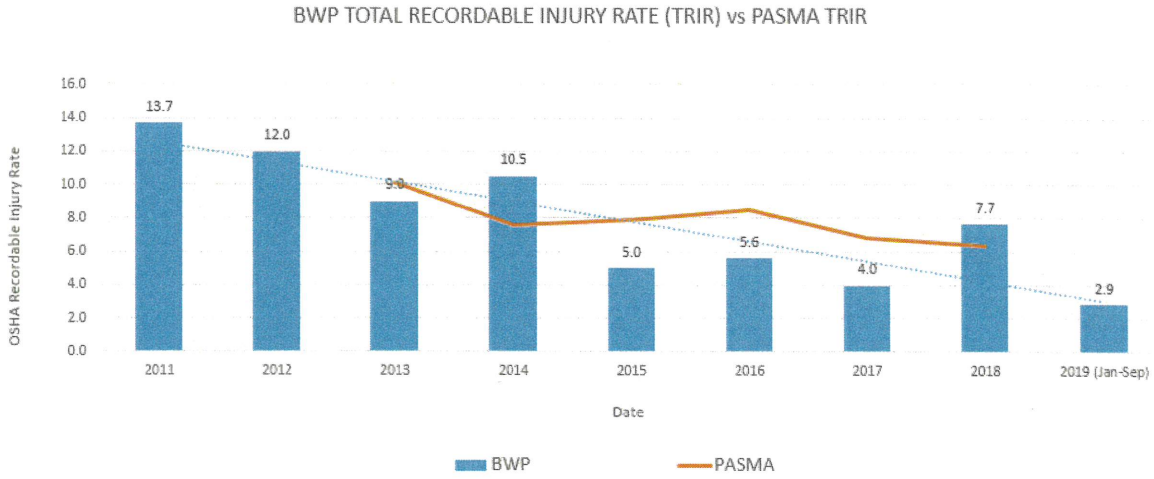
CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT

DATE: November 7, 2019
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: September 2019 Operating Results

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

SAFETY

For the month of September, BWP experienced zero OSHA recordable injuries. BWP's year to date (Jan – Sep) OSHA recordable rate decreased from 3.6 in July to 2.9 for the end of September.



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

Water Estimated Financial Results

For the month of September, Potable Water usage was 9% (50 million gallons) lower than budgeted and Potable Water Revenues were $82,000 lower than budgeted. Recycled Water usage was 8% (9 million gallons) higher than budgeted and Recycled Water Revenues were $9,000 higher than budgeted due to a billing adjustment. September Water Supply Expenses were $123,000 lower than budgeted, corresponding to lower demand. September's Gross Margin was $4,000 higher than budgeted. Net Income was $374,000, which was $4,000 higher than budgeted.

September fiscal-year-to-date (FYTD) Potable Water usage was 5% (82 million gallons) lower than budgeted. FYTD September Potable Water Revenues were $70,000 higher than budgeted. FYTD Recycled Water usage was 1% (4 million gallons) lower than budgeted and Recycled Water Revenues were $49,000 lower than budgeted. FYTD Water Supply Expenses were $258,000 lower than budgeted, corresponding to lower demand. The FYTD September Gross Margin was $154,000 better than budgeted. Operating Expenses were $229,000 lower than budgeted. Net Income was $882,000, which was $297,000 better than budgeted.

Electric Estimated Financial Results

For the month of September, electric loads were 4% lower than budgeted due to conservation. Retail Sales were $330,000 lower than budgeted. September Power Supply Expenses were $905,000 lower than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load). September's Wholesale Margin was $3,000 lower than budgeted. September's Gross Margin was $382,000 higher than budgeted. Net Income was $1,542,000, which was $382,000 higher than budgeted.

FYTD September electric loads were 4% lower than budgeted due to conservation. Retail Sales were $2,008,000 lower than budgeted. FYTD Power Supply Expenses were $3,477,000 lower than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load), and lower than planned renewables. FYTD Wholesale Margin was $166,000 lower than budgeted. FYTD Gross Margin was $913,000 better than budgeted. September FYTD Operating Expenses were $486,000 lower than budgeted. Net Income was $2,344,000, which was $1,357,000 better than budgeted.

WATER DIVISION

State Water Project Update

On June 20, 2019, the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A amounts from 70% to 75%. This is the final allocation for the calendar year.

Burbank's Water Use

The table below shows water use in Burbank during September 2019 compared to September 2018 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
September 2018	**155 gpcd**	**139 gpcd**
September 2019	**157 gpcd**	**131 gpcd**

These figures show annual water use is well below the target average use of 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 July through September. The contract operator performed weekly and monthly sampling for the treatment plant and wells.

	Capacity Factor	Average Flow Rate (FY Total)
July-19	**76%**	**6,840 gpm**
Aug-19	**71.13%**	**6,402 gpm**
Sept-19	**76.3%**	**6,867 gpm**

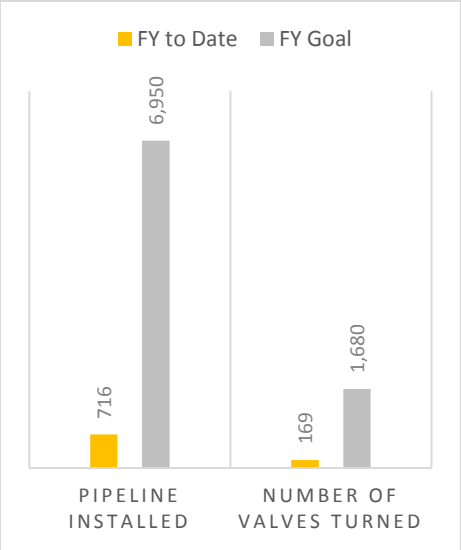
Project Updates

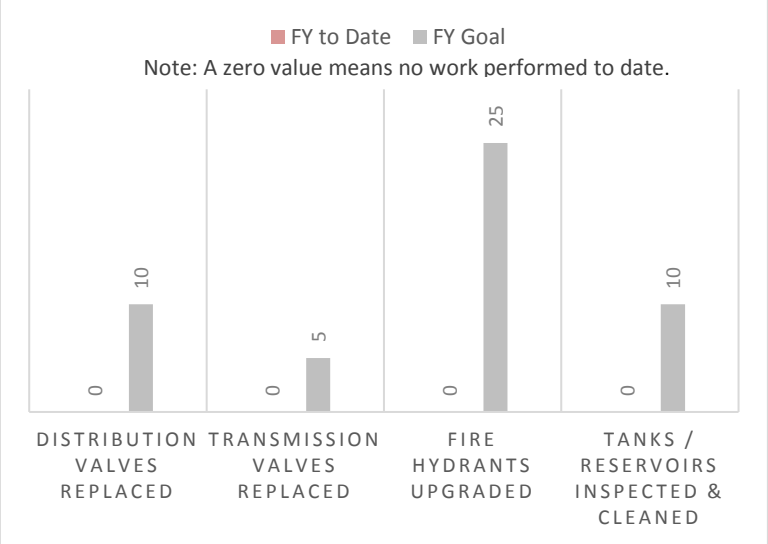
Due to the bountiful 2019 water year, MWD added excess water supply to its storage facilities. The available water exceeded MWD's capacity to place water into its storage facilities so MWD authorized use from the previously created Cyclic Storage Program to allow Member Agencies to store water in their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

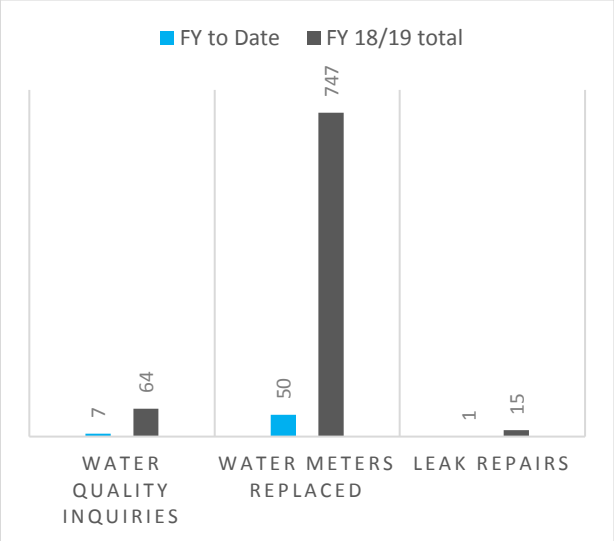
Burbank agreed to spread up to 14,000 acre-feet of Cyclic Storage Water by the end of this calendar year. BWP has completed spreading of about 6,971 acre-feet of water for this calendar year. The spreading water was shut off on August 22 in order for Los Angeles County Flood Control District to perform annual maintenance activities. The spreading ground facilities will return to active status in early October.

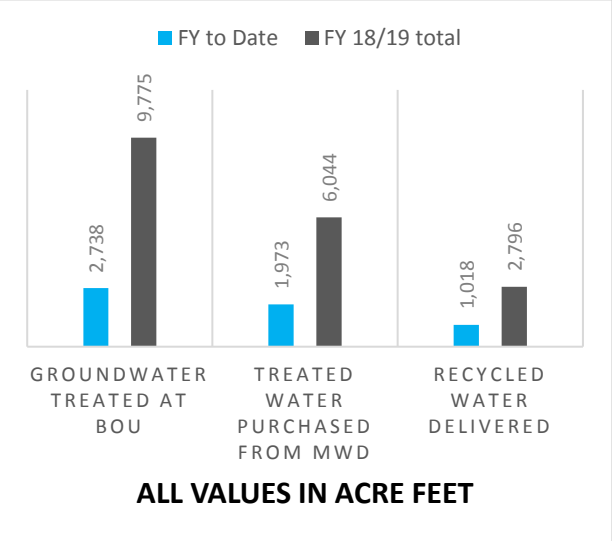
Key Performance Indicators

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









Magnolia Blvd and First Street

A 12-inch cast-iron water main break and repair in front of Flapper's Comedy Club occurred on September 30. Photos show the mainline crew replacing an eight-foot section of a 12-inch cast-iron main due to a lateral crack in the pipe.

ELECTRIC RELIABILITY

In September 2019, BWP did not experience any sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,658,561 customer minutes.

Reliability Measurement	October 2017-September 2018	October 2018 - September 2019
Average Outages Per Year (SAIFI)	0.2762	0.4020
Average Outage Duration (CAIDI)	38.82 minutes	39.8 minutes
Average Service Availability	99.998%	99.997%
Average Momentary Outages Per Year (MAIFI)	0.2332	0.3961
No. of Sustained Feeder Outages	7	13
No. of Sustained Outages by Mylar Balloons	3	2
No. of Sustained Outages by Animals	0	0
No. of Sustained Outages by Palm Fronds	0	3

PROJECT UPDATES

N-17 & 18 4-12kV Conversion

Construction for the 12kV rebuild of the N-17 and N-18 circuits is in progress. Fifty-two poles were installed. Thirty poles were installed by crane and 22 were hand set. Work on two pole lines east of Catalina St., south of Verdugo Ave. and west of Buena Vista St. are complete. Work on remaining three property lines and alley north of Verdugo Ave. and west of Buena Vista St. is estimated to be done by the end of October 2019. Feeders N-15 & 17 will be converted to 12kV by early December 2019.

Vault Modernization Program

Work was completed to modernize three existing subsurface transformer vaults to the current padmount transformer standard. The existing deteriorated vault structures were replaced with new pull boxes, and new transformer pads were set. Two new retaining walls were constructed to provide structural support to the adjacent hillside in front of homes. BWP crews also completed the removal of the old transformers, replaced the primary cable, and installed new padmount transformers. These upgrades will provide substantial safety enhancements, sustain our outstanding reliability, and lower our overall maintenance costs. There are 22 remaining subsurface transformers that will be replaced over the course of the next two years.

BEFORE

AFTER

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, 59.86% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,229MWh or a 34.84% reduction in energy consumption. LED conversions have also reduced evening load by 737kW, which shortens the "neck of the duck curve" and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

Customer Service recently hired a Full Time Field Service Representative to complete our Field Service team. We also hired two "As-Needed" employees to help staff in the Call Center to bring down customer wait times. In addition, we have interviewed four 10-hour part-time positions to increase availability and flexibility in our Call Center staffing.

Online Account Manager

The adoption of the Online Account Manager (OAM) continues to be over 50% of all active accounts. 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.

Call volume levels are now at or below the levels before going live with the OAM. Through customer feedback, BWP is looking for ways to make improvements that will be part of the next phase of the OAM project, including usage data and outage notifications. Below is the chart outlining activity for the Online Account Manager:

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total	% of Total*
Enrollments	18,498	6,317	3,052	1,742	1,294	1,126	1,002	33,031	63%
Paperless	17,047	5,704	3,045	1,729	1,288	1,119	992	30,924	59%
Autopay	2,354	2,376	1,170	985	614	559	455	13,546	26%

* Percent as compared to all active BWP accounts.

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

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	% Inc/Dec
Call Volume	7227	5740	6310	5029	5507	5417	4675	-16%

Call Types	% of Calls
Balance	48%
Account/PIN #	15%
Disconnect/Reconnect	13%
Payment Extension	10%
Other	14%

Electric Vehicle (EV) Charging Program

Forty-five public EV charging ports are installed in Burbank, including two DC Fast Chargers and 18 curbside chargers. As of June 1, 2019, Time of Use (TOU) pricing for public EV charging is $0.1736 per kilowatt-hour (kWh) for Level 1 and Level 2 off-peak, and $.3069 per kWh on-peak. For the DC Fast Chargers, the charging rate is $0.2817 per kWh off-peak and $0.4980 per kWh on-peak. At this time, six Level 2 charging ports have been unable to be updated to the summer pricing. This is due to software issues with the chargers.

Month of usage	Chargers Available	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station/ Day	% Peak Sessions	Charging Occupancy
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[1]	**44**	20,127	$3,277	8,453	17	23%	17%
Jan 2019	**44**	20,706	$3,511	8,696	16	22%	18%
Dec 2018	**45**	22,889	$3,991	9,613	18	21%	19%
Nov 2018[2]	**45**	22,145	$3,879	9,301	18	20%	20%
Oct 2018[3]	**45**	23,141	$3,957	9,719	18	20%	21%
Sep 2018	**45**	18,592	$3,665	7,809	17	18%	20%
Aug 2018	**45**	18,613	$3,757	7,818	23	21%	23%

[1] Includes four new Ontario Substation curbside chargers installed mid-February.
[2] Includes the new DC Fast Charger and the removal of 2 chargers due to the Burbank Town Center project.
[3] Includes 16 new public Level 2 chargers installed mid-September.

September revenue is down due to maintenance issues. Eleven charging ports were out of service during September. The most significant loss is from the DC Fast Charger at the Lakeside Shopping Center, which first went offline in July. Repairs on the Chargepoint Level 2 chargers are projected for November, and the curbside chargers are projected to be repaired/replaced in December. The DC Fast Charger at the Lakeside Shopping Center is now back in service as of October 16.

Port Location	# of Ports	Out of Service Date	Issue	Expected Back in Service Date
133 E. Orange Grove	**1**	**19-Feb**	**Internal failure**	**19-Nov**
2034 N. Hollywood Way	**2**	**19-Mar**	**Cable retractor failure**	**19-Nov**
Lakeside Shopping Center (DC FC)	**1**	**19-Jul**	**Fuse failure**	**19-Oct**
1113 W. Alameda Ave.	**2**	**19-Aug**	**Cable retractor failure**	**19-Nov**
520 N. Glenoaks Blvd.	**1**	**19-Aug**	**Cable retractor failure**	**19-Nov**
533 S. Glenoaks Blvd	**2**	**19-Aug**	**Cable retractor failure**	**19-Nov**
340 N. Buena Vista St.	**1**	**19-Sep**	**Cable retractor failure**	**19-Dec**
2116 Glenoaks Blvd.	**1**	**19-Oct**	**Cable retractor failure**	**19-Dec**

Rooftop Solar

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

Month	Number of Solar Systems Installed This Month	Number of Solar Systems Installed FYTD	Total Solar Systems in Burbank	Total Solar Kilowatts
Sep 2019	**5**	**21**	**820**	**8,111**
Aug 2019	10	16	815	8,073
Jul 2019*	6	6	805	8,012
Jun 2019	12	100	799	7,962
May 2019	10	88	787	7,889
Apr 2019	8	78	777	7,833
Mar 2019	11	70	769	7,788
Feb 2019	5	59	758	7,707
Jan 2019	15	54	753	7,677
Dec 2018	10	39	738	7,530
Nov 2018	6	29	728	7,375
Oct 2018	9	23	722	7,351
Sep 2018	5	14	713	7,289
Aug 2018	5	9	708	7,256

* Start of new fiscal year.

TECHNOLOGY

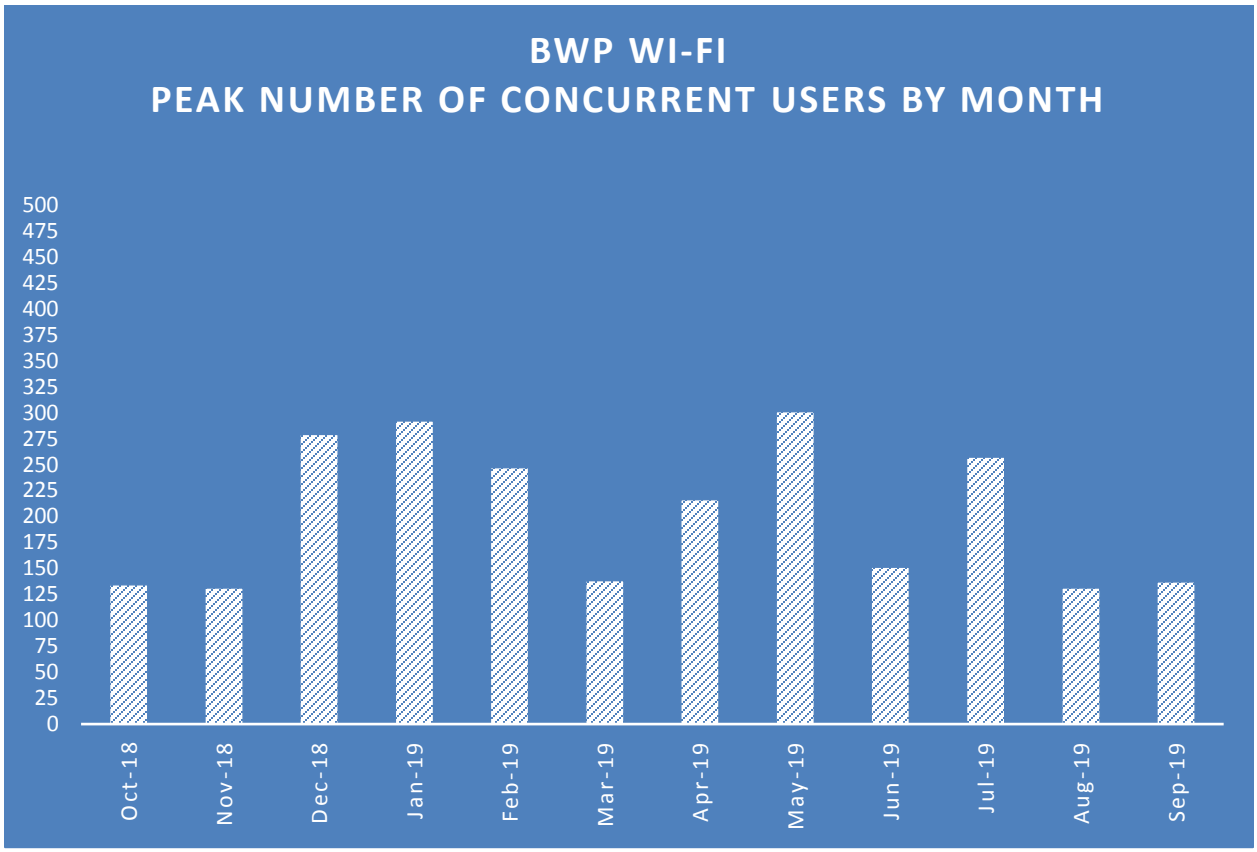
Broadband Services (ONE Burbank)

	September 2019 New Orders	Revenues for September 2019	FYTD 2019-20 Revenues	FYTD Budget
Lit	**2**	**$111,794**	**$341,334**	**$385,000**
Dark	**0**	**$191,015**	**$576,170**	**$577,500**
Total	**2**	**$302,809**	**$917,504**	**$962,500**

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.)



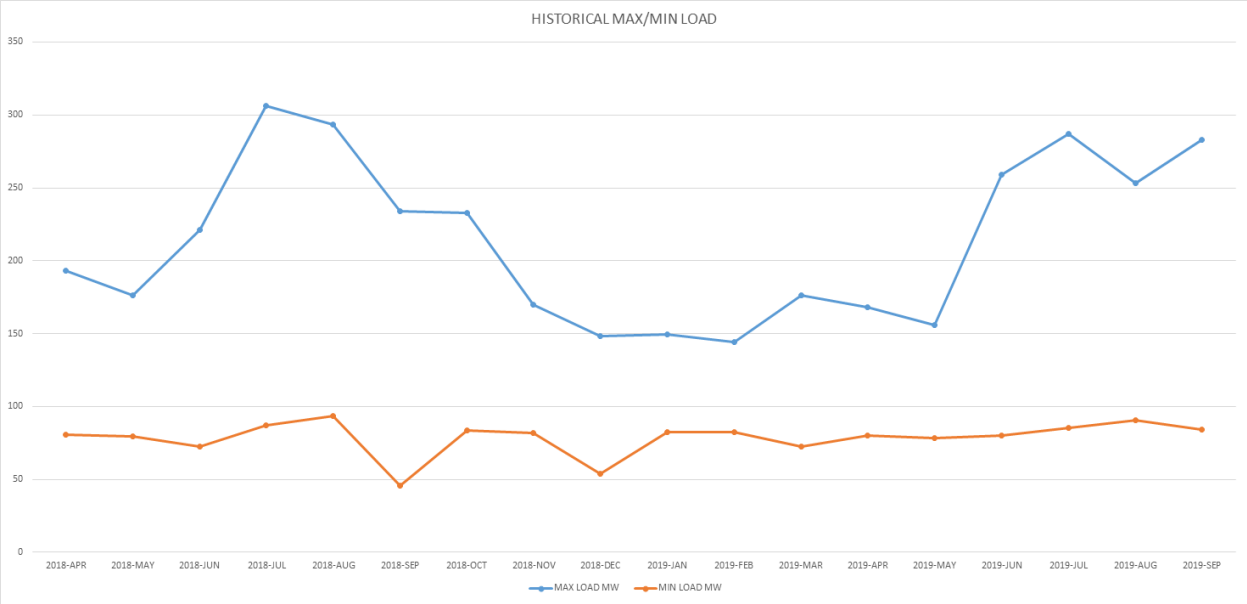
Cyber Security Update – September 2019

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

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for September 2019 was 282.7 MW at 3:31 PM on Wednesday, September 4, and the minimum load was 81.5 MW at 2:49 AM on Monday, September 30.



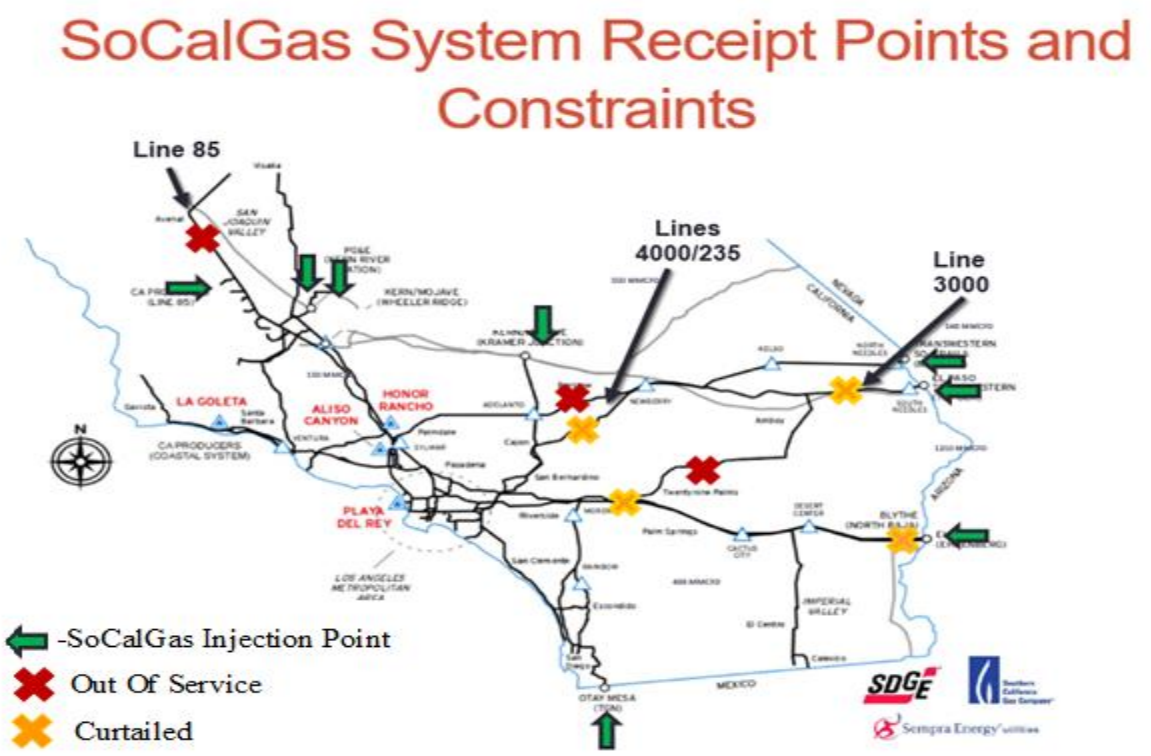
YEAR	MAX LOAD	MAX DATE
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52
2016	308.52 MW	20-Jun-16 16:46:20
2015	306.23 MW	09-Sep-15 15:42:00
2014	316.68 MW	16-Sep-14 15:52:04

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

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 resulting from the CPUC's July 23, 2019 Aliso Canyon Withdrawal Protocol restricting the use of the Aliso Canyon. The

CUPC's updated withdrawal protocol is still restrictive, but is less restrictive than the previous protocol, in that Aliso Canyon was only allowed to be withdrawn from it if curtailment was imminent, but now can occur under less acute circumstances. This will likely reduce the number and severity of single day gas price blowouts.

SoCalGas reported two recent, minor withdrawals from Aliso Canyon: one on August 28 and the other on September 6.



Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) has been out of service for assessment and remediation since a rupture occurred on the pipeline on October 1, 2017. SoCal Gas has remediated and repaired the ruptured segment, but, as detailed below, SoCal Gas has also initiated additional work to assess, analyze, and repair other segments on Line 235-2 that are of the same "family" of pipeline. **SoCalGas reports that it has found multiple, additional leaks in the pipeline. Line 235-2 returned to service on October 15 at a reduced pressure. The in-line inspection is now underway and is scheduled to be completed on November 1.**

Line 4000

Following the Line 235-2 rupture, SoCal Gas reduced the pressure of Line 4000 (largely a 1960 vintage pipeline) because it is in the same "family" of pipelines as Line 235-2. SoCal Gas lowered the pressure to increase the factor of safety on the pipeline until SoCal Gas can conduct further analysis of Line 4000 based on what is learned from Line 235-2. In addition, this increased safety margin reduced the safety risk to employees working on Line 235-2, which is in close proximity to Line 4000 for the first 5-6 miles. Line 4000

will continue operating at reduced pressure until testing and maintenance work is complete to mitigate potential pipeline anomalies, like those found on Line 235-2.

Line 3000

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

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%**	**60**	**2,345**	**433**	**6**
MPP	**87%**	**720**	**137,936**	**5,364**	**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 6 times during the month of September.

Magnolia Power Project (MPP)

	September	FYTD	YTD
Availability	**100%**	**96%**	**95%**
Unit Capacity Factor (240 MW)	**80%**	**77%**	**74%**

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

Tieton Hydropower Project (Tieton)

Tieton's annual generation season began on March 22 with limited water flow provided by the United States Bureau of Reclamation (USBR), which carried out "fish pulse" operations designed to encourage upward spawning migration of spring salmon. Fish pulsing was conducted until March 27 when water flow was reduced and generation was no longer possible until later in April. **Tieton generated 8,719 MWhs in September, which is 12.1 percent below the average of 9,919 MWhs for September. This is due to a low snow pack season last winter, which is the snowmelt water source for Rimrock Reservoir that supplies Tieton. Generation typically ends mid-October and maintenance will occur once water flow is no longer sufficient to generate.**

ENVIRONMENTAL

Air Quality

On June 28, BWP submitted two application packages to the South Coast Air Quality Management District (SCAQMD) in order to renew the existing Title V Operating Permits for Lake One and for MPP. These applications are currently being reviewed by the SCAQMD. Once the SCAQMD completes their review of the application packages and issues draft permits, the draft permits will go to the Environmental Protection Agency (EPA) for a 45-day review period. After the 45-day review period is completed, final permits will be issued to BWP for Lake One and MPP to continue operations. The permits will cover another five-year operating period.

On July 17, another application package was submitted to the SCAQMD to revise MPP's Title V Operating Permit. This application is to approve and include general electric upgrades to the combustion turbine, which will allow MPP to operate at a lower minimum load output (MW) while still complying with existing requirements. Upgrades cannot be installed until a revised permit is approved and this process is being managed independently of the five-year permit renewal. **This application is currently being reviewed by the SCAQMD and will go to the EPA for a 45-day review period once the SCAQMD issues a draft permit. After the 45-day period is completed, a final permit will be issued.**

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.

Integrated Resource Planning

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

Pursuant to SB350, BWP filed the 2019 IRP with the California Energy Commission (CEC) on April 2, 2019, in advance of the April 30 deadline. The CEC is required to make two separate findings on IRPs: first, that the IRP is complete (i.e., all required components were included) and second, that the IRP is consistent with the requirements of SB350. The CEC confirmed that BWP's 2019 IRP is complete on May 14, 2019. On July 29, the

Executive Director of the CEC filed a determination finding that BWP's 2019 IRP to be consistent with the requirements of SB350. The CEC plans to bring the determination to its November 2019 business meeting for adoption, which will formally close the 2019 IRP filing process for BWP.

Intermountain Power Project (Delta, UT) Renewal Progress

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

BWP presented these recommendations to the City Council on July 23; Council approved, with a vote of 4-1.

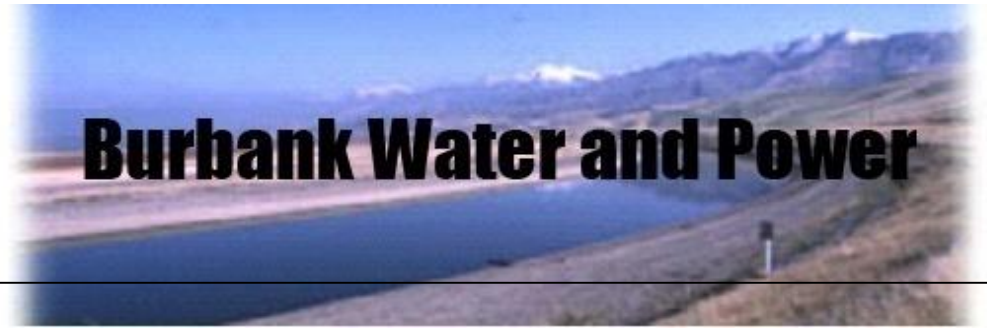
BWP informed the Intermountain Power Agency (IPA) and LADWP, in its capacity as IPP Operating Agent, of our decision to participate in the repowering project at a reduced level, in advance of the August 3, 2019 deadline.

The Entitlement Assignment Agreements are pending approval by LADWP's governing bodies.

Power Generation

Landfill Gas to Energy Project

The project remains on schedule and within budget. Start of construction is pending approval by City Building and Safety of resubmitted civil/structural plans and calculations. Work is expected to proceed ahead of schedule once this permit is received.



Estimated Financial Report
September-19

UNAUDITED

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD September 2019
($ in 000's except MWh Sales)

MTD FY 19-20	MTD Sep-19 Budget	$ Variance [2]	% Variance		FYTD FY 19-20	FYTD Sep-19 Budget	$ Variance [2]	% Variance	
104,869	109,321	(4,452)	(4%)	[a]	NEL MWh	326,708	341,086	(14,378)	(4%)	[A]
					Retail				
$ 16,232	$ 16,562	$ (330)	(2%)		Retail Sales	$ 49,477	$ 51,486	$ (2,008)	(4%)	
397	587	(190)	(32%)	[b]	Other Revenues [3]	1,371	1,761	(390)	(22%)	[B]
10,363	11,268	905	8%	[c]	Retail Power Supply & Transmission	31,283	34,760	3,477	10%	[C]
6,266	5,881	385	7%		**Retail Margin**	19,565	18,487	1,078	6%	
					Wholesale					
884	3,204	(2,320)	(72%)		Wholesale Sales	2,831	16,613	(13,783)	(83%)	
807	3,124	2,317	74%		Wholesale Power Supply	2,581	16,198	13,617	84%	
77	80	(3)	(4%)		**Wholesale Margin**	250	415	(166)	(40%)	
6,343	5,961	382	6%		**Gross Margin**	19,815	18,902	913	5%	
					Operating Expenses					
921	921	-	0%		Distribution	2,767	2,817	50	2%	
120	120	-	0%		Administration/Safety	312	352	40	11%	
226	226	-	0%		Finance, Fleet, & Warehouse	640	668	28	4%	
507	507	-	0%		Transfer to General Fund for Cost Allocation	1,511	1,522	11	1%	
446	446	-	0%		Customer Service, Marketing & Conservation	1,070	1,337	267	20%	[D]
449	449	-	0%		Public Benefits	1,371	1,402	31	2%	
189	189	-	0%		Security/Oper Technology	612	521	(91)	(17%)	[E]
110	110	-	0%		Telecom	341	364	23	6%	
183	183	-	0%		Construction & Maintenance	474	548	74	13%	[F]
1,575	1,575	-	0%		Depreciation	4,670	4,724	53	1%	
4,725	4,725	-	0%	[d]	Total Operating Expenses	13,767	14,253	486	3%	
$ 1,618	$ 1,236	$ 382	31%		**Operating Income/(Loss)**	$ 6,048	$ 4,649	$ 1,398	30%	

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD September 2019

($ in 000's)

MTD FY 19-20	MTD Sep-19 Budget	$ Variance [2]	% Variance		FYTD FY 19-20	FYTD Sep-19 Budget	$ Variance [2]	% Variance
$ 1,618	$ 1,236	$ 382	31%	**Operating Income/(Loss)**	$ 6,048	$ 4,649	$ 1,398	30%
				Other Income/(Expenses)				
162	162	-	0%	Interest Income	504	487	17	4%
106	106	-	0%	Other Income/(Expense) [4]	(3,174)	(3,116)	(58)	(2%) [G]
(344)	(344)	-	0%	Bond Interest/ (Expense)	(1,033)	(1,033)	-	0%
(76)	(76)	-	0%	Total Other Income/(Expenses)	(3,703)	(3,662)	(41)	(1%)
1,542	1,160	382	33%	**Net Income**	2,344	987	1,357	138%
112	112	-	0%	Capital Contributions (AIC)	317	336	(19)	(6%)
$ 1,654	$ 1,272	$ 382	30%	**Net Change in Net Assets (Net Income)**	$ 2,661	$ 1,323	$ 1,338	101%

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 September 2019; FYTD reports July 2019 actuals, with August and September 2019 estimates.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget		Explanation
a.	Electric Usage in MWh	104,869	109,321	(4,452)	-	NEL is 4% lower than budget due to conservation. For the month of September, average high temperature was 86.5°F, compared to the normal of 87.4°F. MTD CDD were 283 versus the 15 year average of 277.
b.	Other Revenues	397	587	(190)	-	Other revenues also include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
c.	Retail Power Supply & Transmission	10,363	11,268	905	-	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	4,725	4,725	-	-	Expenses for September 2019 are estimated at budgeted values.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	326,708	341,086	(14,378)	- NEL is 4% lower than budget due to conservation. FYTD average high temperature was 87.5°F and the 15 year average high temperature was 87.5°F. FYTD CDD were 927 versus the 15 year average of 926.
B.	Other Revenues	1,371	1,761	(390)	- Other revenues also include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	31,283	34,760	3,477	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Customer Service, Marketing & Conservation	1,070	1,337	267	- The favorable variance is primarily attributable to lower than planned spending on professional services, and savings on salaries and related benefits due to several vacant positions.
E.	Security/Oper Technology	612	521	(91)	- The unfavorable variance is primarily attributable to unamortized software / hardware and membership dues expenses. Also contributing to the unfavorable variance is less work than planned for other groups.
F.	Construction & Maintenance	474	548	74	- The favorable variance is due to lower than planned facility maintenance and service requests.
G.	Other Income/(Expense)	(3,174)	(3,116)	(58)	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy. For July 2019, includes one-time pension payment to CalPERS of $3.43M.

Estimated September 2019 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): $1,542	$ 382		$ 382
MTD GROSS MARGIN VARIANCE			
Retail Sales		(330)	(330)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	640		640
- Lower retail load	115		115
- Lower transmission expenses than planned	80		80
- Lower than planned renewables	70		70
Other Revenues		(190)	(190)
Wholesale Margin		(3)	(3)
Total	905	(523)	382

Estimated September 2019 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): $2,344	$ 1,357		$ 1,357
FYTD GROSS MARGIN VARIANCE			
Retail Sales		(2,008)	(2,008)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	2,329		2,329
- Lower retail load	388		388
- Lower O&M expenses than planned	300		300
- Lower than planned transmission expenses	292		292
- Lower than planned renewables	168		168
Other Revenues		(390)	(390)
Wholesale Margin		(166)	(166)
Total	3,477	(2,564)	913
FYTD EXPENSE AND OTHER VARIANCES			
Customer Service, Marketing & Conservation	267		267
Construction & Maintenance	74		74
Depreciation expense	53		53
Distribution	50		50
Administration/Safety	40		40
Public Benefits	31		31
Finance, Fleet, & Warehouse	28		28
Telecom	23		23
Security/Oper Technology		(91)	(91)
All other		(31)	(31)
Total	566	(122)	444

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

	Sep-19	Aug-19	Jul-19	Jun-19	Jun-18	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserve	$ 60,995	$ 59,213	$ 58,852 [f]	$ 67,320 [b]	$ 78,993	$ 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	16,912	16,871	16,831	16,817	16,492		
Sub-Total Cash and Investments	87,906	86,084	85,684	94,137	105,485	73,010	42,770
Capital Commitments					(6,740) [c]		
Customer Deposits	(4,822)	(4,268)	(4,109)	(5,641)	(5,432)		
Public Benefits Obligation	(6,605)	(6,787)	(6,535)	(6,069)	(5,549)		
Pacific Northwest DC Intertie	(1,410)	(1,410)	(1,410)	(2,218)	(7,455)		
Low Carbon Standard Fuel [d]	(2,267)	(2,267)	(2,267)	(2,267) [e]	(1,251)		
Cash and Investments (less Commitments)	**72,803**	**71,353**	**71,364**	**77,942**	**79,059**	**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 capital commitment for the Ontario Distribution Station and 4kV to 12kV conversion of circuits.

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

[e] Includes the sale of $1.15M of LCFS credits.

[f] Includes one-time pension payment to CalPERS of $3.43M, and an annual required pension contribution of $5.71.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets [1] [2] [5]
MTD and FYTD September 2019
($ in 000's except Gallons)

MTD FY 19-20	MTD Sep-19 Budget	$ Variance [2]	% Variance			FYTD FY 19-20	FYTD Sep-19 Budget	$ Variance [2]	% Variance	
498	548	(50)	(9%)	[a]	Water put into the system in Millions of Gallons	1,531	1,613	(82)	(5%)	[A]
112	104	9	8%	[b]	Metered Recycled Water in Millions of Gallons	327	331	(4)	(1%)	[B]
					Operating Revenues					
$ 2,783	$ 2,865	$ (82)	(3%)	[c]	Potable Water	$ 8,637	$ 8,567	$ 70	1%	[C]
434	424	9	2%		Recycled Water	1,308	1,357	(49)	(4%)	
16	62	(46)	(74%)	[d]	Other Revenue [3]	61	186	(125)	(67%)	[D]
3,233	3,352	(119)	(4%)		Total Operating Revenues	10,005	10,110	(104)	(1%)	
1,182	1,305	123	9%	[e]	Water Supply Expense	3,688	3,946	258	7%	[E]
2,051	2,047	4	0%		**Gross Margin**	6,318	6,164	154	2%	
					Operating Expenses					
689	689	-	0%		Operations & Maintenance - Potable	1,961	2,068	106	5%	[F]
138	138	-	0%		Operations & Maintenance - Recycled	382	412	30	7%	
210	210	-	0%		Allocated O&M	566	624	59	9%	[G]
172	172	-	0%		Transfer to General Fund for Cost Allocation	522	517	(5)	(1%)	
370	370	-	0%		Depreciation	1,070	1,109	39	4%	
1,579	1,579	-	0%	[f]	Total Operating Expenses	4,501	4,730	229	5%	
					Other Income/(Expenses)					
21	21	-	0%		Interest Income	64	64	0	0%	
39	39	0	0%		Other Income/(Expense) [4]	(510)	(436)	(74)	(17%)	[H]
(159)	(159)	-	0%		Bond Interest/(Expense)	(489)	(476)	(13)	(3%)	
(98)	(99)	0	0%		Total Other Income/(Expenses)	(935)	(848)	(86)	(10%)	
374	370	4	1%		**Net Income/(Loss)**	882	585	297	51%	
40	40	-	0%		Aid in Construction	116	121	(5)	(4%)	
$ 414	$ 410	$ 4	1%		**Net Change in Net Assets (Net Income)**	$ 998	$ 706	$ 293	41%	

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 September 2019; FYTD reports July 2019 actuals, with August and September 2019 estimates.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD September 2019
($ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget		Explanation
a.	Water put into the system in Millions of Gallons	498	548	(50)	-	Potable water sales are lower due to lower demand. Burbank received .05 inches of rainfall in September as compared to the monthly normal of 0.23 inches. Average high temperature was 86.5°F, compared to the normal of 87.4°F. MTD CDD were 283 versus the 15 year average of 277.
b.	Recycled Water Usage in Millions of Gallons	112	104	9	-	Recycled water sales are higher due to higher consumption by the Power Plant and higher than planned irrigation.
c.	Potable Water Revenue	2,783	2,865	(82)	-	The WCAC impact decreased potable water revenues by $77k MTD. Without this adjustment, potable water revenues would be at budget.

	MTD Actual
WCAC Revenue	$1,259
WCAC Expenses	$1,182
WCAC revenue deferral/(accrual)	**$77**

d.	Other Revenue	16	62	(46)	-	Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
e.	Water Supply Expense	1,182	1,305	123	-	Water supply expense corresponds with lower demand.
f.	Total Operating Expenses	1,579	1,579	-	-	Expenses for September 2019 are at budgeted values.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD September 2019
($ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Water put into the system in Millions of Gallons	1,531	1,613	(82)	- FYTD Potable water sales are lower due to lower demand. Rainfall season-to-date was .05 inches less than the season normal of 0.32 inches. FYTD CDD were 927 versus the 15 year average of 926.
B.	Metered Recycled Water in Millions of Gallons	327	331	(4)	- FYTD Recycled sales are lower due to lower demand. Rainfall season-to-date was .05 inches less than the season normal of 0.32 inches. FYTD CDD were 927 versus the 15 year average of 926.
C.	Potable Water	8,637	8,567	70	- The WCAC impact increased potable water revenues by $121k YTD. Without this adjustment, potable revenues would be unfavorable by 1%.

	FYTD Actual
WCAC Revenue	$3,567
WCAC Expenses	$3,688
WCAC revenue deferral/(accrual)	**($121)**

D.	Other Revenue	61	186	(125)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
E.	Water Supply Expense	3,688	3,946	258	- Water supply expense corresponds with lower demand.
F.	Operations & Maintenance - Potable	1,961	2,068	106	- The favorable variance is primarily attributable to budgetary savings on salaries and related benefits due to vacant positions, and lower than planned spending on professional services.
G.	Allocated O&M	566	624	59	- The favorable variance is attributable to lower than planned allocated expenses (Customer Service, Admin & Safety, Facilities and Conservation) from the Electric Fund.
H.	Other Income / (Expense)	(510)	(436)	(74)	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and other assets. A one-time pension payment of $553k was made to CalPERS in July 2019 ; in addition, the CalPERS one-time Electric Fund pension payment of $118k was allocated to the Water Fund.

Estimated September 2019 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): $374	$ 4		$ 4
MTD GROSS MARGIN VARIANCE			
Water Supply Expense	123		123
Recycled Revenues	9		9
Potable Revenues		(82)	(82)
Other Revenue		(46)	(46)
Total	132	(128)	4
MTD O&M AND OTHER VARIANCES			
Operating expenses		-	-
Other income/expenses	-		-
Total	-	-	-

Estimated September 2019 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: $882	$ 297		$ 297
FYTD GROSS MARGIN VARIANCE			
Potable Revenues	70		70
Other Revenue		(125)	(125)
Recycled Revenues		(49)	(49)
Water Supply Expense	258		258
Total	328	(174)	154
FYTD O&M AND OTHER VARIANCES			
Potable O&M	106		106
Allocated O&M	59		59
Depreciation Expense	39		39
Recycled Water O&M	30		30
All Other		(91)	(91)
Total	234	(91)	143

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

	Sep-19	Aug-19	Jul-19	Jun-19	Jun-18	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserves	$ 13,289	$ 11,940	$ 10,852 [d]	$ 11,555 [b]	$ 10,925	$ 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	15,509	14,160	13,072	13,775	13,145	17,830	9,370
Customer Deposits	(12)	(12)	(29)	(29)	(607)		
Capital Commitments [c]	-	-	-	-	(140)		
Cash and Investments (less commitments)	**15,497**	**14,147**	**13,043**	**13,746**	**12,397**	**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.

[c] Capital commitment for the recycled water I-5 Freeway second tie crossing project paid in October 2018.

[d] Includes one-time pension payment of .$55M to CalPERS, and an annual required pension contribution of $.91M.