



CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

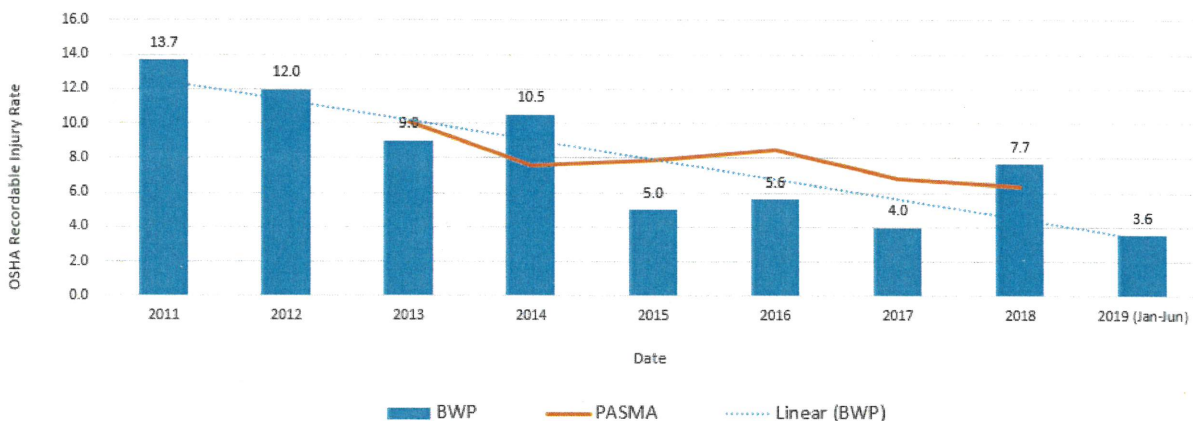
DATE: August 1, 2019
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP *J.S.*
SUBJECT: June 2019 Operating Results

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

SAFETY

For the month of June, BWP experienced one OSHA recordable injury. BWP's OSHA recordable rate increased to 3.6 as compared to 3.2 for the end of May.

BWP TOTAL RECORDABLE INJURY RATE (TRIR) vs PASMA TRIR



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees.
 PASMA - Public Agency Safety Management Association (Utilities only Data)
 2019 Data = 12 month rolling average

Water Financial Results

For the month of June, Potable water usage was 3% (15 million gallons) lower than budgeted and Potable Water Revenues were \$156,000 higher than budgeted. Recycled Water Revenues were \$40,000 lower than budgeted. June Water Supply Expenses were \$73,000 higher than budgeted due to higher use of treated MWD water than planned. June's Gross Margin was \$73,000 higher than budgeted. Net Income was \$498,000, which was \$73,000 higher than budgeted.

June fiscal-year-to-date (FYTD) Potable water usage was 1% (70 million gallons) lower than budgeted. FYTD June Potable Water Revenues were \$41,000 lower than budgeted. FYTD Recycled usage was 7% (70 million gallons) lower than budgeted and Recycled Water Revenues were \$340,000 lower than budgeted. FYTD Water Supply Expenses were \$397,000 higher than budgeted. The FYTD June Gross Margin was \$773,000 lower than budgeted. Operating Expenses were \$921,000 lower than budgeted. Net Income was \$1,754,000, which was \$256,000 higher than budgeted.

Electric Financial Results

For the month of June, electric loads were 8% lower than budgeted due to conservation. Retail Sales were \$1,591,000 lower than budgeted. June Power Supply Expenses were \$636,000 lower than budgeted primarily due to economic dispatch, the managing and optimizing of resources to meet system load, lower retail load, and lower transmission expenses than planned. June's wholesale margin was \$93,000 lower than budgeted. June's Gross Margin was \$1,048,000 lower than budgeted. Net Income was a loss of \$1,400,000 which was \$1,048,000 lower than budgeted.

FYTD June electric loads were 4% lower than budgeted due to conservation. Retail Sales were \$6,146,000 lower than budgeted. FYTD Power Supply Expenses were \$5,151,000 lower than budgeted primarily due to prior period true up credits, lower retail load, and lower than planned O&M expenses. FYTD Wholesale Margin was \$259,000 higher than budgeted. FYTD Gross Margin was \$1,324,000 lower than budgeted. June FYTD Operating Expenses were \$4,617,000 lower than budgeted. Net Income was \$8,991,000 which was \$3,403,000 higher than budgeted.

WATER DIVISION

State Water Project Update

On June 20, 2019, the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A amounts from 70% to 75%. This is the final allocation for the calendar year. The 2019 allocation of 75% amounts to 3,145,105 acre-feet of water. Reservoir storage, snowpack, precipitation, and releases to meet local deliveries are among several factors used in determining allocations. Even in wet years, a 100% allocation is rare due to Delta pumping restrictions to protect threatened and endangered fish species. The last time the Project was able to allocate 100% was 2006.

Burbank's Water Use

The table below shows water use in Burbank during June 2019 compared to June 2018 measured in gallons per capita per day (gpcd). Also shown is a comparison of Burbank's average water use through the end of June 2018 and 2019 on a fiscal year basis (i.e., July 1 through June 30).

	Average Monthly Use	Average Monthly Use Fiscal Year Basis	2020 Goal
June 2018	137 gpcd	131 gpcd	157 gpcd
June 2019	128 gpcd	125 gpcd	157 gpcd

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the rolling quarter of April through June. The contract operator performed weekly and monthly sampling for the treatment plant and wells.

	Capacity Factor	Average Flow Rate (FY Total)
April-19	59.78%	5380 gpm
May-19	71.8%	6462 gpm
June-19	66.76%	6008 gpm

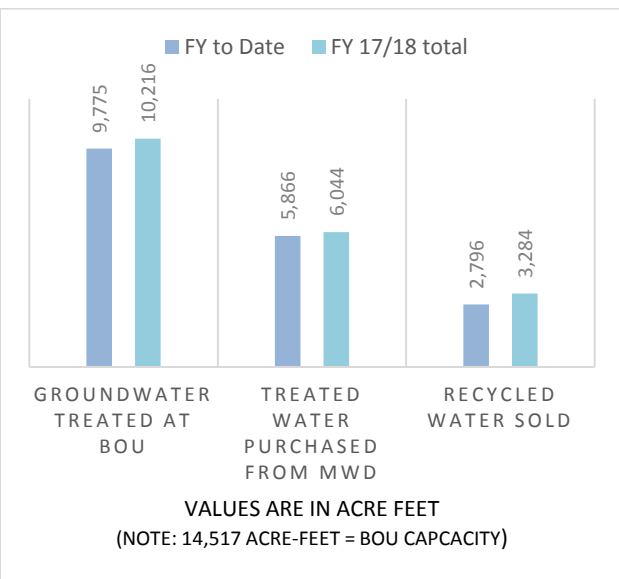
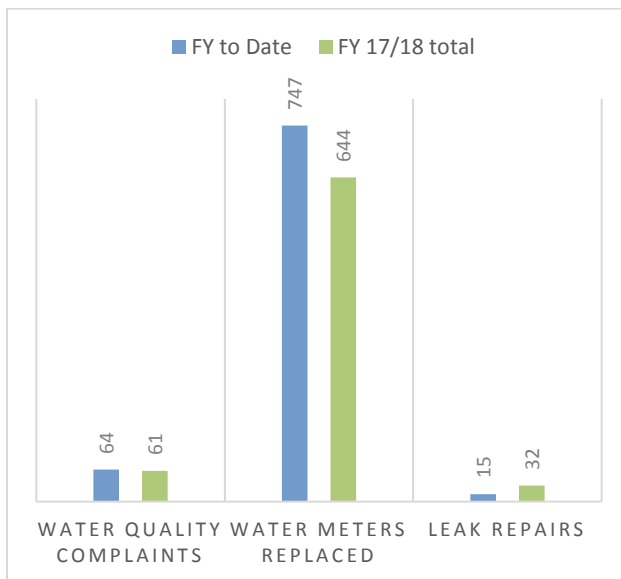
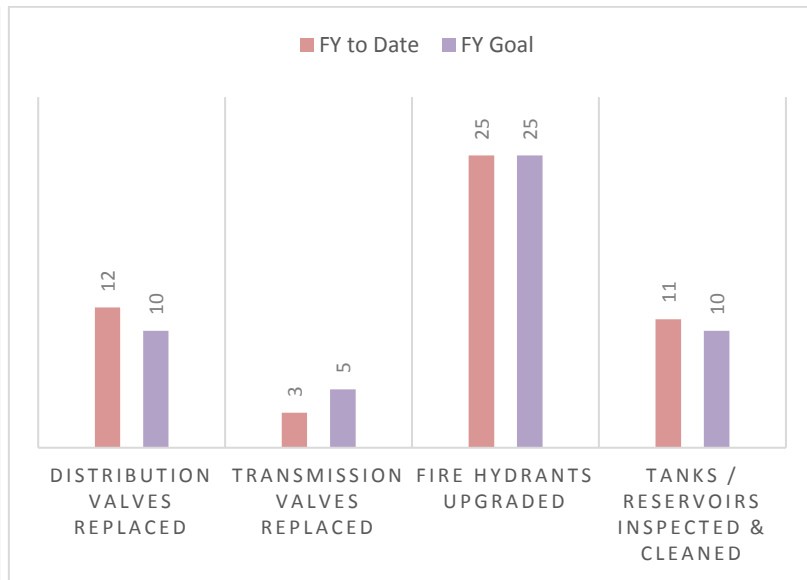
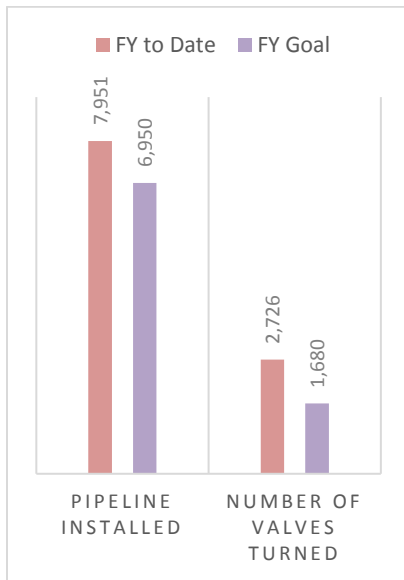
Project Updates

Due to the bountiful 2019 water year, MWD added excess water supply to its storage facilities. The available water exceeded MWD's capacity to place water into its storage facilities so MWD authorized use from the previously created Cyclic Storage Program to allow Member Agencies to store water in their groundwater basins and then pay for the water later.

Burbank agreed to spread up to 14,000 acre-feet of Cyclic Storage Water by the end of this calendar year. BWP spread about 2,490 acre-feet of water in the month of June. At our current spreading rate, BWP will spread 7,000 acre-feet by mid to late August. Most of the spreading occurs at the Pacoima Spreading Grounds (35 cubic feet per second) and the remainder at the Lopez Spreading Grounds (10 cubic feet per second).

Key Performance Indicators

The graphs below illustrate the progress the Water Division has made on key performance measures.



Fire hydrant flushing/maintenance program

Burbank has approximately 1,835 fire hydrants throughout the city; these hydrants are on a yearly maintenance program. During this maintenance

program, each hydrant and auxiliary valve go through our inspection and operation procedures to ensure proper operation when needed.



ELECTRIC RELIABILITY

In June 2019, BWP did not experience any sustained feeder outages. In the past twelve (12) months, automatic reclosing has reduced customer outage time by approximately 1,451,689 customer minutes.

Reliability Measurement	July 2017- June 2018	July 2018 - June 2019
Average Outages Per Year (SAIFI)	0.3310	0.4164
Average Outage Duration (CAIDI)	34.14 minutes	37.78 minutes
Average Service Availability	99.998%	99.997%
Average Momentary Outages Per Year (MAIFI)	0.2374	0.3467
No. of Sustained Feeder Outages	10	13
No. of Sustained Outages by Mylar Balloons	3	1
No. of Sustained Outages by Animals	1	0
No. of Sustained Outages by Palm Fronds	0	3

PROJECT UPDATES

Naomi-15 4-12kV Conversion

Remaining alley work consisting of transfer of facilities on two poles east of Frederic St and removal of 4kV conductors will be complete by end of July 2019. All property line work is complete. Conversion of N-15 into 12kV will be complete by mid-August 2019.



N-15 Alley Work



Property Line 12kV Rebuild

Transformer Gas Monitor Installation at Winona Substation

Monitoring the gas content of a transformer's oil helps BWP to understand the condition of electrical windings inside the transformer. Transformer oil provides

electrical insulation and helps remove heat from the electrical windings inside the transformer. Engineers and maintenance personnel can use the gas readings to evaluate the condition of the insulation and flag potentially harmful trends for deeper analysis.

New transformer gas monitors were recently installed at Winona Substation to help monitor the gas in the oil. The new monitors transmit transformer gas levels and alarms to the Energy Control Center. System Operators will use the gas alarms to quickly identify abnormal operating conditions. Once detected, engineering and maintenance personnel can perform more detailed inspection and analysis of a transformer in order to assess its overall condition.

Winona Substation is the fifth distribution substation to be retrofitted with transformer gas monitors. Over the next four fiscal years (FY 2019-2020 through FY 2022-2023), BWP plans to install transformer gas monitors at five additional distribution substations, two switching stations, and BWP's two substation transformers at LADWP's Receiving Station E. After these future installations are complete, BWP will have transformer gas monitors on each of its substation transformers.



Winona Transformer Bank A-3 Gas Monitor

Transformer Relay Replacement at Valley Substation

BWP has been replacing its older substation transformer relays with modern microprocessor-based relays. The new microprocessor-based relays improve safety and reliability through relay self-diagnosis and alarms. In addition, the new relays provide additional equipment protection, improved telemetry, relay event

reports, and early event notifications via TEAM software which will aid in troubleshooting system events.

BWP's Electrical Equipment Section installed, tested, and commissioned the new relays for Lincoln A-1 & A2 banks in June 2019. Pictures can be seen below.



Before Installation (Old Relays)



After Installation (New Relays)

Victory-Valley Sub-transmission Line #1 Relay Upgrade

Transmission Line Relays operate circuit breakers to isolate the line from faults such as short circuits. BWP has been replacing its older electromechanical relays with microprocessor relays which have similar benefits to those stated in the previous section for the Transformer Relay Replacement at Valley Substation.

BWP's Electrical Equipment Section installed, tested, and commissioned the new relays in June 2019. Pictures can be seen below.



Valley End: Before Installation



Valley End: After Installation

STREET LIGHTING

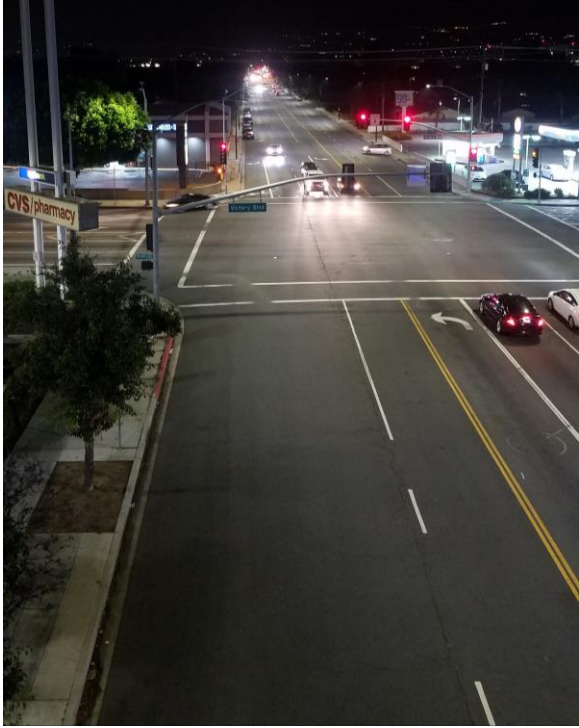
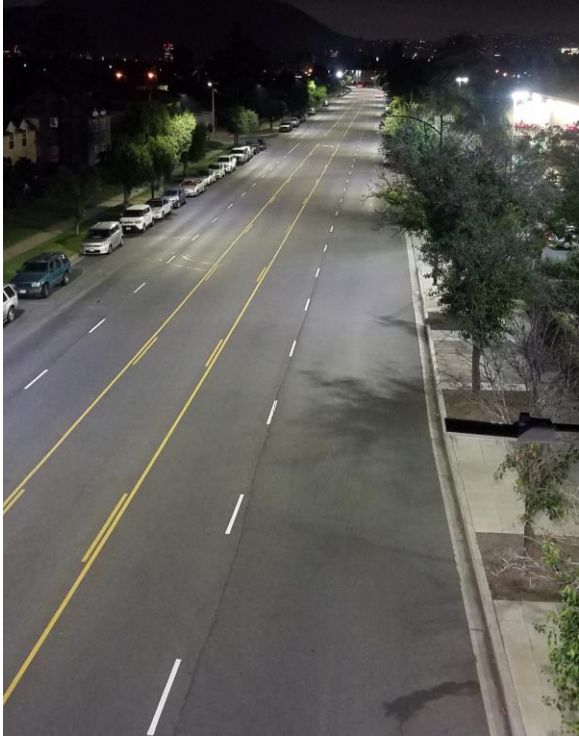
LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) streetlight luminaires with light-emitting diode (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, 56.58% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 2,925MWh or a 31.56% reduction in energy consumption. LED conversions have also reduced evening load by 668kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

SERIES CONVERSIONS

In June, BWP crews completed the conversion of two series 2,400V streetlight circuits to multiple 120V circuits on Buena Vista between Burbank Boulevard and

Vanowen Street. A total of 55 HPS lights were replaced with LED lights. These images below highlight the reduction in glare and uplift, as well as the greatly improved color rendition LEDs provide.



CUSTOMER SERVICE

Online Account Manager

The month of June brought the total number of subscribers of the Online Account Manager (OAM) closer to the 30k mark. Adoption of the OAM continues to be over 50% of all active accounts. Of all registered accounts, over 90% 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 2021.

Call volume levels are now returning to normal. Through customer feedback, BWP is looking for ways to make improvements that will be part of the next phase of the OAM project including usage data, a mobile app (iOS, Android), and other features to improve the customer experience.

Below is the chart outlining activity for the Online Account Manager:

	Mar-19	Apr-19	May-19	Jun-19	Total	% of Total*
Registered Accounts	18,498	6,317	3,052	1,742	29,609	57%
Paperless	17,047	5,704	3,045	1,729	27,525	53%
Autopay	2,354	2,376	1,170	985	12,543	24%

* Percent as compared to all active BWP accounts.

Below is the chart outlining call volume since the launch of the Online Account Manager:

	Mar-19	Apr-19	May-19	Jun-19	%Inc/Dec
Call Volume	7,227	5,740	6,310	4,681	-35%

Call Types	% of Calls
Balance Request	40%
Account/PIN #	13%
Payment Extension	10%
Credit Line	9%
Other	27%

Electric Vehicle (EV) Charging Program

45 public EV charging stations are in service, including 2 DC Fast Chargers and 18 curbside stations. As of November 1, 2018, Time of Use (TOU) pricing for public EV charging is 17.36 cents per kilowatt-hour (kWh) for Level 1 and Level 2 charging during all hours. For the DC Fast Chargers, the charging rate is 28.17 cents per kWh. Staff continues to monitor usage and maintenance issues.

Month of usage	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station/ Day	% Peak Sessions	Parking Occupancy	Charging Occupancy
Jun 2019	24,374	\$4,303	10,237	18.9	21%	26%	23%
May 2019	25,756	\$4,783	10,818	19.3	21%	26%	22%
April 2019	26,501	\$4,981	11,131	20.5	21%	25%	20%
Mar 2019	24,810	\$4,507	10,420	18	20%	21%	17%
Feb 2019 ⁵	20,127	\$3,277	8,453	17	23%	21%	17%
Jan 2019	20,706	\$3,511	8,696	16	22%	22%	18%
Dec 2018	22,889	\$3,991	9,613	18	21%	24%	19%
Nov 2018 ⁴	22,145	\$3,879	9,301	18	20%	25%	20%
Oct 2018 ³	23,141	\$3,957	9,719	18	20%	24%	21%
Sep 2018 ³	18,592	\$3,665	7,809	17	18%	23%	20%
Aug 2018	18,613	\$3,757	7,818	23	21%	27%	23%
July 2018	19,352	\$3,909	8,128	23	19%	28%	24%
Jun 2018 ¹	18,561	\$3,697	7,796	22	20%	29%	24%
May 2018	20,512	\$3,695	8,615	24	19%	32%	27%
Apr 2018	20,643	\$3,729	8,670	25	20%	30%	25%
Mar 2018	19,414	\$3,459	8,154	22	21%	26%	22%
Feb 2018	19,884	\$3,666	8,351	25	21%	30%	25%
Jan 2018	24,790	\$4,927	10,412	29	21%	30%	24%
Dec 2017	24,402	\$4,757	10,249	28	21%	30%	24%
Nov 2017 ²	21,410	\$3,996	8,992	26	21%	29%	24%
Oct 2017	23,000	\$4,828	9,660	27	20%	32%	27%
Sep 2017	20,755	\$4,307	8,717	25	20%	31%	25%
Aug 2017	22,207	\$4,669	9,327	26	23%	31%	26%
Jul 2017	22,981	\$4,845	9,652	27	22%	30%	25%

¹ The higher \$/kWh reflects the start of summer peak pricing for public EV charging.

² The lower \$/kWh reflects the end of summer peak pricing for public EV charging.

³ Includes 16 new public Level 2 chargers installed mid-September.

⁴ Includes the new DC Fast Charger and the removal of 2 chargers due to the Burbank Town Center project.

⁵ Includes 4 new Ontario Substation curbside chargers installed mid-February.

Rooftop Solar

The table below tracks the total number and capacity of installed customer owned rooftop solar photovoltaic systems in Burbank.

Month	Number of Solar Systems Installed This Month	Number of Solar Systems Installed FYTD	Total Solar Systems in Burbank	Total Solar Kilowatts
June 2019	12	100	799	7,962
May 2019	10	88	787	7,889
April 2019	8	78	777	7,833
March 2019	11	70	769	7,788
February 2019	5	59	758	7,707
January 2019	15	54	753	7,677
December 2018	10	39	738	7,530
November 2018	6	29	728	7,375
October 2018	9	23	722	7,351
September 2018	5	14	713	7,289
August 2018	5	9	708	7,256
July 2018*	4	4	703	7,227
June 2018	8	99	699	7,112
May 2018	5	91	690	6,946
April 2018	9	86	685	6,911
March 2018	7	77	676	6,868
February 2018	5	70	669	6,832
January 2018	4	65	664	6,808
December 2017	9	61	660	6,777
November 2017	11	52	651	6,713
October 2017	13	41	640	6,630
September 2017	8	28	627	6,446
August 2017	15	20	619	6,405
July 2017*	5	5	604	6,302

* Start of new fiscal year.

TECHNOLOGY

Broadband Services (ONE Burbank)

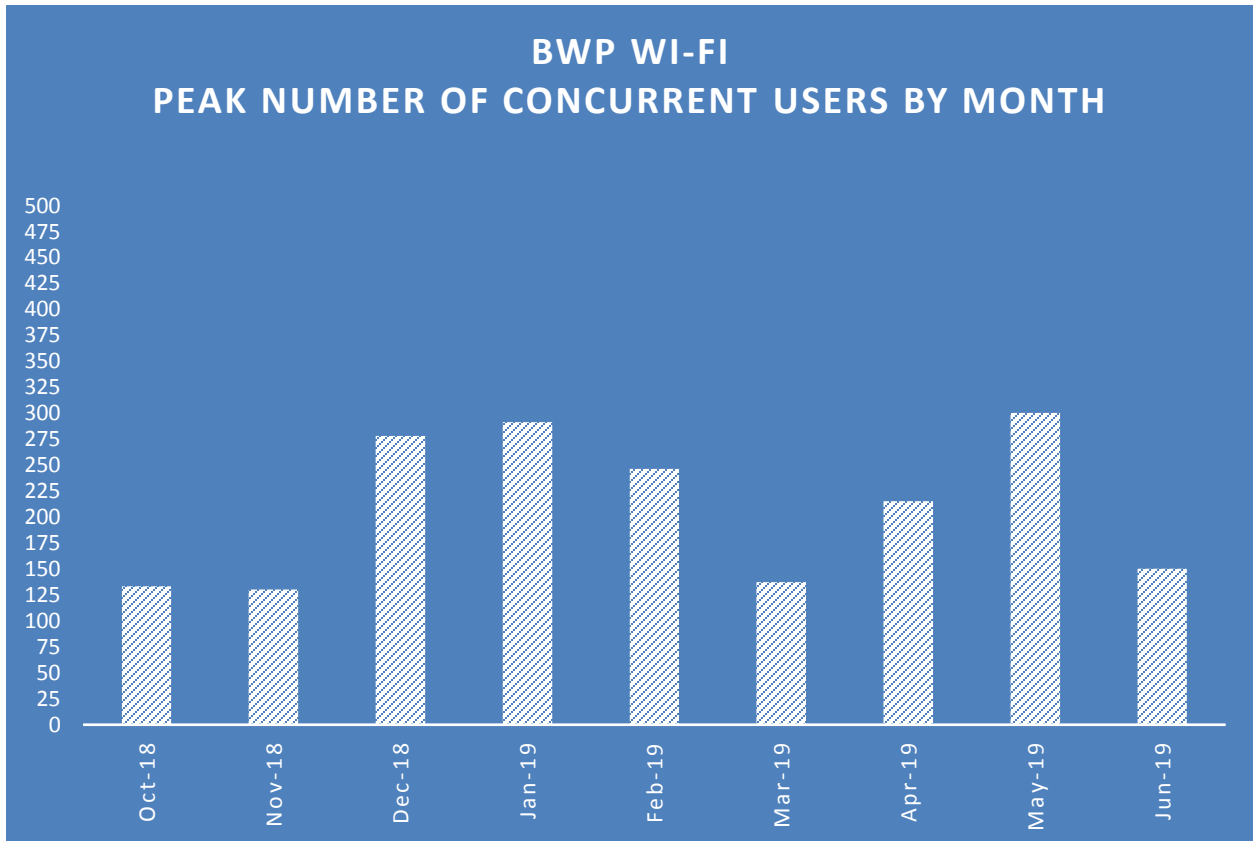
	June 2019 New Orders	Revenues for June 2019	FYTD 2018-19 Revenues	FYTD Budget
Lit	5	\$107,046	\$1,353,763	\$1,620,000
Dark	0	\$192,015	\$2,628,948	\$2,430,000
Total	5	\$299,061	\$3,982,711	\$4,050,000

BWP WiFi

On August 17, 2015, BWP WiFi launched throughout the City of Burbank as a free citywide wireless community broadband service.

BWP recently implemented new network security measures to safeguard and improve the reliability of BWP WiFi. These measures streamline overhead traffic and help to eliminate nefarious traffic. End users will experience a more robust, secure network, while BWP's metering assets that use the wireless networks will also be more secure.

Before these improvements, the number of peak users reported included active users as well as user devices that had disconnected from the network. Now, BWP is able to report just the number of users that are truly active and communicating to the internet (email, browsing, streaming, etc.) The reports going forward will provide a clearer and more accurate picture to gauge actual usage of BWP WiFi.



Cyber Security Update – June 2019

BWP is currently implementing technology improvements which will impact the way cyber security data is gathered and metrics are reported going forward. BWP will make every effort to provide accurate and relevant data within these reports, however, as necessary technology improvements are required, these reports and the data referenced within them may change.

RISK FACTOR

The BWP cyber security risk factor was 2.4 out of 5.0 for the month of June.

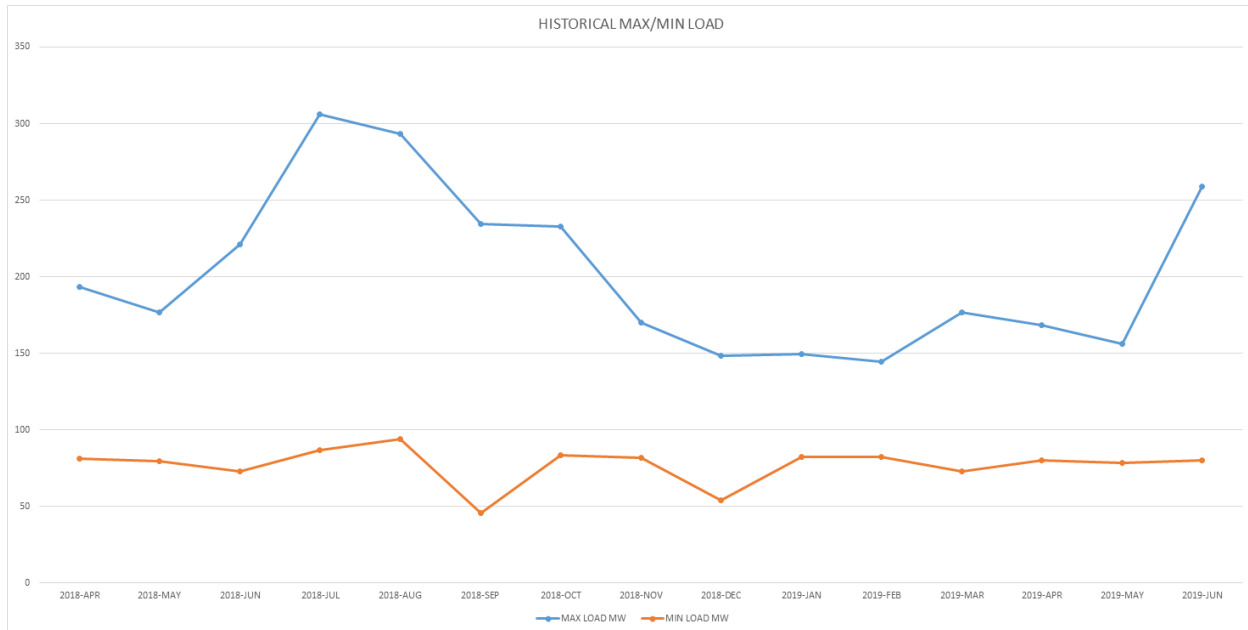


RISK FACTOR: The risk levels (1=lowest to 5=highest) indicate the application's relative security risk based on a variety of factors and criteria such as whether the application can share files, is prone to misuse, or tries to evade firewalls.

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for June 2019 was 258.9 MW at 4:25 PM on Tuesday, June 11, and the minimum load was 80 MW at 3:58 AM on Sunday, June 2.



YEAR	MAX LOAD	MAX DATE
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52
2016	308.52 MW	20-Jun-16 16:46:20
2015	306.23 MW	09-Sep-15 15:42:00
2014	316.68 MW	16-Sep-14 15:52:04

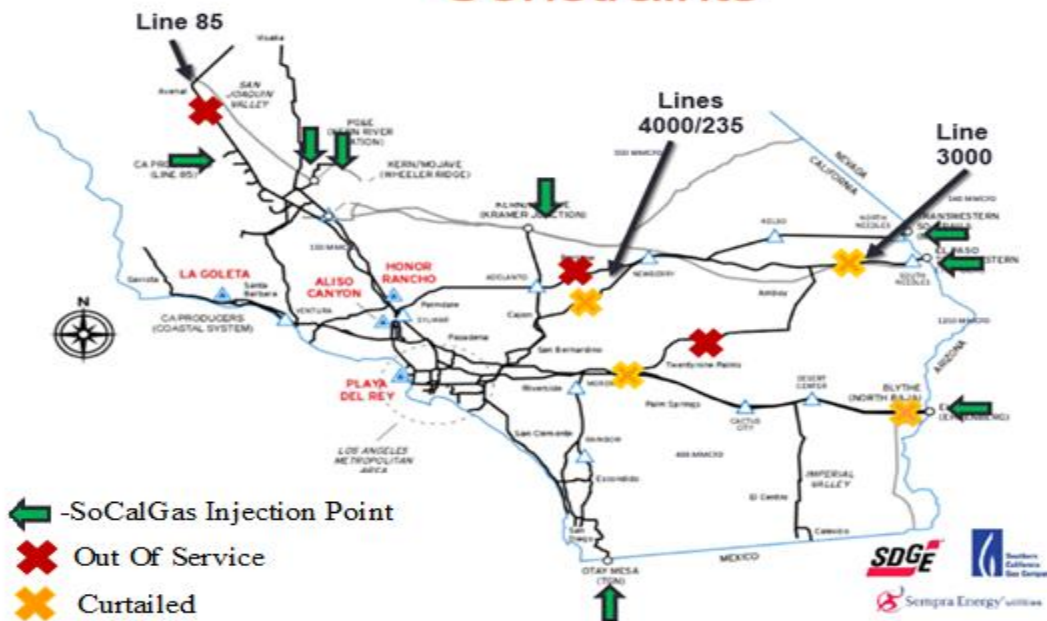
The Burbank power system did not experience abnormal weather or natural gas supply issues for June 2019.

Los Angeles Department of Water and Power (LADWP) is joined the Reliability Coordinator (RC) West on July 1, 2019. BWP being in LADWP's Balancing Authority area is part of this switch. BWP has been working with LADWP on their data request so they can map our system at a more granular level.

The Southern California area continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCal Gas' 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 and more readily addressed component is storage operating constraints resulting from the CPUC's November 2, 2017 Aliso Canyon Withdrawal Protocol restricting the use of the Aliso Canyon.

SoCalGas System Receipt Points and Constraints



There have been no status updates to the SoCalGas Natural Gas Transmission system from last month. All official notifications have the return of line 235-2 as of July 29, 2019.

Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) has been out of service for assessment and remediation since a rupture occurred on the pipeline on October 1, 2017. SoCal Gas has remediated and repaired the ruptured segment, but, as detailed below, SoCal Gas has also initiated additional work to assess, analyze, and repair other segments on Line 235-2 that are of the same “family” of pipeline.

During additional progressive restorations of pressure and the associated leak surveys, non-hazardous leaks were detected on June 7 (leak #9) and June 18 (leak #10) in remote areas of the desert, which requires additional remediation on Line 235-2. For leak #9, the required authorizations have been received from the Bureau of Land Management and

California Department of Fish and Wildlife for the leak repair work site with construction commencing. For leak #10, these authorization requests will be submitted shortly.

The latest preliminary estimated return to service date is July 29 at a reduced pressure. This date is preliminary, and it may change as more information is obtained. Once Line 235-2 is returned to service, SoCalGas will in-line inspect Line 235-2 again.

Line 4000

Following the Line 235-2 rupture, SoCal Gas reduced the pressure of Line 4000 (largely a 1960 vintage pipeline) because it is in the same “family” of pipelines as Line 235-2. SoCal Gas lowered the pressure to increase the factor of safety on the pipeline until SoCal Gas can conduct further analysis of Line 4000 based on what is learned from Line 235-2. In addition, this increased safety margin reduced the safety risk to employees working on Line 235-2, which is in close proximity to Line 4000 for the first 5-6 miles. Line 4000 will continue operating at reduced pressure until testing and maintenance work is complete to mitigate potential pipeline anomalies, like those found on Line 235-2.

Line 3000

Line 3000 (largely a 1957 vintage pipeline) returned to service at reduced operating pressure on September 17, 2018, allowing receipts from the Topock area. The full scope of the Line 3000 project to date included more than 10 miles of non-consecutive pipeline replacements, coating remediation, and cathodic protection insulator installations at more than 246 job sites that span approximately 125 miles, traversing challenging terrain and overcoming significant environmental challenges.

SoCal Gas Storage Capacity

With regard to Aliso Canyon, there were 22 days of withdrawal from January through March 2019. SoCalGas only gives a total storage inventory report. Over the spring, they have been injecting into all of their storage facilities including Aliso Canyon.

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	NO_x, lbs.
Olive 1	0%	0	0	0
Olive 2	0%	0	0	0
Lake 1	100%	10	181	53
MPP	100%	720	133,418	5,415

Olive 1 and 2 remained in dry storage, with a 45-day notice required to restart. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively. Lake 1 was placed online once during the month of June 2019.

Magnolia Power Project (MPP)

	June	FYTD	YTD
Availability	100%	96%	95%
Unit Capacity Factor (240 MW)	77%	73%	73%

There were no plant trips or other outages at MPP during June 2019.

Tieton Hydropower Project (Tieton)

Tieton's annual generation season began on March 22 with limited water flow provided by the United States Bureau of Reclamation (USBR), which carried out "fish pulse" operations designed to encourage upward spawning migration of spring salmon. Fish pulsing was conducted until March 27 when water flow was reduced and generation was no longer possible until later in April. **Tieton generated 2,631 MWhs in June and Rimrock reservoir capacity peaked at 83 percent.**

ENVIRONMENTAL

Air Quality

On June 28, 2019, BWP submitted to the SCAQMD two application packages to renew the Title V Operating Permits for BWP and MPP generating units. Once the SCAQMD reviews the application package and issues a draft permit, the draft permit will go to the Environmental Protection Agency (EPA) for a 45-day review period. After the 45-day review period is completed, final permits will be issued to BWP and MPP. The permits will cover a five-year operating period.

An application package is being prepared for submission to the SCAQMD to revise MPP's Title V Permit to Operate due to upgrades to the combustion system. This modification will allow MPP to operate at lower MW range while still complying with the requirements of its permit to operate.

Storm Water

The Stormwater Resources Control Board, Industrial General Permit, requires industrial facilities to collect, at a minimum, four storm water samples per reporting year (July 1- June 30) and compare them to statewide regulatory limits. **BWP has not taken any storm water samples during the current reporting year of 2019/2020. The analytical results from the storm water samples taken during the 2018/2019 reporting year continue to indicate elevated levels of metals (specifically iron, copper and zinc). Therefore, BWP continues to investigate additional best management practices to enhance storm water quality.**

PROJECT UPDATES:

Power Resources

Transmission Update

Los Angeles Department of Water and Power (LADWP) implemented a new Open Access Transmission Tariff (OATT) effective September 1, 2017. The new OATT rates affect BWP's cost for services purchased from LADWP under the Balancing Authority Area Services Agreement (BAASA). Changes to the BAASA's cost of services resulting from the new OATT became effective on February 1, 2018.

Annual cost for services					
Service	FY 18/19 Under		FY 18/19 If		% Increase
	New OATT rates	Old OATT Rates	Variance		
BAASA Regulation & Frequency Response	\$871,952	\$604,350	(\$267,602)	44.3%	
BAASA Contingency Reserves	\$3,462,962	\$3,224,186	(\$238,776)	7.4%	
	\$4,334,914	\$3,828,536	(\$506,378)	13.2%	

Staff is currently evaluating the new OATT, its impacts, and next steps.

Negotiations with LADWP, for several existing Transmission Service Agreements, including those associated with Hoover Dam and IPP generation resources are ongoing.

Integrated Resource Planning

BWP's 2019 Integrated Resource Plan (IRP) was adopted by the City Council on December 11, 2018 in accordance with the requirements of Senate Bill 350. In conjunction with its adoption of the 2019 IRP, Council also established 1) a SB350-compliant process to update the BWP IRP at least every five years and 2) an aspirational goal to achieve a 100% greenhouse gas-free power supply for Burbank by 2040 or sooner, consistent with reliability and affordability.

Pursuant to SB350, BWP filed the 2019 IRP with the California Energy Commission (CEC) on April 2, 2019, in advance of the April 30 deadline. On May 14, the CEC issued its determination that BWP's 2019 IRP is complete; the CEC's review of BWP's 2019 IRP for consistency with California energy and other policy goals is ongoing. **CEC staff informed BWP on July 1, 2019 that BWP's 2019 IRP appears to meet all of the requirements for "consistency". BWP expects the CEC to issue notice in coming weeks of these findings via the public-facing IRP docket.**

Intermountain Power Project (Delta, UT) Renewal Progress

The Intermountain Power Project (IPP) participants involved with the repowering project have agreed to resize the proposed project to 840 MW, instead of the 1200 MW contemplated earlier. This is being called the "alternative repowering." This change came about because there is not enough definite interest amongst the renewal participants for 1200 MW of gas-fired capacity. LADWP believes the majority of the renewal project participants will assign their capacity interest back to LA, which would cause LADWP to be left with more generation than it requires. Resizing the project to 840 MW minimizes this risk, while still satisfying the projected needs of the participants. This change requires all existing participants of the renewal power sales agreement to amend both the original

power sales agreement and the renewal power sales agreement to reflect the reimagined gas-fired project in Delta, UT.

This resizing of the planned gas-fired power plant does not affect the transmission capacity associated with the project. However, because some current IPP participants have chosen not to participate in the renewal project, BWP's potential Southern Transmission System (STS) capacity allocation (i.e. between Delta and Southern California) could potentially increase. If BWP chooses to participate in the repowering at its maximum allowable generation interest of 35 MW, BWP would be entitled to 127 MW of capacity on the STS, up from the 108 MW of STS capacity that BWP currently enjoys.

Burbank's option to terminate or commit to the gas repowering must be decided, and communicated, to the Intermountain Power Agency in writing by August 3, 2019.

BWP communicated our recommendation for a path forward regarding IPP repowering on June 20 to the BWP Board. The Board voted 7-0 to recommend that City Council 1) authorize and direct the BWP General Manager to reduce Burbank's participation in the renewal of the Intermountain Power Project from 35 megawatts (MW) to 28 MW (a 20% reduction) and 2) approve and authorize the BWP General Manager to execute each of the Entitlement Assignment Agreement (Southern Transmission System) and the Entitlement Assignment Agreement (Northern Transmission System) together with all ancillary documents necessary to effectuate the foregoing.

BWP will be presenting these recommendations to the City Council for its action on July 23.

Power Generation

Landfill Gas to Energy Project

The Project is approximately 41% complete; it remains on schedule, and the anticipated total cost at completion remains within budget. The air permit was received from the AQMD on July 8, 2019 and the permit conditions was consistent with the Project's needs. Engineering work is nearing completion. Final mechanical and electrical designs were approved by the City Building and Safety Department, and approval of the civil/structural plans and calculations is pending. New electrical switchgear has been delivered to the Site, so the underground electrical work and switchgear replacement work may proceed ahead of schedule along with foundation work, once all permits are received.

Burbank Water and Power



Estimated Financial Report June-19

UNAUDITED

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD June 2019
(\$ in 000's except MWh Sales)**

<u>MTD FY 18-19</u>	<u>MTD Jun-19 Budget</u>	<u>\$ Variance ⁽³⁾</u>	<u>% Variance</u>		<u>FYTD FY 18-19</u>	<u>FYTD Jun-19 Budget</u>	<u>\$ Variance ⁽³⁾</u>	<u>% Variance</u>
88,250	96,421	(8,171)	(8%) ^(a)	NEL MWh	1,098,320	1,143,544	(45,224)	(4%) ^(A)
				Retail				
\$ 12,463	\$ 14,054	\$ (1,591)	(11%)	Retail Sales	\$ 161,787	\$ 167,933	\$ (6,146)	(4%)
595	595	-	0%	Other Revenues ⁽⁴⁾	6,555	7,143	(588)	(8%) ^(B)
<u>9,825</u>	<u>10,461</u>	<u>636</u>	<u>6%</u> ^(b)	Retail Power Supply & Transmission	<u>109,287</u>	<u>114,438</u>	<u>5,151</u>	<u>5%</u> ^(C)
3,233	4,188	(955)	(23%)	Retail Margin	59,055	60,637	(1,583)	(3%)
				Wholesale				
588	6,464	(5,876)	(91%)	Wholesale Sales	14,150	50,000	(35,850)	(72%)
520	6,302	(5,782)	(92%)	Wholesale Power Supply	12,641	48,750	36,109	74%
68	162	(93)	(58%)	Wholesale Margin	1,509	1,250	259	21%
<u>3,301</u>	<u>4,350</u>	<u>(1,048)</u>	<u>(24%)</u>	Gross Margin	<u>60,563</u>	<u>61,887</u>	<u>(1,324)</u>	<u>(2%)</u>
				Operating Expenses				
958	958	-	0%	Distribution	10,140	11,060	920	8% ^(D)
112	112	-	0%	Administration/Safety	1,239	1,409	170	12% ^(E)
270	270	-	0%	Finance, Fleet, & Warehouse	2,364	3,312	948	29% ^(F)
499	499	-	0%	Transfer to General Fund for Cost Allocation	5,992	5,993	1	0%
392	392	-	0%	Customer Service, Marketing & Conservation	4,423	5,050	627	12% ^(G)
389	389	-	0%	Public Benefits	4,163	4,644	481	10% ^(H)
186	186	-	0%	Security/Oper Technology	2,094	2,049	(45)	(2%)
109	109	-	0%	Telecom	1,128	1,338	210	16% ^(I)
166	166	-	0%	Construction & Maintenance	1,534	1,990	456	23% ^(J)
<u>1,567</u>	<u>1,567</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>17,949</u>	<u>18,799</u>	<u>850</u>	<u>5%</u>
<u>4,647</u>	<u>4,647</u>	<u>-</u>	<u>0%</u> ^(c)	Total Operating Expenses	<u>51,027</u>	<u>55,644</u>	<u>4,617</u>	<u>8%</u>
\$ (1,346)	\$ (297)	\$ (1,048)	(353%)	Operating Income/(Loss)	\$ 9,536	\$ 6,243	\$ 3,293	53%

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD June 2019**

(\$ in 000's)								
MTD FY 18-19	MTD Jun-19 Budget	\$ Variance ⁽³⁾	% Variance		FYTD FY 18-19	FYTD Jun-19 Budget	\$ Variance ⁽³⁾	% Variance
\$ (1,346)	\$ (297)	\$ (1,048)	(353%)	Operating Income/(Loss)	\$ 9,536	\$ 6,243	\$ 3,293	53%
				Other Income/(Expenses)				
181	181	-	0%	Interest Income	2,309	2,174	135	6%
125	125	-	0%	Other Income/(Expense) ⁽⁵⁾	1,482	1,506	(24)	(2%)
\$ (361)	\$ (361)	-	0%	Bond Interest/ (Expense)	(4,336)	(4,336)	(0)	(0%)
(55)	(55)	-	0%	Total Other Income/(Expenses)	(545)	(656)	111	17%
(1,400)	(352)	(1,048)	(298%)	Net Income	8,991	5,587	3,403	61%
473	473	-	0%	Capital Contributions (AIC)	1,113	3,828	(2,715)	(71%) ^(K)
<u>\$ (927)</u>	<u>\$ 121</u>	<u>\$ (1,048)</u>	<u>867%</u>	Net Change in Net Assets (Net Income)	<u>\$ 10,103</u>	<u>\$ 9,415</u>	<u>\$ 688</u>	<u>7%</u>

1. After the passing of Measure T in June 2018, electric utility bills now reflect a separate line item in the amount of the utility transfer to the City. Reported electric retail revenues and expenses on the utility's financial statements do not reflect the transfer; and the transfer no longer impacts the utility's financial results. This change in financial reporting took effect with July 2018 financial reporting and should be taken into account when comparing results to prior periods.
2. This report may not foot due to rounding.
3. () = Unfavorable
4. 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.
5. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD June 2019
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	88,250	96,421	(8,171)	- NEL is 8% lower than budget due to conservation. For the month of June average high temperature was 78.1°F and the 15 year average high temperature was 81.2°F. MTD CDD were 131 versus the 30 year average of 164.
b.	Retail Power Supply & Transmission	9,825	10,461	636	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page A-5 for additional details.
c.	Total Operating Expenses	4,647	4,647	-	- Expenses for June 2019 are estimated at budgeted values.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD June 2019
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	1,098,320	1,143,544	(45,224)	- NEL is 4% lower than budget due to conservation. FYTD average high temperature was 77.0°F and the 15 year average high temperature was 77.8°F. FYTD CDD were 1,435 versus the 30 year average of 1,387.
B.	Other Revenues	6,555	7,143	(588)	- Other revenues also include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	109,287	114,438	5,151	- The favorable variance is attributable to various components within Retail Power Supply & Transmission, including prior period true up credits and lower than planned O&M expenses. Please refer to page A-6 for additional details.
D.	Distribution	10,140	11,060	920	- The favorable variance is primarily attributable to savings on salaries and related benefits due to vacant positions, the performance of more work than planned, including capital work, for other groups, and savings on private contractual services. The favorable variance is partially offset by higher than planned overtime expenses.
E.	Administration/Safety	1,239	1,409	170	- The favorable variance is primarily due to lower than planned spending on professional services.
F.	Finance, Fleet, & Warehouse	2,364	3,312	948	- The favorable variance is primarily attributable to budgetary savings on software, salaries and related benefits due to vacant positions, as well as lower than planned spending on professional services, fleet maintenance and repair, and higher than planned work performed for other departments by Fleet staff.
G.	Customer Service, Marketing & Conservation	4,423	5,050	627	- The favorable variance is primarily attributable to lower than planned spending on professional services and savings on salaries and related benefits due to vacant positions.
H.	Public Benefits	4,163	4,644	481	- Lifeline discounts of \$485K YTD 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.	Telecom	1,128	1,338	210	- The favorable variance is primarily attributable to lower than planned spending on private contractual services, software & hardware, and professional services. Also contributing to the favorable variance is the performance of more work than planned for other groups.
J.	Construction & Maintenance	1,534	1,990	456	- The favorable variance is due to facility maintenance and servicing requests being lower than planned.
K.	Capital Contributions (AIC)	1,113	3,828	(2,715)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

**Estimated June 2019 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): (\$1,400)</u>		\$ (1,048)	\$ (1,048)
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(1,591)	(1,591)
Power Supply and Transmission			
- Economic dispatch, the managing and optimizing of resources to meet system load	286		286
- Lower retail load	254		254
- Lower transmission expenses than planned	122		122
- Higher renewable energy than planned		(26)	(26)
Wholesale Margin		(93)	(93)
Total	<u>662</u>	<u>(1,710)</u>	<u>(1,048)</u>

Estimated June 2019 Budget to Actual P&L Variance Highlights - Electric Fund
(in 000's)

	Footnote	Variance Fiscal Year-to-Date		Budget to Actual Variance
		Favorable Items	Unfavorable Items	
FYTD NET INCOME: \$8,991		3,403		3,403
<u>FYTD GROSS MARGIN VARIANCE</u>				
Retail Sales			(6,146)	(6,146)
Power Supply and Transmission				
- Prior period true up credits	A	2,245		2,245
- Lower retail load		1,327		1,327
- Lower than planned O&M expenses		941		941
- Lower than planned transmission expenses		599		599
- Economic dispatch, the managing and optimizing of resources to meet system load		587		587
- Sale of fuel and avoided fuel costs as a result of a planned MPP outage		361		361
- Less renewable energy than planned		252		252
- A ten day unplanned outage at IPP			(630)	(630)
- An unplanned outage at MPP			(531)	(531)
Other Revenues			(588)	(588)
Wholesale Margin		259		259
Total		<u>6,571</u>	<u>(7,895)</u>	<u>(1,324)</u>
<u>FYTD EXPENSE AND OTHER VARIANCES</u>				
Distribution		920		920
Finance, Fleet, & Warehouse		946		946
Customer Service, Marketing & Conservation		627		627
Public Benefits		481		481
Construction & Maintenance		456		456
Telecom		210		210
Administration/Safety		170		170
Depreciation expense		850		850
All other		67		67
Total		<u>4,727</u>	<u>-</u>	<u>4,727</u>
FOOTNOTE A		Favorable Items	Unfavorable Items	Total
<u>FYTD TRUE-UP CREDITS</u>				
MPP		1,442		1,442
Palo Verde		526		526
Prepaid Gas		281		281
SCPPA Natural Gas		157		157
Tieton Hydro		141		141
Mead-Phoenix		77		77
Ameresco Chiquita		25		25
Wild Rose (Don Campbell)		26		26
Mead-Adelanto		15		15
STS			(62)	(62)
IPP			(383)	(383)
Total		<u>2,690</u>	<u>(445)</u>	<u>2,245</u>

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

	Jun-19	May-19	Mar-19	Dec-18	Sep-18	Jun-18	Recommended Reserves	Minimum Reserves
Cash and Investments								
General Operating Reserve	\$ 56,736 ^(b)	\$ 66,025	\$ 71,956	\$ 76,141	\$ 75,814	\$ 78,993	\$ 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	16,817	16,785	16,713	16,648	16,541	16,492		
Sub-Total Cash and Investments	<u>83,553</u>	<u>92,811</u>	<u>98,669</u>	<u>102,789</u>	<u>102,355</u>	<u>105,485</u>	<u>73,010</u>	<u>42,770</u>
Capital Commitments			-	(266)	(5,530)	(6,740) ^(c)		
Customer Deposits	(5,641)	(5,624)	(5,471)	(5,266)	(3,339)	(5,432)		
Public Benefits Obligation	(6,561)	(6,220)	(6,408)	(6,359)	(6,341)	(5,549)		
Pacific Northwest DC Intertie	(2,218)	(2,218)	(3,175)	(5,113)	(6,406)	(7,455)		
Low Carbon Standard Fuel ^(d)	(2,267) ^(e)	(1,122)	(1,140)	(1,242)	(1,242)	(1,251)		
Cash and Investments (less Commitments)	<u><u>66,865</u></u>	<u><u>77,627</u></u>	<u><u>82,474</u></u>	<u><u>84,542</u></u>	<u><u>79,496</u></u>	<u><u>79,059</u></u>	<u><u>73,010</u></u>	<u><u>42,770</u></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 capital commitment for the Ontario Distribution Station and 4kV to 12kV conversion of circuits.

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

^(e) Includes the sale of \$1.146M of LCFS credits.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets ⁽¹⁾
MTD and FYTD June 2019
(\$ in 000's except Gallons)**

MTD FY 18-19	MTD Jun-19 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 18-19	FYTD Jun-19 Budget	\$ Variance ⁽²⁾	% Variance
456	470	(15)	(3%) ^(a)	Water put into the system in Millions of Gallons	5,097	5,167	(70)	(1%) ^(A)
94	91	4	4%	Metered Recycled Water in Millions of Gallons	932	1,002	(70)	(7%) ^(B)
Operating Revenues								
2,557	2,401	\$ 156	6% ^(b)	Potable Water	27,220	27,262	\$ (41)	(0%) ^(C)
325	365	(40)	(11%)	Recycled Water	3,706	4,046	(340)	(8%) ^(D)
84	54	30	56% ^(c)	Other Revenue ⁽³⁾	772	767	5	1%
<u>2,966</u>	<u>2,820</u>	<u>146</u>	<u>5%</u>	Total Operating Revenues	<u>31,698</u>	<u>32,074</u>	<u>(377)</u>	<u>(1%)</u>
<u>1,151</u>	<u>1,078</u>	<u>(73)</u>	<u>(7%) ^(d)</u>	Water Supply Expense	<u>12,287</u>	<u>11,890</u>	<u>(397)</u>	<u>(3%)</u>
<u>1,815</u>	<u>1,742</u>	<u>73</u>	<u>4%</u>	Gross Margin	<u>19,411</u>	<u>20,184</u>	<u>(773)</u>	<u>(4%)</u>
Operating Expenses								
353	353	-	0%	Operations & Maintenance - Potable	6,971	7,077	106	1% ^(E)
152	152	-	0%	Operations & Maintenance - Recycled	1,552	1,819	267	15% ^(F)
195	195	-	0%	Allocated O&M	2,106	2,392	286	12% ^(G)
169	169	-	0%	Transfer to General Fund for Cost Allocation	2,001	2,029	28	1%
<u>348</u>	<u>348</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>3,942</u>	<u>4,176</u>	<u>234</u>	<u>6%</u>
<u>1,217</u>	<u>1,217</u>	<u>-</u>	<u>0% ^(e)</u>	Total Operating Expenses	<u>16,572</u>	<u>17,493</u>	<u>921</u>	<u>5%</u>
Other Income/(Expenses)								
16	16	-	0%	Interest Income	248	188	59	32% ^(H)
44	44	-	0%	Other Income/(Expense) ⁽⁴⁾	578	533	44	8%
(160)	(160)	-	0%	Bond Interest/(Expense)	(1,910)	(1,915)	5	0%
<u>(99)</u>	<u>(99)</u>	<u>-</u>	<u>0%</u>	Total Other Income/(Expenses)	<u>(1,085)</u>	<u>(1,193)</u>	<u>108</u>	<u>9%</u>
<u>498</u>	<u>425</u>	<u>73</u>	<u>17%</u>	Net Income/(Loss)	<u>1,754</u>	<u>1,498</u>	<u>256</u>	<u>17%</u>
<u>28</u>	<u>28</u>	<u>-</u>	<u>0%</u>	Aid in Construction	<u>382</u>	<u>334</u>	<u>48</u>	<u>15%</u>
<u>\$ 526</u>	<u>\$ 453</u>	<u>\$ 73</u>	<u>16%</u>	Net Change in Net Assets (Net Income)	<u>\$ 2,136</u>	<u>\$ 1,832</u>	<u>\$ 304</u>	<u>17%</u>

1. This report may not foot due to rounding.
2. () = Unfavorable
3. Other Revenue includes items such as damaged property recovery, connection fees, late fees, and tampering fees.
4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD June 2019
(\$ 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	456	470	(15)	- Potable water sales are lower due to lower demand. Burbank received no rainfall in June, as compared to the monthly normal of 0.12 inches. For the month of June average high temperature was 78.1°F and the 15 year average high temperature was 81.2°F. MTD CDD were 131 versus the 30 year average of 164.	
b.	Potable Water Revenue	2,557	2,401	156	- The WCAC impact increased potable water revenues by \$236k MTD. Without this adjustment, potable water revenues would be unfavorable by 3%.	
						MTD Actual
					WCAC Revenue	\$984
					WCAC Expenses	\$1,220
					WCAC revenue deferral/(accrual)	<u>(\$236)</u>
c.	Other Revenue	84	54	30	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.	
d.	Water Supply Expense	1,151	1,078	(73)	- Water supply expense is higher because of use of higher treated MWD water than planned.	
e.	Total Operating Expenses	1,217	1,217	-	- Expenses for June 2019 are at budgeted values.	

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD June 2019
(\$ 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	5,097	5,167	(70)	- FYTD Potable water sales are lower due to lower demand. Rainfall season-to-date was 18.92 inches versus the season normal of 15.12 inches. FYTD CDD were 1,435 versus the 30 year average of 1,387.
B.	Metered Recycled Water in Millions of Gallons	932	1,002	(70)	- FYTD Recycled sales are lower due to lower demand for landscaping irrigation. Rainfall season-to-date was 18.92 inches versus the season normal of 15.12 inches. FYTD CDD were 1,435 versus the 30 year average of 1,387.
C.	Potable Water	27,220	27,262	(41)	- The WCAC impact increased potable water revenues by \$577k YTD. Without this adjustment, potable revenues would be unfavorable by 2%.
					FYTD Actual
					WCAC Revenue
					<u>\$11,709</u>
					WCAC Expenses
					\$12,287
					WCAC revenue deferral/(accrual)
					<u><u>(\$577)</u></u>
D.	Recycled Water	3,706	4,046	(340)	- FYTD Recycled water revenue is unfavorable due to lower demand.
E.	Operations & Maintenance - Potable	6,971	7,077	106	- The favorable variance is primarily attributable to budgetary savings on salaries and related benefits due to vacant positions and lower than planned spending on professional services.
F.	Operations & Maintenance - Recycled	1,552	1,819	267	- The favorable variance is primarily attributable to lower than planned spending on professional services, software & hardware, private contractual services, and lower than planned electricity for water pumping.
G.	Allocated O&M	2,106	2,392	286	- The favorable variance is attributable to lower than planned allocated expenses (Customer Service, Finance, and Construction & Maintenance) from the Electric Fund.
H.	Interest Income	248	188	59	- The favorable variance is attributable to higher cash balance throughout the year and higher actual rate of return.

Estimated June 2019 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): \$499</u>	73		73
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	156		156
Recycled Revenues		(40)	(40)
Water Supply Expense		(73)	(73)
Other Revenue	30		30
Total	<u>186</u>	<u>(113)</u>	<u>73</u>

Estimated June 2019 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: \$1,754</u>	256		256
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues		(41)	(41)
Recycled Revenues		(340)	(340)
Other Revenue	5		5
Water Supply Expense		(397)	(397)
Total	<u>5</u>	<u>(778)</u>	<u>(773)</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Allocated O&M	286		286
Recycled Water O&M	267		267
Potable O&M	106		106
Depreciation Expense	234		234
All Other	136		136
Total	<u>1,029</u>	<u>-</u>	<u>1,029</u>

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Cash and Investment Balances ^(a)**

	<u>Jun-19</u>	<u>May-19</u>	<u>Mar-19</u>	<u>Dec-18</u>	<u>Sep-18</u>	<u>Jun-18</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments								
General Operating Reserves	\$ 11,372 ^(b)	\$ 10,295	\$ 5,800	\$ 12,471	\$ 12,419	\$ 10,925	\$ 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>13,592</u>	<u>12,515</u>	<u>8,020</u>	<u>14,691</u>	<u>14,639</u>	<u>13,145</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(2,089)	(1,183)	(1,266)	(1,170)	(1,084)	(607)		
Capital Commitments ^(c)	-	-	-	-	(140)	(140)		
Cash and Investments (less commitments)	<u><u>11,503</u></u>	<u><u>11,332</u></u>	<u><u>6,754</u></u>	<u><u>13,521</u></u>	<u><u>13,415</u></u>	<u><u>12,397</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) Capital commitment for the recycled water I-5 Freeway second tie crossing project paid in October.