



WATER AND
POWER



8A.

CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

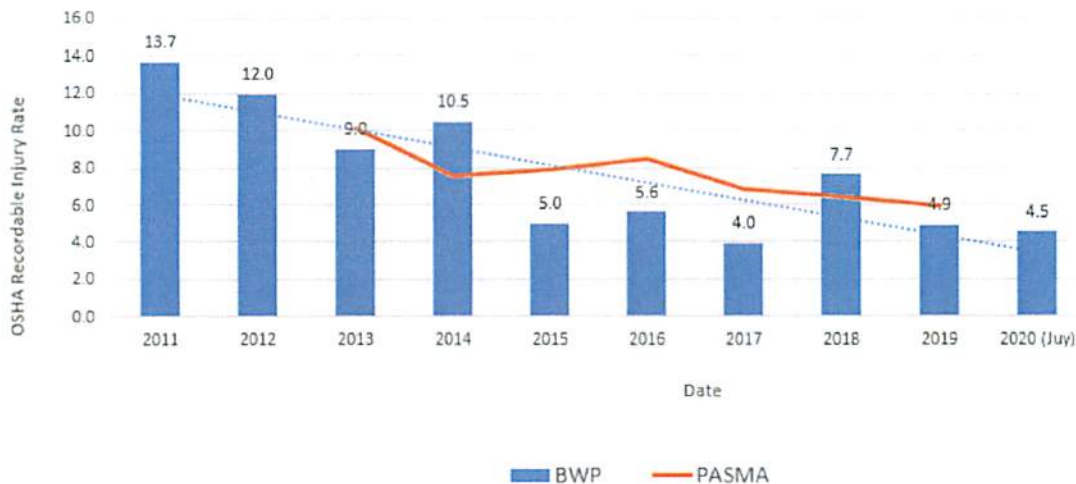
DATE: September 3, 2020
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: July 2020 Operating Results

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

SAFETY

For the month of July, BWP experienced zero OSHA recordable injuries. BWP's 12 month rolling rate for the end of this reporting period is 4.5.

TOTAL RECORDABLE INJURY RATE (TRIR)



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

Water Estimated Financial Results

For the month of July, Potable Water usage was 3% (13 million gallons) lower than budgeted and Potable Water Revenues were \$113,000 better than budgeted. Recycled Water usage was on budget and Recycled Water Revenues were \$5,000 worse than budgeted. July Water Supply Expenses were \$148,000 better than budgeted. July's Gross Margin was \$154,000 better than budgeted. Net Income was a loss of \$98,000, which was \$154,000 better than budgeted.

Electric Estimated Financial Results

For the month of July, electric loads were 11% lower than budgeted. Retail Sales were \$2,699,000 worse than budgeted. July Power Supply Expenses were \$1,271,000 better than budgeted. July's Wholesale Margin was \$502,000 better than budgeted. July's Gross Margin was \$1,206,000 worse than budgeted. Net Income was a loss of \$1,881,000, which was \$1,206,000 worse than budgeted.

COVID-19 "Safer at Home" Order Impacts

Financial Impacts

July's results reflect the fourth full 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.

Based on the estimated impacts of the Order, the current year's adopted budget has a 5% lower energy demand and a 3% lower potable water usage as compared to last year's budget.

The July potable water usage was 3% below the budgeted amount, primarily as result of lower demand from commercial customers. Commercial customers account for approximately 25% of Burbank's water potable sales.

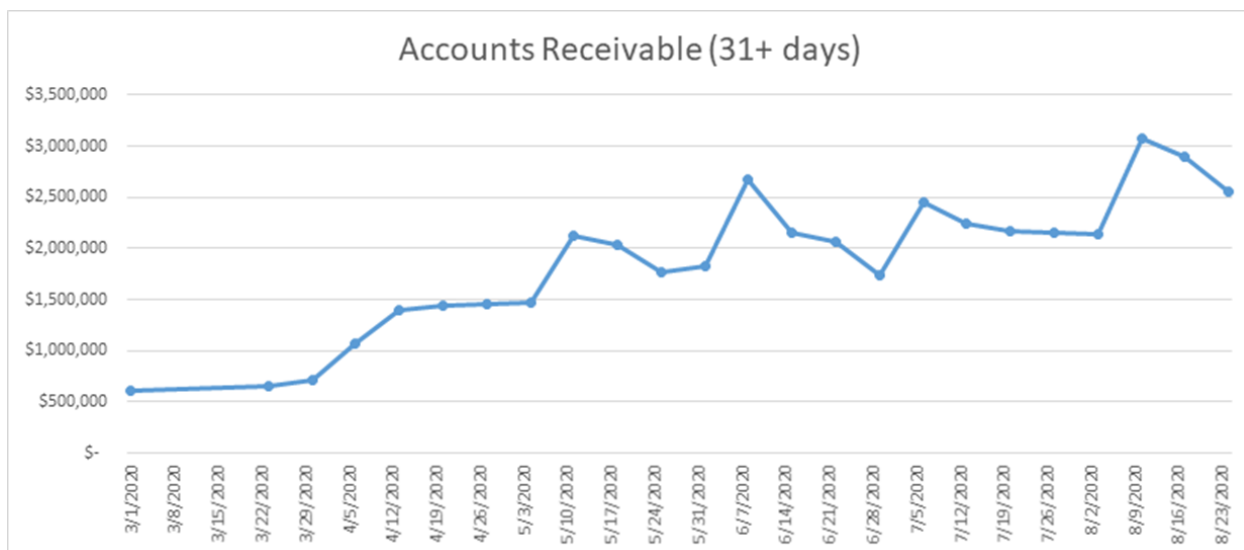
The July energy usage was 11% below the budgeted amount, primarily as a result of lower demand from commercial customers. Since commercial customers account for approximately 75% of electric sales, the Electric Fund is impacted more by the Order than the Water Fund.

At the August 6 Board meeting, staff presented "what if" scenarios with four different energy and water demand recovery dates beginning in October 2020, January 2021, April 2021 and July 2021. As compared to the budget, the Water Fund scenarios resulted in lower net incomes ranging from \$41,000 to \$321,000 and the

Electric Fund scenarios resulted in lower net incomes ranging from \$4,600,000 to \$8,600,000.

Accounts Receivables

The chart below shows the drastic increase for receivables that are over 31 days old for BWP's Electric and Water Funds.



*Excludes in-lieu and 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 51% of capacity and 72% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 56% of capacity and 82% of average. In Southern California, SWP's Castaic Lake is at 93% of capacity and 111% 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 July 2020 compared to July 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
July 2019	154 gpcd	131 gpcd
July 2020	155 gpcd	136 gpcd

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

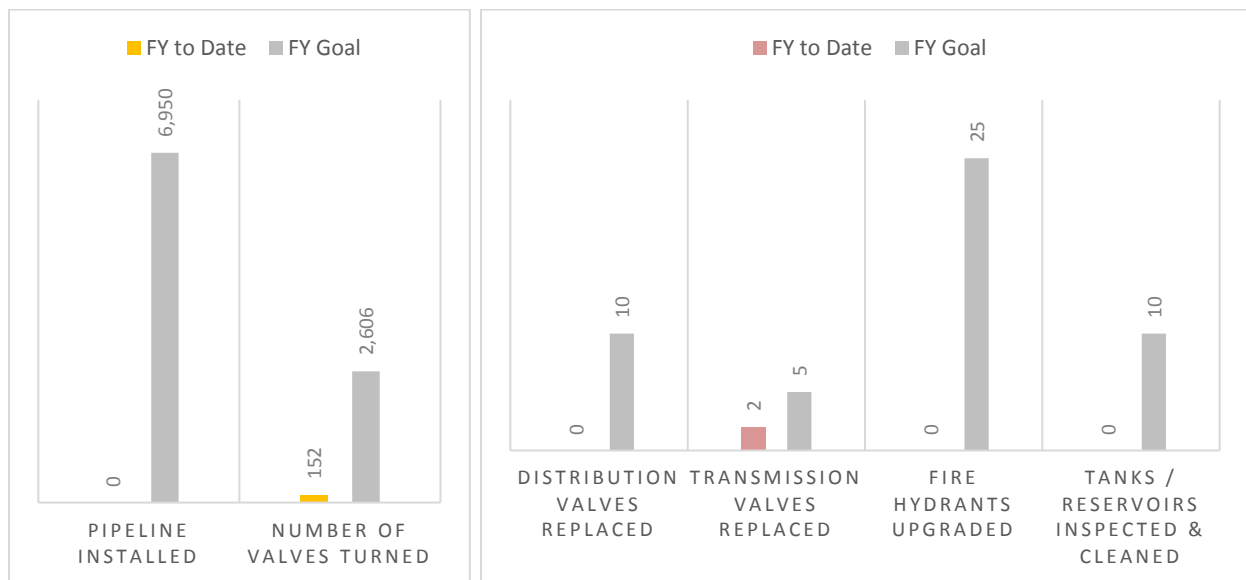
Burbank Operating Unit (BOU) Water Production

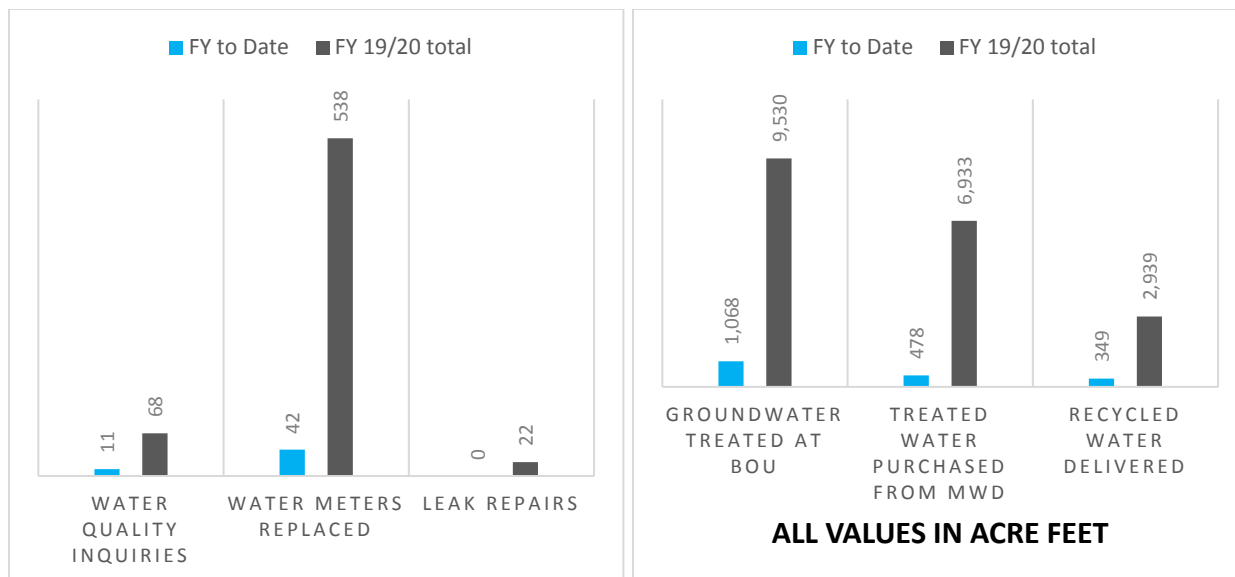
The table below provides the operational data for the BOU for the rolling quarter of May through July.

	Capacity Factor	Average Flow Rate (FY Total)
May 20	68.87%	6199 gpm
June 20	73.23%	6591 gpm
July 20	87.63%	7887 gpm

Key Performance Indicators

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





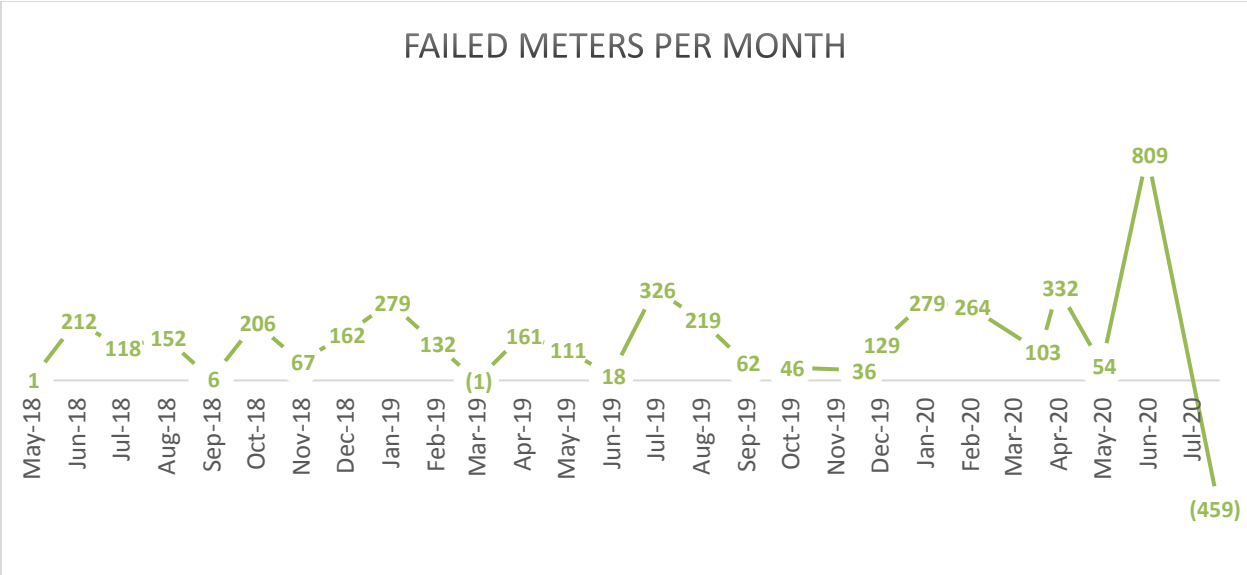
Leak Alert Notifications

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, we have 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 July 2020, 4,026 communication modules are not working properly out of 26,985 meters (about 15%). That is a decrease of 459 meters since last month. A collector failed (that would account for the large number of meters not read) and we are checking the meter database for possible errors (the number of meters that were read increased since June).

We 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, we are now in the process of notifying additional customers.



Projects

Kenwood & Cohasset:

In this picture, our water service crew is transferring a domestic 2-inch water service line from a 6-inch cast iron main that will be abandoned to a new 12-inch ductile iron water main. Doing so increases water system reliability and provides greater hydraulic capacity.

Shown below are two pits – a launching pit and a receiving pit. A “power mole” is used to bore from one pit to the other and the water service line can then be installed without having to trench across the whole street and lessens the impact to traffic. Using trenchless methods like this makes for a more timely and cost efficient street repair.





ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

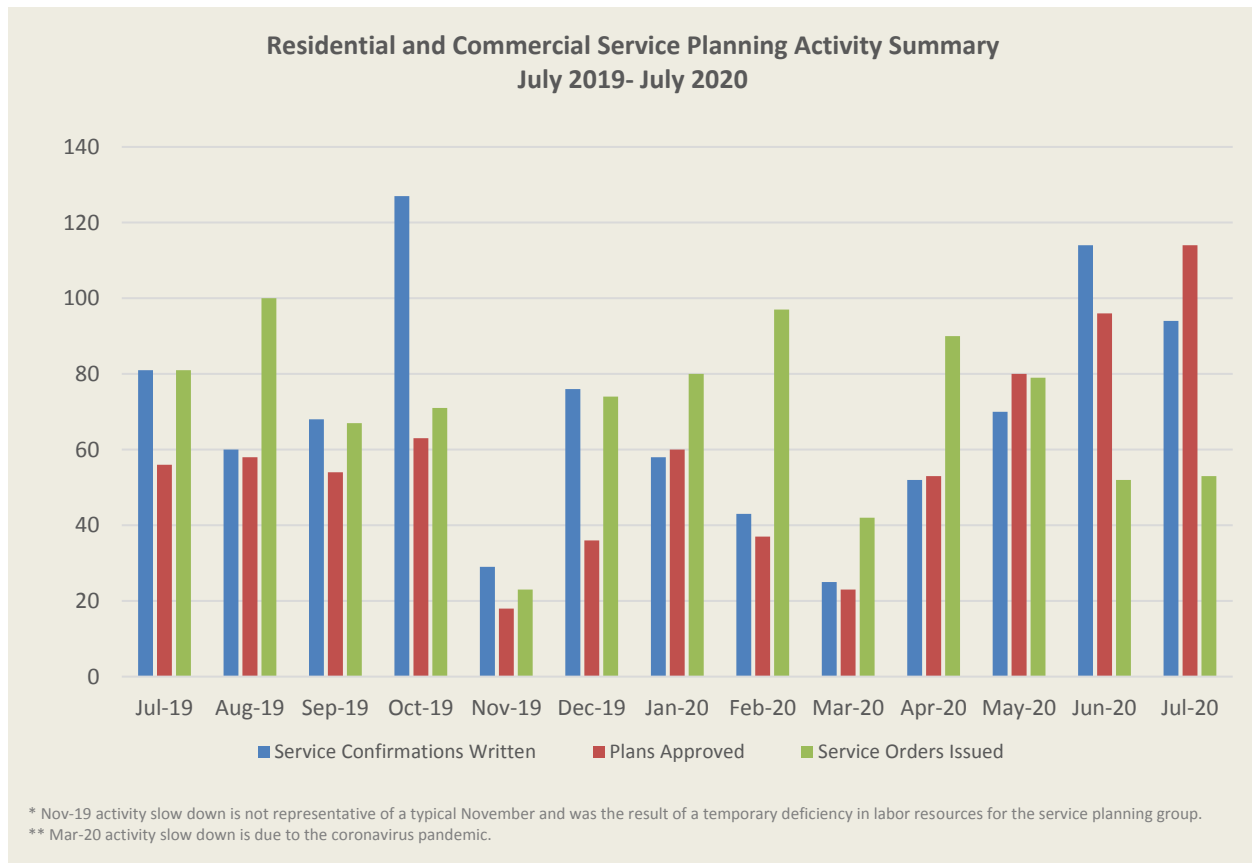
In July 2020, BWP did not experience any sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,691,099 customer minutes.

Reliability Measurement	August 2018 – July 2019	August 2019 – July 2020
Average Outages Per Year (SAIFI)	0.4170	0.3982
Average Outage Duration (CAIDI)	37.56 minutes	20.78 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.3373	0.4039
No. of Sustained Feeder Outages	13	9
No. of Sustained Outages by Mylar Balloons	1	2
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	3	0

PROJECT UPDATES

Residential and Commercial Service Planning Activities

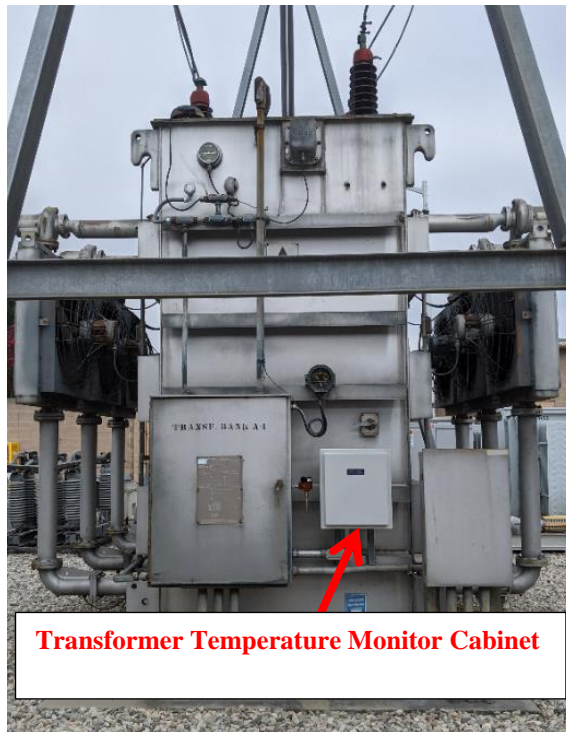
BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing service. In order for a customer to obtain a Building Permit for their construction, BWP Service Planners must visit the customer's facility and fill out an Electric Service Confirmation form which details what type of service is required and how it will be served. After reviewing and approving a customer's electrical plans, BWP Service Planners issue service orders to our field crews to carry out the inspections and electrical service work. The graph below summarizes monthly activity for our Residential and Commercial Service Planning group within the Electrical Engineering Section.



Transformer Temperature Monitor Installations at Lincoln and Valley

BWP has been in the process of installing new temperature monitors for 38 of its 42 substation transformer banks (the remaining four transformer banks already have temperature monitors). As of now, 27 temperature monitors have been installed on some of our oldest or most heavily loaded substation transformers. Pursuant to the Electric Distribution Master Plan, BWP has targeted to complete the remaining installations by Fiscal Year 2022-23.

In July, BWP installed transformer temperature sensors and two transformer temperature monitors to each of the substations at Lincoln and Valley. The new monitors transmit transformer oil and winding temperatures to the Energy Control Center (ECC) and allow for automatic control, as well as remote control of transformer cooling fans from the ECC. System operators and engineers will use temperature information to quickly identify abnormal operating conditions and determine whether a substation transformer is loaded beyond its normal rating.



Transformer Temperature Monitor Cabinet

Lincoln Transformer Bank A-1 Before Installation and After Installation



Transformer Temperature Monitor Cabinet

Valley Transformer Bank A-1 Before Installation and After Installation

4 kV Circuit Breaker Replacement at Clybourn

The 4 kV circuit breaker used for isolating the Clybourn Cap Bank was not opening as quickly as designed. After performing additional maintenance on this breaker, it was determined that it could not be brought back to original design specifications. As such, this breaker was removed and replaced with new vacuum circuit breaker (VCB). The new VCB opens faster than the original breaker which means they do a better job of protecting equipment and reducing arc flash exposure to personnel.

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, 65.46% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,423 MWh or a 36.93% reduction in energy consumption. LED conversions have also reduced evening load by 781 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

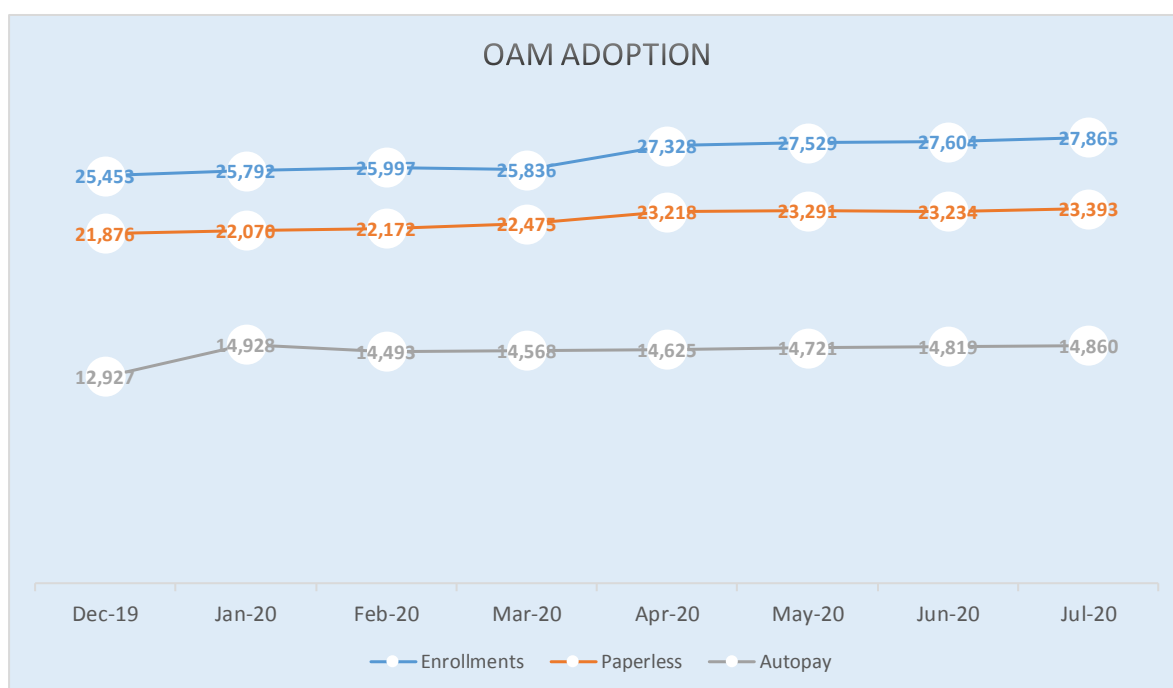
Call volume increased by 11% in July. The increase was mainly due to an influx of scam calls where scammers threatened to disconnect service if a payment was not made immediately. Customer Service and Marketing continue to take proactive measures to inform customers of this scam, especially since BWP is currently not disconnecting services due to the current economic condition. As a result of the moratorium placed on disconnecting services and late fees, BWP has seen a decline in receivables in recent months. However, July proved to be favorable with a 15% increase in payments.

Call Types	% of Calls
Balance	22%
Scam	10%
Residential Stop Service	8%
Residential Start Service	6%
Update Customer Account Info	5%

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	% Inc/Dec
Call Volume	5,507	5,417	4,675	5,374	4,330	5,389	4,778	4,337	4,320	3,543	3,392	3,582	4,055	11.0%

Online Account Manager

The enrollment in the Online Account Manager (OAM) is currently at 53% of all active accounts; increase in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about 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 the end of 2021. Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Active Users	27,865	53%
Paperless	23,393	45%
Autopay	14,819	28%

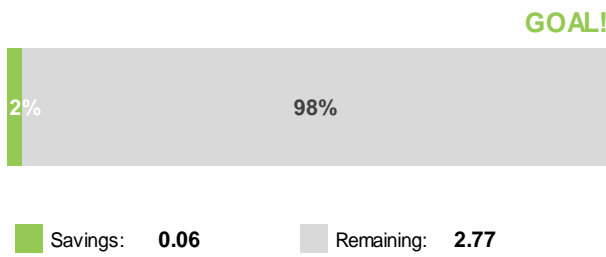
BWP's Energy Efficiency and Water Savings – Fiscal Year to July 31, 2020

To comply with State and Local COVID-19 orders, energy efficiency programs that required home visits were suspended through **July 2020 as the new fiscal year began. As a result of the continued program suspensions due to COVID-19, program activities were significantly reduced for the month of July 2020.** However, commercial program participation continues to significantly contribute to the reported savings for the month of **July 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.

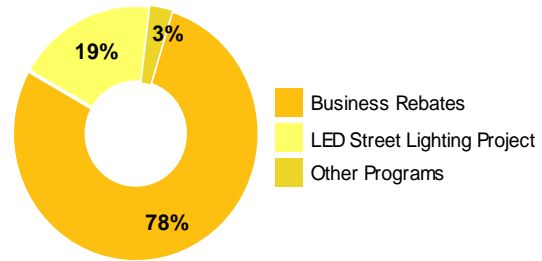
Energy Efficiency Savings FYTD 2020-2021 Period ending on 07/31/2020

1% Demand Goal = 2.83 MW

Demand Savings to Date

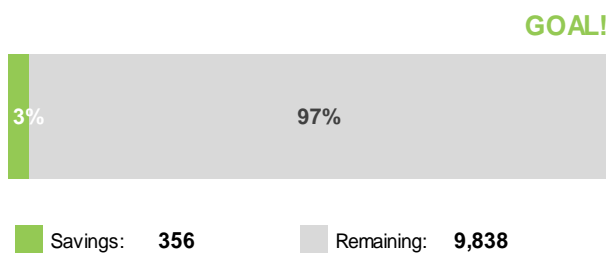


Savings by Program

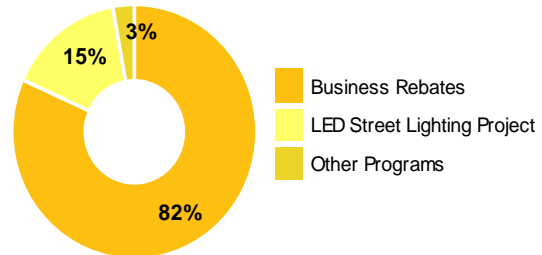


1% Consumption Savings Goal = 10,194 MWh

Savings to Date



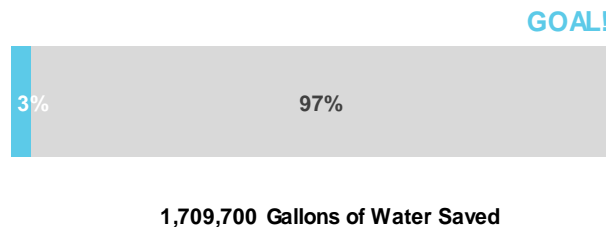
Savings by Program



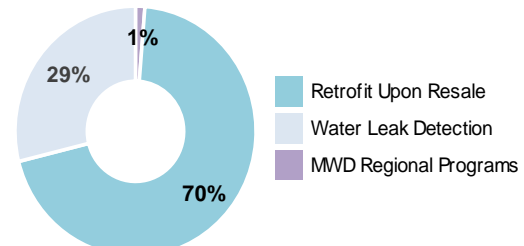
Water Savings Goal FYTD 2020-2021

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

Savings to Date

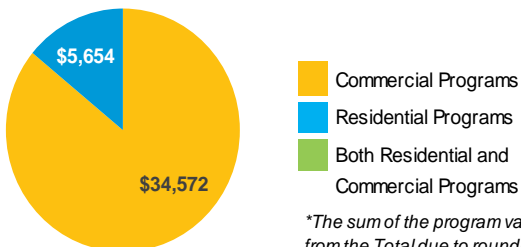


Savings by Program



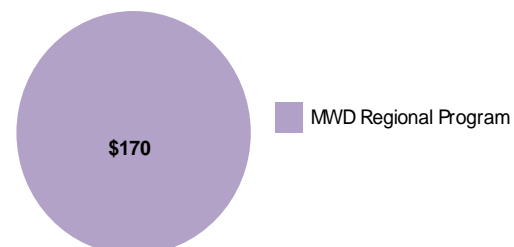
Efficiency Investments FYTD 2020-2021

*Electric Programs: \$40,225



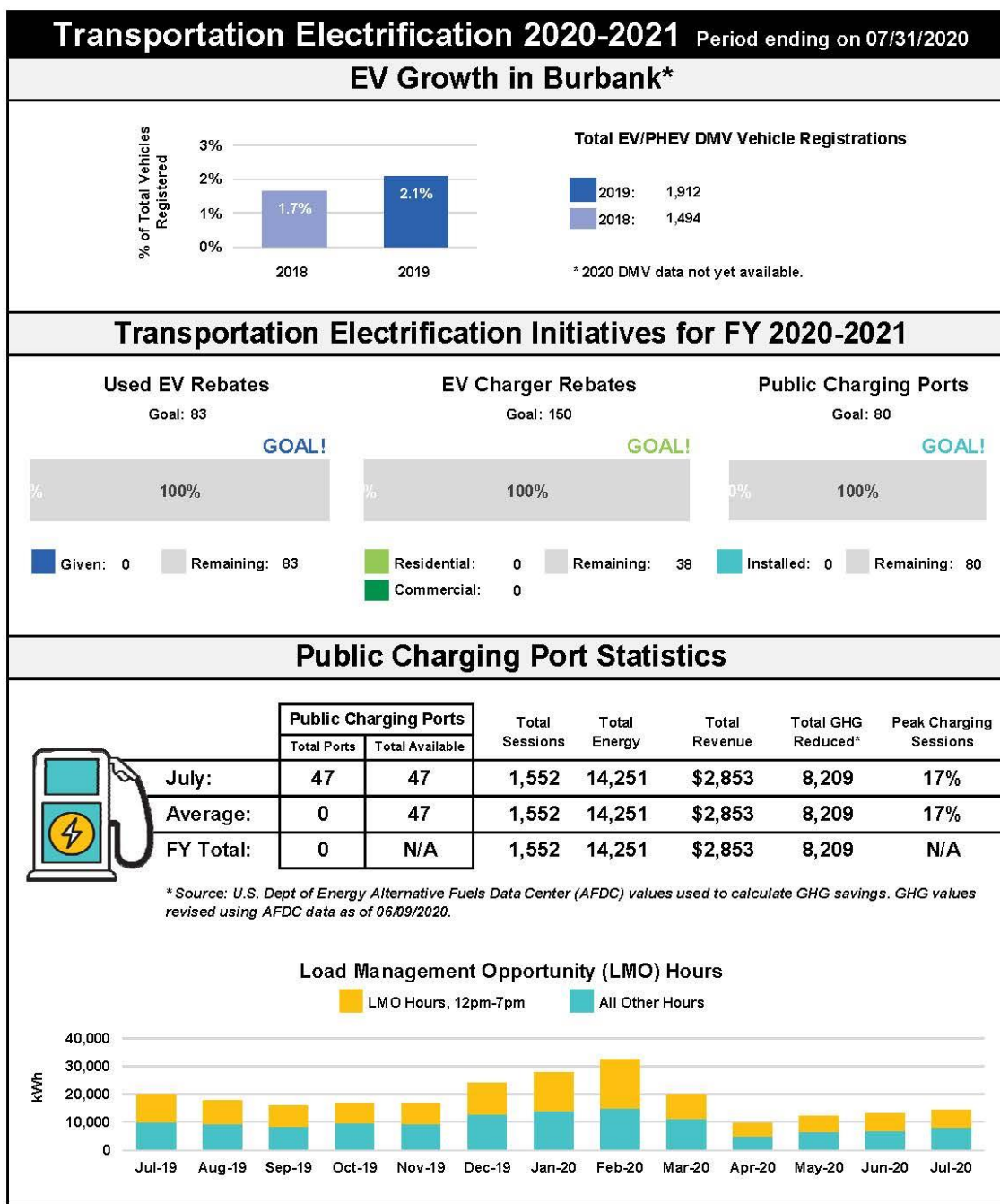
**The sum of the program values differ from the Total due to rounding to the nearest dollar.*

Water Programs: \$170

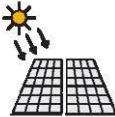
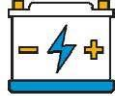
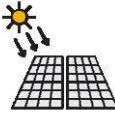
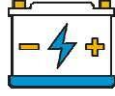


Electric Vehicle (EV) Charging Program

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.



Rooftop Solar and Battery Installations

Customer Rooftop Solar Installations						
July 2020						
Solar Installations 	8	6.10	0.05	Battery Installations 	0	
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations	
	0	0.00	0.00		0	0.0
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)	Energy (kWh)
Total Installations in Burbank (All Time)						
Solar Installations 	865	5.15	4.46	Battery Installations 	17	
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations	
	50	87.00	4.35		125	346.5
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)	Energy (kWh)

TECHNOLOGY

Broadband Services (ONE Burbank)

	July 2020 New Orders	Revenues for July 2020	FYTD 2020-21 Revenues	FYTD Budget
Lit	1	\$117,031	\$117,031	\$131,667
Dark	1	\$193,165	\$193,165	\$197,500
Total	2	\$310,196	\$310,196	\$329,167

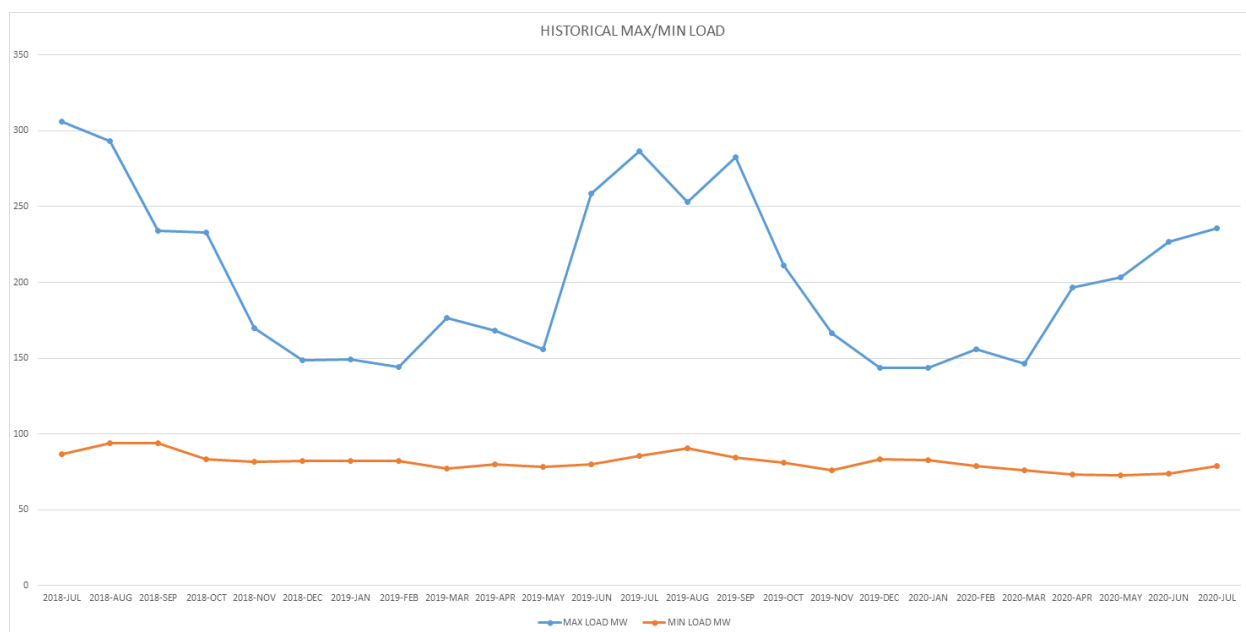
Cyber Security Update – July 2020

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.

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for July 2020 was 235.6 MW at 4:13 PM on July 31, and the minimum load was 78.8 MW at 3:06 AM on July 2.



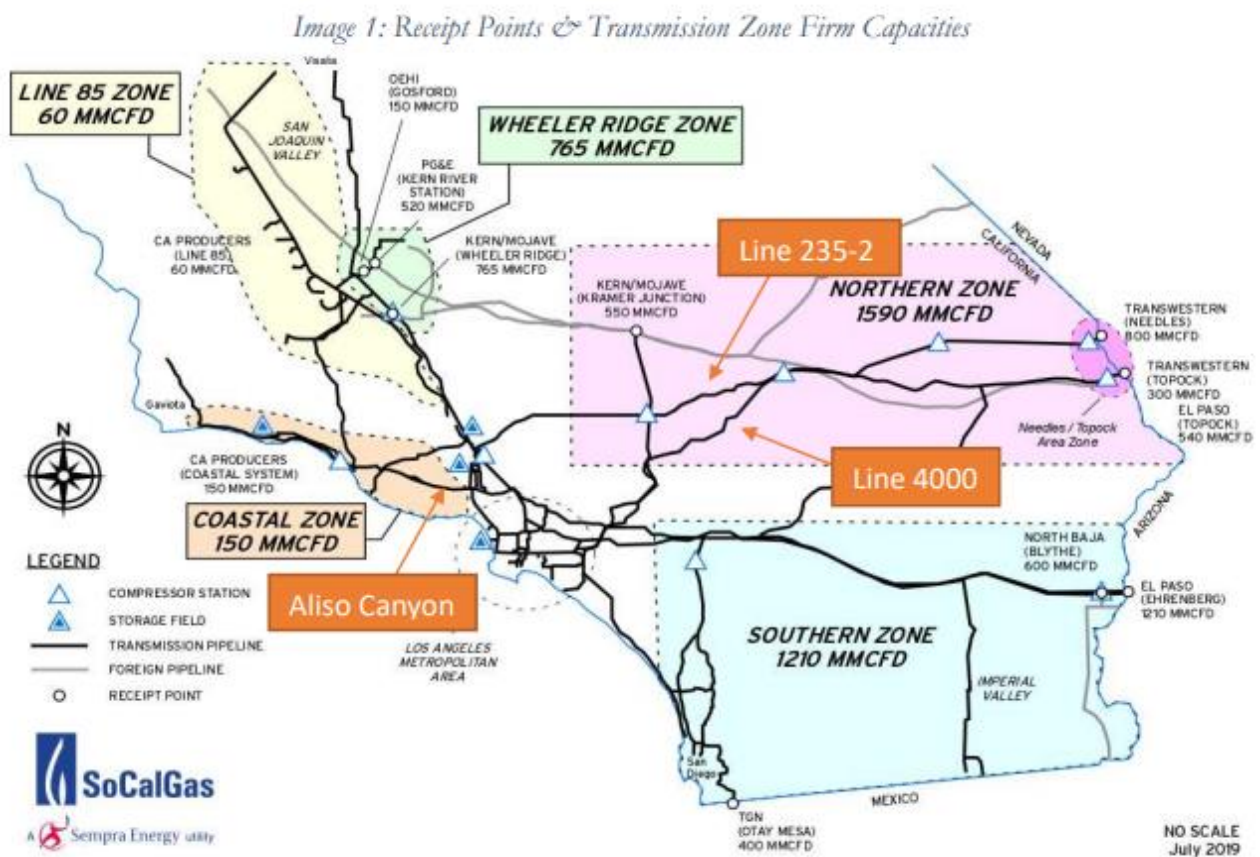
Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2020	235.6 MW	31-July-20 16:13:33
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 a heat wave but did not experience any natural gas supply issues for July 2020.

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.



Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) was again removed from service on January 27, 2020 after a preliminary report was received indicating a single location that needed to be immediately remediated. The repair has been completed and the pipeline was returned to service at a reduced pressure on February 17, 2020.

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.

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 was taken out of service on September 19, 2019 for validation digs. Line 4000 returned to service on October 24, 2019 at reduced pressure.

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	NO_x (lbs)	Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	100%	49	1,629	369	7
MPP	100%	744	137,540	5,604	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 seven times during the month of July.**

Magnolia Power Project (MPP)

	July	FYTD	YTD
Availability	100%	100%	79%
Unit Capacity Factor (240 MW)	77%	77%	57%

There were no plant trips or other outages at MPP during the month of July. The next outage is scheduled for September 11-14, 2020, to perform an offline water wash of the combustion turbine.

Tieton Hydropower Project (Tieton)

Generation began April 6, 2020 with limited water flow controlled by the United States Bureau of Reclamation (USBR). Water flow has varied and allowed for generation up to 18 MW with both units operating for a brief period in July. Rimrock Reservoir, which supplies water to Tieton, is at 93% 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

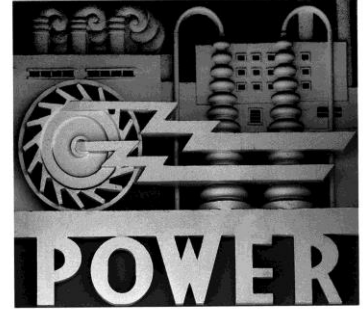
Transmission Update

Negotiations with LADWP, for several existing Transmission Service Agreements, including those associated with Hoover Dam and IPP generation resources are ongoing. A one-year extension of the existing Hoover Transmission Service Agreement was approved by consent by City Council on August 13, 2019. The IPP related Transmission Service Agreement 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 July-20

UNAUDITED

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

MTD FY 20-21	MTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance
97,000	109,083	(12,083)	(11%) ^(a)	NEL MWh	97,000	109,083	(12,083)	(11%)
				Retail				
\$ 14,563	\$ 17,262	\$ (2,699)	(16%)	Retail Sales	\$ 14,563	\$ 17,262	\$ (2,699)	(16%)
342	622	(280)	(45%) ^(b)	Other Revenues ⁽³⁾	342	622	(280)	(45%)
9,532	10,804	1,271	12% ^(c)	Retail Power Supply & Transmission	9,532	10,804	1,271	12%
5,372	7,080	(1,708)	(24%)	Retail Margin	5,372	7,080	(1,708)	(24%)
				Wholesale				
2,712	7,524	(4,812)	(64%)	Wholesale Sales	2,712	7,524	(4,812)	(64%)
2,059	7,373	5,314	72%	Wholesale Power Supply	2,059	7,373	5,314	72%
652	150	502	333%	Wholesale Margin	652	150	502	333%
6,024	7,231	(1,206)	(17%)	Gross Margin	6,024	7,231	(1,206)	(17%)
				Operating Expenses				
1,045	1,045	-	0%	Distribution	1,045	1,045	-	0%
117	117	-	0%	Administration/Safety	117	117	-	0%
232	232	-	0%	Finance, Fleet, & Warehouse	232	232	-	0%
525	525	-	0%	Transfer to General Fund for Cost Allocation	525	525	-	0%
471	471	-	0%	Customer Service, Marketing & Conservation	471	471	-	0%
490	490	-	0%	Public Benefits	490	490	-	0%
35	35	-	0%	Security/Oper Technology	35	35	-	0%
214	214	-	0%	LCFS	214	214	-	0%
133	133	-	0%	Telecom	133	133	-	0%
187	187	-	0%	Construction & Maintenance	187	187	-	0%
1,781	1,781	-	0%	Depreciation	1,781	1,781	-	0%
5,230	5,230	-	0% ^(d)	Total Operating Expenses	5,230	5,230	-	0%
\$ 795	\$ 2,001	\$ (1,206)	(60%)	Operating Income/(Loss)	\$ 795	\$ 2,001	\$ (1,206)	(60%)

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

(\$ in 000's)								
MTD FY 20-21	MTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance
\$ 795	\$ 2,001	\$ (1,206)	(60%)	Operating Income/(Loss)	\$ 795	\$ 2,001	\$ (1,206)	(60%)
				Other Income/(Expenses)				
142	142	-	0%	Interest Income	142	142	-	0%
(2,533)	(2,533)	-	0%	Other Income/(Expense) ⁽⁴⁾	(2,533)	(2,533)	-	0%
(284)	(284)	-	0%	Bond Interest/ (Expense)	(284)	(284)	-	0%
(2,676)	(2,676)	-	0%	Total Other Income/(Expenses)	(2,676)	(2,676)	-	0%
(1,881)	(674)	(1,206)	(179%)	Net Income	(1,881)	(674)	(1,206)	(179%)
1,054	1,054	-	0%	Capital Contributions (AIC)	1,054	1,054	-	0%
<u>\$ (826)</u>	<u>\$ 380</u>	<u>\$ (1,206)</u>	<u>(318%)</u>	Net Change in Net Assets	<u>\$ (826)</u>	<u>\$ 380</u>	<u>\$ (1,206)</u>	<u>(318%)</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 and FYTD are estimated for July 2020.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	97,000	109,083	(12,083)	- NEL is 11% lower than budget, which is driven primarily by the closing of businesses within Burbank due to the "Safer at home" order issued by Los Angeles County officials and California Governor Newsom on March 19th, 2020. The July average high temperature was 86.9°F, the same as the 15 year average high temperature of 86.9°F. MTD CDD were 268 versus the 15 year average of 322.
b.	Other Revenues	342	622	(280)	- 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	9,532	10,804	1,271	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 4 for additional details.
d.	Total Operating Expenses	5,230	5,230	-	- Expenses for July 2020 are estimated at budgeted values.

Estimated July 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>MTD NET INCOME/(LOSS): (\$1,881)</u>		\$ (1,206)	\$ (1,206)
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(2,699)	(2,699)
Power Supply and Transmission			
- Economic dispatch and lower energy prices	754		754
- Lower retail load	266		266
- Lower transmission	151		151
- Lower than planned renewables	100		100
Other Revenues & Other income/(Expenses)		(280)	(280)
Wholesale Margin	503		503
Total	\$ 1,774	\$ (2,980)	\$ (1,206)

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

	Jul-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments								
General Operating Reserve	\$ 52,137 ^(f)	\$ 50,561 ^{(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	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	12,804 ^(g)	17,163	17,062	17,014	16,912	16,817		
Sub-Total Cash and Investments	74,941	77,724	91,029	94,495	88,959	94,137	73,010	42,770
Customer Deposits	(1,643)	(1,811)	(6,300)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(7,360)	(6,990)	(6,849)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(62)	(62)	(255)	(855)	(1,389)	(2,218)		
Low Carbon Fuel Standard ^(c)	(3,397)	(3,642)	(2,267)	(2,267)	(2,267)	(2,267)		
Cash and Investments (less Commitments)	<u>62,479</u>	<u>65,219</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. Amount is still being reviewed.

^(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.

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

MTD FY 20-21	MTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Jul-20 Budget	\$ Variance ⁽²⁾	% Variance
508	521	(13)	(3%) ^(a)	Water put into the system in Millions of Gallons	508	521	(13)	(3%)
111	110	0	0% ^(b)	Metered Recycled Water in Millions of Gallons	111	110	0	0%
Operating Revenues								
2,826	2,713	\$ 113	4% ^(c)	Potable Water	2,826	2,713	\$ 113	4%
445	450	(5)	(1%)	Recycled Water	445	450	(5)	(1%)
21	122	(101)	(83%) ^(d)	Other Revenue ⁽³⁾	21	122	(101)	(83%)
3,292	3,285	7	0%	Total Operating Revenues	3,292	3,285	7	0%
1,137	1,285	148	12% ^(e)	Water Supply Expense	1,137	1,285	148	12%
2,155	2,000	154	8%	Gross Margin	2,155	2,000	154	8%
Operating Expenses								
748	748	-	0%	Operations & Maintenance - Potable	748	748	-	0%
139	139	-	0%	Operations & Maintenance - Recycled	139	139	-	0%
213	213	-	0%	Allocated O&M	213	213	-	0%
175	175	-	0%	Transfer to General Fund for Cost Allocation	175	175	-	0%
355	355	-	0%	Depreciation	355	355	-	0%
1,630	1,630	-	0% ^(f)	Total Operating Expenses	1,630	1,630	-	0%
524	370	154	42%	Operating Income/(Loss)	524	370	154	42%
Other Income/(Expenses)								
21	21	-	0%	Interest Income	21	21	-	0%
45	45	-	0%	Other Income/(Expense) ⁽⁴⁾	45	45	-	0%
(688)	(688)	-	0%	Bond Interest/(Expense)	(688)	(688)	-	0%
(622)	(622)	-	0%	Total Other Income/(Expenses)	(622)	(622)	-	0%
(98)	(252)	154	61%	Net Income/(Loss)	(98)	(252)	154	61%
94	94	-	0%	Aid in Construction	94	94	-	0%
\$ (4)	\$ (159)	\$ 154	97%	Net Change in Net Assets	\$ (4)	\$ (159)	\$ 154	97%

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 and FYTD are estimated for July 2020.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD July 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	508	521	(13)	- Potable water demand was lower than budget. The July average high temperature was 86.9°F, the same as the 15 year average high temperature of 86.9°F. MTD CDD were 268 versus the 15 year average of 322.	
b.	Recycled Water Usage in Millions of Gallons	111	110	0	- Recycled water demand was on budget. Please refer to footnote (a).	
c.	Potable Water Revenue	2,826	2,713	113	- The WCAC impact decreased potable water revenues by \$30k MTD. Without this adjustment, potable water revenues would be favorable by 5%.	
						MTD Actual
					WCAC Revenue	\$1,167
					WCAC Expenses	\$1,137
					WCAC revenue deferral/(accrual)	<u>\$30</u>
d.	Other Revenue	21	122	(101)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.	
e.	Water Supply Expense	1,137	1,285	148	- 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	1,630	1,630	-	- Expenses for July 2020 are at budgeted values.	

Estimated July 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): (\$98)</u>	\$ 154		\$ 154
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	113		113
Recycled Revenues		(5)	(5)
Other Revenue		(101)	(101)
Water Supply Expense	<u>148</u>		<u>148</u>
Total	<u><u>261</u></u>	<u><u>\$ (106)</u></u>	<u><u>\$ 154</u></u>

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

	<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	\$ 9,911 ^(e)	\$ 8,878 ^{(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	5,200	1,300
Sub-Total Cash and Investments	<u>12,131</u>	<u>11,098</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	(1,172)	(1,227)	(1,504)	(1,650)	(1,252)	(1,454)		
Cash and Investments (less commitments)	<u>\$ 10,959</u>	<u>\$ 9,871</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. Amount is still being reviewed.

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