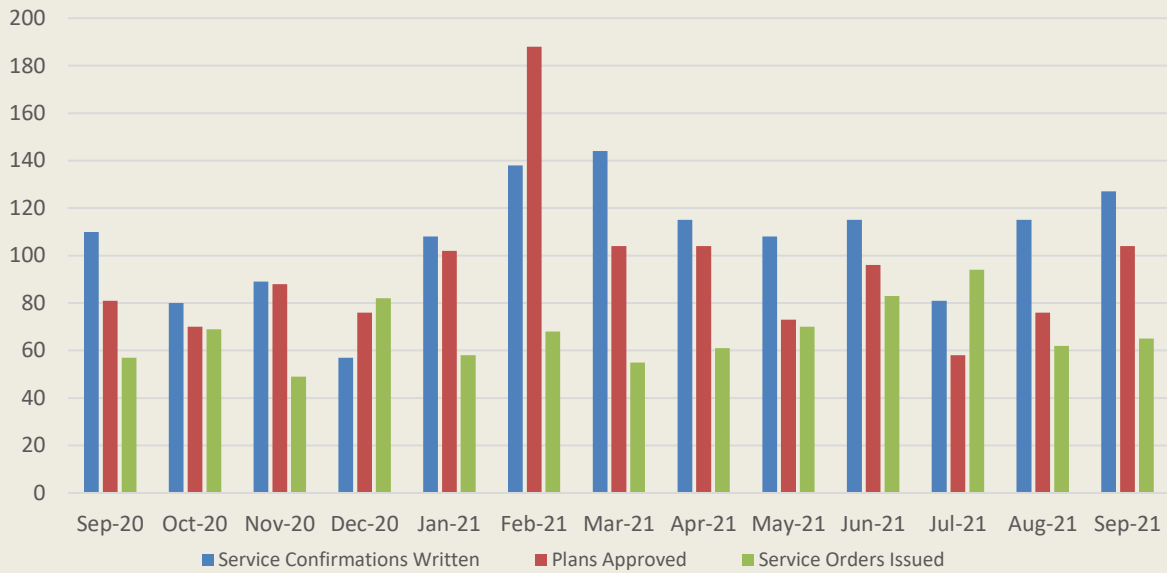
The electrical engineering section is seeing an unprecedented amount of development requests including large site developments, major housing developments, and accessory dwelling units. In the last decade, BWP has energized about 400 new residential units. Based on the current proposed development, BWP is on the path to energize more than 2,000 new residential units in the next three to four years.

Electrical engineering staff is currently managing these requests while utilizing overtime and consultant services. If this level of development is to continue, the electrical engineering section will need to staff accordingly to be able to keep up with the maintenance work that is currently being placed on hold to accommodate the development work and resulting capital projects.

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.**

**Residential and Commercial Service Planning Activity Summary
September 2020 - September 2021**



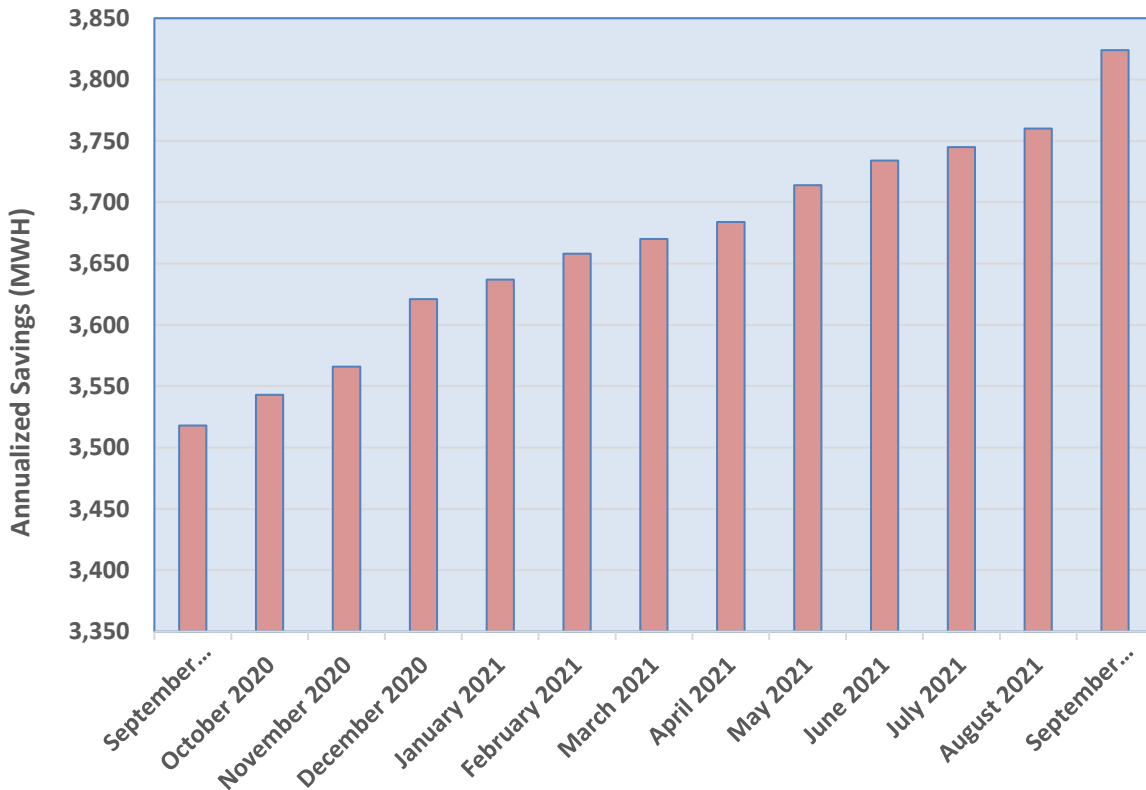
**Activity from Jan-21 includes staff revisions to electric confirmations

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, 71.58% of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,824 MWh or a 41.27% reduction in energy consumption. LED conversions have also reduced evening load by 873 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
September 2020 - September 2021



Wireless Telecom Attachments

BWP has entered into four master license agreements to allow communication carriers to attach, install, operate and maintain communication facilities on street light poles with the public right-of-way. These agreements are currently with AT&T, Verizon, Extenet, and Crown Castle.

In order for the communication carriers to build a new location for a wireless telecom attachment, BWP must first provide an electric service confirmation, which details how the location will be served. Each design must meet the city’s aesthetic requirements as well as BWP’s design guidelines. Once BWP approves the plans and a Public Works permit is issued, BWP issues work orders to our field crews to carry out inspection as well as the electrical and street lighting work. The table below summarizes the activity that has taken place to date:

	Confirmations in Progress	Written Confirmations	Plan Sign-offs	WTA Work Orders Issued	WTA Sites Energized
AT&T	1	40	13	11	11
Verizon	88	110	-	-	-
Crown Castle	6	-	-	-	-
Total	95	150	12	11	11

Mutual Assistance to Imperial Irrigation District

Over the Labor Day weekend, BWP was proud to send a crew of our Line Mechanics to Calipatria, California to assist Imperial Irrigation District (IID) in rebuilding part of their electrical system impacted by a microburst monsoon storm cell which hit the area with high winds and flash flooding causing over 100 poles to snap and the wire on three key transmission lines to go down.

A crew of our Line Mechanics arrived on September 3rd and were assigned to clear over a mile of road, unload and frame poles to IID specs. They achieved their goal by setting 17 new poles, framing and pulling in a mile and a half of wire to help restore a 35 kV circuit. Based on this effort, IID was able to fully restore transmission lines connecting the geothermal power plants at the foot of the Salton Sea, which help maintain system reliability and deliver power to the district, the Southern California Public Power Authority (SCPPA), and the California Independent System Operator (CAISO).

Our Line Mechanics worked in weather conditions sometimes exceeding 110 degrees over a seven day stretch to successfully rebuild and energize the circuits. Kudos to Tom Wilke and Dave Hernandez for facilitating the mutual assistance, Stela Kalomian for the accounting, and to our Line Mechanics: Edison Rosas, Jason Edwards, Kristof Kardos, Will Lodwig, Chad Nichols, Andrew Gomez, Andres Gonzales, Charlie Lorenz, and Ryan Holcombe for taking the trip to assist IID and the service territory.

As a community owned utility, BWP is proud to provide support to other utilities when in need and extremely proud of our crews for their commitment to helping others utilizing their excellent craftsmanship and high-level skills.



Figure 1 – Fallen wires as pictured at arrival to work area



Figure 2 – Broken poles as pictured at arrival to work area



Figure 3 – BWP crew preparing a new pole prior to installation



Figure 4 – BWP crew installing a new pole after clear-out of road



Figure 5 – BWP crew working with other supporting crew on a new pole installation



Figure 6 – Before and after

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	10%
Residential Start	5%
Update Account Info	5%
Residential Stop	4%
General/Other Questions	3%

	Sep -20	Oct -20	Nov -20	Dec -20	Jan -21	Feb -21	Mar -21	Apr -21	May -21	Jun -21	Jul -21	Aug -21	Sep -21	%Inc/Aug
Call Volume	3,783	3,527	3,055	3,684	3,383	2,897	3,384	3,017	2,799	3,468	3,186	2,594	3,841	48.1%

Call volume increased by 48% in September. The majority of the calls were related to balance and residential change of account requests. Customers continue to validate their balance, however, we are not seeing an uptake of customers requesting to set up payment arrangements. As BWP offers residents various financial assistance programs, we will continue to encourage payment arrangements and work with our customers to reduce our arrears.

Online Account Manager

The enrollment in the online account manager (OAM) is currently at **59%** of all active accounts; increases in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about 82% 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 **FY 2021-2022**.

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.

The images below are examples of marketing messaging aimed at key customer segments including: general market, seniors, constrained and green.



Find Your Zenergy

BWP's **Online Account Manager** takes the stress out of paying your bill and managing your account.



Register now at my.BurbankWaterAndPower.com

General Market

Peace of mind, for both of you.

BWP's **Online Account Manager** lets you set up a Guest User for any account, so you can get help from someone you trust to manage your account.




Register now at: my.burbankwaterandpower.com

Seniors and Adult Children



We know you're busy, so let's make this easy.

Sign up for BWP's **Online Account Manager**. It's like having an instant stress reliever right in your pocket.



Register now at: my.burbankwaterandpower.com

Constrained

Choosing green is choosing the future.

BWP's Online Account Manager is paperless. It's one small decision you can make for the planet, and for those who will live in the future we create.

Make the switch at: my.burbankwaterandpower.com

Green

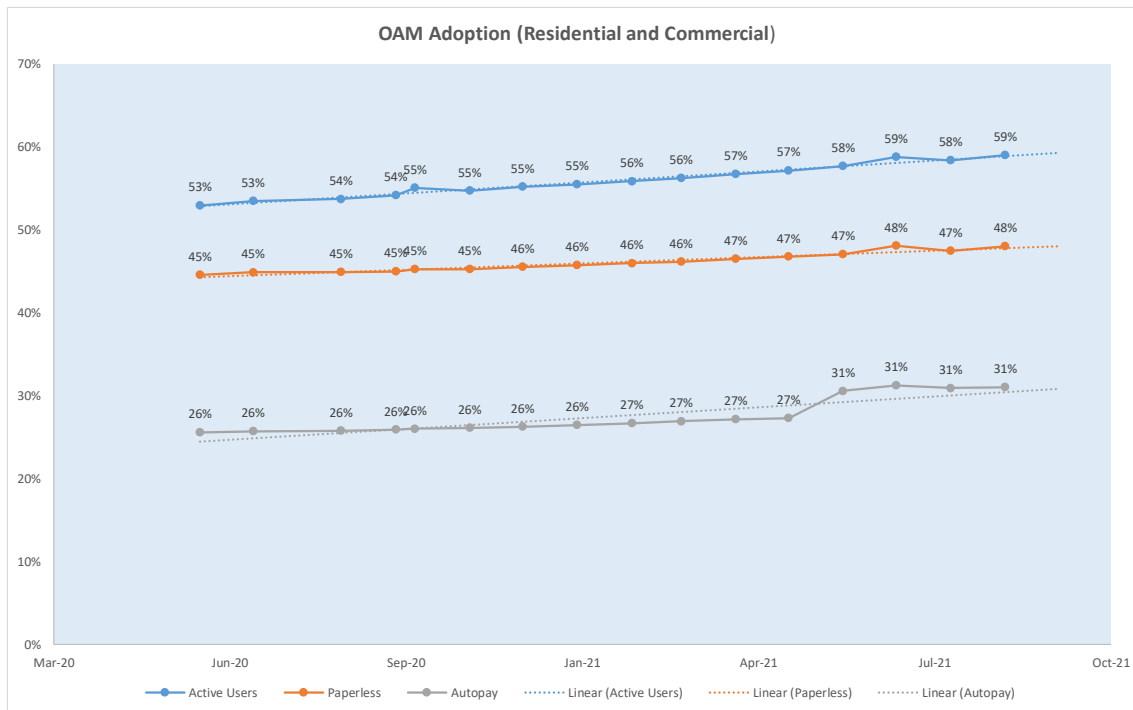
Marketing is promoting OAM utilizing every owned channel including on-bill messaging, *Digital Currents*, print *Currents*, social media, and BWP's website.

Phase two efforts have not yielded a significant increase in OAM active users. Marketing will evaluate the phase two campaign to determine what we can do to improve results.

To increase adoption, the marketing team believes customers may need incentives to convert to OAM. Phase three was initially targeted to begin in the third quarter of 2021. Marketing is currently operating with 40% of the planned headcount and is fully occupied with launching several new programs and services.¹ **Marketing is researching options for incentives with the City's legal team. Additionally, the team will concurrently develop a supporting marketing and outreach campaign in the month of November and launch in January 2022.**

¹ Examples of new programs include the Low-Income Residential Assistance Program, Commercial EV Rebate Charging Station Rebate Program, comprehensive drought-related marketing, education, outreach, and the relaunch of the Home Improvement Program.

Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Active Users	30,794	59%
Paperless	25,009	48%
Autopay	16,278	31%

BWP’s Energy Efficiency and Water Savings – Fiscal Year to September 30, 2021

Changes in state and local COVID-19 orders allow more services to be restored for efficiency programs requiring home or onsite visits. BWP collaborated with vendors to ensure proper protocols to restore services and comply with health orders.

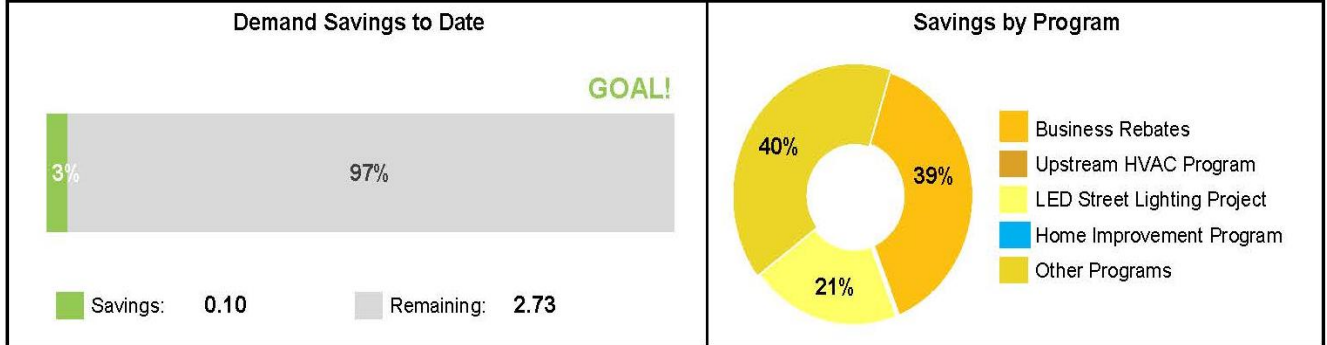
As a result, the Refrigerator Exchange Program was resumed in June 2021, resulting in **25** refrigerators being exchanged. In addition, the Home Improvement Program (HIP) was resumed in September 2021, with its new and refreshed program offerings. With the re-launch of these two key efficiency programs, all programs that were temporarily suspended due to the COVID-19 are now back in operation.

The HIP offers energy-water surveys and efficiency measure installations to all Burbank single-family and multi-family residential customers. Some of the HIP new services include direct installation services of weather-based irrigation controllers, high-efficiency sprinkler heads, soil moisture sensors for low-income single-family and multi-family common area customers, and the properties within the disadvantaged community areas of Burbank. Furthermore, the program now offers energy-water surveys and installation of efficiency measures for multi-family common area customers.

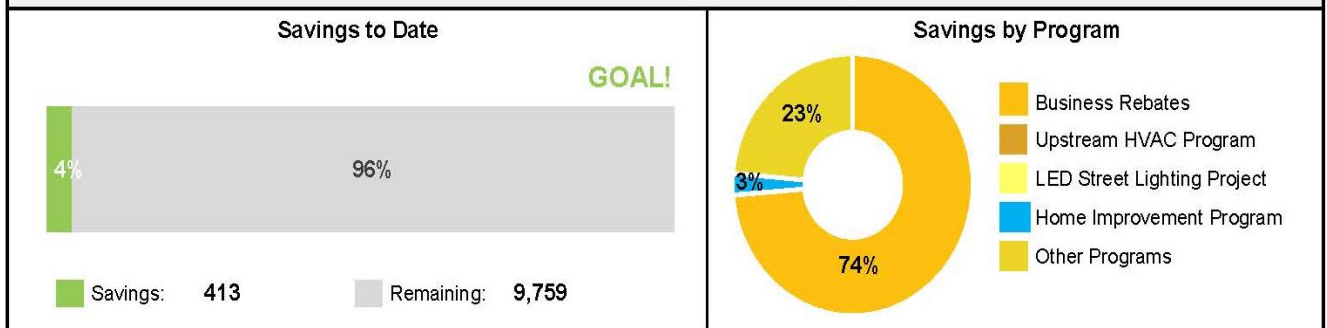
As a result of the ongoing COVID-19 impacts to our customers' needs and priorities, program activities continued to be significantly reduced for the month of **September 2021**. Residential program participation continues to contribute substantially to the reported savings for the month of **September**, mostly from the BWP residential rebates program. Staff will continue to promote all energy and water efficiency services to increase adoption throughout the year.

Energy Efficiency Savings FYTD 2021-2022 Period ending on 9/30/2021

1% Demand Goal = 2.92 MW

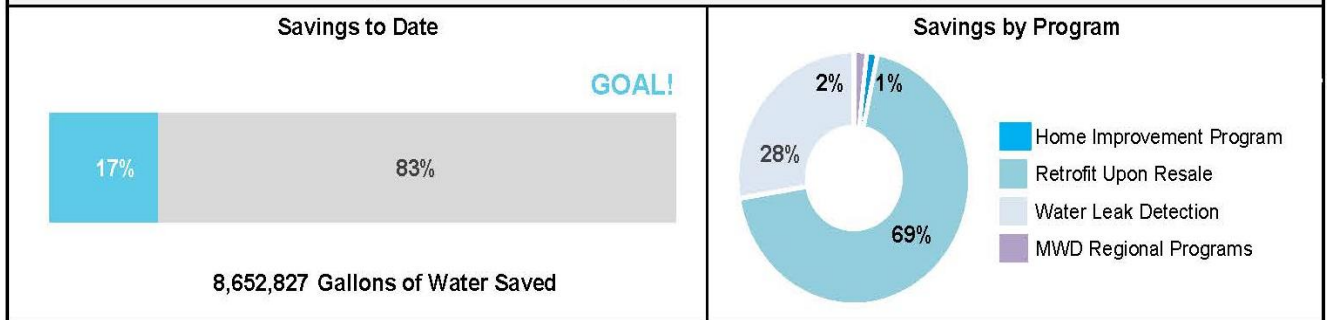


1% Consumption Savings Goal = 10,172 MWh

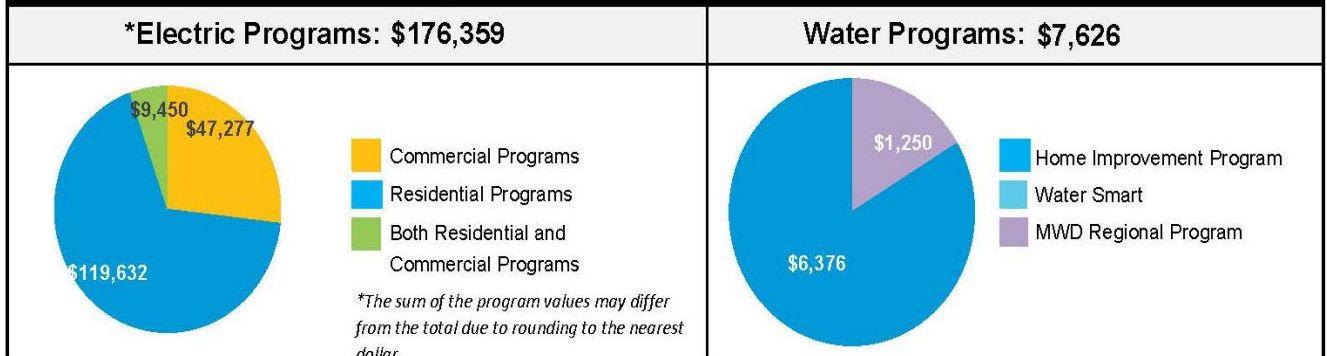


Water Savings Goal FYTD 2021-2022

1% (49,630,000 Gallons) Potable Water Savings Goal



Efficiency Investments FYTD 2021-2022



Electric Vehicle (EV) Charging Program

Seventy-three public EV charging ports are installed in Burbank, including 2 DC fast chargers and 24 curbside ports. As of July 1, 2021, summer peak pricing is in effect for public EV charging stations. The public charging rate is \$0.3069 per kilowatt-hour (kWh) from 4PM to 7PM and \$0.1753 per kWh for all other hours for Level 1 and Level 2. For DC fast chargers, the charging rate is \$0.4980 per kWh from 4PM to 7PM and is \$0.2817 per kWh for all other hours.

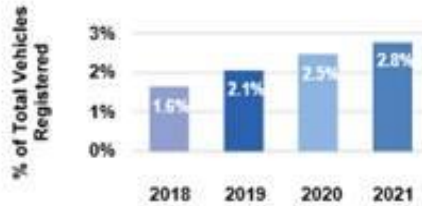
Public Charging Energy Delivery

The recovery of public charging station usage has continued, with per port averages nearing pre-COVID levels. The pre-COVID average was \$101 per port, and our September monthly average is now at \$96 per port, after having dipped as low as \$60 per port during 2020.

Period	Average Usage	Average Total Revenue	Average Per Port Revenue	Notes
December 2019 - February 2020	28,047 kWh	\$ 4,779	\$ 101	Pre-COVID, all units operational
March 2020 - February 2021	14,211 kWh	\$ 2,724	\$ 60	COVID downturn
March 2021 - May 2021	23,889 kWh	\$ 4,299.	\$ 91	COVID recovery period
June 2021 - August 2021	33,186 kWh	\$ 6,729	\$ 92	Post-installation of new ports
September 2021	35,727 kWh	\$ 7,031	\$ 96	Most recent month

Transportation Electrification 2021-2022 Period ending on 9/30/2021

EV Growth in Burbank*



Total EV/PHEV DMV Vehicle Registrations

2021:	2,233
2020:	2,236
2019:	1,912
2018:	1,494

* DMV data as of Jan 01 of the reporting year

Transportation Electrification Initiatives for FY 2021-2022

Used EV Rebates

Goal: 40



Given: 12 Remaining: 28

Charging Station Rebates

RES. Goal: 50 COM. Goal: 40



Residential: 10 Remaining (Res): 40
Commercial: 0 Remaining (Com): 40


Public Charging Ports

Goal: 40



Installed: 0 Remaining: 40

Public Charging Port Statistics

	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	¹ Peak Charging Sessions	² Charging Occupancy
	Total Ports	Total Available						
 August:	73	73	3,673	35,727	\$7,031	20,580	11%	14%
Average:	73	73	3,574	35,264	\$7,136	20,313	18%	13%
FY Total:	73	73	10,721	105,792	\$21,407	60,940	18%	13%

* 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



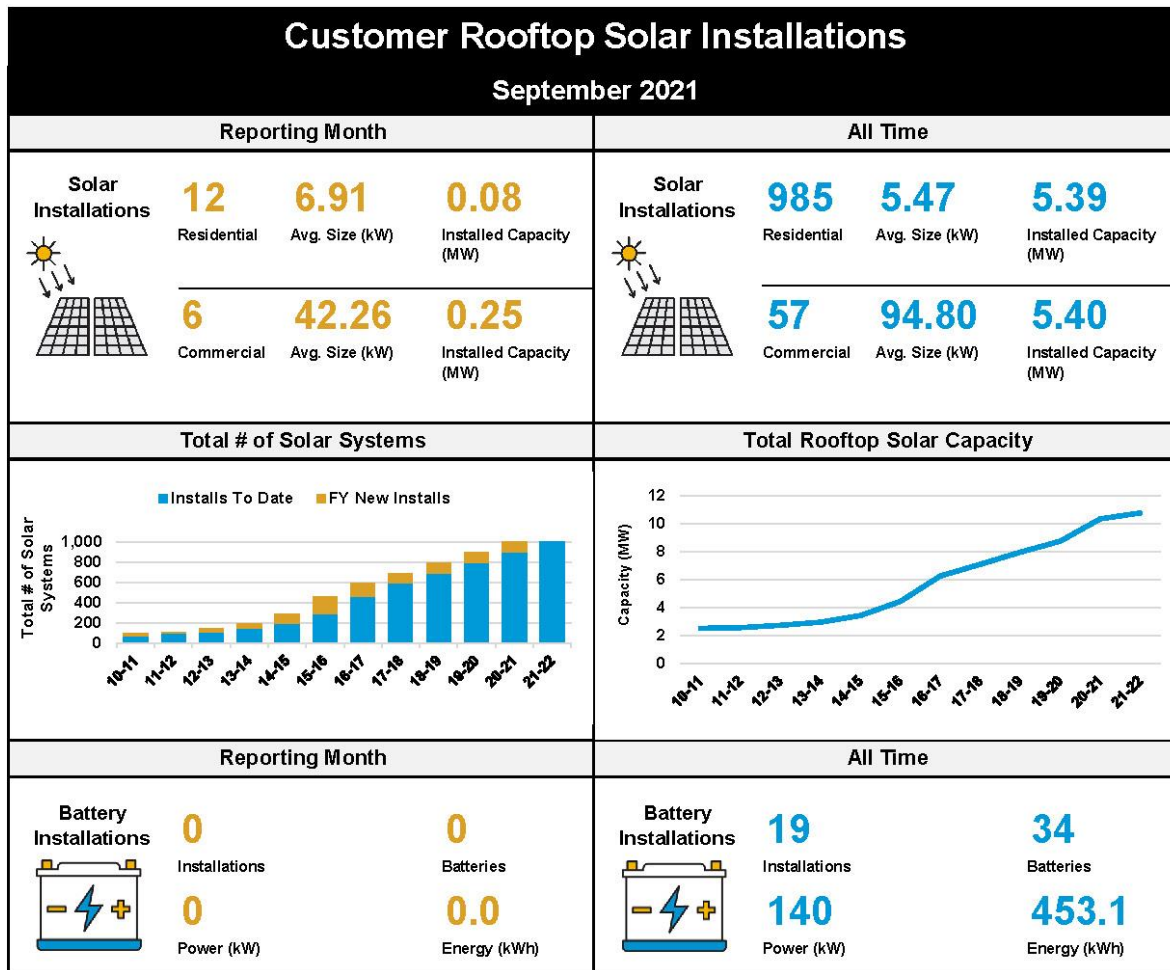
¹Peak is defined as 4 – 7 PM, as is reflected in the Public EV Charging Station rate

²Charging Occupancy is defined as the percentage of time EV's are charging at stations for all available hours in a given month across all charging stations

Rooftop Solar and Battery Installations

Customer owned rooftop solar system installations continue to grow. Burbank Water and Power does not provide rebates for installing these systems. However, overall, lower equipment costs and 26% Federal Investment Tax Credit in 2021 make

purchasing solar and/or battery systems more accessible. System capacity and number of installations are tracked monthly and in total below.



TECHNOLOGY

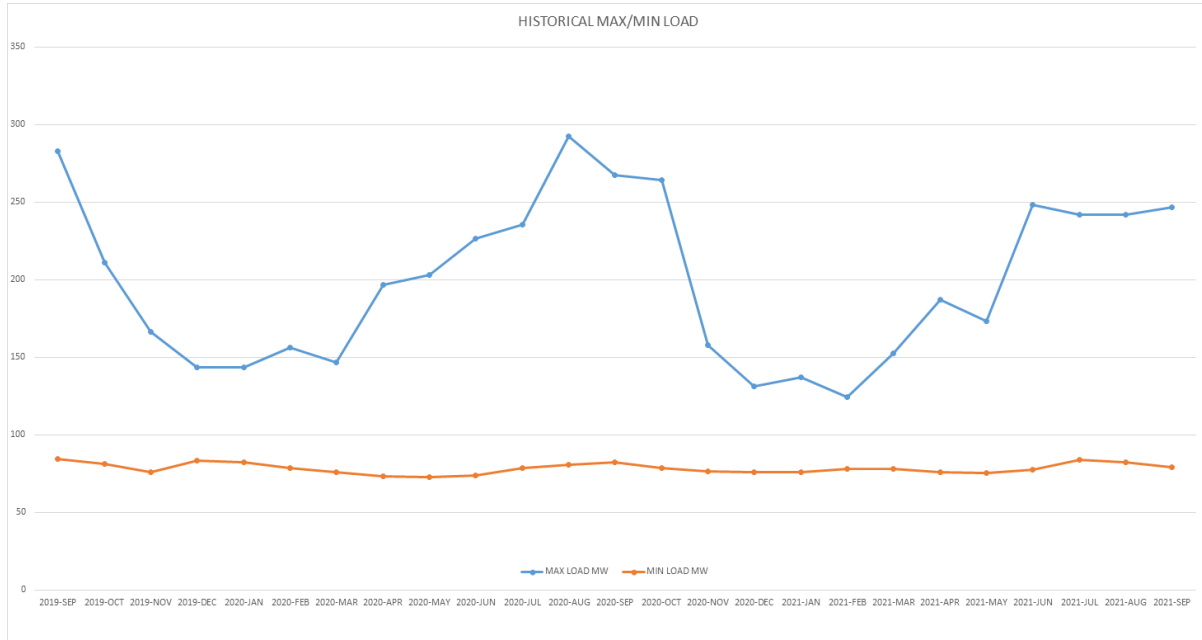
Broadband Services (ONEBurbank)

	September 2021 New Orders	Revenues for September 2021	FYTD 2021-22 Revenues	FYTD Budget
Lit	0	\$157,010	\$443,912	\$405,000
Dark	2	\$178,540	\$522,670	\$607,500
Total	2	\$335,550	\$966,582	\$1,012,500

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for September 2021 was 246.8 MW at 3:36 PM on September 21, and the minimum load was 79.2 MW at 4:21 AM on September 19.



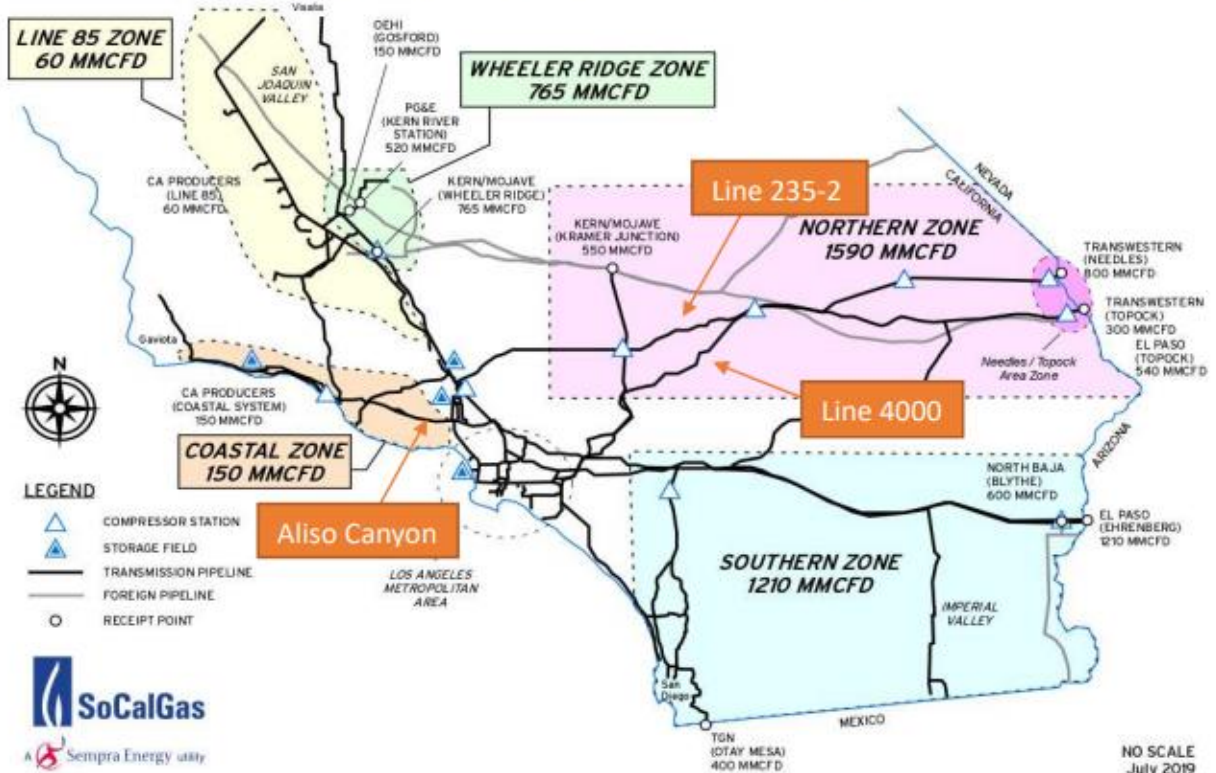
Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2021	248.5 MW	15-June-21 14:57
2020	292.3 MW	18-Aug-20 15:22
2019	282.66 MW	04-Sep-19 15:31
2018	306.3 MW	06-Jul-18 16:41
2017	322.1 MW	31-Aug-17 16:02

The Burbank power system did not experience any operational issues or natural gas supply issues for September 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	100%	123	4,443	10,410	14
MPP	91%	658	108,537	7,726	1

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 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 findings indicated the need to replace multiple components that were worn beyond allowable limits and BWP is now proceeding with a full turbine overhaul. Revised estimates included a possible December 2021 return to service and a leased turbine remains installed to mitigate summer risks. The leased turbine was placed online fourteen times during the month of September.**

Magnolia Power Project (MPP)

	September	FYTD	YTD
Availability	91%	97%	64%
Unit Capacity Factor (240 MW)	63%	68%	44%

MPP was shut down on September 24, 2021 to perform an offline water wash of the combustion turbine compressor and other preventative maintenance items. MPP was successfully restarted on September 27, 2021, as scheduled.

On the evening of September 27, 2021, a natural gas compressor trip resulted in combustion turbine load shedding and trip of the steam turbine generator. Generation equipment was subsequently restored to service the same evening and the root cause of the natural gas compressor trip is currently being evaluated.

Tieton Hydropower Project (Tieton)

Tieton's 2021 generation season began April 5, 2021 with a single generation unit due to limited water flow controlled by the United States Bureau of Reclamation (BOR). In September, the Rimrock Reservoir, which supplies Tieton, was reduced to 37% capacity and water flow to Tieton allowed operation of both generation units. Approximately 8,645 MWh were generated in September for the project. A Schneider Springs wildfire near Tieton was discovered on August 4. This fire is 86% contained and not currently a risk to generation output or equipment.

ENVIRONMENTAL

Air Quality

There are no air quality updates at this time.

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. No samples have been collected for the current reporting year of July 1, 2021 to June 30, 2022. The results from the previous reporting year 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 initially completed the proposed project's California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration in 2019. However, recent amendments to the CEQA Guidelines now require an update to the CEQA Initial Study/Mitigated Negative Declaration. The environmental review was expected to be finalized when the project was approved by the Burbank City Council. However, the engineering design and permitting phase have taken longer than originally expected due to the

complexity of the project as well as other factors including the onset of a pandemic. 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 (TSOs) that include interim limits which are achievable for this site. The final TSOs were approved by the Los Angeles Regional Water Quality Control Board on June 7, 2021. These TSOs and interim limits will apply until the improvement project is complete. Milestone achievements are required, and project completion must be achieved by November 17, 2023.

PROJECT UPDATES:

Power Resources

Renewable Portfolio Standard (RPS) Compliance

BWP continues to be on track to meet RPS compliance requirements for calendar year 2021. The calendar year 2021 goal is 35.75% RPS. BWP staff continues to evaluate renewable resources in order to meet future compliance requirements. Staff submitted the RPS report to the California Energy Commission in August.

On December 22, 2020, the California Energy Commission (CEC) adopted new regulations on several important RPS regulations. The regulations were finalized on July 12, 2021. The CEC provided clarification on how to count resources towards the long term requirement, 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.

Integrated Resource Plan (IRP) Update

As BWP moves forward with an update to the IRP, it is possible that it may look different and it may be a document that provides a path towards BWP's many compliance requirements. Concurrently, BWP is starting to review options for a new IRP, which is due to the CEC in 2024. Stakeholder engagement efforts, compliance and costs will be some of the major factors in the 2024 IRP.

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. **In mid-July, staff worked with LADWP to finalize the TSA documents for both Hoover and IPP. Staff took the agreements to the Board on August 5, 2021 and to City Council on August 10, 2021 and received unanimous approval. These agreements were signed and forwarded to LADWP. On September**

14, 2021, LADWP's Board approved both agreements. LADWP signed originals of both agreements are expected to be received by BWP by the end of October.

Intermountain Power Project (Delta, UT) Renewal Progress

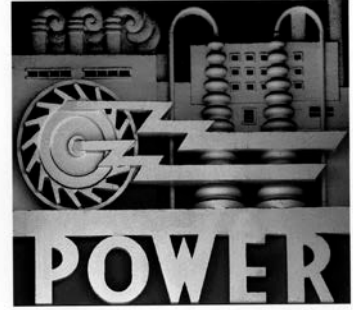
LADWP, BWP and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production, and power generation at IPP. In the medium-term, the IPP Renewal participants are targeting 30% green hydrogen combustion by July 2025, when the IPP repower project is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

Staff is presently working with IPA and SCPA on agreements which relate to funding and bond issuances in support of construction at IPP. As these items are finalized, staff will be bringing them to the Board seeking their support and recommendation to City Council.

Power Production

Lake One Power Plant Emissions Retrofit Project

BWP is in the process of developing a bid specification and front-end documents for the retrofit of the Lake One power plant emissions control system. The new emissions control system will allow Lake One to remain in compliance with upcoming SCAQMD requirements. The project consists of designing, engineering, permitting, constructing/installing, commissioning, and testing the new emissions system. This project is planned to conclude in the first half of 2023.



Financial Report
August-21

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD August 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
105,433	113,569	(8,136)	(7%) ^(a)	NEL MWh	212,519	223,967	(11,448)	(5%) ^(A)
				Retail				
\$ 16,101	\$ 17,165	\$ (1,064)	(6%)	Retail Sales	\$ 32,441	\$ 34,344	\$ (1,904)	(6%)
341	566	(225)	(40%)	Other Revenues	723	1,133	(410)	(36%) ^(B)
<u>12,676</u>	<u>10,747</u>	<u>(1,929)</u>	<u>(18%) ^(b)</u>	Retail Power Supply & Transmission	<u>23,083</u>	<u>21,180</u>	<u>(1,903)</u>	<u>(9%) ^(C)</u>
3,767	6,984	(3,218)	(46%)	Retail Margin	10,081	14,297	(4,217)	(29%)
				Wholesale				
2,499	7,311	(4,812)	(66%)	Wholesale Sales	5,228	14,835	(9,607)	(65%)
<u>2,130</u>	<u>7,220</u>	<u>5,090</u>	<u>71%</u>	Wholesale Power Supply	<u>4,360</u>	<u>14,625</u>	<u>10,265</u>	<u>70%</u>
369	91	278	305%	Wholesale Margin	868	210	658	313%
<u>4,136</u>	<u>7,076</u>	<u>(2,939)</u>	<u>(42%)</u>	Gross Margin	<u>10,949</u>	<u>14,508</u>	<u>(3,558)</u>	<u>(25%)</u>
				Operating Expenses				
712	997	285	29% ^(c)	Distribution	1,682	2,038	356	17% ^(D)
120	135	15	11%	Administration/Safety	344	272	(73)	(27%) ^(E)
123	278	155	56% ^(d)	Finance, Fleet, & Warehouse	296	540	244	45% ^(F)
510	519	9	2%	Transfer to General Fund for Cost Allocation	1,026	1,038	11	1%
411	543	132	24% ^(e)	Customer Service, Marketing & Conservation	908	1,045	137	13% ^(G)
208	475	266	56% ^(f)	Public Benefits	801	950	149	16% ^(H)
259	147	(113)	(77%) ^(g)	Security/Oper Technology	590	279	(310)	(111%) ^(I)
83	124	41	33%	Telecom	173	271	98	36%
92	208	115	56% ^(h)	Construction & Maintenance	177	410	234	57% ^(J)
<u>1,703</u>	<u>1,881</u>	<u>177</u>	<u>9%</u>	Depreciation	<u>3,383</u>	<u>3,761</u>	<u>378</u>	<u>10%</u>
<u>4,223</u>	<u>5,305</u>	<u>1,082</u>	<u>20%</u>	Total Operating Expenses	<u>9,380</u>	<u>10,603</u>	<u>1,223</u>	<u>12%</u>
\$ (87)	\$ 1,770	\$ (1,857)	(105%)	Operating Income/(Loss)	\$ 1,569	\$ 3,904	\$ (2,335)	(60%)

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

(\$ in 000's)								
MTD Actual FY 20-21	MTD Budget FY 20-21	\$ Variance	% Variance		YTD Actual FY 20-21	YTD Budget FY 20-21	\$ Variance	% Variance
\$ (87)	\$ 1,770	\$ (1,857)	(105%)	Operating Income/(Loss)	\$ 1,569	\$ 3,904	\$ (2,335)	(60%)
				Other Income/(Expenses)				
86	66	20	30%	Interest Income	174	132	41	31%
(2,434)	(2,633)	199	8%	Other Income/(Expense) ⁽⁴⁾	(2,285)	(2,607)	322	12%
(279)	(279)	-	0%	Bond Interest/ (Expense)	(559)	(559)	-	0%
<u>(2,628)</u>	<u>(2,847)</u>	<u>219</u>	<u>8%</u>	Total Other Income/(Expenses)	<u>(2,670)</u>	<u>(3,034)</u>	<u>363</u>	<u>12%</u>
<u>(2,715)</u>	<u>(1,076)</u>	<u>(1,638)</u>	<u>(152%)</u>	Net Income	<u>(1,101)</u>	<u>871</u>	<u>(1,972)</u>	<u>(226%)</u>
1,038	1,215	(176)	(14%)	Capital Contributions (AIC)	1,055	2,429	(1,374)	(57%) ^(K)
<u>\$ (1,676)</u>	<u>\$ 138</u>	<u>\$ (1,815)</u>	<u>(1313%)</u>	Net Change in Net Assets	<u>\$ (46)</u>	<u>\$ 3,300</u>	<u>\$ (3,346)</u>	<u>(101%)</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 August 2021
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	105,433	113,569	(8,136)	- NEL is 7% 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 in August was 88.6°F, compared to the 15-year average high temperature of 88.5°F. The average low temperature was 61.6°F, compared to the 15-year average low temperature of 63.0°F. MTD CDD were 321 versus the 15-year average of 338.
b.	Retail Power Supply & Transmission	12,676	10,747	(1,929)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
c.	Distribution	712	997	285	The favorable variance is primarily attributable to the timing of capital labor and work for others.
d.	Finance, Fleet, & Warehouse	123	278	155	- The favorable variance is primarily attributable to vacancies and the timing of software purchases and professional and private contractual services.
e.	Customer Service, Marketing & Conservation	411	543	132	The favorable variance is primarily attributable to vacancies and the timing of software purchases and professional services.
f.	Public Benefits	208	475	266	- Lifeline discounts of \$57k 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.
g.	Security/Oper Technology	259	147	(113)	- The unfavorable variance is primarily attributable to the timing of capital labor and work for others.
h.	Construction & Maintenance	92	208	115	- The favorable variance is primarily attributable to the timing of professional and custodial services and building ground maintenance and repairs.

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

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	212,519	223,967	(11,448)	- 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. The YTD average high temperature was 88.5°F, compared to the 15-year average high temperature of 87.7°F. The YTD average low temperature was 62.3°F, compared to the 15-year average low temperature of 63.1°F. YTD CDD were 664 versus the 15-year average of 657.
B.	Other Revenues	723	1,133	(410)	- 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. The unfavorable variance is also attributable to the moratorium on fees in light of the COVID-19 pandemic.
C.	Retail Power Supply & Transmission	23,083	21,180	(1,903)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Distribution	1,682	2,038	356	- The favorable variance is primarily attributable to vacancies and the timing of supplies and professional and private contractual services.
E.	Administration / Safety	344	272	(73)	- The unfavorable variance is attributable to the timing of payments for memberships and dues.
F.	Finance, Fleet, & Warehouse	296	540	244	- The favorable variance is primarily attributable to vacancies and the timing of software purchases and professional and private contractual services.
G.	Customer Service, Marketing & Conservation	908	1,045	137	- The favorable variance is primarily attributable to vacancies and the timing of software purchases and professional services.
H.	Public Benefits	801	950	149	- Lifeline discounts of \$108k 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.
I.	Security/Oper Technology	590	279	(310)	- The unfavorable variance is primarily attributable to the timing of capital labor and work for others and to the timing of software and hardware purchases.
J.	Construction & Maintenance	177	410	234	- The favorable variance is primarily attributable to the timing of professional and custodial services and building ground maintenance and repairs.
K.	Capital Contributions (AIC)	1,055	2,429	(1,374)	- The unfavorable variance is attributable to the timing of AIC projects.

August 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): \$(2,715)</u>	\$ -	\$ (1,638)	\$ (1,638)
 <u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales	-	(1,064)	(1,064)
Power Supply and Transmission:			
- Lower retail load	171	-	171
- Lower than planned renewables cost and other	135	-	135
- Lower transmission	141	-	141
- Lake unit repairs	-	(2,750)	(2,750)
- Higher energy prices	-	(588)	(588)
- Lower O&M	273	-	273
- Retail load management and economic dispatch	689	-	689
Other Revenues	-	(225)	(225)
Wholesale Margin	278	-	278
Total	<u>\$ 1,687</u>	<u>\$ (4,627)</u>	<u>\$ (2,940)</u>
 <u>MTD O&M AND OTHER VARIANCES</u>			
Distribution	285	-	285
Administration/Safety	15	-	15
Finance, Fleet, & Warehouse	155	-	155
Customer Service, Marketing & Conservation	132	-	132
Public Benefits	266	-	266
Security/Oper Technology	-	(113)	(113)
Telecom	41	-	41
Construction & Maintenance	115	-	115
Depreciation expense	177	-	177
All other	228	-	228
Total	<u>\$ 1,414</u>	<u>\$ (112)</u>	<u>\$ 1,301</u>

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

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME/(LOSS): \$(1,101)</u>	\$ -	(1,972)	\$ (1,972)
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	-	(1,904)	(1,904)
Power Supply and Transmission			
- Lower retail load	240	-	240
- Lower than planned renewables cost and other	411	-	411
- Lower transmission	258	-	258
- Lake unit repairs	-	(2,750)	(2,750)
- Higher energy prices	-	(1,171)	(1,171)
- Lower O&M	419	-	419
- Retail load management and economic dispatch	689	-	689
Other Revenues	-	(410)	(410)
Wholesale Margin	658	-	658
Total	\$ 2,676	\$ (6,234)	\$ (3,558)
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution	356	-	356
Administration/Safety	-	(73)	(73)
Finance, Fleet, & Warehouse	244	-	244
Customer Service, Marketing & Conservation	137	-	137
Public Benefits	149	-	149
Security/Oper Technology	-	(310)	(310)
Telecom	98	-	98
Construction & Maintenance	234	-	234
Depreciation expense	378	-	378
All other	375	-	375
Total	\$ 1,969	\$ (383)	\$ 1,587

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

	Aug-21	Jul-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments										
General Operating Reserve	\$ 75,742	\$ 75,226	\$ 73,156	\$ 70,186	\$ 65,223	\$ 65,133 ^(f)	\$ 52,719 ^{(d)(e)}	\$ 67,320 ^(b)	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA ^(g)	3,762	3,761	3,740	4,210	6,021	3,769	17,163	16,817		
Sub-Total Cash and Investments	89,503	88,988	86,896	84,396	81,244	78,902	79,882	94,137	73,010	42,770
Customer Deposits	(5,204)	(5,701)	(4,245)	(2,722)	(3,083)	(1,486)	(1,811)	(5,641)		
Public Benefits Obligation	(8,357)	(8,243)	(8,128)	(8,198)	(8,287)	(7,826)	(6,990)	(6,069)		
Pacific Northwest DC Intertie	-	-	-	-	(45)	(48)	(62)	(2,218)		
Low Carbon Fuel Standard ^(c)	(2,988)	(2,998)	(2,999)	(2,470)	(3,273)	(3,394)	(3,642)	(2,267)		
IPP Decommission	(2,000)	(2,000)	(2,000)	-	-	-	-	-		
Cash and Investments (less Commitments)	<u>70,954</u>	<u>70,046</u>	<u>69,523</u>	<u>71,005</u>	<u>66,556</u>	<u>66,149</u>	<u>67,376</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, \$4.6M for August and September power invoices, and \$2.3M for December and January power invoices.

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

MTD Actual FY 20-21	MTD Budget FY 20-21	\$ Variance	% Variance		YTD Actual FY 20-21	YTD Budget FY 20-21	\$ Variance	% Variance
520	529	(9)	(2%) ^(a)	Water put into the system in Millions of Gallons	1,042	1,053	(11)	(1%) ^(A)
121	112	9	8%	Metered Recycled Water in Millions of Gallons	236	219	17	8%
				Operating Revenues				
\$ 2,814	\$ 2,928	\$ (114)	(4%)	Potable Water	\$ 5,676	\$ 5,831	\$ (155)	(3%)
481	439	42	10%	Recycled Water	943	862	81	9%
101	120	(20)	(16%)	Other Revenue ⁽³⁾	245	241	4	2%
<u>3,395</u>	<u>3,487</u>	<u>(92)</u>	<u>(3%)</u>	Total Operating Revenues	<u>6,864</u>	<u>6,934</u>	<u>(70)</u>	<u>(1%)</u>
1,243	1,352	109	8% ^(b)	Water Supply Expense	2,416	2,678	262	10% ^(B)
<u>2,152</u>	<u>2,136</u>	<u>17</u>	<u>1%</u>	Gross Margin	<u>4,448</u>	<u>4,256</u>	<u>192</u>	<u>5%</u>
				Operating Expenses				
560	767	207	27% ^(c)	Operations & Maintenance - Potable	1,288	1,535	247	16% ^(C)
135	139	4	3%	Operations & Maintenance - Recycled	265	277	12	4%
188	224	37	16%	Operations & Maintenance - Shared Services	388	451	63	14%
143	144	0	0%	Transfer to General Fund for Cost Allocation	287	287	0	0%
<u>345</u>	<u>373</u>	<u>28</u>	<u>7%</u>	Depreciation	<u>692</u>	<u>745</u>	<u>53</u>	<u>7%</u>
<u>1,371</u>	<u>1,646</u>	<u>275</u>	<u>17%</u>	Total Operating Expenses	<u>2,920</u>	<u>3,296</u>	<u>376</u>	<u>11%</u>
<u>782</u>	<u>490</u>	<u>292</u>	<u>60%</u>	Operating Income/(Loss)	<u>1,529</u>	<u>960</u>	<u>568</u>	<u>59%</u>
				Other Income/(Expenses)				
16	11	6	52%	Interest Income	27	21	6	26%
(464)	(481)	17	4%	Other Income/(Expense) ⁽⁴⁾	(408)	(432)	24	6%
(143)	(148)	(5)	(4%)	Bond Interest/(Expense)	(285)	(296)	11	4%
<u>(591)</u>	<u>(619)</u>	<u>28</u>	<u>5%</u>	Total Other Income/(Expenses)	<u>(667)</u>	<u>(707)</u>	<u>40</u>	<u>6%</u>
<u>191</u>	<u>(129)</u>	<u>320</u>	<u>248%</u>	Net Income/(Loss)	<u>862</u>	<u>253</u>	<u>608</u>	<u>240%</u>
304	33	272	832% ^(d)	Aid in Construction	331	65	266	408% ^(D)
<u>\$ 495</u>	<u>\$ (96)</u>	<u>\$ 592</u>	<u>614%</u>	Net Change in Net Assets	<u>\$ 1,193</u>	<u>\$ 319</u>	<u>\$ 874</u>	<u>274%</u>

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 August 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	520	529	(9)	- Potable water demand was slightly below budget. The average high temperature in August was 88.6°F, compared to the 15-year average high temperature of 88.5°F. The average low temperature was 61.6°F, compared to the 15-year average low temperature of 63.0°F. MTD CDD were 321 versus the 15-year average of 338.
b.	Water Supply Expense	1,243	1,352	109	- The favorable variance is a result of using more Valley/BOU water which is less costly than imported MWD water.
c.	Operations & Maintenance - Potable	560	767	207	- The favorable variance is primarily attributable to the timing of spending on professional services.
d.	Aid in Construction	304	33	272	- The favorable variance is attributable to the timing of AIC projects.

**Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
FYTD August 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	1,042	1,053	(11)	- Potable water demand was slightly below budget. The FYTD average high temperature was 88.5°F, compared to the 15-year average high temperature of 87.7°F. The FYTD average low temperature was 62.3°F, compared to the 15-year average low temperature of 63.1°F. FYTD CDD were 664 versus the 15-year average of 657.
B.	Water Supply Expense	2,416	2,678	262	- The favorable variance is a result of using more Valley/BOU water which is less costly than imported MWD water.
C.	Operations & Maintenance - Potable	1,288	1,535	247	- The favorable variance is primarily attributable to the timing of spending on professional services.
D.	Aid in Construction	331	65	266	- The favorable variance is attributable to the timing of AIC projects.

August 2021 Budget to Actual P&L Variance Highlights - Water 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): \$191</u>	\$ 320	\$ -	\$ 320
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	-	(114)	(114)
Recycled Revenues	42	-	42
Other Revenue	-	(20)	(20)
Water Supply Expense	109	-	109
Total	<u>151</u>	<u>\$ (134)</u>	<u>\$ 17</u>

FYTD O&M AND OTHER VARIANCES

Potable O&M	207	-	207
Recycled Water O&M	4	-	4
Allocated O&M	37	-	37
Depreciation Expense	28	-	28
All Other	28	-	28
Total	<u>\$ 303</u>	<u>\$ -</u>	<u>\$ 303</u>

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

	Variance Fiscal Year-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>FYTD NET INCOME: \$862</u>	\$ 608	\$ -	\$ 608
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	-	(155)	(155)
Recycled Revenues	81	-	81
Other Revenue	4	-	4
Water Supply Expense	262	-	262
Total	<u>\$ 347</u>	<u>\$ (155)</u>	<u>\$ 192</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	247	-	247
Recycled Water O&M	12	-	12
Allocated O&M	63	-	63
Depreciation Expense	53	-	53
All Other	40	-	40
Total	<u>\$ 416</u>	<u>\$ -</u>	<u>\$ 416</u>

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

	<u>Aug-21</u>	<u>Jul-21</u>	<u>Jun-21</u>	<u>Mar-21</u>	<u>Dec-20</u>	<u>Sep-20</u>	<u>Jun-20</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments										
General Operating Reserves	\$ 14,398	\$ 13,839	\$ 12,181	\$ 15,066	\$ 13,972	\$ 10,972 ^(e)	\$ 8,395 ^{(c)(d)}	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>16,618</u>	<u>16,059</u>	<u>14,401</u>	<u>17,286</u>	<u>16,192</u>	<u>13,192</u>	<u>10,615</u>	<u>13,775</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,062)	(1,198)	(1,125)	(1,151)	(1,311)	(1,133)	(1,227)	(1,454)		
Cash and Investments (less commitments)	<u><u>\$ 15,556</u></u>	<u><u>\$ 14,861</u></u>	<u><u>\$ 13,276</u></u>	<u><u>\$ 16,136</u></u>	<u><u>\$ 14,882</u></u>	<u><u>\$ 12,060</u></u>	<u><u>\$ 9,388</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.