



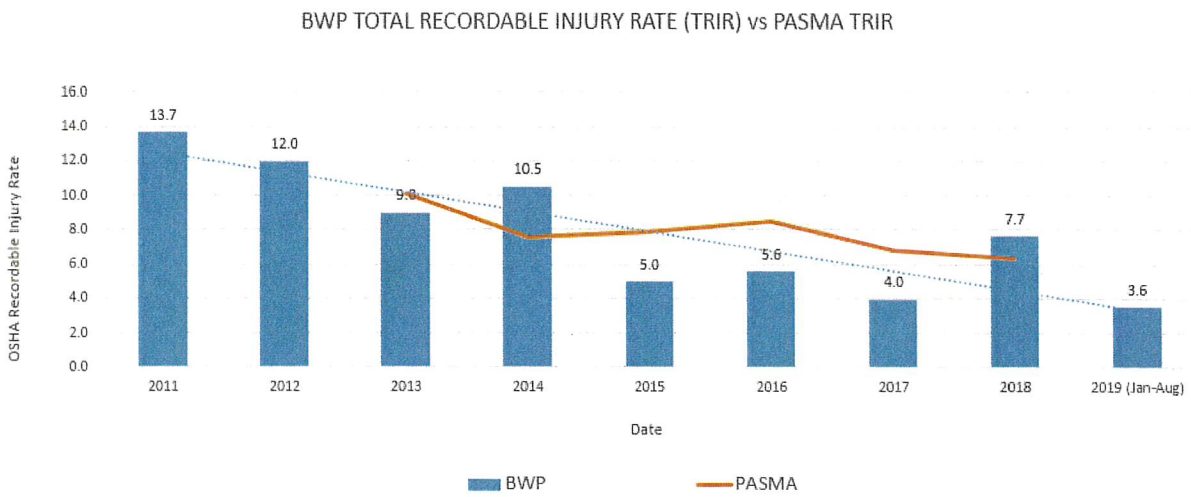
**CITY OF BURBANK  
BURBANK WATER AND POWER  
STAFF REPORT**

**DATE:** October 3, 2019  
**TO:** BWP Board  
**FROM:** Jorge Somoano, General Manager, BWP  
**SUBJECT:** August 2019 Operating Results

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

**SAFETY**

For the month of August, BWP experienced one OSHA recordable injury and reclassified a prior June injury to OSHA recordable status. BWP's year to date (Jan – Aug) OSHA recordable rate increased from 3.2 in July to 3.6 for the end of August.



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 August, Potable Water usage was 2% (9 million gallons) lower than budgeted and Potable Water Revenues were \$92,000 higher than budgeted. Recycled Water usage was 11% (12 million gallons) lower than budgeted and Recycled Water Revenues were \$98,000 higher than budgeted due a billing adjustment. August Water Supply Expenses were \$19,000 lower than budgeted, corresponding to lower demand. August's Gross Margin was \$194,000 higher than budgeted. Net Income was \$595,000, which was \$194,000 higher than budgeted.

August fiscal-year-to-date (FYTD) Potable Water usage was 3% (32 million gallons) lower than budgeted. FYTD August Potable Water Revenues were \$82,000 higher than budgeted. FYTD Recycled Water usage was 6% (13 million gallons) lower than budgeted and Recycled Water Revenues were \$28,000 higher than budgeted. Recycled Water Revenues were higher than budgeted due to a billing adjustment. FYTD Water Supply Expenses were \$135,000 lower than budgeted, corresponding to lower demand. The FYTD August Gross Margin was \$200,000 better than budgeted. Operating Expenses were \$214,000 lower than budgeted. Net Income was \$528,000, which was \$313,000 better than budgeted.

### **Electric Estimated Financial Results**

For the month of August, electric loads were 3% lower than budgeted due to conservation. Retail Sales were \$219,000 lower than budgeted. August Power Supply Expenses were \$1,174,000 lower than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load). August's Wholesale Margin was \$25,000 lower than budgeted. August's Gross Margin was \$648,000 higher than budgeted. Net Income was \$2,263,000, which was \$648,000 higher than budgeted.

FYTD August electric loads were 4% lower than budgeted due to conservation. Retail Sales were \$1,685,000 lower than budgeted. FYTD Power Supply Expenses were \$2,713,000 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 \$164,000 lower than budgeted. FYTD Gross Margin was \$552,000 better than budgeted. August FYTD Operating Expenses were \$558,000 lower than budgeted. Net Income was \$895,000, which was \$1,067,000 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. The 2019 allocation of 75% amounts to 3,145,105 acre-feet of water. Reservoir storage, snowpack, precipitation, and releases to meet local deliveries are among several factors used in determining allocations. Even in wet years, a 100%

allocation is rare due to Delta pumping restrictions to protect threatened and endangered fish species. The last time the Project was able to allocate 100% was 2006.

### **Burbank’s Water Use**

The table below shows water use in Burbank during August 2019 compared to August 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
August 2018	162 gpcd	138 gpcd
August 2019	160 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 June through August. The contract operator performed weekly and monthly sampling for the treatment plant and wells.

	Capacity Factor	Average Flow Rate (FY Total)
June-19	66.8%	6,008 gpm
July-19	76.0%	6,840 gpm
Aug-19	71.13%	6,402 gpm

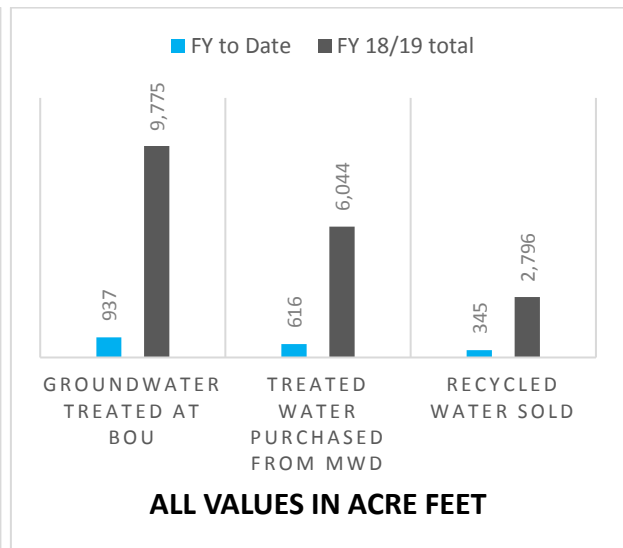
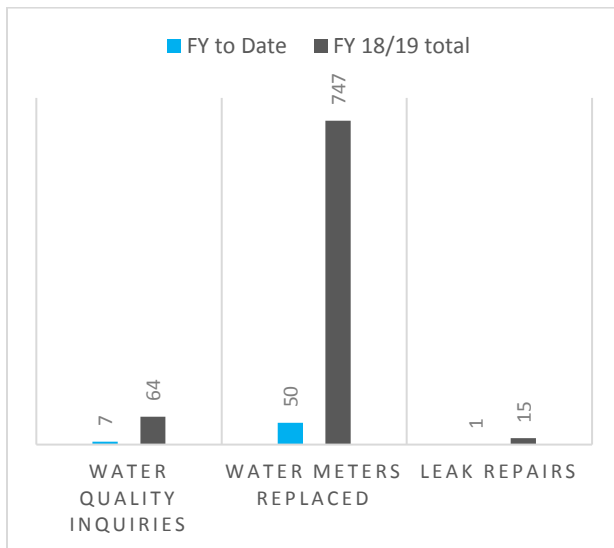
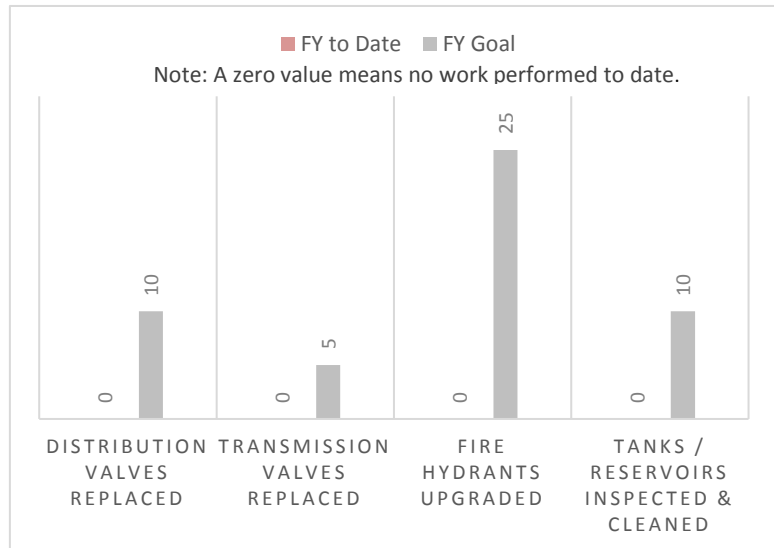
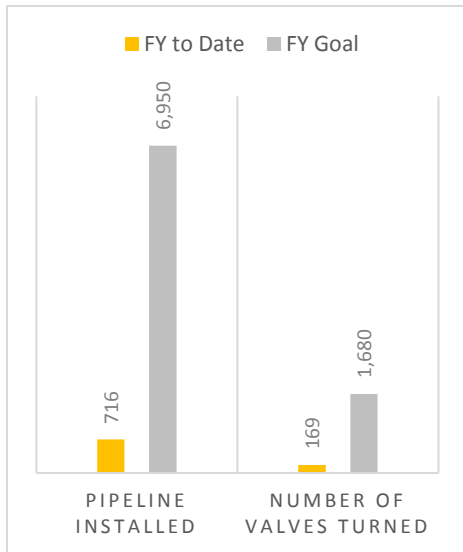
### **Project Updates**

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

Burbank agreed to spread up to 14,000 acre-feet of Cyclic Storage Water by the end of this calendar year. BWP spread about 1,771 acre-feet of water in the month of August. 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 fall.

## Key Performance Indicators

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



**Installation of a new 12-inch gate valve at California Street and Riverside Drive.**

A new valve was added here to help isolate the pipeline within the bridge that crosses the 134 freeway, while not affecting the water supply to our consumers.



**ELECTRIC RELIABILITY**

In August 2019, BWP experienced one sustained feeder outage. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,541,647 customer minutes.

Reliability Measurement	September 2017- August 2018	September 2018 - August 2019
Average Outages Per Year (SAIFI)	0.2777	0.4136
Average Outage Duration (CAIDI)	38.78 minutes	38.55 minutes
Average Service Availability	99.998%	99.997%
Average Momentary Outages Per Year (MAIFI)	0.2332	0.3682
No. of Sustained Feeder Outages	8	14
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

### Service Confirmation Tracking for 5G Applications

Electrical Engineering recently developed an application to track service confirmation requests for 5G Wireless Telecommunication Facilities. This allows BWP to track each requests from start to finish. Some of the information that we capture is:

- The location of the request
- All of the required documents
- Any work orders created
- All confirmation and inspection fielding

### Temporary Service for LADWP's RSC 7 Tunnel Boring Project

Construction work on the temporary electric service for LADWP's RSC 7 Tunnel boring project is ongoing. Electrical conduit and manholes on Riverside Drive, east of Bob Hope Drive, have been completed. The contractor has received necessary permits from the City and CALTRANS to begin substructure work along Bob Hope Drive and into Johnny Carson Park North. After substructure work is complete, BWP crews will begin pulling cable to feed this temporary electric service.



**Underground trench for electric conduit installation**

## **STREET LIGHTING**

### **LED Replacement Program**

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) streetlight luminaires with light-emitting diode (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. The LED replacements consume approximately 60% less energy. To date, 58.51% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,059MWh or a 33.01% reduction in energy consumption. LED conversions have also reduced evening load by 698kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

## **CUSTOMER SERVICE**

### **Customer Service Operations**

In the Call Center, customers have been experiencing high wait times, although call volume is declining, primarily due to vacancies and time off. To help alleviate the wait times, we are in the process of filling two Customer Service Representative IIs (CSRs) for the Call Center. For one of the vacancies, we have taken the creative approach of converted it into four Part Time 10 hour positions to increase availability and flexibility in staffing. We also are recruiting two “As Needed” employees to help staff in other areas in Customer Service due to employees being out long term.

### **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	Total	% of Total*
Enrollments	18,498	6,317	3,052	1,742	1,294	1,126	32,029	61%
Paperless	17,047	5,704	3,045	1,729	1,288	1,119	29,932	57%
Autopay	2,354	2,376	1,170	985	614	559	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	% Inc/Dec
Call Volume	7227	5740	6310	5029	5507	5417	-2%

Call Types	% of Calls
Balance	17%
Account/PIN #	5%
Disconnect/Reconnect	4%
Payment Extension	3%
Other	70%

### **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	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station / Day	% Peak Sessions	Parking Occupancy	Charging Occupancy
<b>Aug 2019</b>	<b>17,738</b>	<b>\$3,638</b>	<b>7,450</b>	<b>13.3</b>	<b>24%</b>	<b>17%</b>	<b>14%</b>
Jul 2019	19,804	\$3,765	8,318	14.9	22%	19%	16%
Jun 2019	24,374	\$4,303	10,237	18.9	21%	26%	23%
May 2019	25,756	\$4,783	10,818	19.3	21%	26%	22%
Apr 2019	26,501	\$4,981	11,131	20.5	21%	25%	20%
Mar 2019	24,810	\$4,507	10,420	18	20%	21%	17%
Feb 2019 <sup>1</sup>	20,127	\$3,277	8,453	17	23%	21%	17%
Jan 2019	20,706	\$3,511	8,696	16	22%	22%	18%
Dec 2018	22,889	\$3,991	9,613	18	21%	24%	19%
Nov 2018 <sup>2</sup>	22,145	\$3,879	9,301	18	20%	25%	20%
Oct 2018 <sup>3</sup>	23,141	\$3,957	9,719	18	20%	24%	21%
Sep 2018	18,592	\$3,665	7,809	17	18%	23%	20%
Aug 2018	18,613	\$3,757	7,818	23	21%	27%	23%

<sup>1</sup> Includes four new Ontario Substation curbside chargers installed mid-February.

<sup>2</sup> Includes the new DC Fast Charger and the removal of 2 chargers due to the Burbank Town Center project.

<sup>3</sup> Includes 16 new public Level 2 chargers installed mid-September.

**July and August revenue is down due to maintenance issues. A total of six charging ports are out of service. The most significant loss is from the DC Fast Charger at the Lakeside Shopping Center, which first went offline in July. Repairs on the remaining five Level 2 chargers are projected for November. Estimated loss revenue for August from the chargers is \$1028. The DC Fast Charger at the Lakeside Shopping Center has been repaired as of the week of September 9, 2019.**

## 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
<b>Aug 2019</b>	<b>10</b>	<b>16</b>	<b>815</b>	<b>8,073</b>
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)**

	August 2019 New Orders	Revenues for August 2019	FYTD 2019-20 Revenues	FYTD Budget
<b>Lit</b>	<b>2</b>	<b>\$111,990</b>	<b>\$229,540</b>	<b>\$256,667</b>
<b>Dark</b>	<b>2</b>	<b>\$192,140</b>	<b>\$384,155</b>	<b>\$385,000</b>
<b>Total</b>	<b>4</b>	<b>\$304,130</b>	<b>\$613,695</b>	<b>\$641,667</b>

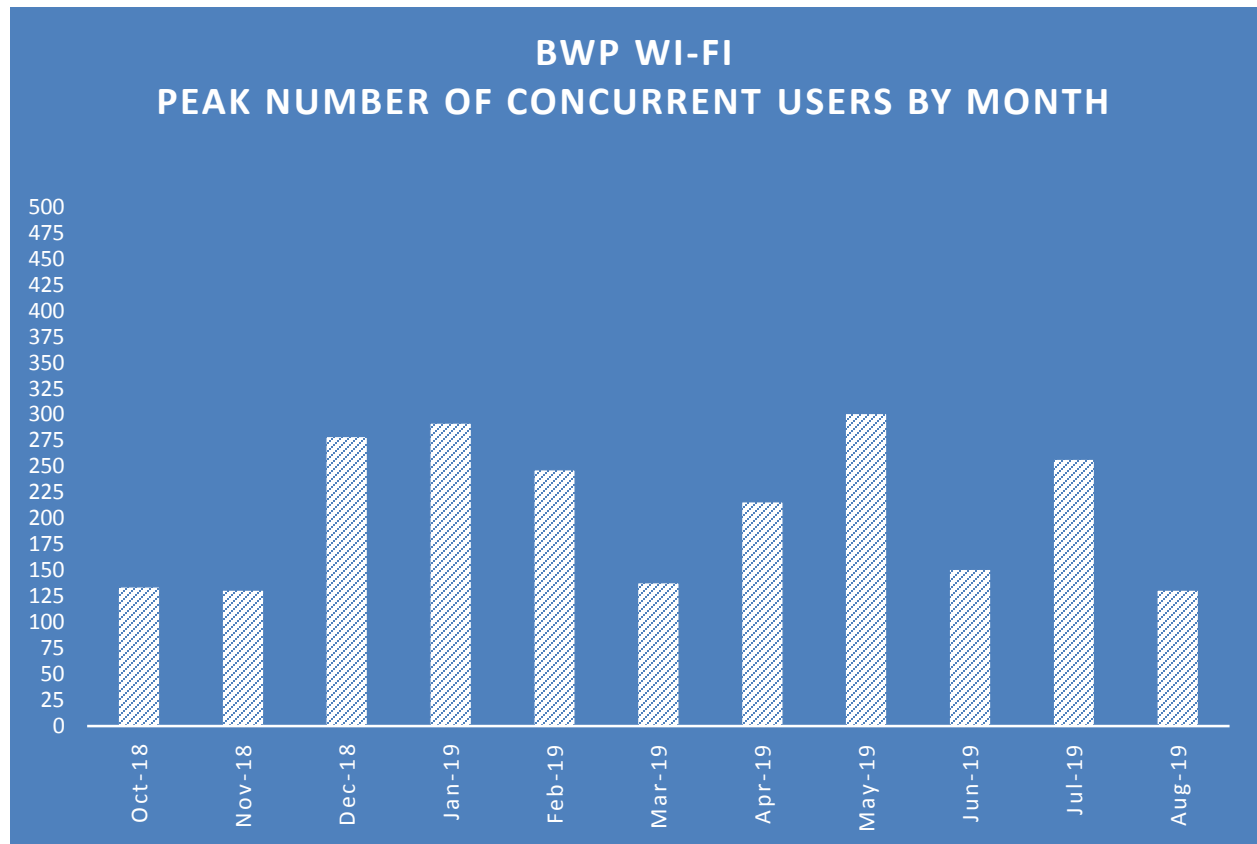
### **BWP WiFi**

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

BWP recently implemented new network security measures to safeguard and improve the reliability of BWP WiFi. These measures streamline overhead traffic and help to

eliminate nefarious traffic. End users will experience a more robust, secure network, while BWP's metering assets that use the wireless networks will also be more secure.

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



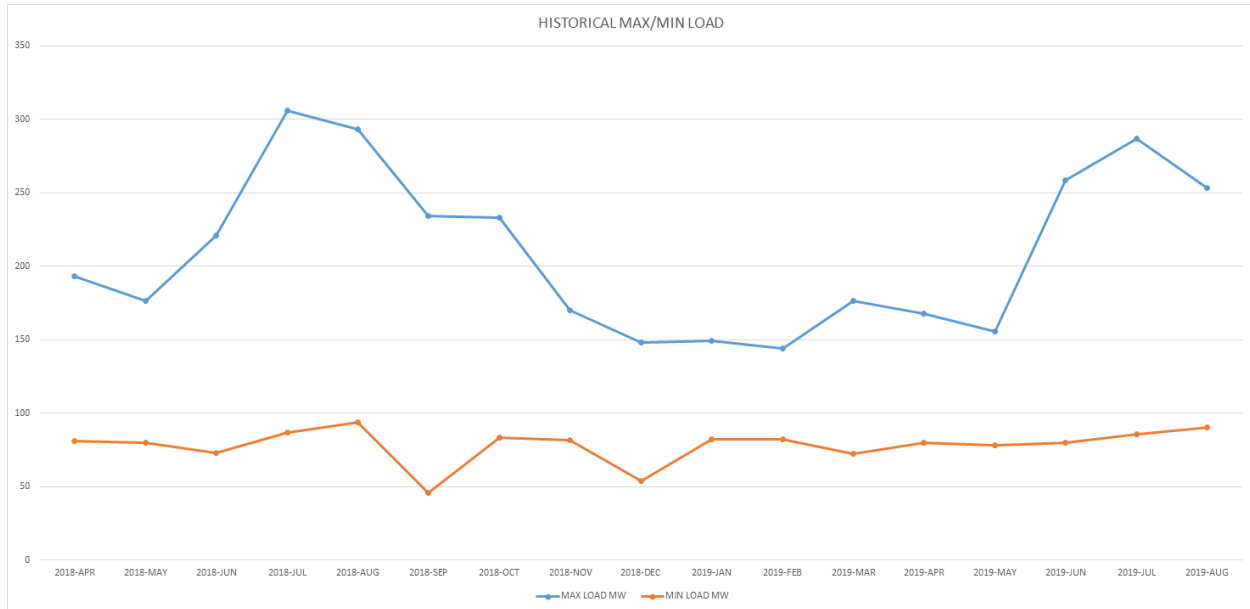
### Cyber Security Update – August 2019

**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 August 2019 was 253.2 MW at 3:51 PM on Tuesday, August 27, and the minimum load was 90.7 MW at 4:52 AM on Sunday, August 11.



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

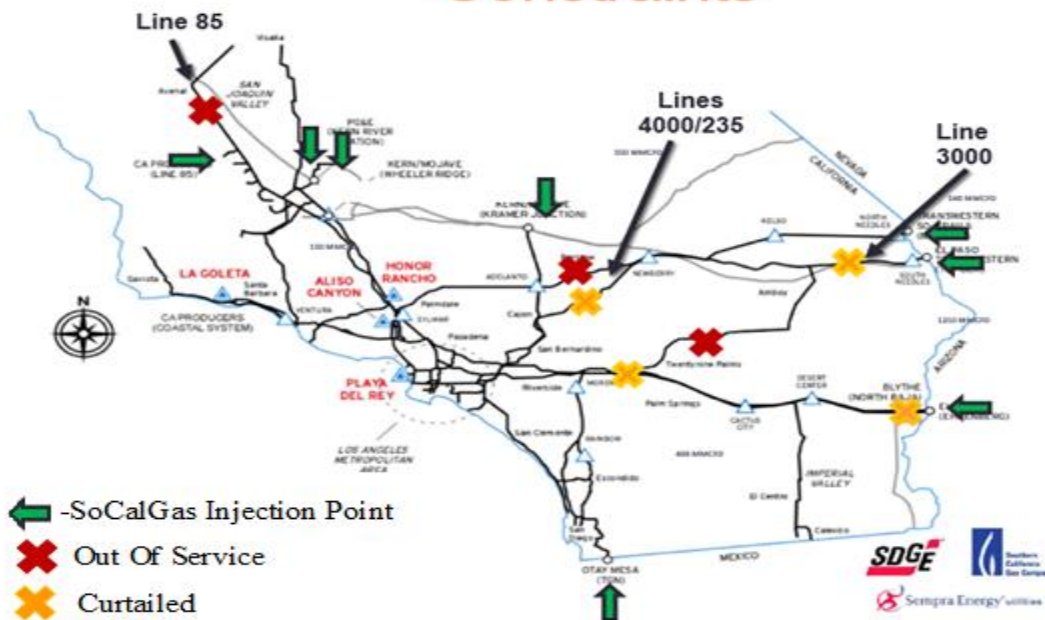
**The Burbank power system did not experience abnormal weather or natural gas supply issues for August 2019.**

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 at a much lower OFO order. 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.**

## SoCalGas System Receipt Points and Constraints



### 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. No firm return-to-service date is available.**

### 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 <sub>x</sub> (lbs)	Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	100%	215	7,994	1,467	26
MPP	87%	639	123,598	5,009	3

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 26 times during the month of August, which is an average number of runs for this unit during the month of August.

**Magnolia Power Project (MPP)**

	August	FYTD	YTD
Availability	87%	94%	95%
Unit Capacity Factor (240 MW)	69%	75%	74%

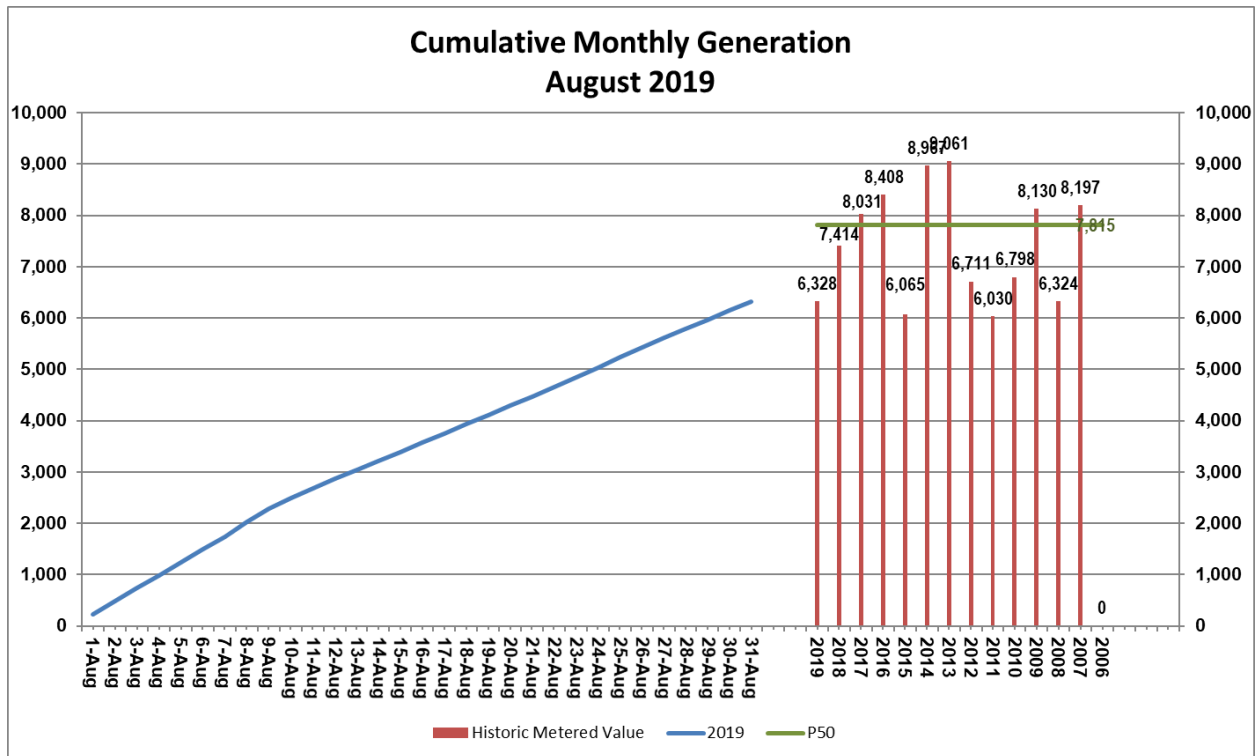
MPP tripped on Saturday, August 3, at 5:52 A.M. due to a combustion turbine fuel valve solenoid failure. Following replacement of the solenoid, MPP was successfully restarted at 5:07 P.M. the same day.

MPP tripped again on Sunday, August 11, at 7:29 P.M. This trip was due to a card failure in the GE Mark VI control system. Following replacement of the control card (from warehouse stock), MPP was successfully restarted at 6:09 A.M. the next morning.

MPP was taken offline on Friday, August 16, at 6:29 A.M. to accommodate the SoCal Gas Company’s inspection activity on their natural gas pipeline. This shutdown was initiated twelve hours earlier than would be scheduled normally for the ensuing routine water wash of the combustion turbine. Upon completion of the gas line inspection, the water wash was performed. The plant was made available for return to service on August 19, at 6:29 A.M., however, the participants elected to restart the plant at 6:07 P.M.

## 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 6,328 MWhs in August, which is below the average of 7,815 MWhs for August. This is due to a low snow pack season last winter, which is the snow melt water source for Rimrock Reservoir that supplies Tieton.**



## 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. Once the SCAQMD reviews 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.

## Storm Water

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

## PROJECT UPDATES:

### Power Resources

#### Transmission Update

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

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

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

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

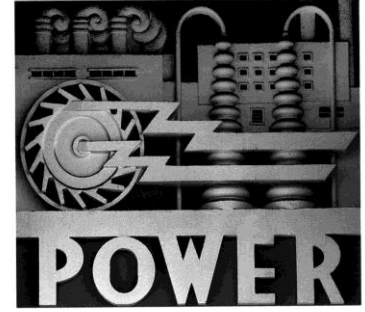
The Entitlement Assignment Agreements are pending approval by LADWP's governing bodies.

### **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.**

# Burbank Water and Power



## Estimated Financial Report August-19

UNAUDITED

**Burbank Water and Power  
Electric Fund (496)  
Estimated Statement of Changes in Net Assets <sup>(1)</sup>  
MTD and FYTD August 2019  
(\$ in 000's except MWh Sales)**

MTD FY 19-20	MTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance		FYTD FY 19-20	FYTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance
113,767	117,743	(3,976)	(3%) <sup>(a)</sup>	NEL MWh	221,840	231,765	(9,925)	(4%) <sup>(A)</sup>
				<b>Retail</b>				
\$ 17,379	\$ 17,598	\$ (219)	(1%)	Retail Sales	\$ 33,239	\$ 34,924	\$ (1,685)	(5%)
305	587	(282)	(48%) <sup>(b)</sup>	Other Revenues <sup>(3)</sup>	862	1,174	(312)	(27%) <sup>(B)</sup>
<u>10,712</u>	<u>11,887</u>	<u>1,174</u>	<u>10%</u> <sup>(c)</sup>	Retail Power Supply & Transmission	<u>20,779</u>	<u>23,492</u>	<u>2,713</u>	<u>12%</u> <sup>(C)</sup>
6,972	6,299	673	11%	<b>Retail Margin</b>	13,322	12,606	716	6%
				<b>Wholesale</b>				
1,456	5,212	(3,756)	(72%)	Wholesale Sales	1,946	13,409	(11,463)	(85%)
<u>1,350</u>	<u>5,081</u>	<u>3,731</u>	<u>73%</u>	Wholesale Power Supply	<u>1,774</u>	<u>13,074</u>	<u>11,300</u>	<u>86%</u>
106	130	(25)	(19%)	<b>Wholesale Margin</b>	172	335	(164)	(49%)
<u>7,077</u>	<u>6,429</u>	<u>648</u>	<u>10%</u>	<b>Gross Margin</b>	<u>13,493</u>	<u>12,941</u>	<u>552</u>	<u>4%</u>
				<b>Operating Expenses</b>				
935	935	-	0%	Distribution	1,846	1,896	50	3%
113	113	-	0%	Administration/Safety	192	231	40	17% <sup>(D)</sup>
220	220	-	0%	Finance, Fleet, & Warehouse	414	442	28	6%
507	507	-	0%	Transfer to General Fund for Cost Allocation	1,003	1,015	11	1%
446	446	-	0%	Customer Service, Marketing & Conservation	624	891	267	30% <sup>(E)</sup>
484	484	-	0%	Public Benefits	850	952	103	11% <sup>(F)</sup>
166	166	-	0%	Security/Oper Technology	424	333	(91)	(27%) <sup>(G)</sup>
110	110	-	0%	Telecom	231	254	23	9%
183	183	-	0%	Construction & Maintenance	291	365	74	20% <sup>(H)</sup>
<u>1,575</u>	<u>1,575</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>3,096</u>	<u>3,149</u>	<u>53</u>	<u>2%</u>
<u>4,738</u>	<u>4,738</u>	<u>-</u>	<u>0%</u> <sup>(d)</sup>	Total Operating Expenses	<u>8,970</u>	<u>9,528</u>	<u>558</u>	<u>6%</u>
\$ 2,339	\$ 1,691	\$ 648	(38%)	<b>Operating Income/(Loss)</b>	\$ 4,523	\$ 3,414	\$ 1,109	33%

**Burbank Water and Power  
Electric Fund (496)  
Estimated Statement of Changes in Net Assets <sup>(1)</sup>  
MTD and FYTD August 2019**

(\$ in 000's)

MTD FY 19-20	MTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance		FYTD FY 19-20	FYTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance
\$ 2,339	\$ 1,691	\$ 648	(38%)	<b>Operating Income/(Loss)</b>	\$ 4,523	\$ 3,414	\$ 1,109	33%
				<b>Other Income/(Expenses)</b>				
162	162	-	0%	Interest Income	342	324	17	5%
106	106	-	0%	Other Income/(Expense) <sup>(4)</sup>	(3,281)	(3,222)	(59)	2%
(344)	(344)	-	0%	Bond Interest/ (Expense)	(689)	(689)	-	0%
(76)	(76)	-	0%	Total Other Income/(Expenses)	(3,628)	(3,586)	(42)	(1%)
2,263	1,615	648	(40%)	<b>Net Income</b>	895	(173)	1,067	(618%)
112	112	-	0%	Capital Contributions (AIC)	205	224	(19)	(9%)
<u>\$ 2,375</u>	<u>\$ 1,727</u>	<u>\$ 648</u>	<u>(38%)</u>	<b>Net Change in Net Assets (Net Income)</b>	<u>\$ 1,099</u>	<u>\$ 52</u>	<u>\$ 1,048</u>	<u>2034%</u>

1. This report may not foot due to rounding.

2. ( ) = Unfavorable

3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy. For July 2019, includes one-time payment to CalPERS (for pension) in the amount of \$3,434,104.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	113,767	117,743	(3,976)	- NEL is 3% lower than budget due to conservation. For the month of August, average high temperature was 89.2°F, compared to the normal of 88.1°F. MTD CDD were 344 versus the 15 year average of 327.
b.	Other Revenues	305	587	(282)	- 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	10,712	11,887	1,174	- 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	4,738	4,738	-	- Expenses for August 2019 are estimated at budgeted values.

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	221,840	231,765	(9,925)	- NEL is 4% lower than budget due to conservation. FYTD average high temperature was 88.5.0°F and the 15 year average high temperature was 87.5.8°F. FYTD CDD were 644 versus the 15 year average of 648.
B.	Other Revenues	862	1,174	(312)	- 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	20,779	23,492	2,713	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Administration/Safety	192	231	40	- The favorable variance is primarily due to lower than planned spending on professional services.
E.	Customer Service, Marketing & Conservation	624	891	267	- The favorable variance is primarily attributable to lower than planned spending on professional services, and savings on salaries and related benefits due to vacant positions.
F.	Public Benefits	850	952	103	- Lifeline discounts of \$90K YTD are recorded as a reduction to retail sales but are budgeted as an expense. The remaining variance is due to lower revenues than planned.
G.	Security/Oper Technology	424	333	(91)	- The unfavorable variance is primarily attributable to higher than planned spending on software & hardware and membership dues. Also contributing to the unfavorable variance is less work than planned for other groups.
H.	Construction & Maintenance	291	365	74	- The favorable variance is due to lower than planned facility maintenance and service requests.



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

	<b>Variance Month-to-Date</b>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<b><u>MTD NET INCOME/(LOSS): \$2,263</u></b>	\$ 648		\$ 648
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Retail Sales		(219)	(219)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	965		965
- Lower retail load	139		139
- Lower than planned renewables	70		70
Other Revenues		(282)	(282)
Wholesale Margin		(25)	(25)
<b>Total</b>	<u>1,174</u>	<u>(526)</u>	<u>648</u>

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

	Footnote	Variance Fiscal Year-to-Date		
		Favorable Items	Unfavorable Items	Budget to Actual Variance
<b><u>FYTD NET INCOME: \$895</u></b>		1,067		1,067
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>				
Retail Sales			(1,685)	(1,685)
Power Supply and Transmission				
- Lower energy prices and economic dispatch		1,815		1,815
- Lower than planned renewables		527		527
- Lower retail load		371		371
Other Revenues			(312)	(312)
Wholesale Margin			(164)	(164)
<b>Total</b>		<u>2,713</u>	<u>(2,161)</u>	<u>552</u>
<b><u>FYTD EXPENSE AND OTHER VARIANCES</u></b>				
Customer Service, Marketing & Conservation		267		267
Public Benefits		103		103
Construction & Maintenance		74		74
Depreciation expense		53		53
Distribution		50		50
Administration/Safety		40		40
Finance, Fleet, & Warehouse		28		28
Telecom		23		23
Security/Oper Technology			(91)	(91)
All other			(32)	(32)
<b>Total</b>		<u>638</u>	<u>(123)</u>	<u>515</u>

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

	Aug-19	Jul-19	Jun-19	Mar-19	Dec-18	Jun-18	Recommended Reserves	Minimum Reserves
<b>Cash and Investments</b>								
General Operating Reserve	\$ 59,128	\$ 57,852 <sup>(f)</sup>	\$ 67,320 <sup>(b)</sup>	\$ 71,956	\$ 76,141	\$ 78,993	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	16,871	16,831	16,817	16,713	16,648	16,492		
Sub-Total Cash and Investments	<u>85,999</u>	<u>84,684</u>	<u>94,137</u>	<u>98,669</u>	<u>102,789</u>	<u>105,485</u>	<u>73,010</u>	<u>42,770</u>
Capital Commitments				-	(266)	(6,740) <sup>(c)</sup>		
Customer Deposits	(4,268)	(4,109)	(5,641)	(5,471)	(5,266)	(5,432)		
Public Benefits Obligation	(6,535)	(6,535)	(6,069)	(6,408)	(6,359)	(5,549)		
Pacific Northwest DC Intertie	(1,410)	(1,410)	(2,218)	(3,175)	(5,113)	(7,455)		
Low Carbon Standard Fuel <sup>(d)</sup>	(2,267)	(2,267)	(2,267) <sup>(e)</sup>	(1,140)	(1,242)	(1,251)		
Cash *	<u><u>71,520</u></u>	<u><u>70,364</u></u>	<u><u>77,942</u></u>	<u><u>82,474</u></u>	<u><u>84,542</u></u>	<u><u>79,059</u></u>	<u><u>73,010</u></u>	<u><u>42,770</u></u>

<sup>(a)</sup> The Statement of Cash Balances may not add up due to rounding.

<sup>(b)</sup> Includes a \$3.95M loan to the Water Fund for the purchase of cyclic storage water.

<sup>(c)</sup> Denotes capital commitment for the Ontario Distribution Station and 4kV to 12kV conversion of circuits.

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

<sup>(e)</sup> Includes the sale of \$1.146M of LCFS credits.

<sup>(f)</sup> Includes one-time payment to CalPERS (for pension) in the amount of \$3,434,104, and payment of annual required contribution of \$5,704,748.

**Burbank Water and Power  
Water Fund (497)  
Estimated Statement of Changes in Net Assets <sup>(1) (2)</sup>  
MTD and FYTD August 2019  
(\$ in 000's except Gallons)**

MTD FY 19-20	MTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance		FYTD FY 19-20	FYTD Aug-19 Budget	\$ Variance <sup>(2)</sup>	% Variance
526	535	(9)	(2%) <sup>(a)</sup>	Water put into the system in Millions of Gallons	1,033	1,065	(32)	(3%) <sup>(A)</sup>
104	116	(12)	(11%)	Metered Recycled Water in Millions of Gallons	215	228	(13)	(6%) <sup>(B)</sup>
				<b>Operating Revenues</b>				
2,958	2,866	\$ 92	3% <sup>(b)</sup>	Potable Water	5,783	5,701	\$ 82	1% <sup>(C)</sup>
575	477	98	20% <sup>(c)</sup>	Recycled Water	961	933	28	3% <sup>(D)</sup>
47	62	(15)	(24%) <sup>(d)</sup>	Other Revenue <sup>(3)</sup>	78	124	(46)	(37%) <sup>(E)</sup>
<u>3,580</u>	<u>3,405</u>	<u>175</u>	<u>5%</u>	Total Operating Revenues	<u>6,822</u>	<u>6,758</u>	<u>65</u>	<u>1%</u>
1,312	1,331	19	1% <sup>(e)</sup>	Water Supply Expense	2,505	2,641	135	5% <sup>(F)</sup>
<u>2,268</u>	<u>2,074</u>	<u>194</u>	<u>9%</u>	<b>Gross Margin</b>	<u>4,317</u>	<u>4,117</u>	<u>200</u>	<u>5%</u>
				<b>Operating Expenses</b>				
689	689	-	0%	Operations & Maintenance - Potable	1,273	1,379	106	8% <sup>(G)</sup>
137	137	-	0%	Operations & Maintenance - Recycled	259	274	15	6%
206	206	-	0%	Allocated O&M	355	414	59	14% <sup>(H)</sup>
172	172	-	0%	Transfer to General Fund for Cost Allocation	350	345	(5)	(1%)
<u>370</u>	<u>370</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>701</u>	<u>739</u>	<u>39</u>	<u>5%</u>
1,574	1,574	-	0% <sup>(f)</sup>	Total Operating Expenses	2,937	3,152	214	7%
				<b>Other Income/(Expenses)</b>				
21	21	-	0%	Interest Income	43	42	0	0%
39	39	0	0%	Other Income/(Expense) <sup>(4)</sup>	(579)	(475)	(104)	(22%) <sup>(I)</sup>
(159)	(159)	-	0%	Bond Interest/(Expense)	(315)	(317)	2	1%
<u>(98)</u>	<u>(99)</u>	<u>0</u>	<u>0%</u>	Total Other Income/(Expenses)	<u>(851)</u>	<u>(750)</u>	<u>(101)</u>	<u>(14%)</u>
<u>595</u>	<u>401</u>	<u>194</u>	<u>48%</u>	<b>Net Income/(Loss)</b>	<u>528</u>	<u>215</u>	<u>313</u>	<u>145%</u>
40	40	-	0%	Aid in Construction	50	81	(30)	(38%) <sup>(J)</sup>
<u>\$ 636</u>	<u>\$ 442</u>	<u>\$ 194</u>	<u>44%</u>	<b>Net Change in Net Assets (Net Income)</b>	<u>\$ 578</u>	<u>\$ 296</u>	<u>\$ 282</u>	<u>95%</u>

1. This report may not foot due to rounding.

2. ( ) = Unfavorable

3. Other Revenue includes items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets. For July 2019, includes one-time payment to CalPERS (for pension) in the amount of \$552,896.

**Burbank Water and Power  
Water Fund (497)  
Estimated Statement of Changes in Net Assets - Footnotes  
MTD August 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	526	535	(9)	- Potable water sales are lower due to lower demand. Burbank received no rainfall in August as compared to the monthly normal of 0.08 inches. Average high temperature was 89.2°F, compared to the normal of 88.1°F. MTD CDD were 344 versus the 15 year average of 327.	
b.	Potable Water Revenue	2,958	2,866	92	- The WCAC impact increased potable water revenues by \$70k MTD. Without this adjustment, potable water revenues would be favorable by 0.78%.	
						MTD Actual
					WCAC Revenue	\$1,242
					WCAC Expenses	\$1,312
					<b>WCAC revenue deferral/(accrual)</b>	<b><u>(\$70)</u></b>
c.	Recycled Water Revenue	575	477	98	- Recycled water revenue is higher due to a May and June 2019 billing adjustment of \$103K. The Recycled Water revenue without this adjustment would be 1% below budget, and corresponds to lower demand.	
d.	Other Revenue	47	62	(15)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.	
e.	Water Supply Expense	1,312	1,331	19	- Water supply expense corresponds with lower demand.	
f.	Total Operating Expenses	1,574	1,574	-	- Expenses for August 2019 are at budgeted values.	

**Burbank Water and Power**  
**Water Fund (497)**  
**Estimated Statement of Changes in Net Assets - Footnotes**  
**FYTD August 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	1,033	1,065	(32)	- FYTD Potable water sales are lower due to lower demand. Rainfall season-to-date was .09 inches less than the season normal of 0.07 inches. FYTD CDD were 644 versus the 15 year average of 648.
B.	Metered Recycled Water in Millions of Gallons	215	228	(13)	- FYTD Recycled sales are lower due to lower demand. Rainfall season-to-date was .09 inches less than the season normal of 0.07 inches. FYTD CDD were 644 versus the 15 year average of 648.
C.	Potable Water	5,783	5,701	82	- The WCAC impact increased potable water revenues by \$198k YTD. Without this adjustment, potable revenues would be unfavorable by 2%.
					FYTD Actual
					WCAC Revenue
					<u>\$2,307</u>
					WCAC Expenses
					<u>\$2,505</u>
					<b>WCAC revenue deferral/(accrual)</b>
					<b><u><u>(\$198)</u></u></b>
D.	Recycled Water	961	933	28	- Recycled water revenue is higher due to a May and June 2019 revenue adjustment of \$103K billed in August 2019. The Recycled Water revenue without this adjustment would be 8% below budget, and corresponds to lower demand.
E.	Other Revenue	78	124	(46)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
F.	Water Supply Expense	2,505	2,641	135	- Water supply expense corresponds with lower demand.
G.	Operations & Maintenance - Potable	1,273	1,379	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.
H.	Allocated O&M	355	414	59	- The favorable variance is attributable to lower than planned allocated expenses (Customer Service, Admin & Safety, Facilities and Conservation) from the Electric Fund.
I.	Other Income / (Expense)	(579)	(475)	(104)	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets. For July 2019, includes one-time payment to CalPERS (for pension) in the amount of \$552,896; and CalPERS one-time payment for Electric (allocation to Water) of \$118,152.
J.	Aid in Construction	50	81	(30)	- The unfavorable variance is attributable to the timing of AIC projects.

**Estimated August 2019 Budget to Actual P&L Variance Highlights - Water Fund  
(in 000's)**

	<b>Variance Month-to-Date</b>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<b><u>MTD NET INCOME (LOSS): \$595</u></b>	194		194
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Recycled Revenues	98		98
Potable Revenues	92		92
Water Supply Expense	19		19
Other Revenue		(15)	(15)
<b>Total</b>	<u>209</u>	<u>(15)</u>	<u>194</u>
<b><u>MTD O&amp;M AND OTHER VARIANCES</u></b>			
Operating expenses		-	-
Other income/expenses	-		-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>



**Estimated August 2019 Budget to Actual P&L Variance Highlights - Water Fund  
(in 000's)**

	<b>Variance Fiscal Year-to-Date</b>		<b>Budget to Actual Variance</b>
	<b>Favorable Items</b>	<b>Unfavorable Items</b>	
<b><u>FYTD NET INCOME: \$528</u></b>	313		313
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>			
Potable Revenues	82		82
Recycled Revenues	28		28
Other Revenue		(46)	(46)
Water Supply Expense	135		135
<b>Total</b>	<b>245</b>	<b>(46)</b>	<b>199</b>
<b><u>FYTD O&amp;M AND OTHER VARIANCES</u></b>			
Potable O&M	106		106
Allocated O&M	59		59
Depreciation Expense	39		39
Recycled Water O&M	15		15
All Other		(105)	(105)
<b>Total</b>	<b>219</b>	<b>(105)</b>	<b>114</b>

**Water Fund (497)**  
**Estimated Statement of Changes in Cash and Investment Balances <sup>(a)</sup>**

	<u>Aug-19</u>	<u>Jul-19</u>	<u>Jun-19</u>	<u>Mar-19</u>	<u>Dec-18</u>	<u>Jun-18</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
<b>Cash and Investments</b>								
General Operating Reserves	\$ 12,140	\$ 10,852 <sup>(d)</sup>	\$ 11,555 <sup>(b)</sup>	\$ 5,800	\$ 12,471	\$ 10,925	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>14,360</u>	<u>13,072</u>	<u>13,775</u>	<u>8,020</u>	<u>14,691</u>	<u>13,145</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(12)	(29)	(29)	(1,266)	(1,170)	(607)		
Capital Commitments <sup>(c)</sup>	-	-	-	-	-	(140)		
Cash and Investments (less commitments)	<u><u>14,348</u></u>	<u><u>13,043</u></u>	<u><u>13,746</u></u>	<u><u>6,754</u></u>	<u><u>13,521</u></u>	<u><u>12,397</u></u>	<u><u>17,830</u></u>	<u><u>9,370</u></u>

<sup>(a)</sup> The Statement of Cash Balances may not add up due to rounding.

<sup>(b)</sup> Includes a \$3.95M loan from the Electric Fund for the purchase of cyclic storage water.

<sup>(c)</sup> Capital commitment for the recycled water I-5 Freeway second tie crossing project paid in October 2018.

<sup>(d)</sup> Includes one-time payment to CalPERS (for pension) in the amount of \$552,896, and payment of annual required contribution of \$912,149.