WATER AND POWER

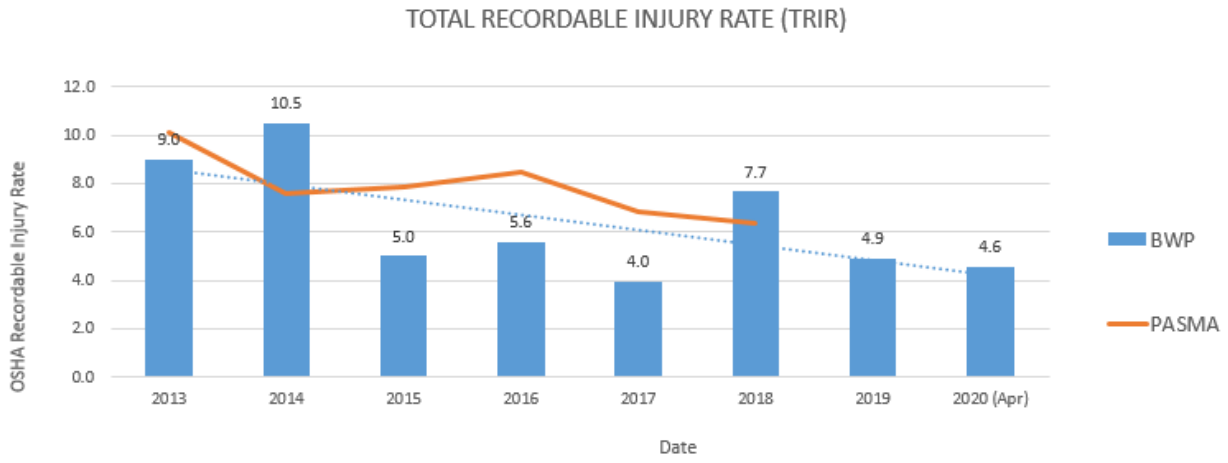
CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT

DATE: June 4, 2020
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: April 2020 Operating Results

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

SAFETY

For the month of April, BWP experienced two OSHA recordable injuries. BWP's 12 month rolling rate for the end of this reporting period is 4.6.



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)
APPA - American Public Power Authority - All Members

Water Estimated Financial Results

For the month of April, Potable Water usage was 8% (31 million gallons) lower than budgeted and Potable Water Revenues were $188,000 lower than budgeted. Recycled Water usage was 29% (23 million gallons) lower than budgeted and Recycled Water Revenues were $86,000 lower than budgeted. April Water Supply Expenses were $12,000 lower than budgeted, corresponding to the lower demand. April's Gross Margin was $273,000 lower than budgeted. Net Income was a loss of $336,000, which was $273,000 lower than budgeted.

April fiscal-year-to-date (FYTD) Potable Water usage was within budget. FYTD April Potable Water Revenues were $134,000 lower than budgeted. FYTD Recycled Water usage was 7% (60 million gallons) lower than budgeted and Recycled Water Revenues were $161,000 lower than budgeted. FYTD Water Supply Expenses were $262,000 higher than budgeted, due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay, resulting to no local water production from February through early part of the March. The FYTD April Gross Margin was $555,000 lower than budgeted. Operating Expenses were $1,536,000 lower than budgeted. Net Income was $949,000, which was $1,031,000 better than budgeted.

Electric Estimated Financial Results

For the month of April, electric loads were 16% lower than budget. Retail Sales were $1,430,000 lower than budgeted. April Power Supply Expenses were $620,000 lower than budgeted. April's Wholesale Margin was $28,000 lower than budgeted. April's Gross Margin was $1,017,000 lower than budgeted. Net Income was a loss of $2,484,000, which was $1,017,000 lower than budgeted.

FYTD April electric loads were 7% lower than budget. Retail Sales were $8,213,000 lower than budgeted. FYTD Power Supply Expenses were $9,286,000 lower than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load), lower retail load, and higher than planned annual true up. FYTD Wholesale Margin was $441,000 lower than budgeted. FYTD Gross Margin was $188,000 lower than budgeted. April FYTD Operating Expenses were $2,302,000 lower than budgeted. Net Income was $1,236,000, which was $2,253,000 better than budgeted.

COVID-19 "Safer at Home" Order Impacts

Financial Impacts

April's results reflect the first full month of the impacts resulting from the COVID-19 pandemic "Safer at Home" order (the order) issued by Los Angeles County and the State of California on Thursday, 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. Historically, approximately 25% of Burbank's water, and 75% of Burbank's electric, load is attributable to its commercial enterprises.

Under the order, April saw a significant decline in water demand from March. April potable water usage was 8% below the budgeted amount; however, some of April's decline can be attributed to a higher than normal rainfall. Looking forward, primarily due to a warmer than normal in May, staff anticipates May's demand for water may be higher than budget.

Under the order, April experienced significantly lower daily energy demand as compared to the budget. April's energy demand was 16% below the budgeted amount. Since commercial load makes up 75% of electric demand, it is understandable that the order's impact is more significant on the Electric Fund than the Water Fund. BWP has observed that its load curves have been largely unchanged with lower peaks and load minimums lower by 5%-6. Preliminary May's load appears to be favorably impacted by higher than average temperatures, but still under the budgeted demand.

At the May 7 BWP Board meeting, staff estimated that if the order remained in effect through June 30, 2020, that the Water Fund would experience a 9% reduction in potable water sales, resulting in a $700k loss in water revenues and a $400k lower water gross margin than originally planned; and the Electric Fund would see an additional 12% reduction in energy sales, resulting in a $4.2 million loss in electric revenues and an electric gross margin that is $3.6 million lower than originally planned. Based on May's preliminary sales, staff has revised its estimated financial impact; staff now expects the May 7 estimated gross margin losses to improve by $500,000 and $250,000 for the Electric and Water Fund, respectively.

At the outset of the pandemic, and prior to similar State orders, the City Manager declared shut off and late fees would be suspended. The relief of this order to Burbank residents and businesses is reflected in BWP's accounts receivables. BWP has seen its past-due accounts receivables more than double from $949 thousand on March 23rd to $2.5 million at May 25th. Staff anticipates that its uncollectable expenses will likely increase and have a negative impact on utility earnings and cash.

Operational Impacts

BWP's goal is to mitigate the spread of COVID-19 and protect its employees while continuing to provide affordable, reliable and sustainable services to the community. BWP is accomplishing this by communicating with, educating and supporting its employees.

Employees were trained on how to maintain social distancing, use various face coverings, disinfect workspaces, and utilize technology to stay connected as a team. If and when operationally feasible, managers have allowed employees to telecommute, work staggered schedules, and created micro teams to ensure for

field crew safety. BWP also continuously evaluates best practices and seeks input from employees on implementing prevention practices.

Staff has been encouraged to take advantage of employee assistance programs if they are feeling troubled during the pandemic and the General Manager has communicated on a consistent basis via email to keep employees aware of developments.

WATER DIVISION

State Water Project Update

On January 24, 2020 the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A amounts from 10% to 15%. Allocations are reviewed monthly based on snowpack and runoff information and are typically finalized by May. Precipitation in the Northern Sierra is at 56% of average to date. Statewide snowpack is 54% of normal for this date. The state gets about 30% of its annual water supply from snowpack. Snow water content is one factor in determining allocation amounts along with reservoir storage and releases necessary to meet water supply and environmental demands.

Lake Oroville, the SWP's largest reservoir, is currently at 70% of capacity and 85% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 80% of capacity and 93% of average. In Southern California, SWP's Castaic Lake is at 91% of capacity and 101% of average.

The 15% allocation amounts to 635,434 acre-feet of water.

Burbank's Water Use

The table below shows water use in Burbank during April 2020 compared to April 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
April 2019	**132 gpcd**	**134 gpcd**
April 2020	**110 gpcd**	**134 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 February through April.

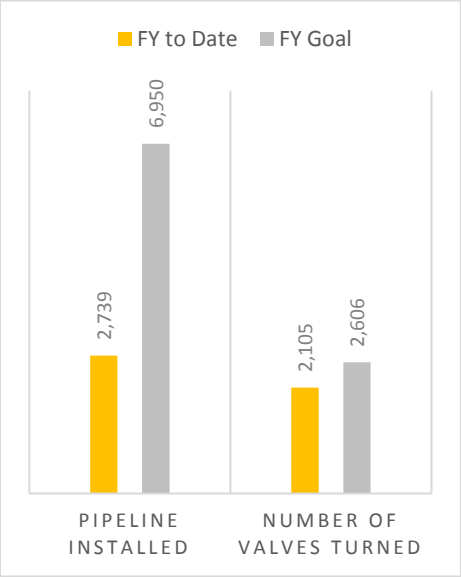
	Capacity Factor	Average Flow Rate (FY Total)
Feb '20	.76%	69 gpm
Mar '20	38.16%	3435 gpm
Apr '20	47.82%	4304 gpm

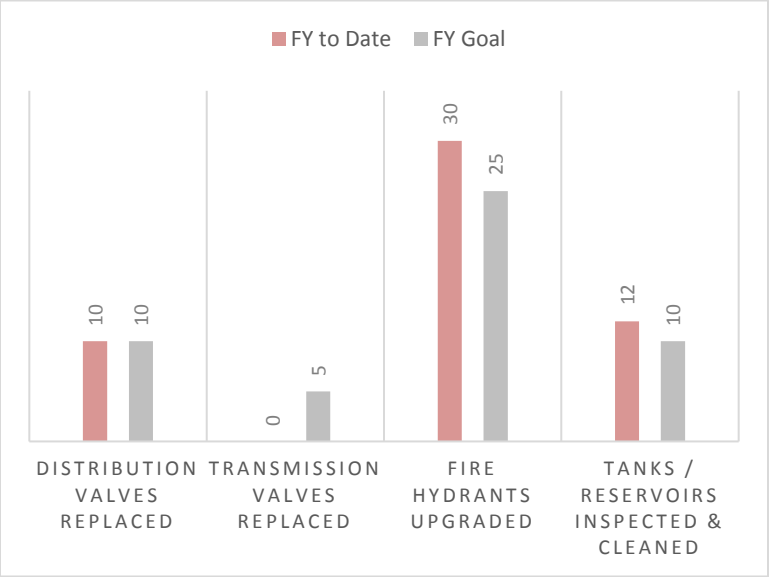
The BOU was off from February 1 through March 11 due to planned maintenance activities of both MWD and BWP. The BOU began producing water on March 11, 2020.

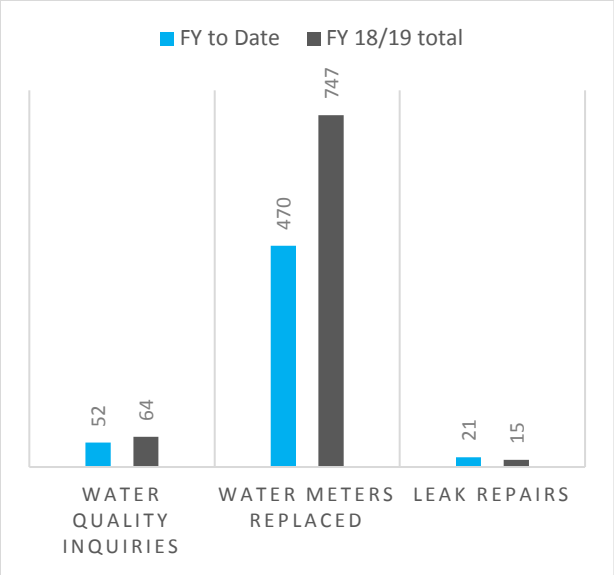
Golden State Substation incident impacted BOU capacity beginning April 10 and into May of 2020.

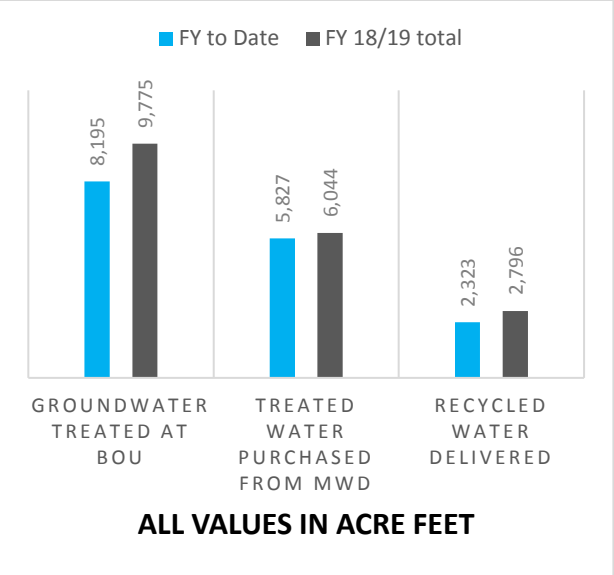
Key Performance Indicators

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 April 2020, 3,622 communication modules are not working properly out of 26,985 meters (about 13.5%). **That is an increase of 332 meters since last month**. 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

During this difficult time, our crew members continue to reinforce safe work practices and social distancing while performing routine fire hydrant flushing maintenance and valve operational maintenance. During this maintenance program, each hydrant and auxiliary valve goes through our standard inspection procedures to ensure proper operation when needed.

These essential workers are in the public eye at all times and by following safe work practices, they provide good public relations and messaging, which is valuable both in normal times and during a crisis like this one.

ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In April 2020, BWP experienced five sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,453,922 customer minutes.

Reliability Measurement	May 2018 – April 2019	May 2019 – April 2020
Average Outages Per Year (SAIFI)	0.3929	0.3464
Average Outage Duration (CAIDI)	37.58 minutes	21.64 minutes
Average Service Availability	99.997%	99.999%
Average Momentary Outages Per Year (MAIFI)	0.2446	0.3473
No. of Sustained Feeder Outages	11	10
No. of Sustained Outages by Mylar Balloons	2	2
No. of Sustained Outages by Animals	0	0
No. of Sustained Outages by Palm Fronds	3	0

GOLDEN STATE SUBSTATION OUTAGE

On April 10, 2020, one of two substation transformers at Golden State Substation experienced high amounts of current on its 12kV connection for an extended period of time. This led to a transformer explosion and a complete substation outage, impacting approximately 559 electrical customers. Power was restored to all customers in little more than 3 hours after system operators and line crews worked together to shift electrical load onto circuits from other substations. Preliminary data and engineering analysis indicate that a 69kV circuit breaker did not open for an extended period of time, prolonging the duration of the high current. The root cause of the fault and the extended period of time for the breaker to open is still under investigation. BWP began deployment of its recently acquired mobile substation to serve a portion of the Golden State load. BWP also began restoration of the second substation transformer and its associated equipment in

order to serve the remaining portion of the substation load, which is expected to increase during the upcoming summer months.

Pictures of the substation and the mobile substation are shown below.

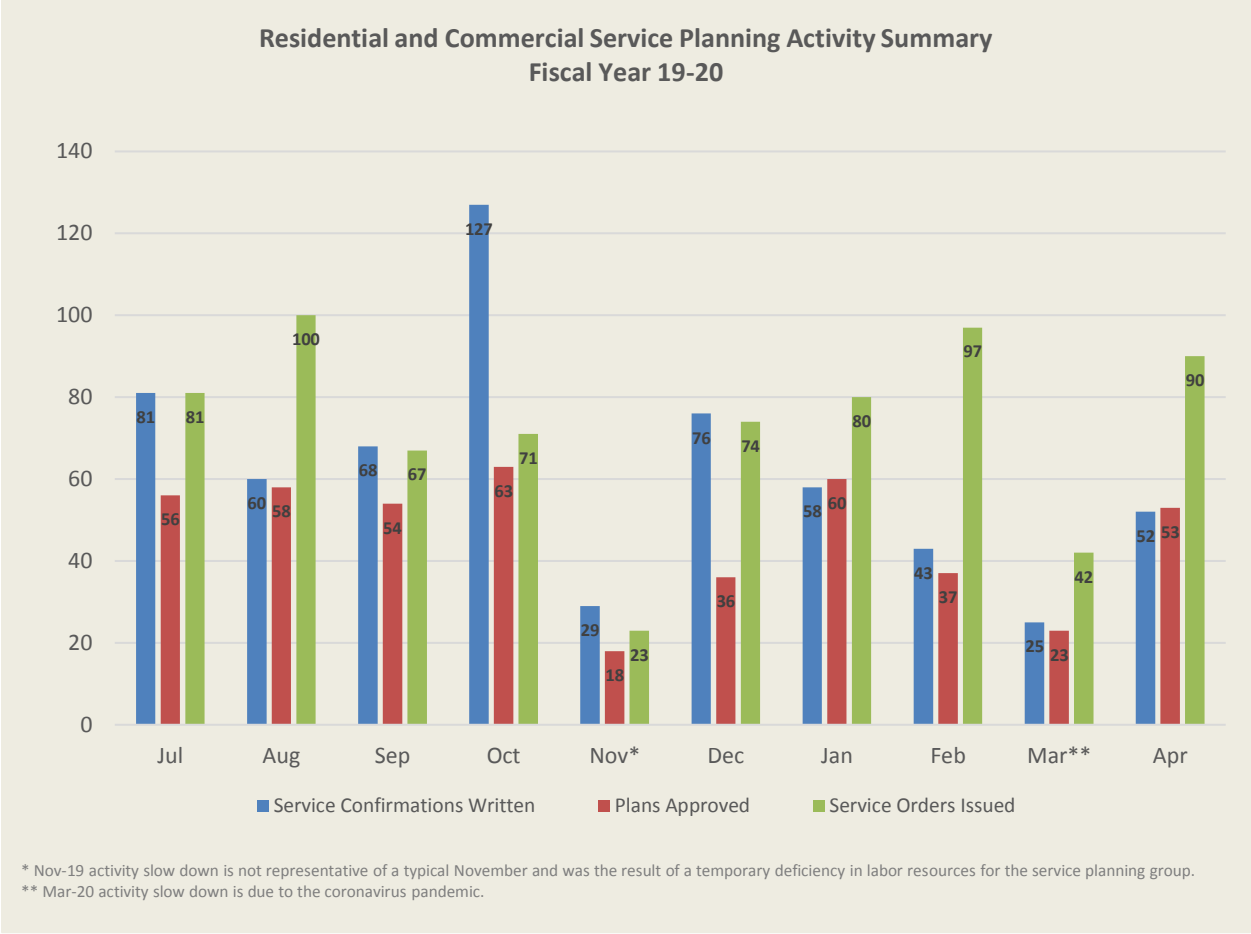
Golden State Substation After Transformer Fire on 4/10/2020

Mobile Substation at Golden State Substation

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.



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, 64.44% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,645 MWh or a 39.33% reduction in energy consumption. LED conversions have also reduced evening load by 832 kW, which shortens the "neck of the duck curve" and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

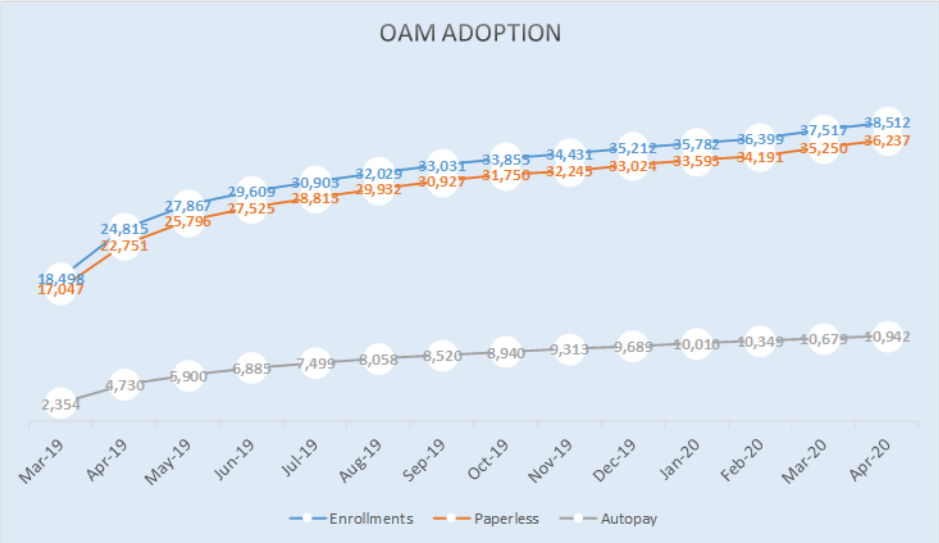
Call volumes in April decreased by 18%. This decline is primarily due to the moratorium placed on disconnection of service for non-payments and late fees due to COVID-19. During this time, there was an increase in customers requesting payment arrangements and inquiries about payment assistance programs. Commercial customers have also inquired about assistance programs.

Call Types	% of Calls
Balance	**27%**
Outage, COVID, & Scam Calls	**13%**
Other/General Questions	**8%**
Update Customer Account Info	**7%**
Account#/PIN	**6%**

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	% Inc/Dec
Call Volume	7,227	5,740	6,310	5,029	5,507	5,417	4,675	5,374	4,330	5,389	4,778	4,337	4,320	**3,543**	**-18.0%**

Online Account Manager

The adoption of the Online Account Manager (OAM) continues to be slightly more than 50% of all active accounts;increase in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, close to 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. Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Enrollments	27,328	52%
Paperless	23,218	44%
Autopay	14,625	28%

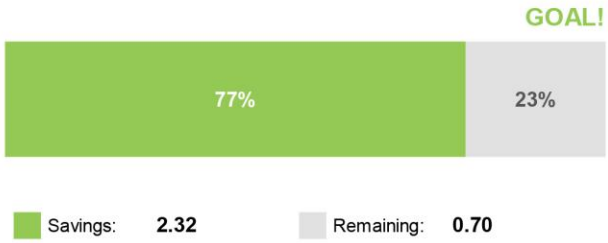
BWP's Energy Efficiency and Water Savings – Fiscal Year to April 30, 20

To comply with State and Local COVID-19 orders, energy efficiency programs that required home visits were suspended through April 2020. Commercial program participation significally contributed to the reported savings for the month of April 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.

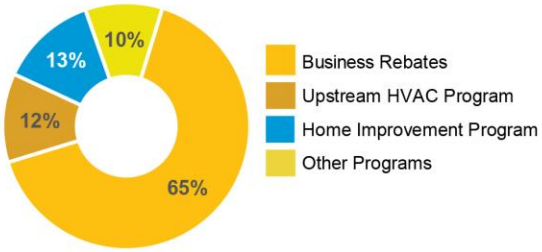
Energy Efficiency Savings FYTD 2019-2020 Period ending on 04/30/2020

1% Demand Goal = 3.02 MW

Demand Savings to Date

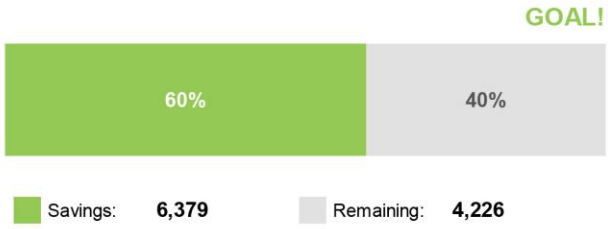


Savings by Program

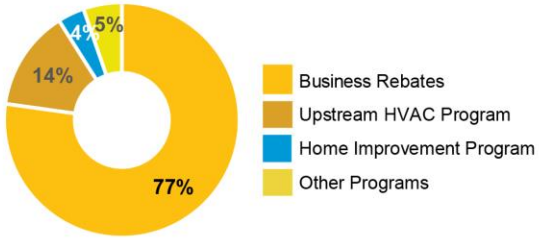


1% Consumption Savings Goal = 10,605 MWh

Savings to Date



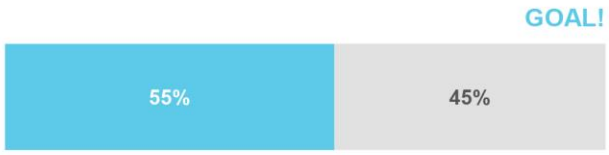
Savings by Program



Water Savings Goal FYTD 2019-2020

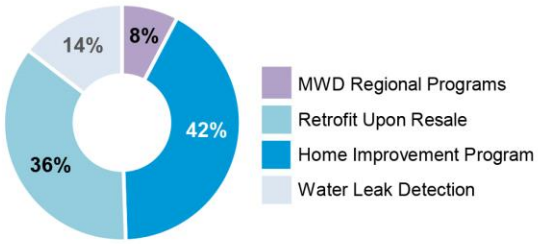
1% (48,457,099 Gallons) Potable Water Savings Goal

Savings to Date



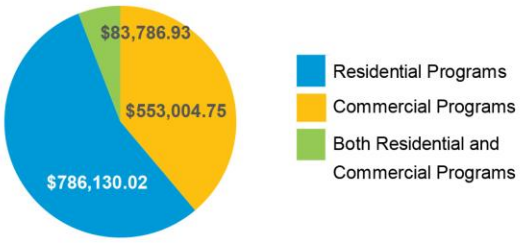
26,575,997 Gallons of Water Saved

Savings by Program

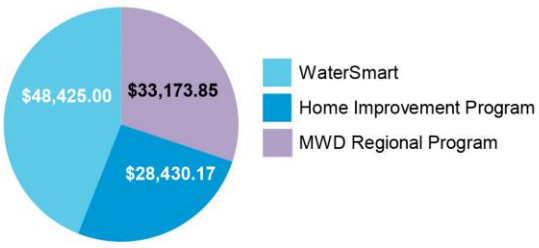


Efficiency Investments FYTD 2019-2020

Electric Programs: $1,422,922



Water Programs: $110,029



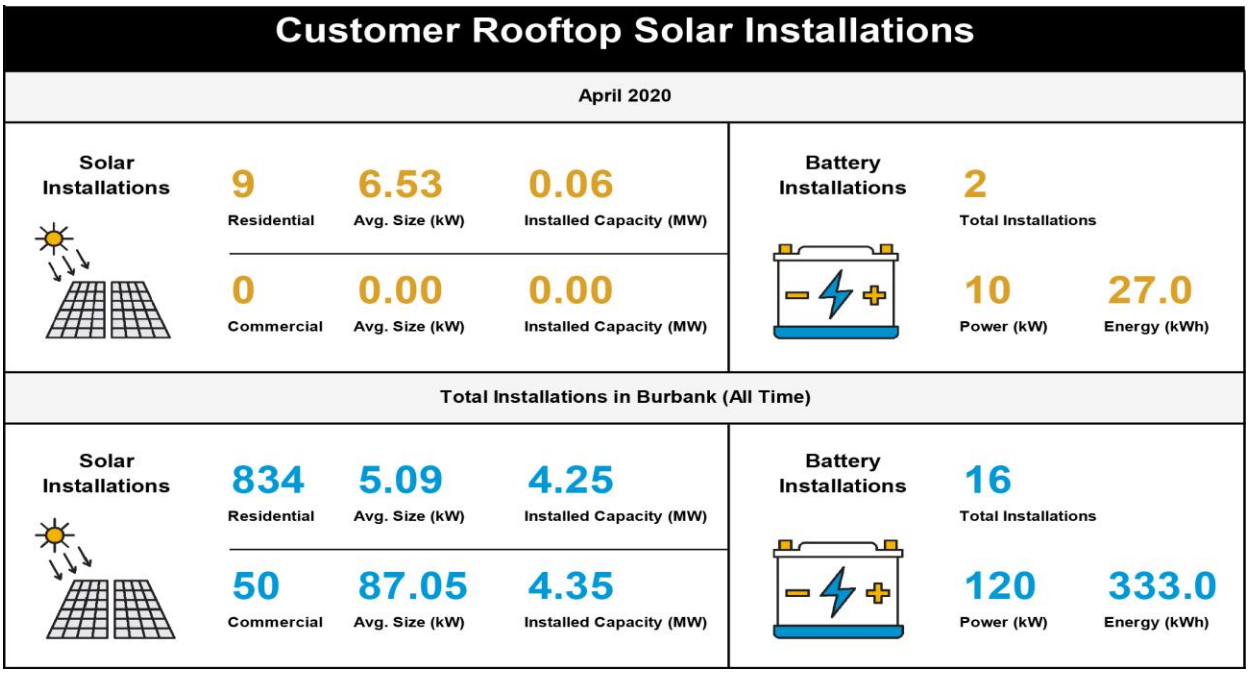
Electric Vehicle (EV) Charging Program

Forty-seven public EV charging ports are installed in Burbank, including 2 DC Fast Chargers and 18 curbside chargers. As of November 1, 2019, pricing for public EV charging is $0.1753 per kilowatt-hour (kWh) for Level 1 and Level 2. For the DC Fast Chargers, the charging rate is $0.2817 per kWh. Reduced public charger usage can likely be attributed to the shelter-in-place order issued in March.

Month of usage	Chargers Available	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station/ Day	% Peak Sessions	Charging Occupancy
Apr 2020	**47**	**9,688**	**$1,724**	**4,069**	**7**	**17%**	**6%**
Mar 2020	46	19,872	$3,536	8,346	**15**	21%	17%
Feb 2020	46	32,566	$5,081	13,674	**26**	22%	22%
Jan 2020	39	27,675	$4,792	11,623	**21**	22%	18%
Dec 2019	40	23,910	$4,463	10,042	**18**	22%	17%
Nov 2019	42	17,028	$3,336	7,152	**13**	23%	14%
Oct 2019	35	16,847	$3,175	7,076	13	22%	14%
Sep 2019	34	15,978	$3,099	6,711	12	24%	16%
Aug 2019	36	17,738	$3,638	7,450	13	24%	14%
Jul 2019	41	19,804	$3,765	8,318	15	22%	16%
Jun 2019	42	24,374	$4,303	10,237	19	21%	23%
May 2019	42	25,756	$4,783	10,818	19	21%	22%
Apr 2019	42	26,501	$4,981	11,131	20	21%	20%
Mar 2019	42	24,810	$4,507	10,420	18	20%	17%
Feb 2019	44	20,127	$3,277	8,453	17	23%	17%
Jan 2019	44	20,706	$3,511	8,696	16	22%	18%

All charging ports are currently in service.

Rooftop Solar and Battery Installations



TECHNOLOGY

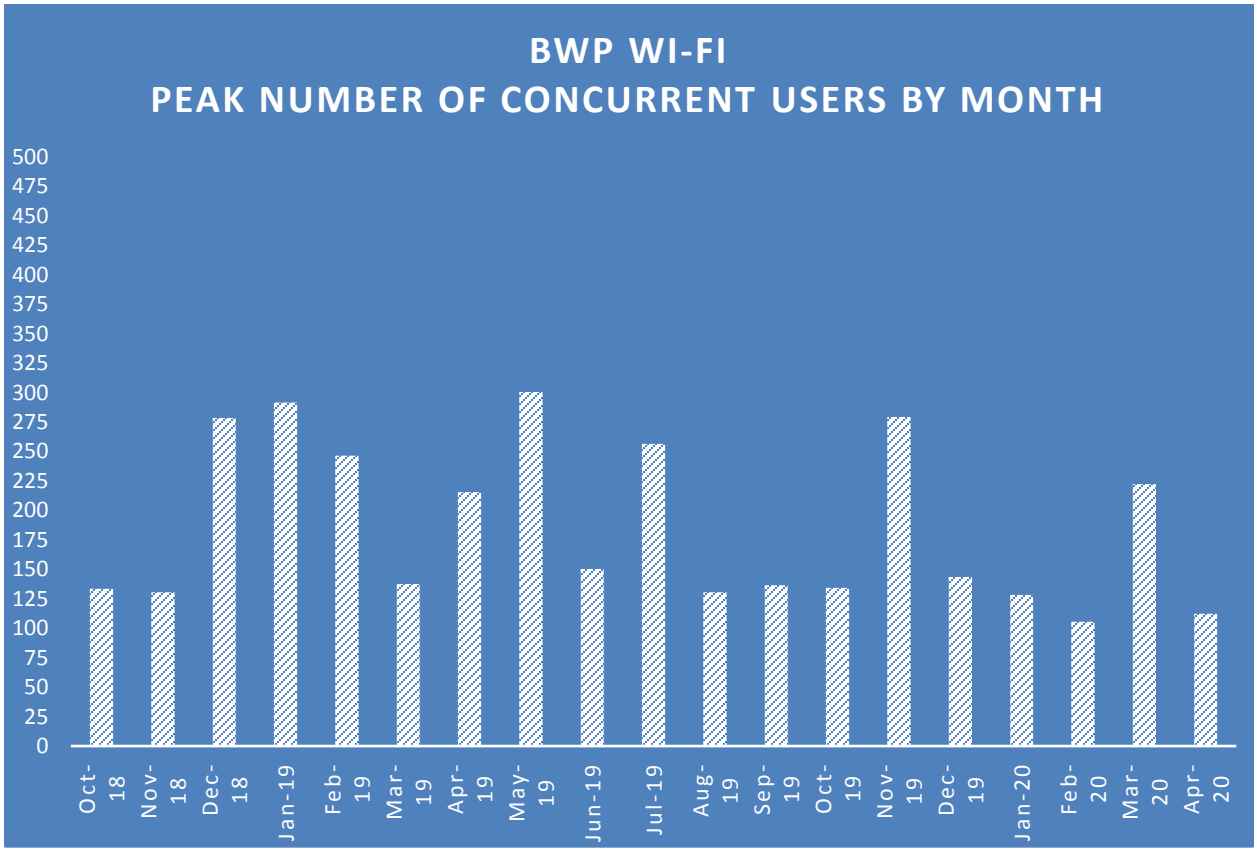
Broadband Services (ONE Burbank)

	April 2020 New Orders	Revenues for April 2020	FYTD 2019-20 Revenues	FYTD Budget
Lit	**6**	**$118,115**	**$1,140,682**	**$1,283,333**
Dark	**1**	**$192,864**	**$2,031,100**	**$1,925,000**
Total	**7**	**$310,979**	**$3,171,782**	**$3,208,333**

BWP WiFi

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

The table below reports the number of users that are active and communicating to the internet (email, browsing, streaming, etc.)



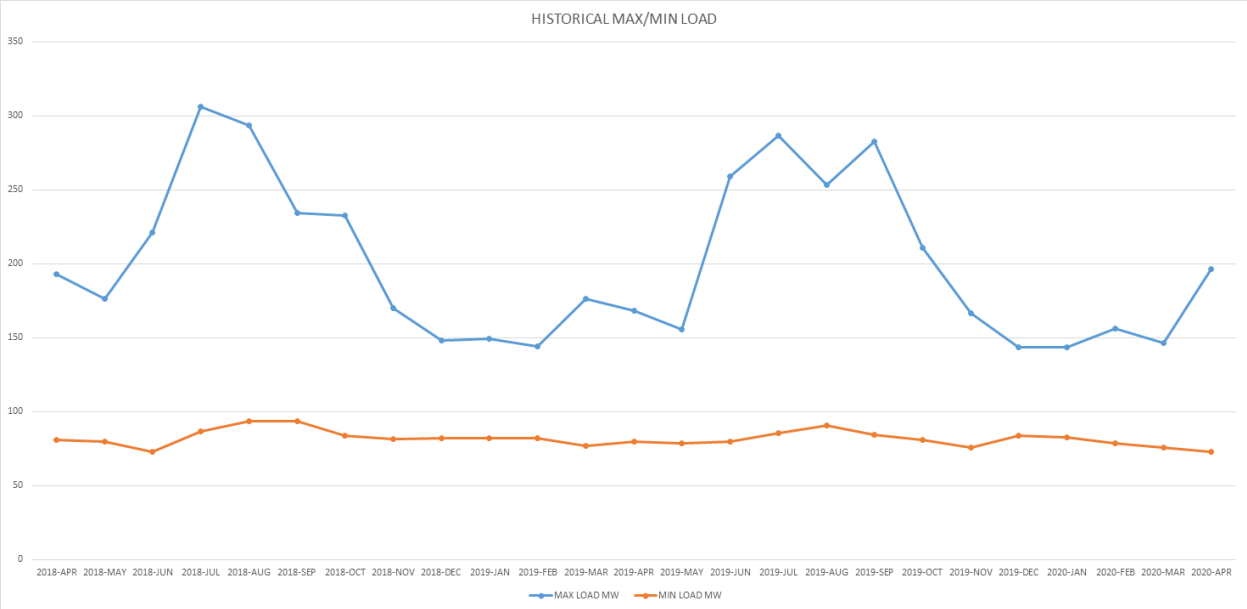
Cyber Security Update – April 2020

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 April 2020 was 196.6 MW at 4:53 PM on Friday, April 24, and the minimum load was 73.1 MW at 3:22 AM on Monday, April 20.



Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2020	196.6 MW	24-April-20 16:53:12
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 April 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. **SoCal Gas withdrew gas from Aliso Canyon 5 days in April, but was unavailable from April 15 – 29 due to low inventory shut-in maintenance.**

On April 29, SoCal gas released their Eleventh Annual Report of System Reliability Issues. This report covers the time period from April 1, 2019 through March 31, 2020. This report provides information on High and Low OFO events, and Aliso Canyon Withdrawal Protocol Events.

High Operational Flow Order (OFO) events are triggered when forecasted storage injection for balancing exceeds the injection capacity allocated for the balancing function.

A total of 43 High OFO events were called from April 1, 2020 through March 31, 2020. This represents a 43% decrease incomparison to the 75 High OFOs called during the previous report period.

Number of High OFOs from April 1, 2019 through March 31, 2020

Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
4	0	2	1	5	8	7	13	0	1	1	1

Low OFO event are triggered when forecasted storage withdrawal used for balancing exceeds the withdrawal capacity allocated for the balancing function.

A total of 67 Low OFO events were called from April 1, 2019 through March 31, 2020. This represents a 52% decrease in comparison to the 139 Low OFOs called during the previous report period.

Number of Low OFOs from April 1, 2019 through March 31, 2020

Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
17	4	8	4	2	2	0	5	10	3	3	9

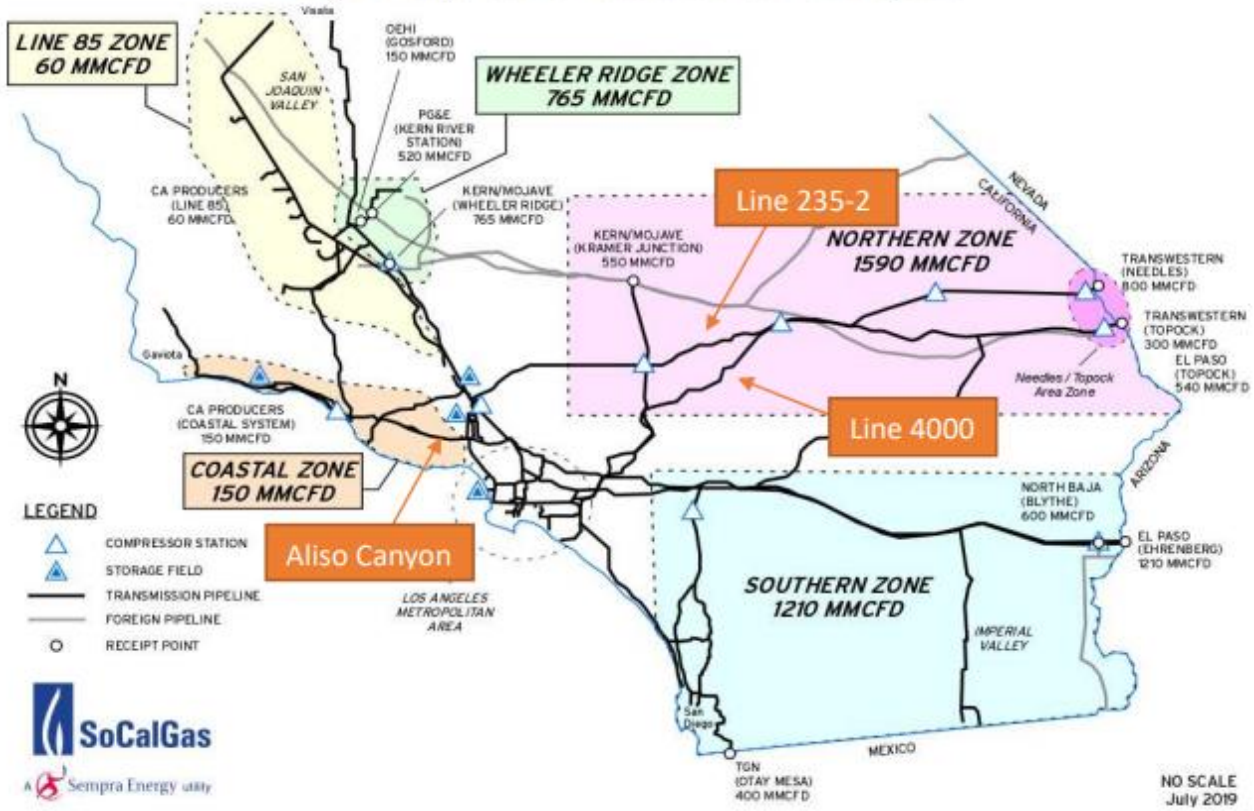
Condition 1 of the Aliso Canyon Withdrawal Protocol (ACWP) allows Aliso Canyon withdrawal capacity to be used on gas when Preliminary Low OFO calculations for

any cycle result in a Stage 2 OFO or higher determination for the applicable gas day.

The ACWP probably helped SoCal Gas and SDG&E customers avoid low OFOs on 44 of the 57 gas days it was implemented.

	Aliso Canyon Withdrawal Protocol Events	Low OFO Declared
Condition Met	**57**	**13**
Condition 1 – Cycle 1	36	9
Condition 1 – Cycle 2	15	2
Condition 1 – Cycle 3	5	2
Condition 4	1	

Image 1: Receipt Points & Transmission Zone Firm Capacities



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.

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%**	**42**	**1,719**	**302**	**1**
MPP	**87%**	**624**	**107,181**	**4,303**	**1**

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

Magnolia Power Project (MPP)

	April	FYTD	YTD
Availability	**87%**	**84%**	**65%**
Unit Capacity Factor (240 MW)	**62%**	**65%**	**47%**

Magnolia Power Plant (MPP) tripped offline on April 26, 2020 at 6:15am due to a third harmonic low voltage relay fault in the combustion turbine generator. Inspection and testing of the generator and related equipment was conducted and no faults were present. An engineering review of the relay settings was also conducted; it was recommended that sensitivity of the relay settings be adjusted to reduce the risk of a false trip during low generation output operation. Relay settings were updated as recommended, and the unit was restored to service on April 30, 2020.

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 between 1.4 MW and 8.2 MW from a single generation unit. Rimrock Reservoir, which supplies water to Tieton, is now at 87% 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

All the required storm water samples for the current reporting year (July 2019 –June 2020) have been collected at the BWP Campus. No additional sampling is necessary. Storm water samples are required to be analyzed by an independent laboratory and the results submitted to the State Water Resources Control Board's online reporting tool. The sample analytical results for this reporting year continue to indicate elevated levels of zinc. BWP is in the environmental review process for a storm water improvement project to address the storm water compliance issues.

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.

Power Generation

Landfill Gas to Energy (LFGTE) Project

The LFGTE microturbines and gas conditioning skid are now fully operational and generating power for the Burbank Electrical System. ACCO Engineered

Systems has assumed responsibility for operating and maintaining the system for the first year.

The Project will be complete following submittal of the air emissions test report. The emissions test was completed on April 29, 2020 and results are pending.

LFGTE System

Attachment:
Electrical Distribution Asset Inspection Report-2019

2019
ELECTRICAL DISTRIBUTION ASSET INSPECTION REPORT
EXECUTIVE SUMMARY

In order to help ensure the safety of our personnel and the public, as well as maintain our renowned electric system reliability, Burbank Water and Power (BWP) performs routine inspections of distribution assets to assess condition and repair/replacement requirements. The types and methods of these inspections are consistent with industry best practices. BWP is transitioning towards having all distribution asset inspections become computer-based, which will streamline data management and enable more effective reporting.

The overall condition of assets was as expected – no "surprises" were discovered, and needed repairs or replacements of assets were performed or scheduled.

INSPECTION RESULTS:

- All patrol inspections for calendar year 2019 were completed.
- Detailed inspections of underground substructures are on an 8-year cycle. Substructures were inspected at a rate which supports the cycle goal.
- Detailed inspections of padmounted equipment are on a 5-year cycle goal. Padmounted equipment was inspected at a rate which supports the cycle goal.
- Detailed overhead facilities inspection processes have been developed. Vendor product development and upgrade issues, along with other higher-priority needs, have delayed the development and release to inspection crews for trial use and review.
- As deteriorated wood poles are discovered, BWP prioritizes and schedules replacements on a regular basis. In 2019, 78 deteriorated wood poles were replaced.
- Streetlight operational problems reported by residents or discovered during patrols were addressed and corrected as soon as practical. BWP staff replaced 1135 less-efficient streetlight luminaires with high-efficiency LED luminaires.
- BWP implements an aggressive line-clearance tree-trimming program that minimizes vegetation-caused outages. City-wide line clearance tree trimming was completed within the last 24 months prior to December 2019.

2019

ELECTRICAL DISTRIBUTION ASSET INSPECTION REPORT

OVERVIEW

Burbank Water and Power (BWP) conducts routine inspections of distribution assets to assess condition and repair/replacement needs. Some of the asset analysis inspections are currently computer-based, while others are still paper-based. It is a goal of BWP to have all distribution asset inspections become computer-based, which will enable effective data management and report generation. Final application development and complete records transfer will likely extend to fiscal year 20/21. Inspection types, points, and methods are in line with industry practices.

Assets determined upon inspection to require repair or replacement are prioritized according to need and based on safety concern, reliability impact, and crew efficiency and availability factors. Assets are assigned a condition level based on several factors, including the previously mentioned elements, and are further evaluated accordingly. The assigned condition levels for distribution assets are:

> Condition Level 1: Immediate repair or replacement required. Asset condition presents a current safety hazard or reliability problem. Corrective action shall be scheduled and performed within 90 days. Inspector shall immediately notify inspection crew supervisor of condition. Crew supervisor will coordinate repair/replacement with the Electrical Distribution Manager and Electrical Engineering. If needed, temporary repairs will be made immediately to mitigate safety and reliability risks.
>
> Condition Level 2: Repair or replacement needed. Asset condition presents an impending safety or reliability concern. Inspector shall notify inspection crew supervisor of condition. Crew supervisor will coordinate repair/replacement with the Electrical Distribution Manager and Electrical Engineering. Repair/replacement shall be scheduled and performed after consultation with Electrical Engineering concerning criticality and priority. To enable effective work order management and scheduling, assets assigned a Condition Level 2 are additionally prioritized using a 2.1, 2.2, or 2.3 rating.
>
> Condition Level 3: Operationally effective repair or replacement needed. Asset condition presents no current or impending safety or reliability concerns. Corrective efforts may be deferred and shall be scheduled when effective manpower and equipment scheduling allows.
>
> Condition Level 4: Pass. Asset condition presents no discovered safety or reliability concerns. Asset is fully functional and serviceable. Okay until next scheduled inspection.

Calendar Year 2019

5 assets were assigned a Condition Level 1; 4 were replaced. The remaining asset is a padmounted transformer discovered in late December 2019 and which requires coordination with the customer.

There are 2 remaining assets assigned a Condition Level 1 prior to 2019. These are underground substructure assets which are part of a replacement project which requires significant planning and coordination. Where needed, reinforcement methods were utilized to prevent performance issues until replacement can be scheduled and completed.

29 assets were assigned a Condition Level 2.1; all were poles, of which 23 were replaced by 3/1/2020. The remaining 6 will be scheduled for replacement as soon as conditions permit.

INSPECTION RESULTS

Underground

BWP performs detailed inspections of the utility's 791 manholes on an 8-year cycle. To remain on schedule, crews need to complete an average of 99 manhole inspections per year. In 2019, 181 detailed manhole inspections were completed.

BWP performs detailed inspections of the utility's 733 primary pull boxes on an 8-year cycle. To remain on schedule, crews need to complete an average of 92 inspections per year. In 2019, 168 detailed primary pull box inspections were completed.

Due to known deterioration issues, BWP has increased the frequency for performing detailed inspections of vaults (manholes containing transformers) and underground switches from a 5-year cycle to a 3-year cycle. In 2019, 3 of the remaining 29 vaults were replaced with padmounted transformers and 2 of the underground switches were removed. All 26 of the vaults in the BWP system and all 3 of the underground switches currently remaining in the BWP system were inspected in 2018, within the current 3-year cycle. Removal of the remaining 3 underground switches is in the planning stages and is expected to occur in 2020. Replacement of 7 vaults is also expected to occur in 2020. Funding has been earmarked, and a project to convert the remaining vaults to padmounted transformers is in the planning stages. Conversion of the remaining vaults is expected to be completed on a prioritized basis by 2023.

BWP maintains underground distribution cable circuits totaling 127.5 circuit miles. Due to observed condition or system needs, BWP proactively replaced 2870 circuit feet of high-voltage cable in 2019. Additionally, 185 feet of high-voltage cable required replacement due to failure of the existing cable or components.

Padmounted Equipment

BWP performs detailed inspections on a 5-year cycle and annual patrol inspections of all of its 955 padmounted switches, transformers, and regulators.

In 2019, patrol inspections of all padmounted equipment were completed.

To remain on schedule, crews need to complete an average of 191 detailed inspections of padmounted equipment per year, 240 were completed in 2019. While the annual pace for 2019 was ahead of schedule, the overall number of inspections performed over the last 5 years is behind schedule. With an increased rate of inspections also planned for 2020, we anticipate getting back on schedule to complete detailed inspections of all padmounted equipment within a 5-year cycle period.

Overhead Facilities

The BWP overhead electrical-distribution system consists of 10,679 wood poles, approximately 205 circuit miles of conductor, 4,685 transformers, 395 switches, and 53 capacitor banks. In 2019, patrol inspections of all overhead facilities were completed.

A computer-based Detailed Overhead Inspection process is planned for development. Vendor product development and upgrade issues, along with other higher-priority needs, have delayed the development and release to inspection crews for trial use and review.

Wood Poles

As deteriorated poles are discovered, BWP prioritizes and schedules replacement on a regular basis. As part of an ongoing 4kV to 12kV rebuild and conversion effort, many older poles are replaced each year. In 2019, 78 deteriorated poles were replaced, and 173 poles were replaced as part of Capital Projects or customer-related projects.

An intrusive inspection is required for all wood poles that have been in service for 25 years and every 20 years thereafter. BWP has partnered with Osmose Utilities Services, Inc. to perform wood-pole intrusive inspections. In 2019, no intrusive inspections were schedule to be performed by Osmose. BWP staff performed 73 intrusive inspections on poles located in upcoming project areas. No high-priority pole replacements (Condition Level 1) were identified and a total of six of the poles were determined to require replacement. This resulted in considerable time and

project expense savings as conventional planning would have called for all or most of the 73 poles to be replaced.

Staff is working diligently to schedule replacements of Condition Level 2.1 wood poles and effectively manage the manpower and available budget required to perform the efforts necessary to ensure safety and reliability.

Street Lighting

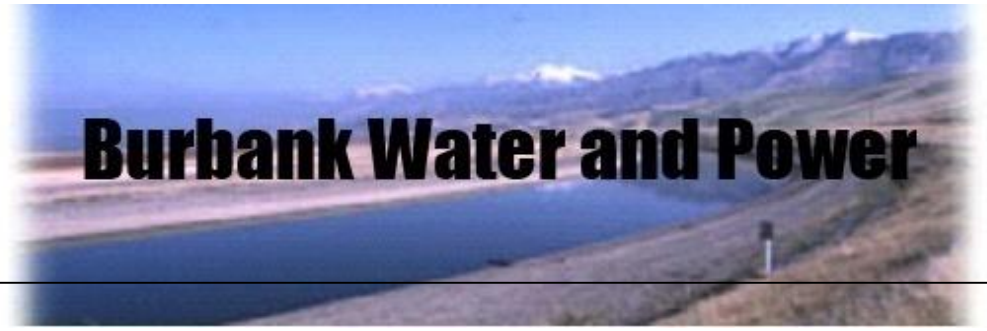
There are 6,381 streetlight standards in BWP's street-lighting system. In 2019, patrol inspections were performed on all streetlight standards.

There are 9,436 streetlight luminaires in the BWP street-lighting system. BWP has a stated goal of addressing all streetlight complaints within one working day of notification received by Electrical Distribution staff. BWP Electrical Distribution staff worked diligently to address all complaints as quickly as practical.

In 2019, BWP staff replaced 1135 less-efficient streetlight luminaires with high-efficiency LED luminaires.

Vegetation Management

BWP executes an aggressive line-clearance tree-trimming program. To effectively manage vegetation in proximity to all BWP overhead facilities, the City has been divided into 19 zones. BWP's line-clearance tree-trimming contractor, currently overseen by an Electrical Distribution Supervisor, performs trimming through the 19 zones on a cyclical basis. As part of BWP's Wildfire Mitigation Plan, a Zone 20 was created to specifically address the facilities and associated vegetation which is located within the Tier 2 Fire Designation Area. All of the area now located within Zone 20 was previously part of other zones. Rather than waiting for its turn in the approximately 30-month Citywide trimming cycle, Zone 20 will be assessed and trimmed, where needed, on an annual basis. Reoccurring "problem" trees are removed when practical. To support emergency situations, capital construction projects, or found conditions, the contracted crews may be called upon to perform trimming or tree removals at specific locations that may be out of the current zone they are working in. Effective use of resources is consistently coordinated. The desired goal is to complete trimming within each of the original 19 zones within a 2- to 3-year cycle rate. As of December 31, 2019, the crews had completed trimming in each of the 19 zones within the last 24 months. Additionally, in 2019, 3,127 trees were trimmed, and 75 "problem" trees were removed to eliminate future growth and repeated interference with power lines.



Estimated Financial Report
April-20

UNAUDITED

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD April 2020
($ in 000's except MWh Sales)

MTD FY 19-20	MTD Apr-20 Budget	$ Variance [2]	% Variance		FYTD FY 19-20	FYTD Apr-20 Budget	$ Variance [2]	% Variance	
72,360	86,505	(14,145)	(16%)	[a]	NEL MWh	886,113	956,187	(70,074)	(7%)	[A]
					Retail				
$ 11,109	$ 12,539	$ (1,430)	(11%)		Retail Sales	$ 133,958	$ 142,171	$ (8,213)	(6%)	
409	587	(179)	(30%)	[b]	Other Revenues [3]	5,051	5,871	(820)	(14%)	[B]
9,281	9,900	620	6%	[c]	Retail Power Supply & Transmission	89,889	99,176	9,286	9%	[C]
2,237	3,226	(989)	(31%)		**Retail Margin**	49,119	48,866	253	1%	
					Wholesale					
363	3,419	(3,056)	(89%)		Wholesale Sales	6,170	39,938	(33,768)	(85%)	
305	3,333	3,028	91%		Wholesale Power Supply	5,612	38,939	33,327	86%	
58	85	(28)	(32%)		**Wholesale Margin**	558	998	(441)	(44%)	
2,295	3,312	(1,017)	(31%)		**Gross Margin**	49,677	49,865	(188)	(0%)	
					Operating Expenses					
915	915	-	0%		Distribution	9,365	9,268	(96)	(1%)	
197	197	-	0%		Administration/Safety	1,176	1,289	113	9%	
226	226	-	0%		Finance, Fleet, & Warehouse	1,873	2,254	381	17%	[D]
507	507	-	0%		Transfer to General Fund for Cost Allocation	5,073	5,073	0	0%	
446	446	-	0%		Customer Service, Marketing & Conservation	3,307	4,455	1,148	26%	[E]
347	347	-	0%		Public Benefits	3,652	3,940	288	7%	
198	198	-	0%		Security/Oper Technology	1,938	1,672	(266)	(16%)	[F]
110	110	-	0%		Telecom	1,052	1,165	113	10%	
183	183	-	0%		Construction & Maintenance	1,512	1,826	314	17%	[G]
1,575	1,575	-	0%		Depreciation	15,438	15,746	308	2%	
4,703	4,703	-	0%	[d]	Total Operating Expenses	44,385	46,688	2,302	5%	
$ (2,408)	$ (1,391)	$ (1,017)	(73%)		**Operating Income/(Loss)**	$ 5,292	$ 3,177	$ 2,115	67%	

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD April 2020

($ in 000's)

MTD FY 19-20	MTD Apr-20 Budget	$ Variance [2]	% Variance		FYTD FY 19-20	FYTD Apr-20 Budget	$ Variance [2]	% Variance	
$ (2,408)	$ (1,391)	$ (1,017)	(73%)	**Operating Income/(Loss)**	$ 5,292	$ 3,177	$ 2,115	67%	
				Other Income/(Expenses)					
162	162	-	0%	Interest Income	1,715	1,622	93	6%	
106	106	-	0%	Other Income/(Expense) [4]	(2,329)	(2,374)	45	2%	[H]
(344)	(344)	-	0%	Bond Interest/ (Expense)	(3,443)	(3,443)	-	0%	
(76)	(76)	-	0%	Total Other Income/(Expenses)	(4,057)	(4,195)	139	3%	
(2,484)	(1,467)	(1,017)	(69%)	**Net Income**	1,236	(1,018)	2,253	221%	
359	359	-	0%	Capital Contributions (AIC)	650	2,187	(1,538)	(70%)	[I]
$ (2,125)	$ (1,109)	$ (1,017)	(92%)	**Net Change in Net Assets**	$ 1,885	$ 1,170	$ 715	61%	

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 miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.
5. MTD is estimated for April 2020; FYTD reports July 2019 through March 2020 actuals.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget		Explanation
a.	Electric Usage in MWh	72,360	86,505	(14,145)	-	NEL is 16% 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. For the month of April, average high temperature was 73.1°F, compared to the normal of 74.5°F. MTD HDD were 145 versus the 15 year average of 111. MTD CDD were 66 versus the 15 year average of 36.
b.	Other Revenues	409	587	(179)	-	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	9,281	9,900	620	-	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	4,703	4,703	-	-	Expenses for April 2020 are estimated at budgeted values.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	886,113	956,187	(70,074)	- NEL is 7% lower than budget, which is impacted 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 . FYTD actual average high temperature from July to October is 86.9°F and the 15 year summer average high temperature is 85.9°F. FYTD actual average low temperature from November to April is 45.0°F and the 15 year average temperature is 45.8°F. FYTD CDD were 1,180 versus the 15 year average of 1,167. FYTD HDD were 1,382 versus the 15 year average of 1,236.
B.	Other Revenues	5,051	5,871	(820)	- 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	89,889	99,176	9,286	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Finance, Fleet, & Warehouse	1,873	2,254	381	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, and the timing of expenditures for software & hardware, and for other professional services.
E.	Customer Service, Marketing & Conservation	3,307	4,455	1,148	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, and lower than planned spending on professional services and software & hardware.
F.	Security/Oper Technology	1,938	1,672	(266)	- The unfavorable variance is primarily attributable to less work on capital and O&M than planned, offset by lower than planned spending on professional services.
G.	Construction & Maintenance	1,512	1,826	314	- The favorable variance is primarily attributable to lower than planned work performed from Power Supply; and the timing of expenditures for private contractual services, custodial services, building grounds maintenance & repair, and regulatory expense.
H.	Other Income/(Expense)	(2,329)	(2,374)	45	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory and assets, as well as the BABS subsidy, which tend to fluctuate. July 2019 includes a one-time pension payment to CalPERS of $3.43M.
I.	Capital Contributions (AIC)	650	2,187	(1,538)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Estimated April 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
MTD NET INCOME/(LOSS): ($2,484)		$ (1,017)	$ (1,017)
MTD GROSS MARGIN VARIANCE			
Retail Sales		(1,430)	(1,430)
Power Supply and Transmission			
- Lower retail load	283		283
- Lower than planned renewables	249		249
- Lower transmission	88		88
Other Revenues & Other income/(Expenses)		(179)	(179)
Wholesale Margin		(28)	(28)
Total	620	(1,637)	(1,017)

Estimated April 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
FYTD NET INCOME / (LOSS): $1,236	$ 2,253		$ 2,253
FYTD GROSS MARGIN VARIANCE			
Retail Sales		(8,213)	(8,213)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	3,280		3,280
- Lower retail load	1,686		1,686
- Lower than planned annual true up	1,529		1,529
- Lower O&M expenses than planned	1,253		1,253
- Lower than planned transmission expenses	845		845
- Lower than planned renewables	693		693
Other Revenues		(820)	(820)
Wholesale Margin		(441)	(441)
Total	9,286	(9,474)	(188)
FYTD O&M AND OTHER VARIANCES			
Distribution		(96)	(96)
Administration/Safety	113		113
Finance, Fleet, & Warehouse	381		381
Customer Service, Marketing & Conservation	1,148		1,148
Public Benefits	288		288
Security/Oper Technology		(266)	(266)
Telecom	113		113
Construction & Maintenance	314		314
Depreciation expense	308		308
All other	138		138
Total	2,803	(362)	2,441

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

	Apr-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserve	$ 63,130	$ 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	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	17,097	17,062	17,014	16,912	16,817		
Sub-Total Cash and Investments	90,227	91,029	94,495	88,959	94,137	73,010	42,770
Customer Deposits	(6,300)	(6,300)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(6,907)	(6,849)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(246)	(255)	(855)	(1,389)	(2,218)		
Low Carbon Fuel Standard [c]	(2,267)	(2,267)	(2,267)	(2,267)	(2,267) [d]		
Cash and Investments (less Commitments)	**74,507**	**75,360**	**77,615**	**73,874**	**77,942**	**73,010**	**42,770**

[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 the sale of $1.15M of LCFS credits.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD April 2020
($ in 000's except Gallons)

MTD FY 19-20	MTD Apr-20 Budget	$ Variance [2]	% Variance		FYTD FY 19-20	FYTD Apr-20 Budget	$ Variance [2]	% Variance	
350	381	(31)	(8%)	[a] Water put into the system in Millions of Gallons	4,329	4,332	(3)	(0%)	[A]
57	80	(23)	(29%)	[b] Metered Recycled Water in Millions of Gallons	746	805	(60)	(7%)	[B]
				Operating Revenues					
1,985	2,174	$ (188)	(9%)	[c] Potable Water	23,758	23,892	$ (134)	(1%)	[C]
241	327	(86)	(26%)	Recycled Water	3,138	3,299	(161)	(5%)	
51	62	(11)	(18%)	[d] Other Revenue [3]	621	619	3	0%	
2,277	2,563	(285)	(11%)	Total Operating Revenues	27,518	27,810	(292)	(1%)	
924	936	12	1%	[e] Water Supply Expense	10,769	10,507	(262)	(2%)	[D]
1,354	1,627	(273)	(17%)	**Gross Margin**	16,749	17,303	(555)	(3%)	
				Operating Expenses					
688	688	-	0%	Operations & Maintenance - Potable	6,274	6,944	670	10%	[E]
139	139	-	0%	Operations & Maintenance - Recycled	1,243	1,393	150	11%	[F]
222	222	-	0%	Allocated O&M	1,776	2,087	312	15%	[G]
172	172	-	0%	Transfer to General Fund for Cost Allocation	1,725	1,725	0	0%	
370	370	-	0%	Depreciation	3,294	3,697	404	11%	
1,591	1,591	-	0%	[f] Total Operating Expenses	14,311	15,847	1,536	10%	
(238)	36	(273)	(767%)	**Operating Income/(Loss)**	2,437	1,456	981	67%	
				Other Income/(Expenses)					
21	21	-	0%	Interest Income	262	212	50	23%	
39	39	-	0%	Other Income/(Expense) [4]	(186)	(163)	(22)	(14%)	
(159)	(159)	-	0%	Bond Interest/(Expense)	(1,564)	(1,587)	22	1%	
(99)	(99)	-	0%	Total Other Income/(Expenses)	(1,488)	(1,538)	50	3%	
(336)	(63)	(273)	(435%)	**Net Income/(Loss)**	949	(82)	1,031	1260%	
40	40	-	0%	Aid in Construction	73	403	(330)	(82%)	[H]
$ (296)	$ (23)	$ (273)	(1211%)	**Net Change in Net Assets**	$ 1,022	$ 321	$ 701	218%	

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.
5. MTD is estimated for April 2020; FYTD reports July 2019 through March 2020 actuals.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD April 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	350	381	(31)	- Potable water demand was lower than budget. For the month of April, average high temperature was 73.1°F, compared to the normal of 74.5°F. MTD HDD were 145 versus the 15 year average of 111. Burbank received 3.2 inches of rainfall in April as compared to the monthly norm of 1.1 inches.
b.	Recycled Water Usage in Millions of Gallons	57	80	(23)	- Recycled water demand was lower than budget. For the month of April, average high temperature was 73.1°F, compared to the normal of 74.5°F. MTD HDD were 145 versus the 15 year average of 111. Burbank received 3.2 inches of rainfall in April as compared to the monthly norm of 1.1 inches.
c.	Potable Water Revenue	1,985	2,174	(188)	- The WCAC impact increased potable water revenues by $89k MTD. Without this adjustment, potable water revenues would be unfavorable by 13%.

	MTD Actual
WCAC Revenue	$835
WCAC Expenses	$924
WCAC revenue deferral/(accrual)	**($89)**

d.	Other Revenue	51	62	(11)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
e.	Water Supply Expense	924	936	12	- The savings in water supply expense corresponding to the lower demand was partially offset by higher than planned purchase of MWD treated water in April due to damages suffered by the Burbank Operable Unit (BOU) from the Golden State Station fire last April 10th. BOU is back to normal in May-20.
f.	Total Operating Expenses	1,591	1,591	-	- Expenses for April 2020 are at budgeted values.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD April 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	4,329	4,332	(3)	- FYTD Potable water sales are slightly lower than budget. Rainfall season-to-date was 14.2 inches, 2.6 inches less than the season norm of 16.9 inches. FYTD actual average high temperature from July to October is 86.9°F and the 15 year summer average high temperature is 85.9°F. FYTD actual average low temperature from November to April is 45.0°F and the 15 year average temperature is 45.8°F. FYTD CDD were 1,180 versus the 15 year average of 1,167. FYTD HDD were 1,382 versus the 15 year average of 1,236.
B.	Metered Recycled Water in Millions of Gallons	746	805	(60)	- FYTD Recycled sales are lower than budget. Please refer to footnote (A).
C.	Potable Water	23,758	23,892	(134)	- The WCAC impact increased potable water revenues by $385k YTD. Without this adjustment, potable revenues would be unfavorable by 2%

	FYTD Actual
WCAC Revenue	$10,385
WCAC Expenses	$10,769
WCAC revenue deferral/(accrual)	**($385)**

D.	Water Supply Expense	10,769	10,507	(262)	- Water supply expense is higher than budget due to no water provided from local production in Feb-20 through the beginning of March (thus using more expensive treated water) due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay. Valley Pumping Plant production has since resumed. The unfavorable variance was also impacted by higher than planned purchase of MWD treated water in April due to damages suffered by the Burbank Operable Unit (BOU) from the Golden State Station fire last April 10th. BOU is back to normal in May-20.
E.	Operations & Maintenance - Potable	6,274	6,944	670	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, and the timing of expenditures for other professional and private contractual services; offset by lower than planned capital work and work for others.
F.	Operations & Maintenance - Recycled	1,243	1,393	150	- The favorable variance is attributable to the timing of expenditures for other professional services and private contractual services; offset by higher than planned work performed by others.
G.	Allocated O&M	1,776	2,087	312	- The favorable variance is attributable to favorable variances in allocated expenses (Administration, Safety, Finance, Customer Service, Marketing, Construction and Maintenance) from the Electric Fund.
H.	Aid in Construction	73	403	(330)	- The unfavorable variance is attributable to the timing of AIC projects.

Estimated April 2020 Budget to Actual P&L Variance Highlights - Water Fund
($ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
MTD NET INCOME (LOSS): ($336)		(273)	$ (273)
MTD GROSS MARGIN VARIANCE			
Potable Revenues		(188)	(188)
Recycled Revenues		(86)	(86)
Other Revenue		(11)	(11)
Water Supply Expense	12		12
Total	12	(285)	(273)

Estimated April 2020 Budget to Actual P&L Variance Highlights - Water Fund
($ in 000's)

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
FYTD NET INCOME: $949	$ 1,031		$ 1,031
FYTD GROSS MARGIN VARIANCE			
Potable Revenues		(134)	(134)
Recycled Revenues		(161)	(161)
Other Revenue	3		3
Water Supply Expense		(262)	(262)
Total	3	(557)	(554)
FYTD O&M AND OTHER VARIANCES			
Potable O&M	670		670
Recycled Water O&M	150		150
Allocated O&M	312		312
Depreciation Expense	404		404
All Other	49		49
Total	1,585	-	1,585

Water Fund (497)

Estimated Statement of Changes in Cash and Investment Balances [a]

($ in 000's)

	Apr-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserves	$ 8,348	$ 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	5,200	1,300
Sub-Total Cash and Investments	10,568	11,046	18,561	15,394	13,775	17,830	9,370
Customer Deposits	(1,014)	(1,021)	(1,214)	(1,252)	(1,454)		
Cash and Investments (less commitments)	**9,553**	**10,026**	**17,347**	**14,142**	**12,321**	**17,830**	**9,370**

[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.