



8A.

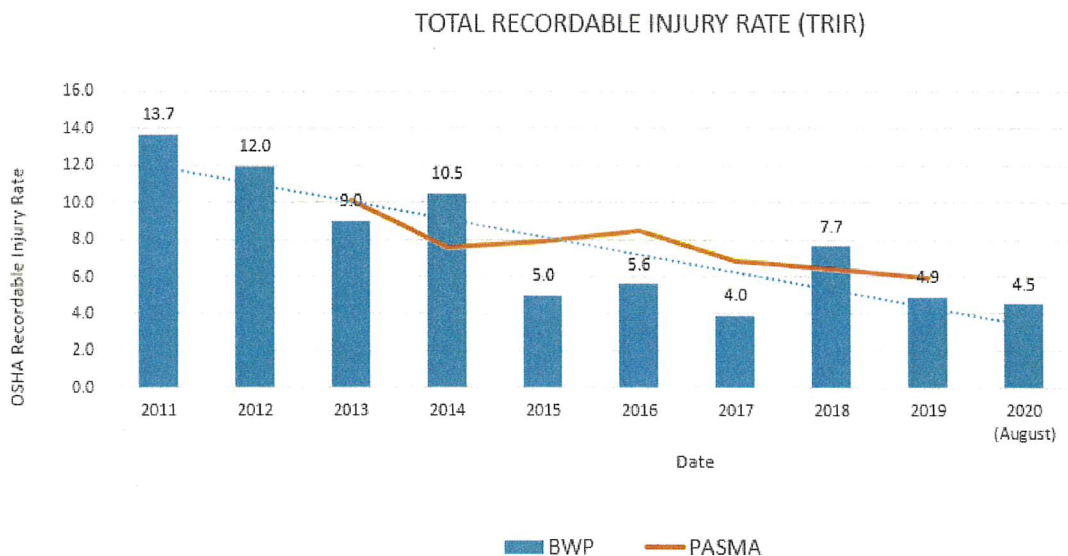
CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

DATE: October 1, 2020
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: August 2020 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. BWP's 12 month rolling rate is 4.5.



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

Water Estimated Financial Results

For the month of August, Potable Water usage was on budget, even though Southern California experienced a heat wave during the month. Despite the heat wave, potable water demand was in line with the budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. Potable Water Revenues were \$126,000 better than budgeted. Recycled Water usage was 11% (12 million gallons) lower than budget and Recycled Water Revenues were \$18,000 worse than budgeted. August Water Supply Expenses were \$153,000 better than budgeted. August's Gross Margin was \$198,000 better than budgeted. Net Income was \$517,000, which was \$198,000 better than budgeted.

August fiscal-year-to-date (FYTD) Potable Water usage was 1% (15 million gallons) lower than budgeted, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD August Potable Water Revenues were \$239,000 better than budgeted. FYTD Recycled Water usage was 5% (12 million gallons) lower than budgeted and Recycled Water Revenues were \$23,000 worse than budgeted. FYTD Water Supply Expenses were \$300,000 better than budgeted. The FYTD August Gross Margin was \$357,000 better than budgeted. Operating Expenses were \$213,000 better than budgeted. Net Income was \$661,000, which was \$595,000 better than budgeted.

Electric Estimated Financial Results

For the month of August, electric loads were 1% lower than budgeted, even though Southern California experienced a heat wave during the month. Despite the heat wave, electric demand was below budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. Retail Sales were \$222,000 worse than budgeted. August Power Supply Expenses were \$391,000 better than budgeted. August's Wholesale Margin was \$2,817,000 better than budgeted. August's Gross Margin was \$2,452,000 better than budgeted. Net Income was \$4,240,000, which was \$2,452,000 better than budgeted.

FYTD August electric loads were 6% lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. Retail Sales were \$2,922,000 worse than budgeted. FYTD Power Supply Expenses were \$1,936,000 better than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load), lower than planned transmission expenses, and lower retail load. FYTD Wholesale Margin was \$3,318,000 better than budgeted. FYTD Gross Margin was \$1,561,000 better than budgeted. August FYTD Operating Expenses were \$703,000 better than budgeted. Net Income was \$3,424,000, which was \$2,311,000 better than budgeted.

COVID-19 “Safer at Home” Order Impacts

Financial Impacts

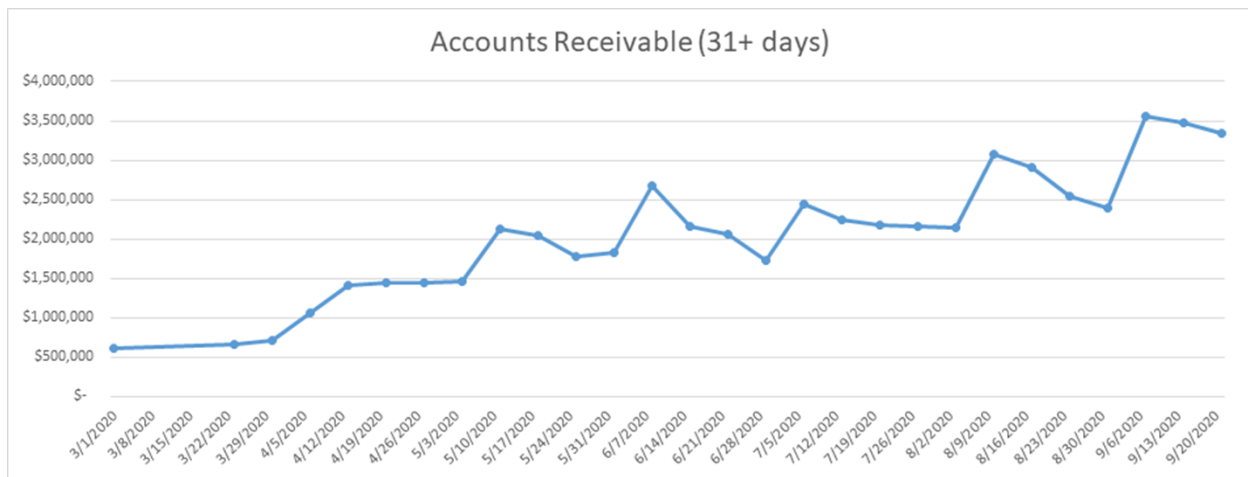
August’s results reflect the fifth month of the impacts resulting from the COVID-19 pandemic “Safer at Home” order (Order) issued on March 19, 2020. With many Burbank commercial enterprises being closed or curtailing operations, this order has, and is anticipated to continue to, significantly impact commercial demand for water and energy in Burbank.

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

For the Electric Fund, August energy demand was 1% below budget, even though Southern California experienced a tremendous heat wave during the month. The City of Burbank had 11 consecutive days where the temperature was 95.0° F or higher. The August average high temperature was 91.3°F, compared to the 15-year average high temperature of 88.4°F. The California Independent System Operator (CAISO) reported recent near record peak demand on their system. Despite the heat wave, electric demand was below budget. This demonstrates that COVID-19 has a tremendous negative impact on energy sales, especially when commercial customers account for approximately 75% of electric sales. Fiscal year- to- date, energy usage was 6% below the budgeted amount with retail revenue loss of \$2,922,000. However, electric fund gross margin was \$1,561,000 higher than budgeted, primary driven by our Wholesale asset utilization program.

For the Water Fund, August potable water demand was in line with the budgeted demand. An increase in residential customer demand (residents account for 75% of potable sales), primarily driven by warmer weather, fully offset the decrease in demand from commercial customers, directly related to COVID-19. Fiscal year- to- date, potable water demand was 1% below the budgeted amount with potable retail revenue \$239,000 and gross margin \$357,000 higher than budget.

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 UUT

WATER DIVISION

State Water Project Update

On May 22, 2020, the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A from 15% to 20% due to above-average precipitation in May. By contrast, last year's allocation ended at 75%.

Lake Oroville, the SWP's largest reservoir, is currently at 47% of capacity and 74% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 50% of capacity and 81% of average. In Southern California, SWP's Castaic Lake is at 90% of capacity and 112% of average.

A 20% allocation amounts to 843,696 acre-feet of water.

Burbank's Water Use

The table below shows water use in Burbank during August 2020 compared to August 2019 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
August 2019	160 gpcd	130 gpcd
August 2020	160 gpcd	135 gpcd

These figures show annual water use is on target to be below 157 gpcd that must be met by the year 2020.

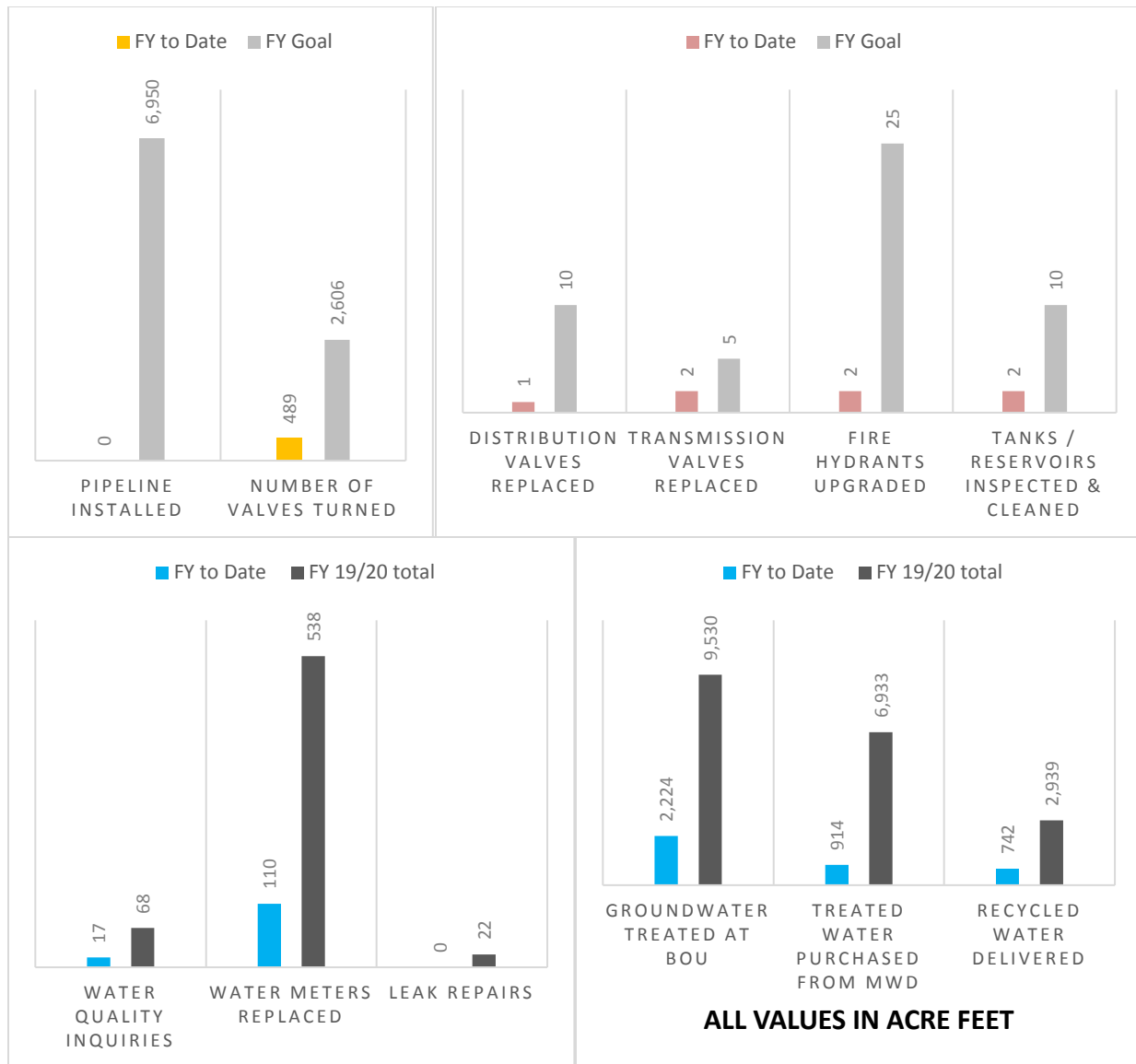
Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the rolling quarter of June through August.

	Capacity Factor	Average Flow Rate (FY Total)
June 20	73.23%	6591 gpm
July 20	87.63%	7887 gpm
August 20	95.16%	8564 gpm

Key Performance Indicators

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



Leak Alert Notifications

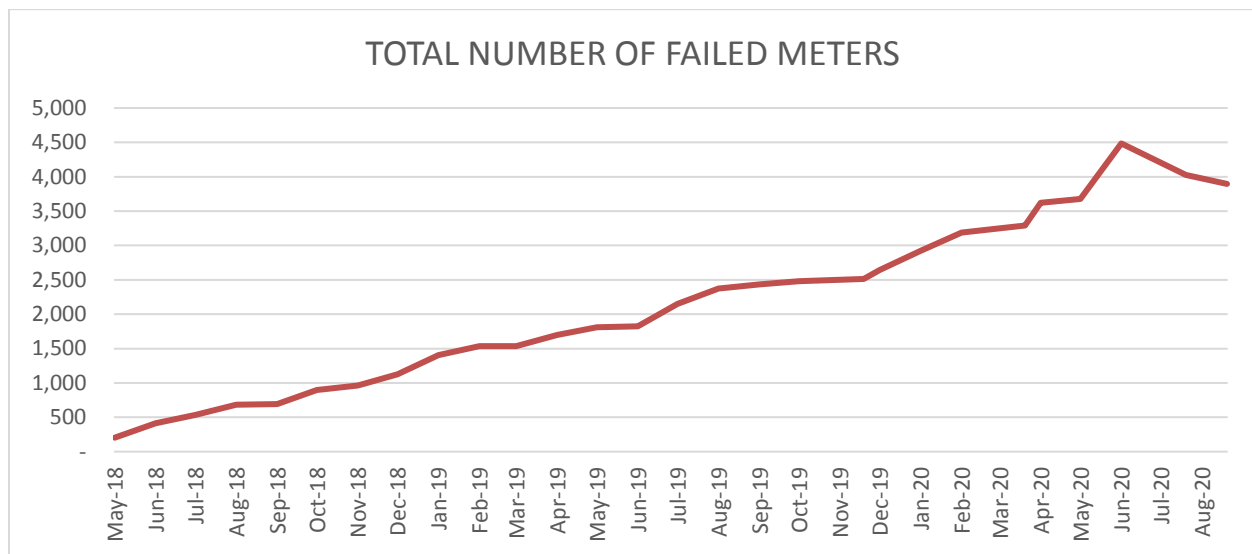
During the Fall of 2009, BWP began installing an Automated Metering Infrastructure (AMI) System by Itron. The system consists of endpoints that connect directly to the meter to get the meter read. The water use was transmitted by radio from the endpoints located in the meter box and received by 10 collectors 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 18 months.

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, 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 communication modules are not working reliably and replacement units are no longer produced.

As of August 2020, 3,896 communication modules are not working properly out of 26,985 meters (about 14.5%). That is a decrease of 130 meters since last month. In July, a collector failed (that would account for the large number of meters not read) and BWP is checking the meter database for possible errors (the number of meters that were read increased since July).

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.



Projects

Cypress and Glenoaks:

Pictured below is the construction crew saw cutting the pavement on Cypress between Glenoaks and Third Street in preparation for a new 12-inch water main. This water main will feed the new services for the planned Burbank AC Hotel at 550 N. Third Street.



ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In August 2020, BWP did not experience any sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,426,488 customer minutes.

Reliability Measurement	September 2018 – August 2019	September 2019 – August 2020
Average Outages Per Year (SAIFI)	0.4136	0.3908
Average Outage Duration (CAIDI)	38.55 minutes	20.97 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.3682	0.3407
No. of Sustained Feeder Outages	14	8
No. of Sustained Outages by Mylar Balloons	2	1
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	3	0

Burbank experienced its first summer heat wave from August 14 to August 21, 2020. During this period, the system experienced eight outages on circuits associated with some laterals and transformers serving primarily residential loads. This resulted in a total of 18,786 customer outage minutes.

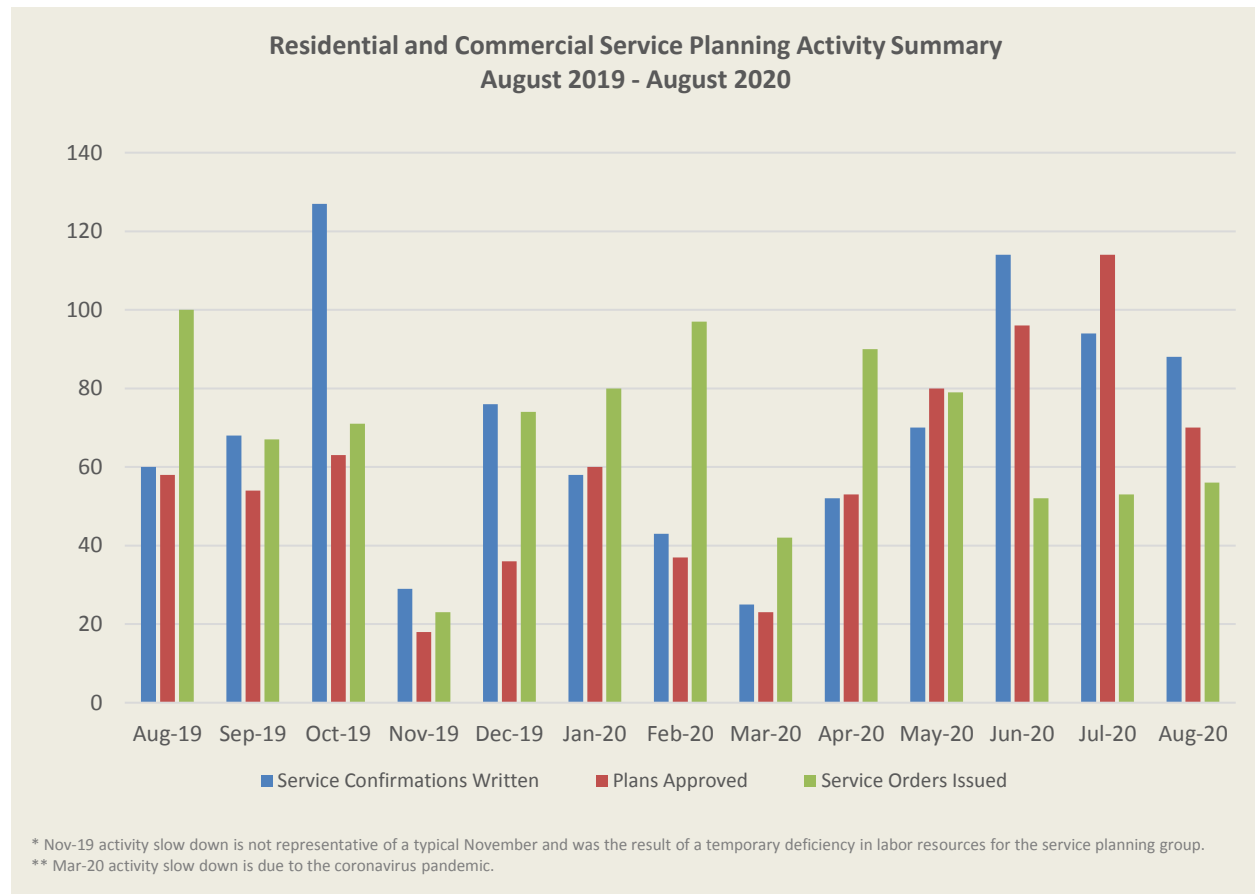
After the heat wave, Electrical Engineering staff used data from its Advanced Grid Analytics (AGA) software and the Supervisory Control and Data Acquisition (SCADA) system to analyze the overall system performance during the heatwave. Staff issued work orders to BWP field crews to resolve several issues including 4 overloaded transformers above 150% in the Tier 2 fire zone, 11 overloaded transformers above 200%, an overloaded lateral, and load imbalance on 3 feeders.

PROJECT UPDATES

Residential and Commercial Service Planning Activities

BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing service. In order for a customer to obtain a Building Permit for their construction, BWP Service Planners must visit the customer's facility and fill out an Electric Service Confirmation form which details what type of service is required and how it will be served. After reviewing and approving a customer's electrical plans, BWP Service Planners

issue service orders to our field crews to carry out the inspections and electrical service work. The graph below summarizes monthly activity for our Residential and Commercial Service Planning group within the Electrical Engineering Section.



Battery Replacement at Warner Substation

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

Sixty new batteries, battery racks, spill containments, fusible disconnect switch and battery charger were recently installed at Warner Substation in August.



Battery Bank – Before Installation



Battery Bank - Installation

Digital Fault Recorder and Time Synchronization Installation at Lincoln Substation

Over the last five years, BWP has installed technology at many of our electrical substations that remotely retrieves digital records from our substations and sends them to relay test technicians and engineers when an abnormal system condition exists or an electrical fault occurs. Each digital record also carries a time stamp from a high accuracy GPS clock which “synchronizes” relay fault records and other data to one universal time clock and helps staff understand the sequence of events during troubleshooting. Software is used to remotely collect digital fault records from substation protective relays and automatically alert engineering staff, which has helped BWP on a few occasions to detect and solve problems before it caused an outage.

This data time synchronization and digital fault recorder technology was recently installed at Lincoln Substation, which is one of the two remaining distribution and switching substations without this technology. The implementation required BWP to install a new GPS clock, new communication cables, and a new communication processor. Design, installation, and configuration of the system was performed by several BWP groups including Operations Technology, Relay Test, Substation Maintenance and Construction, and Substation Engineering.

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, 66.23% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,486 MWh or a 37.61% reduction in energy consumption. LED conversions have also reduced evening load by 796 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

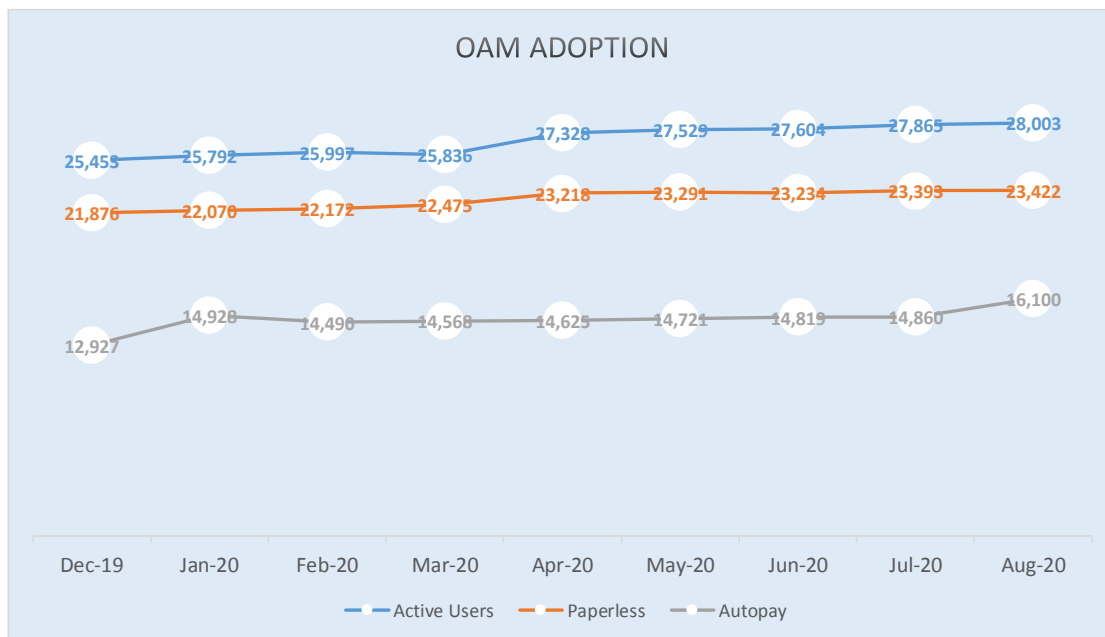
Customer Service and Marketing recently began mailing informational letters to customers regarding COVID-related resources. The letters are being sent to both commercial and residential customers that have accounts in arrears and who may benefit from these resources and flexible payment arrangements during the crisis. BWP anticipates an increase in the number of payment arrangements in the following months.

Call Types	% of Calls
Balance	19%
Residential Stop Service	9%
Residential Start Service	8%
Account#/PIN	6%
Solid Waste	5%

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	% Inc/Dec
Call Volume	5,192	4,675	5,374	4,330	5,389	4,778	4,337	4,320	3,543	3,392	3,582	4,055	3,812	-6.0%

Online Account Manager

The enrollment in the Online Account Manager (OAM) is currently at **54%** of all active accounts; increase in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about **80%** are paperless customers helping BWP reduce costs and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and auto pay. These initiatives will continue to drive down costs. BWP's second milestone is to have 80% of all active accounts registered on the OAM by the end of 2021. Below is the chart outlining activity for the OAM:



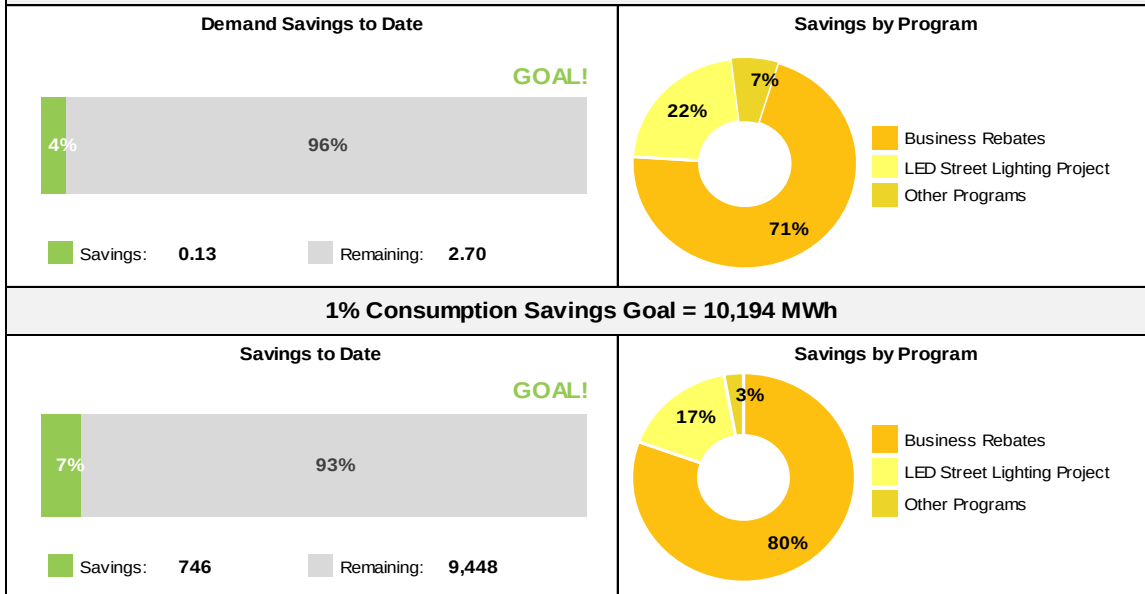
	Active	% of Total Active Accounts
Active Users	28,003	54%
Paperless	23,422	45%
Autopay	14,819	28%

BWP's Energy Efficiency and Water Savings – Fiscal Year to August 31, 2020

To comply with State and Local COVID-19 orders, energy efficiency programs that required home visits were suspended through **August 2020 during the current fiscal year. As a result of the continued program suspensions due to COVID-19, program activities continued to be significantly reduced for the month of August 2020.** However, commercial program participation continues to significantly contribute to the reported savings for the month of **August 2020**, mostly from the BWP Business Rebates program utilized by some of the largest commercial customers. Incentives for large projects have incentive caps but yield total project efficiency savings.

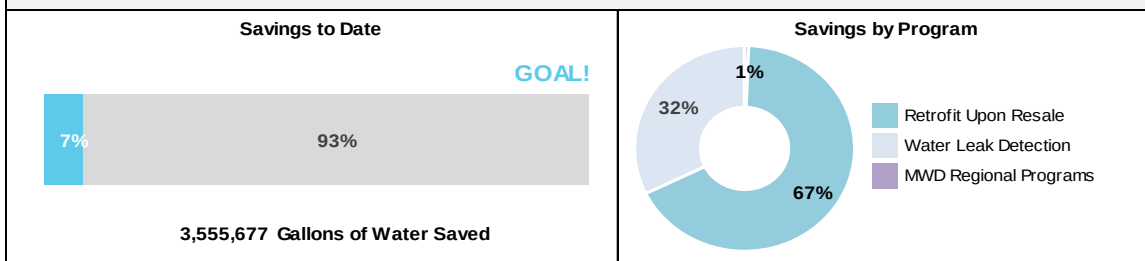
Energy Efficiency Savings FYTD 2020-2021 Period ending on 08/31/2020

1% Demand Goal = 2.83 MW



Water Savings Goal FYTD 2020-2021

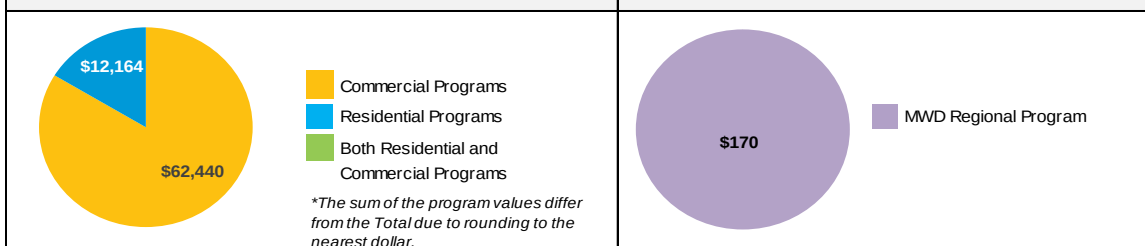
1% (48,907,414 Gallons) Potable Water Savings Goal



Efficiency Investments FYTD 2020-2021

*Electric Programs: \$74,604

Water Programs: \$170

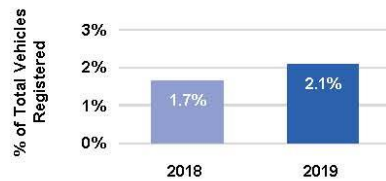


Electric Vehicle (EV) Charging Program

Forty-seven public EV charging ports are installed in Burbank, including 2 DC Fast Chargers and 18 curbside chargers. As of June 1, 2020, pricing for public EV charging 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 the DC Fast Chargers, the charging rate is \$.4980 per kWh from 4PM to 7PM and is \$0.2817 per kWh for all other hours. Reduced public charger usage can likely be attributed to the shelter-in-place order issued in March.

Transportation Electrification 2020-2021 Period ending on 08/31/2020

EV Growth in Burbank*



Total EV/PHEV DMV Vehicle Registrations

2019:	1,912
2018:	1,494

* 2020 DMV data not yet available.

Transportation Electrification Initiatives for FY 2020-2021

Used EV Rebates

Goal: 83

GOAL!



Given: 0 Remaining: 83

EV Charger Rebates

Goal: 150

GOAL!



Residential: 0 Remaining: 38
Commercial: 0

Public Charging Ports

Goal: 80

GOAL!



Installed: 0 Remaining: 80

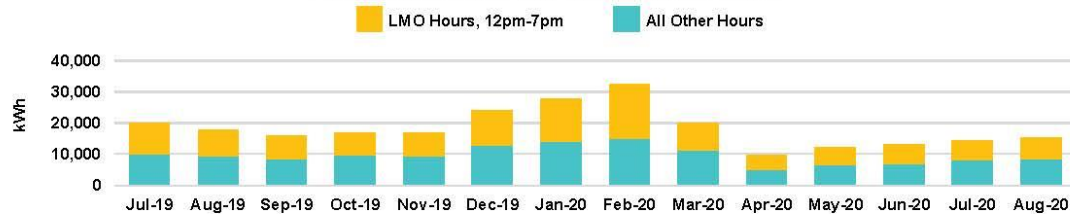
Public Charging Port Statistics

	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	Peak Charging Sessions
	Total Ports	Total Available					
August:	47	47	1,657	15,276	\$3,197	8,800	19%
Average:	47	47	1,605	14,764	\$3,025	8,504	18%
FY Total:	47	N/A	3,209	29,527	\$6,049	17,009	N/A

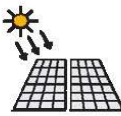
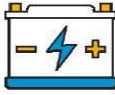
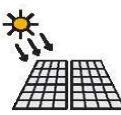
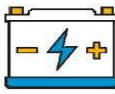


* Source: U.S. Dept of Energy Alternative Fuels Data Center (AFDC) values used to calculate GHG savings. GHG values revised using AFDC data as of 06/09/2020.

Load Management Opportunity (LMO) Hours



Rooftop Solar and Battery Installations

Customer Rooftop Solar Installations						
August 2020						
Solar Installations 	6	6.89	0.04	Battery Installations 	2	
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations	
	0	0.00	0.00		15	30.5
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)	Energy (kWh)
Total Installations in Burbank (All Time)						
Solar Installations 	871	5.17	4.50	Battery Installations 	19	
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations	
	50	87.00	4.35		140	377.0
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)	Energy (kWh)

TECHNOLOGY

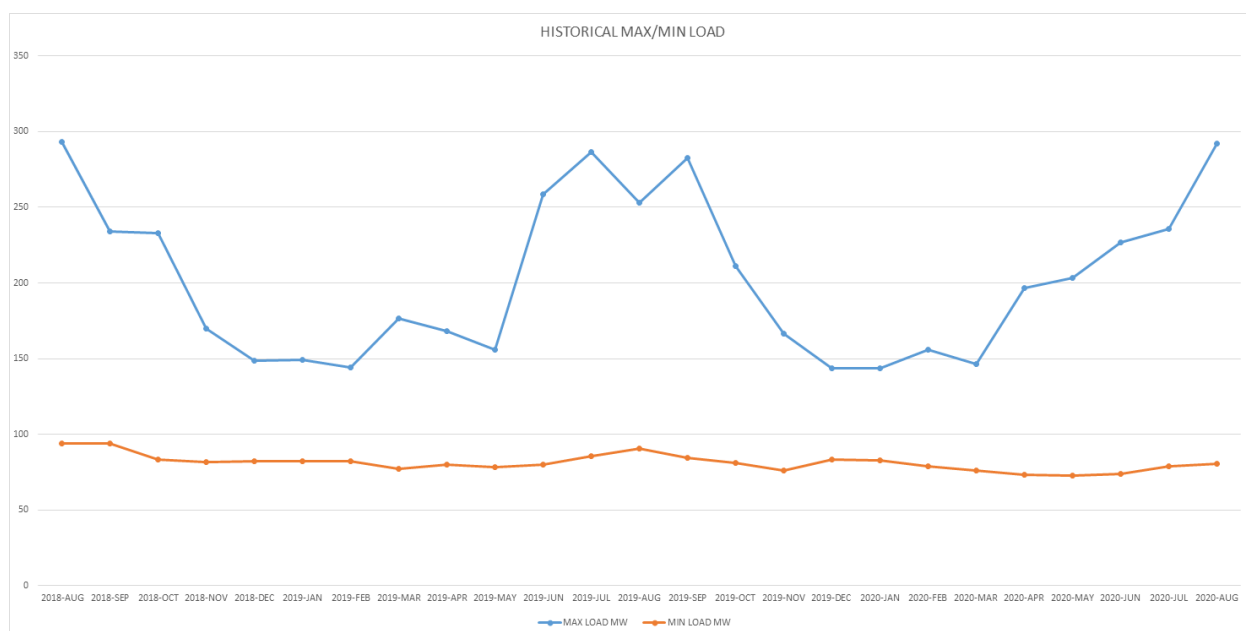
Broadband Services (ONE Burbank)

	August 2020 New Orders	Revenues for August 2020	FYTD 2020-21 Revenues	FYTD Budget
Lit	2	\$121,075	\$239,237	\$263,333
Dark	0	\$193,165	\$387,330	\$395,000
Total	2	\$314,240	\$626,567	\$658,333

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for August 2020 was 292.3 MW at 3:22 PM on August 18, and the minimum load was 81.6 MW at 6:43 AM on August 9.



Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2020	292.3 MW	18-August-20 15:22:41
2019	282.66 MW	04-Sep-19 15:31:17
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52
2016	308.52 MW	20-Jun-16 16:46:20

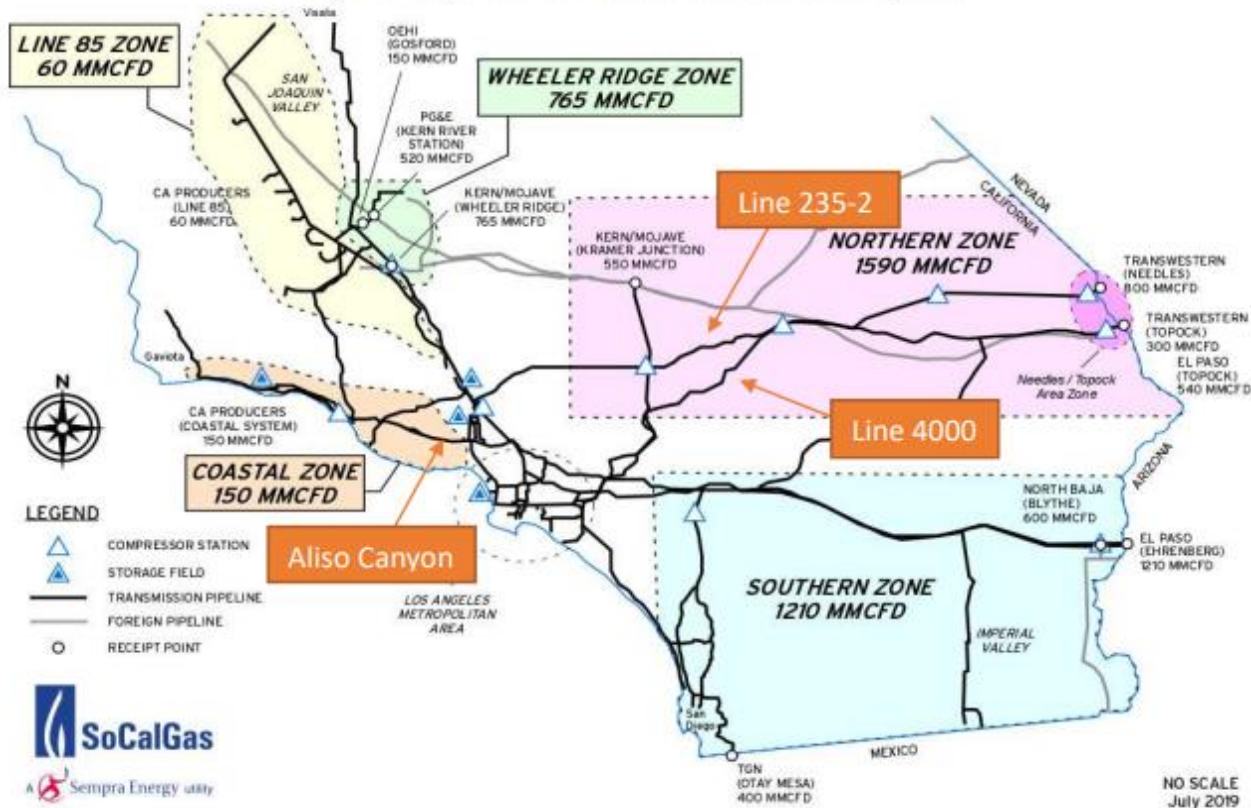
The Burbank power system did experience an extreme heat wave but did not experience any natural gas supply issues for August 2020.

From August 14 to August 21 there was a significant heat wave. Many utilities throughout the West called Energy Emergency Alerts and the CAISO had rolling

blackouts on two separate days. BWP did not experience any blackouts or other operational issues during this heat wave.

Southern California 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 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



Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) SoCal Gas used two vendors to perform In-line Inspections (ILI) in October 2019. The ILI reports showed the repairs needed to be made to the line. Those repairs are now complete, and the current return to service date

in ENVOY is September 1, 2020. The re-pressurization process is currently progressing without delays. **SoCal Gas has not made any updates to this work since August.**

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.

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	Net Heat Rate (Btu/kWh)	Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	100%	155	5,701	10,598	18
MPP	100%	744	137,736	7,626	0

Olive 1 and 2 remained in dry storage, with a 120-day notice required to restart. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively. **Lake One was placed online eighteen times during the month of August.**

Magnolia Power Project (MPP)

	August	FYTD	YTD
Availability	100%	100%	82%
Unit Capacity Factor (240 MW)	77%	77%	60%

There were no plant trips or other outages at MPP during the month of August. Preparations are underway for the September 11-14, 2020 planned outage. The main purpose of the outage is to perform an offline water wash of the combustion turbine compressor. Other preventative maintenance items will also be addressed during the outage.

Tieton Hydropower Project (Tieton)

Generation began April 6, 2020 with a single generation unit due to limited water flow controlled by the United States Bureau of Reclamation (USBR). On August 27,

water flow increased enough to operate both generation units concurrently and both units have been in operation since. Rimrock Reservoir, which supplies water to Tieton, is at 72% full and the USBR water management goal remains storage control. This status will fluctuate reservoir output depending on the desired reservoir level as well as the rate of water input resulting from snowmelt and other contributing sources.

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 (July 1-June 30) and compare them to statewide regulatory limits. BWP has not taken any storm water samples during the new reporting year of 2020/2021. The sample analytical results for the previous reporting year continue to indicate elevated levels of zinc. BWP has completed most of the environmental review process for the storm water improvement project to address the BWP campus storm water compliance issues. The environmental review process will be finalized when the project goes to City Council for approval. BWP has hired MNS Engineers to prepare the final 100% design plans, as well as provide ancillary engineering support for the storm water improvement project. BWP has received 60% draft engineering plans which are currently under review. After the final design is completed, a bid package will be prepared.

PROJECT UPDATES:

Power Resources

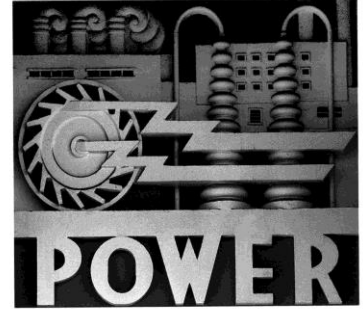
Transmission Update

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

Intermountain Power Project (Delta, UT) Renewal Progress

LADWP, BWP and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production, storage, and power generation at IPP. In the medium-term, the participants are targeting 30% green hydrogen combustion by July 2025, when the repowered project is scheduled to come on-line.

Burbank Water and Power



Estimated Financial Report August-20

UNAUDITED

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD August 2020
(\$ in 000's except MWh Sales)**

MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
110,765	112,217	(1,452)	(1%) ^(a)	NEL MWh	207,765	221,300	(13,535)	(6%) ^(A)
				Retail				
\$ 16,930	\$ 17,152	\$ (222)	(1%)	Retail Sales	\$ 31,492	\$ 34,414	\$ (2,922)	(8%)
89	622	(533)	(86%) ^(b)	Other Revenues ⁽³⁾	473	1,244	(771)	(62%) ^(B)
10,601	10,992	391	4% ^(c)	Retail Power Supply & Transmission	19,860	21,796	1,936	9% ^(C)
6,418	6,782	(364)	(5%)	Retail Margin	12,105	13,862	(1,757)	(13%)
				Wholesale				
8,439	7,311	1,127	15%	Wholesale Sales	11,150	14,835	(3,685)	(25%)
5,476	7,165	1,689	24%	Wholesale Power Supply	7,535	14,538	7,003	48%
2,963	146	2,817	1926%	Wholesale Margin	3,615	297	3,318	1118%
9,380	6,928	2,452	35%	Gross Margin	15,720	14,159	1,561	11%
				Operating Expenses				
976	976	-	0%	Distribution	1,962	2,021	59	3%
110	110	-	0%	Administration/Safety	321	227	(94)	(42%) ^(D)
223	223	-	0%	Finance, Fleet, & Warehouse	418	455	37	8%
525	525	-	0%	Transfer to General Fund for Cost Allocation	1,047	1,049	2	0%
476	476	-	0%	Customer Service, Marketing & Conservation	744	947	203	21% ^(E)
487	487	-	0%	Public Benefits	853	977	124	13%
215	215	-	0%	Security/Oper Technology	484	429	(56)	(13%) ^(F)
35	35	-	0%	LCFS	50	70	20	29%
110	110	-	0%	Telecom	191	243	52	22% ^(G)
187	187	-	0%	Construction & Maintenance	295	374	79	21% ^(H)
1,781	1,781	-	0%	Depreciation	3,285	3,562	277	8%
5,125	5,125	-	0% ^(d)	Total Operating Expenses	9,651	10,354	703	7%
\$ 4,256	\$ 1,804	\$ 2,452	136%	Operating Income/(Loss)	\$ 6,069	\$ 3,805	\$ 2,264	60%

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD August 2020

(\$ in 000's)								
MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
\$ 4,256	\$ 1,804	\$ 2,452	136%	Operating Income/(Loss)	\$ 6,069	\$ 3,805	\$ 2,264	60%
				Other Income/(Expenses)				
142	142	-	0%	Interest Income	319	284	35	12%
126	126	-	0%	Other Income/(Expense) ⁽⁴⁾	(2,396)	(2,407)	12	0%
(284)	(284)	-	0%	Bond Interest/ (Expense)	(568)	(568)	-	0%
(16)	(16)	-	0%	Total Other Income/(Expenses)	(2,645)	(2,692)	47	2%
4,240	1,788	2,452	137%	Net Income	3,424	1,113	2,311	208%
1,054	1,054	-	0%	Capital Contributions (AIC)	1,243	2,109	(866)	(41%) ⁽¹⁾
<u>\$ 5,294</u>	<u>\$ 2,842</u>	<u>\$ 2,452</u>	<u>86%</u>	Net Change in Net Assets	<u>\$ 4,667</u>	<u>\$ 3,222</u>	<u>\$ 1,445</u>	<u>45%</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) and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

5. MTD is estimated for August 2020; FYTD reports July 2020 actuals.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	110,765	112,217	(1,452)	- NEL is 1% lower than budget, even though Southern California experienced a tremendous heat wave during the month. Despite the heat wave, electric demand was below budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. The August average high temperature was 91.3°F, compared to the 15 year average high temperature of 88.4°F. MTD CDD were 399 versus the 15 year average of 333.
b.	Other Revenues	89	622	(533)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
c.	Retail Power Supply & Transmission	10,601	10,992	391	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
d.	Total Operating Expenses	5,125	5,125	-	- Expenses for August 2020 are estimated at budgeted values.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD August 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	207,765	221,300	(13,535)	- NEL is 6% lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD actual average high temperature was 89.1°F, compared to the 15 year average high temperature of 88.9°F. FYTD CDD were 667 versus the 15 year average of 655.
B.	Other Revenues	473	1,244	(771)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	19,860	21,796	1,936	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Administration / Safety	321	227	(94)	- The unfavorable variance is attributable to timing of expenditures on membership dues, and software & hardware, partially offset by the timing of expenditure on other professional expenses.
E.	Customer Service, Marketing & Conservation	744	947	203	- The favorable variance is primarily attributable to timing of expenditures on other professional services and software & hardware.
F.	Security/Oper Technology	484	429	(56)	- The unfavorable variance is primarily attributable to higher than planned expenditures on software & hardware, partially offset by lower than planned spending on other professional services.
G.	Telecom	191	243	52	- The favorable variance is primarily attributable to timing of expenditures on private contractual services and other professional services.
H.	Construction & Maintenance	295	374	79	- The favorable variance is primarily attributable to timing of expenditures on custodial services, and building grounds maintenance & repair.
I.	Capital Contributions (AIC)	1,243	2,109	(866)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Estimated August 2020 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): \$4,240</u>	\$ 2,452		\$ 2,452
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(222)	(222)
Power Supply and Transmission			
- Economic dispatch offset up higher energy prices	195		195
- Lower retail load	31		31
- Lower transmission	165		165
- Lower than planned renewables			-
Other Revenues & Other income/(Expenses)		(533)	(533)
Wholesale Margin	2,817		2,817
Total	<u>\$ 3,208</u>	<u>\$ (755)</u>	<u>\$ 2,452</u>

Estimated August 2020 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): \$3,424</u>	\$ 2,311		\$ 2,311
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(2,922)	(2,922)
Power Supply and Transmission			
- Economic dispatch offset up higher energy prices	1,235		1,235
- Lower than planned transmission expenses	317		317
- Lower retail load	284		284
- Lower than planned renewables and other	100		100
Other Revenues		(771)	(771)
Wholesale Margin	3,318		3,318
Total	\$ 5,254	\$ (3,693)	\$ 1,561
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution	59		59
Administration/Safety		(94)	(94)
Finance, Fleet, & Warehouse	37		37
Customer Service, Marketing & Conservation	203		203
Public Benefits	124		124
Security/Oper Technology		(56)	(56)
Telecom	52		52
Construction & Maintenance	79		79
Depreciation expense	277		277
All other	69		69
Total	\$ 900	\$ (150)	\$ 750

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

	Aug-20	Jul-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserve	\$ 58,815	\$ 48,161 ^(f)	\$ 52,397 ^{(d) (e)}	\$ 63,968	\$ 67,481	\$ 62,047	\$ 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	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	8,250 ^(h)	12,804 ^(g)	17,163	17,062	17,014	16,912	16,817		
Sub-Total Cash and Investments	77,064	70,966	79,560	91,029	94,495	88,959	94,137	73,010	42,770
Customer Deposits	(1,702)	(1,643)	(1,811)	(6,300)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(7,608)	(7,238)	(6,990)	(6,849)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(48)	(48)	(62)	(255)	(855)	(1,389)	(2,218)		
Low Carbon Fuel Standard ^(c)	(3,396)	(3,397)	(3,642)	(2,267)	(2,267)	(2,267)	(2,267)		
Cash and Investments (less Commitments)	<u>64,311</u>	<u>58,639</u>	<u>67,055</u>	<u>75,360</u>	<u>77,615</u>	<u>73,874</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.

^(h) Includes a \$4.5M drawdown to pay SCPPA for July and August power invoices.

**Burbank Water and Power
Water Fund (497)**
Estimated Statement of Changes in Net Assets^{(1) (2) (5)}
MTD and FYTD August 2020
(\$ in 000's except Gallons)

MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
525	526	(2)	(0%) ^(a)	Water put into the system in Millions of Gallons	1,033	1,047	(15)	(1%) ^(A)
103	115	(12)	(11%) ^(b)	Metered Recycled Water in Millions of Gallons	213	225	(12)	(5%) ^(B)
Operating Revenues								
\$ 2,861	\$ 2,736	\$ 126	5% ^(c)	Potable Water	\$ 5,688	\$ 5,449	\$ 239	4% ^(C)
450	468	(18)	(4%)	Recycled Water	895	918	(23)	(3%)
60	122	(62)	(51%) ^(d)	Other Revenue ⁽³⁾	85	244	(159)	(65%)
3,371	3,326	46	1%	Total Operating Revenues	6,667	6,611	56	1%
1,144	1,297	153	12% ^(e)	Water Supply Expense	2,281	2,581	300	12% ^(D)
2,227	2,029	198	10%	Gross Margin	4,386	4,029	357	9%
Operating Expenses								
746	746	-	0%	Operations & Maintenance - Potable	1,395	1,494	99	7%
139	139	-	0%	Operations & Maintenance - Recycled	250	279	29	10% ^(E)
203	203	-	0%	Allocated O&M	355	416	61	15% ^(F)
175	175	-	0%	Transfer to General Fund for Cost Allocation	350	350	-	0%
355	355	-	0%	Depreciation	686	710	24	3%
1,619	1,619	-	0% ^(f)	Total Operating Expenses	3,036	3,249	213	7%
609	410	198	48%	Operating Income/(Loss)	1,350	780	569	73%
Other Income/(Expenses)								
21	21	-	0%	Interest Income	43	43	0	0%
45	45	-	0%	Other Income/(Expense) ⁽⁴⁾	(429)	(441)	12	3%
(158)	(158)	-	0%	Bond Interest/(Expense)	(303)	(317)	14	4%
(92)	(92)	-	0%	Total Other Income/(Expenses)	(689)	(715)	26	4%
517	318	198	62%	Net Income/(Loss)	661	66	595	906%
94	94	-	0%	Aid in Construction	116	187	(71)	(38%) ^(G)
\$ 610	\$ 412	\$ 198	48%	Net Change in Net Assets	\$ 777	\$ 253	\$ 524	207%

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

5. MTD is estimated for August 2020; FYTD reports July 2020 actuals.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2020
(\$ 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	525	526	(2)	- Potable water demand was in line with budget, even though Southern California experienced a tremendous heat wave during the month. Despite the heat wave, potable water demand was in line with budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. The August average high temperature was 91.3°F, compared to the 15 year average high temperature of 88.4°F. MTD CDD were 399 versus the 15 year average of 333.
b.	Recycled Water Usage in Millions of Gallons	103	115	(12)	- Recycled water demand was lower than budget. Please refer to footnote (a).
c.	Potable Water Revenue	2,861	2,736	126	- The WCAC impact decreased potable water revenues by \$92k MTD. Without this adjustment, potable water revenues would be favorable by 8%.
					WCAC Revenue
					MTD Actual \$1,236
					WCAC Expenses
					\$1,144
					WCAC revenue deferral/(accrual)
					<u>\$92</u>
d.	Other Revenue	60	122	(62)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
e.	Water Supply Expense	1,144	1,297	153	- The favorable variance was a result of using more Valley/BOU water which is cheaper to produce than imported MWD water.
f.	Total Operating Expenses	1,619	1,619	-	- Expenses for August 2020 are at budgeted values.

(\$ 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	1,033	1,047	(15)	- FYTD Potable water sales were lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD actual average high temperature was 89.1°F, compared to the 15 year average high temperature of 88.9°F. FYTD CDD were 667 versus the 15 year average of 655.
B.	Metered Recycled Water in Millions of Gallons	213	225	(12)	- FYTD Recycled water sales are lower than budget. Please refer to footnote (A).
C.	Potable Water	5,688	5,449	239	- The WCAC impact increased potable water revenues by \$122k YTD. Without this adjustment, potable revenues would be unfavorable by 7%
					FYTD Actual
					<u>\$2,403</u>
					WCAC Revenue
					\$2,281
					WCAC Expenses
					\$2,281
					WCAC revenue deferral/(accrual)
					<u><u>\$122</u></u>
D.	Water Supply Expense	2,281	2,581	300	- The favorable variance was a result of using more Valley/BOU water which is cheaper to produce than imported MWD water.
E.	Operations & Maintenance - Recycled	250	279	29	- The favorable variance is attributable to timing of expenditures on other professional services, and general equipment maintenance & repair .
F.	Allocated O&M	355	416	61	- Allocated O&M is lower than budget due to favorable variances in allocated expenses (Administration, Safety, Finance, Customer Service, Marketing, Construction and Maintenance) from the Electric Fund.
G.	Aid in Construction	116	187	(71)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Estimated August 2020 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): \$517</u>	\$ 198		\$ 198
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	126		126
Recycled Revenues		(18)	(18)
Other Revenue		(62)	(62)
Water Supply Expense	<u>153</u>		<u>153</u>
Total	<u><u>278</u></u>	<u><u>\$ (80)</u></u>	<u><u>\$ 198</u></u>

Estimated August 2020 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: \$661</u>	\$ 595		\$ 595
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	239		239
Recycled Revenues		(23)	(23)
Other Revenue		(159)	(159)
Water Supply Expense	300		300
Total	<u>\$ 539</u>	<u>\$ (182)</u>	<u>\$ 357</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	99		99
Recycled Water O&M	29		29
Allocated O&M	61		61
Depreciation Expense	24		24
All Other	26		26
Total	<u>\$ 238</u>	<u>\$ -</u>	<u>\$ 238</u>

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

	<u>Aug-20</u>	<u>Jul-20</u>	<u>Jun-20</u>	<u>Mar-20</u>	<u>Dec-19</u>	<u>Sep-19</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments									
General Operating Reserves	\$ 9,901	\$ 8,173 ^(e)	\$ 8,637 ^{(c) (d)}	\$ 8,826	\$ 16,341	\$ 13,174	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>12,121</u>	<u>10,393</u>	<u>10,857</u>	<u>11,046</u>	<u>18,561</u>	<u>15,394</u>	<u>13,775</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,073)	(1,172)	(1,227)	(1,504)	(1,650)	(1,252)	(1,454)		
Cash and Investments (less commitments)	<u>\$ 11,048</u>	<u>\$ 9,221</u>	<u>\$ 9,630</u>	<u>\$ 9,543</u>	<u>\$ 16,911</u>	<u>\$ 14,142</u>	<u>\$ 12,321</u>	<u>\$ 17,830</u>	<u>\$ 9,370</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.