CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT

DATE: **November 3, 2022**
TO: Burbank Water and Power Board
FROM: Dawn Roth Lindell, General Manager, BWP
SUBJECT: **September 2022** Operating Results

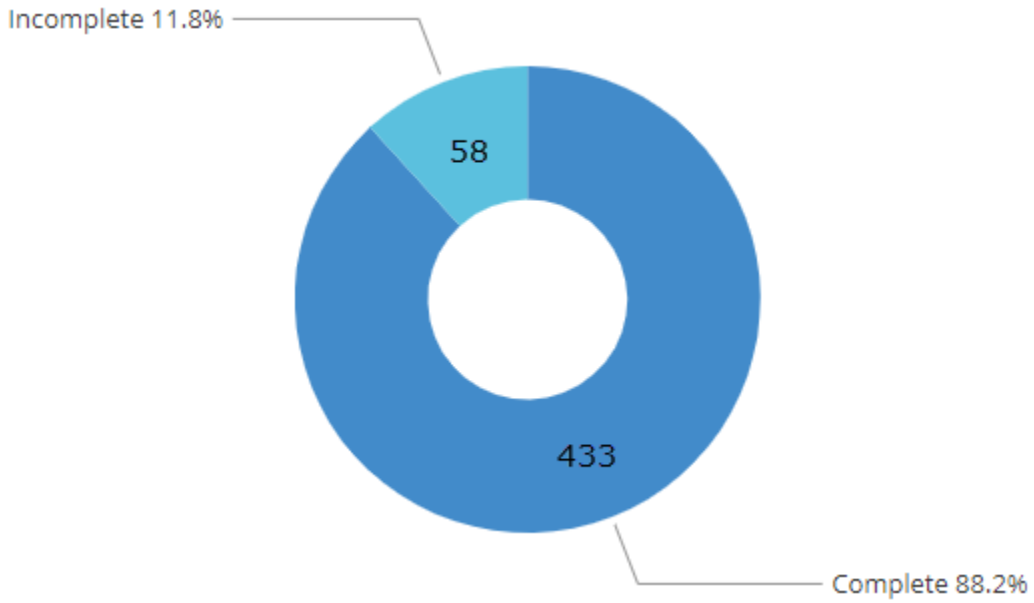
***Please note that changes from last month's report are in BOLD**

SAFETY

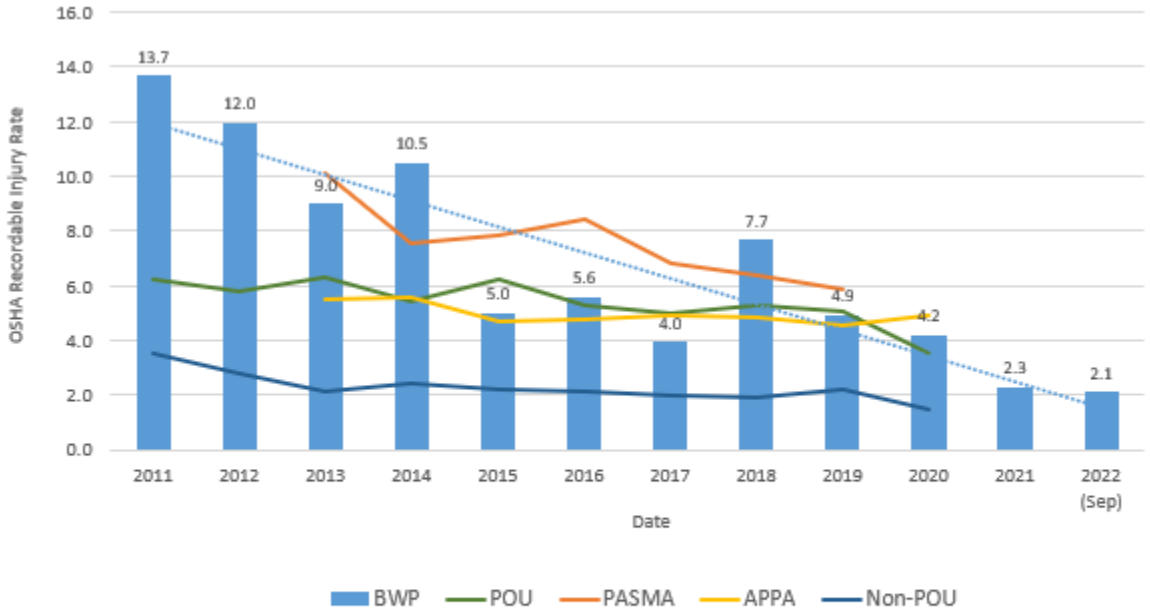
As a progressive and proactive utility, BWP tracks all environmental, health, and safety (EHS) related events such as observations, near misses, and incidents. Staff tracks action items for these events from start to closure in order to avoid injury or damage to the city or public property. BWP exceeded its goal of closing 80% of action items. BWP has closed 88% of corrective and preventative action items.

BWP continues to make progress on achieving our yearly goal of reporting 300 EHS-related events. BWP received 157 EHS-related reports for 2022, thus far. For September 2022, BWP experienced one OSHA recordable injury. BWP's 12-month rolling average OSHA total recordable incident rate is 2.1.

Corrective & Preventative Action Items (80% Goal):



OSHA Total Recordable Incident Rate:



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees. Current year expressed as 12 month rolling average
POU - Publicly Owned Utilities - Bureau of Labor Statistics
PASMA - Public Agency Safety Management Association (Local Utilities only Data)
APPA - American Public Power Association - Average recordable injury rate for similar sized organization
Non-POU - Bureau of Labor Statistics, all non-govenrnmental utility services

Electric Financial Results

In **August,** the electric fund energy demand was **10**% **above** budget**, primarily driven by hotter than normal weather**. **Net** income was **$2,429,000**, which was **$1,579,000 better** than budgeted. The **favorable** variance was primarily attributed to **higher than planned retail sales and lower than planned operating expenses, offset by higher than planned retail power supply and transmission expenses. Power supply expenses were higher due to elevated natural gas prices and a coal shortage at the Intermountain Power Project. BWP's hedging strategy combined with rapid adjustments to the hot weather enabled us to meet the needs at the best possible cost.**

Fiscal-year-to-date (FYTD) energy demand was 3% above budget, primarily due to warmer than normal weather. For FYTD August, net income was a gain of $3,059,000, which was $4,158,000 better than budgeted. The favorable result was primarily attributed to lower than planned operating expenses and retail power supply and transmission expenses, and a favorable wholesale margin.

For additional details, please see the attached financial statements.

Water Financial Results

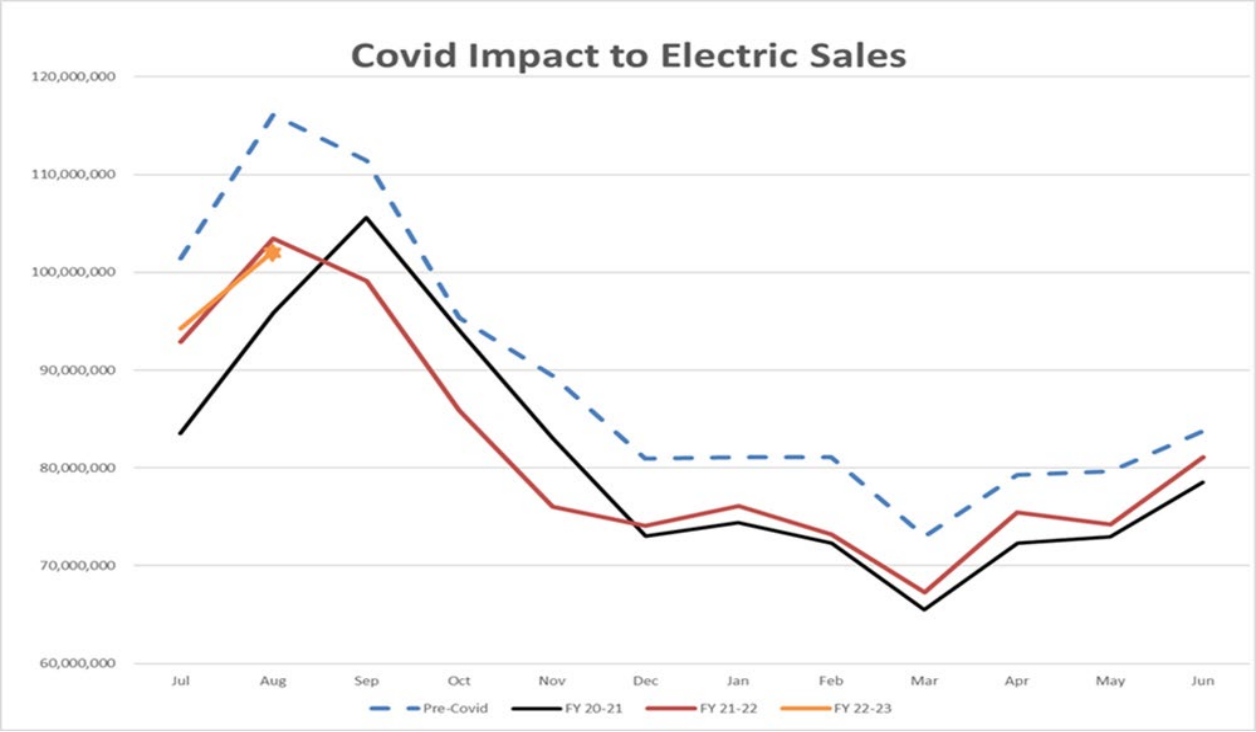
In **August,** for the water fund, potable water demand was **1% lower than budgeted**. **Net income** was **$1,104,000**, which was **$626,000** better than budgeted. The favorable variance was primarily attributed **to lower than planned operating expenses and water supply expense.**
FYTD potable water demand was 1% higher than budget. For FYTD August, net income was $1,243,000, which was $856,000 better than budgeted. The favorable variance was attributed to lower than planned operating expenses and water supply expense.

For additional details, please see the attached financial statements.

COVID-19 and Drought Impacts

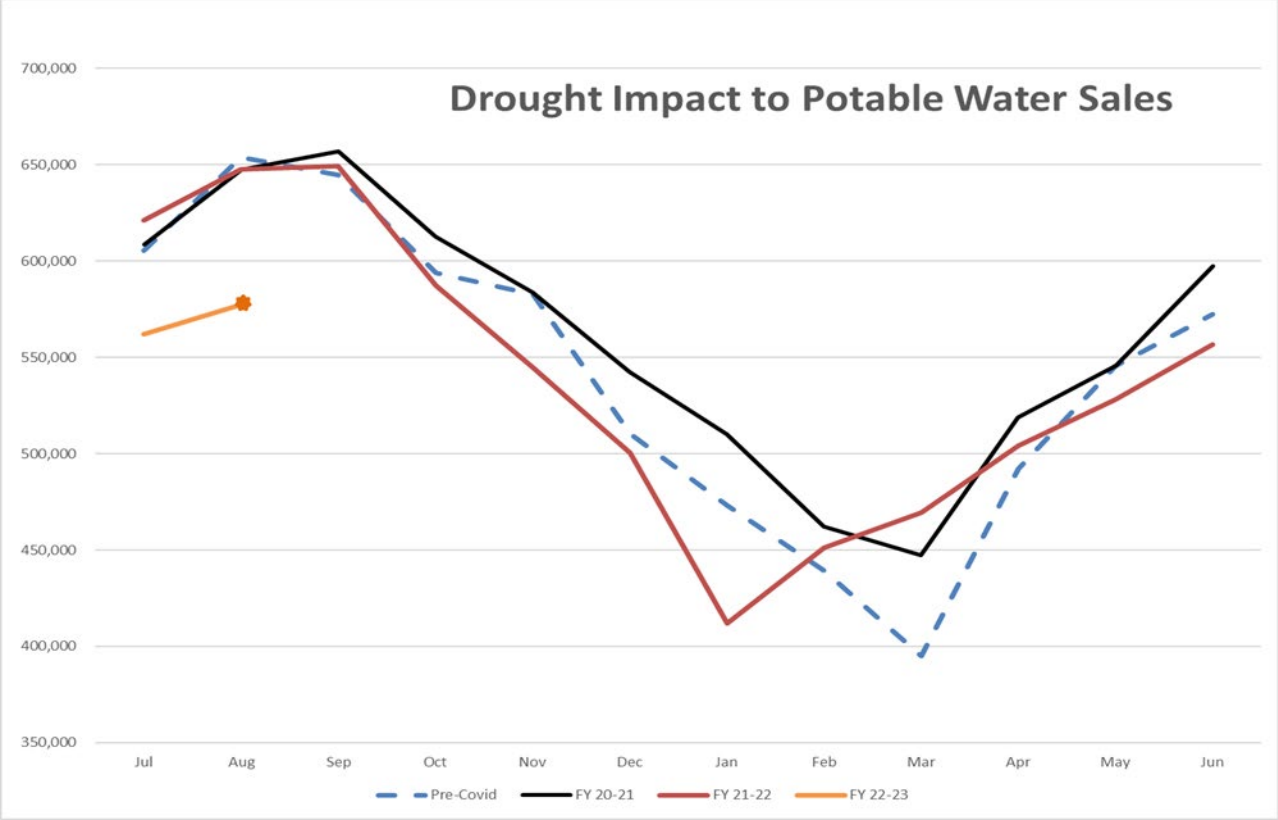
August's results reflect the **twenty-ninth** month of the impacts resulting from the COVID-19 pandemic beginning on March 19, 2020. With some Burbank commercial enterprises curtailing operations, this order has impacted commercial demand for energy in Burbank and has resulted in a continuous reduction of electric demand.

The chart below for the electric fund shows current fiscal year sales compared to prior fiscal years and pre-COVID. **August sales were 12% lower compared to August pre-COVID. Fiscal year-to-date sales were 10% lower compared to the same period pre-COVID.**



The Governor called for all Californians to voluntarily reduce water use by 15% from 2020 levels. **August** sales were **12%** lower compared to **August** pre-COVID**.** This is attributable to drought response – not due to COVID. **Fiscal year-to-date sales were 10% lower compared to the same period pre-COVID.** Water sales in general have been minimally impacted by the pandemic, where the decrease in commercial sales was offset by an increase in residential demand.

The chart below shows current fiscal year potable water sales compared to prior fiscal years and pre-COVID.



Inflation

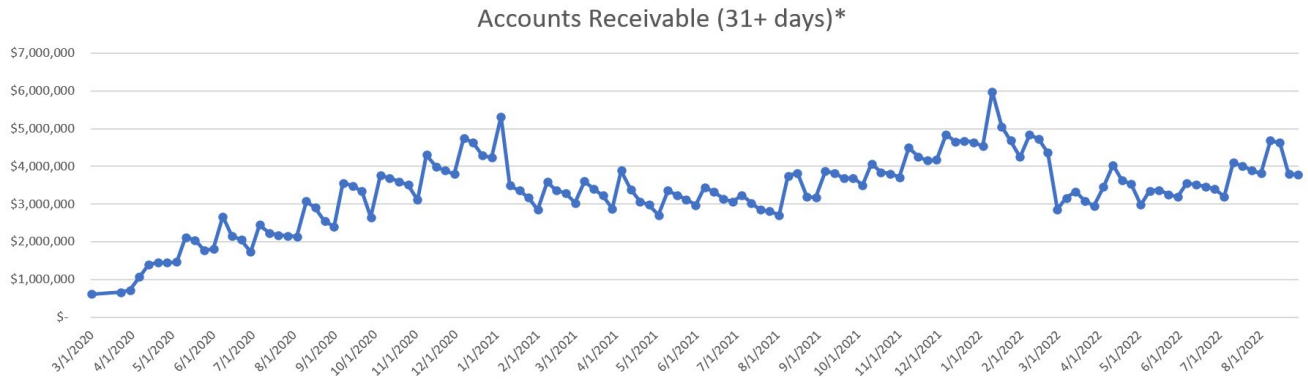
In the last year, BWP's net income has been heavily impacted by increasing inflation. U.S. inflation has climbed as high as 9.1%. In many cases, we are seeing expenses for utility-grade items to be much higher than 9.1%. Below are examples of utility items impacted by inflation:

- Emissions control system upgrade for the Lake One Unit – an increase of 25% from $2 million to $2.5 million
- A renewable solar, plus energy storage project - increase of 71%, from $35/MWh to $60/MWh
- New substation buildout - increase of 47% from ~$17M to ~$25M
- Rebuild substation - increase of 67% from ~$9M to ~$15M

- Copper coils for 1-inch service lines - increase of 64% from $6.09 to $9.98 per foot
- 8-inch ductile iron pipe – increase of 42% from $20.79 to $29.59 per foot
- Other increases in materials:
    - Plastic conduit 125%
    - Chlorine gas 98%
    - Plastic 57.7%
    - Metals 35.5%
    - Water meter boxes 25%
    - Precast concrete products 12.8%
    - Concrete 9.9%

Accounts Receivables

The chart below shows **the change in** receivables that are over **30** days old for BWP's electric and water funds.



*Excludes in-lieu and utility users' tax.

WATER DIVISION

Burbank's Water Use

The table below shows water use in Burbank during **September 2022** compared to **September 2020** measured in gallons per capita per day (gpcd). The baseline year of **2020** is used to measure the governor's call for a 15% reduction in monthly water use.

	Average Monthly Use
September 2020	**159 gpcd**
September 2022	**123 gpcd**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	125	126	104	112	141	149	157	162	159	153	136	132
Goal	106	107	88	95	119	127	134	138	135	130	116	112
2022	106	128	127	131	133	145	148	146	**123**			
	-15.2%	1.6%	22.1%	17.0%	-5.7%	-2.7%	-5.7%	-9.9%	**-22.6%**			

Water use, in terms of gpcd, during **September 2022** was **22.6%** less than the **September 2020** baseline, which exceeded the Governor's "15%" reduction request. This was driven by a two week moratorium on all outdoor watering due to a shutdown for repair of MWD's Colorado River pipeline. Monthly water use will be tracked and reported versus 2020 values and continue to monitor the response to the Governor's order to reduce water consumption by 15%. All values are compared with the standard of 2020 water consumption.

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the months of **October** 2021 through **September** 2022.

	BOU Capacity Factor	BOU Ave. Flow Rate	Total System Blend % MWD/BOU
21-Oct	**91.06%**	**8,196 gpm**	**18% /82%**
21-Nov	**92.51%**	**8,326 gpm**	**14% / 86%**
21-Dec	**86.51%**	**7,786 gpm**	**16% / 84%**
22-Jan	**80.41%**	**7,237 gpm**	**20% / 80%**
22-Feb	**82.55%**	**7,429 gpm**	**20% / 80%**
22-Mar	**84.87%**	**7,638 gpm**	**20% / 80%**
22-Apr	**93.03%**	**8,373 gpm**	**12% / 88%**
22-May	**91.64%**	**8,247 gpm**	**15% / 85%**
22-Jun	**88.89%**	**8,000 gpm**	**22% / 78%**
22-Jul	**89.21%**	**8,029 gpm**	**26% / 74%**
22-Aug	**87.83%**	**7,199 gpm**	**24% / 76%**
22-Sep	**79.99%**	**7,905 gpm**	**20% / 80%**
		Ave Blend %-last 12 months	**19% / 81%**

The total system blend percentage represents the total amount of water that was purchased from the Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with the capacity factor, is an important measure of efficiency. The

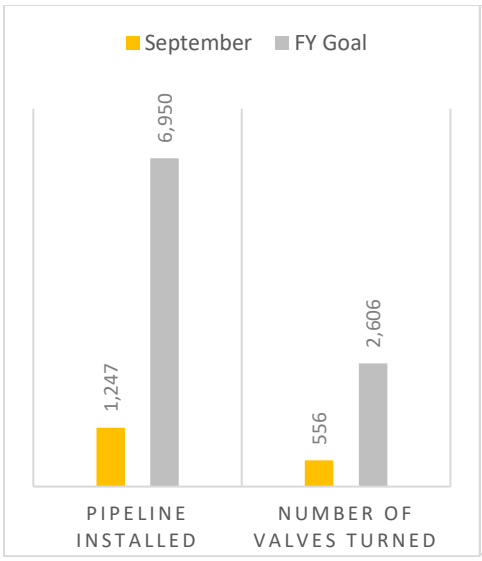
capacity factor may fluctuate based on demand and plant production; the blend percentage measures how much of the total system's demand is made of purchased or produced water. The amount of MWD water needed is determined by demand, availability of BOU water, and O&M outages.

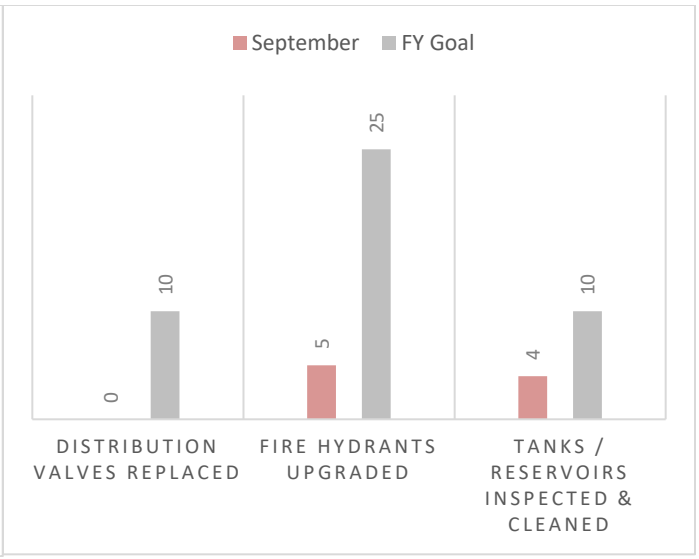
Key Performance Indicators

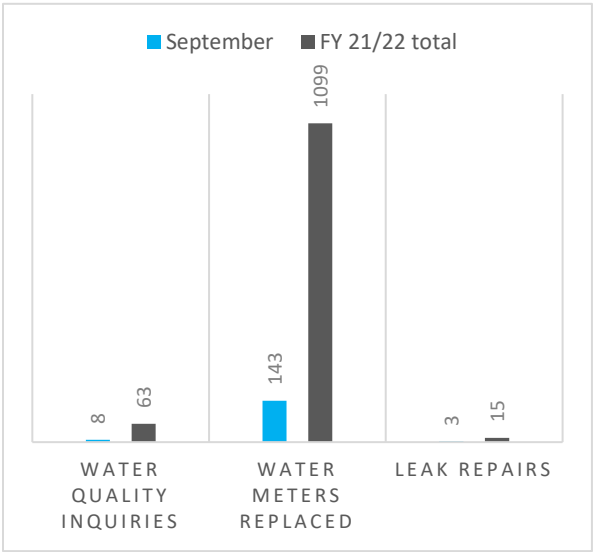
The graphs below illustrate the progress the water division has made on key performance measures through **September.** Note that the values provided need to be viewed with respect to where we are in the fiscal year. Pipeline installation is **18%** complete, and we are **25%** through the fiscal year.

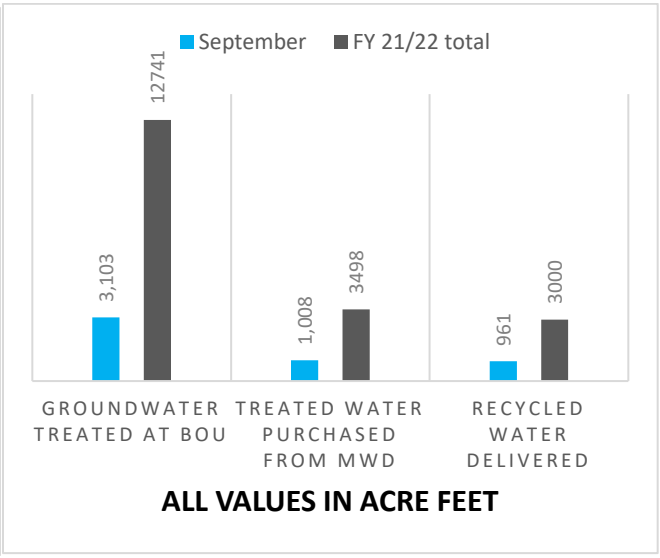
Chlorine gas deliveries have improved, but the main issue is the availability of truck drivers. To provide a backup to our chlorine gas supplies, staff installed a sodium hypochlorite tank and related equipment so that we now have two forms of chlorine to use (sodium hypochlorite is liquid chlorine – essentially bleach). This spreads the shortage risk across two forms of chlorine instead of relying on just one. Although the availability has slightly improved, the price of the chemical remains volatile. **Since June 2021, the cost of chlorine has increased by 193%. This fiscal year alone it increased by 25%.**

We closely monitor chlorine gas supplies and track them daily.









Leak Alert Notifications

In 2009, BWP began installing an automated metering infrastructure (AMI) system by Itron. Full deployment of the system (approximately 26,000 endpoints for water) was completed in 2011.

The 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, called Water Smart, works by receiving hourly water usage from the meter and analyzing this data to determine if a leak might be present based on continuous usage. In

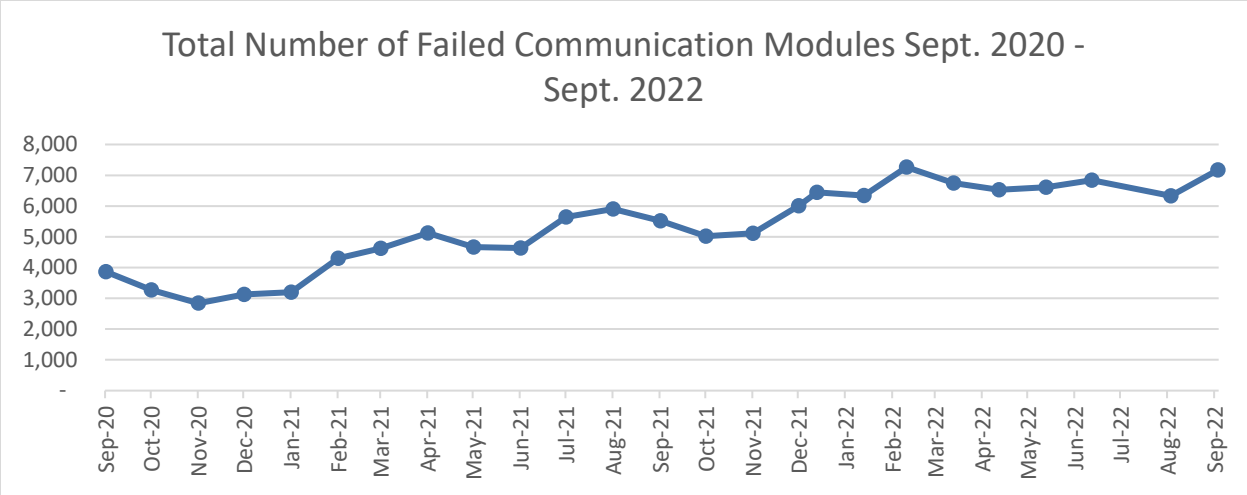
September 2022, WaterSmart sent out **1049** notifications to customers, including **974** email leak alerts, **53** print leak alerts, **17** text message leak alerts, and **5** voice alerts.

Unfortunately, a high volume of water meter communication modules are not working reliably and replacement units are no longer produced. As of **September 2022,** BWP was not able to receive remote reads for **7,174** water meters out of **27,090** (**26% of the total**) due to failing communications modules and they had to be read manually. The graph below shows that since **September 2020**, the failure rate has averaged **132** failures per month**.** In March 2021, staff deployed an interim automatic meter reading (AMR) system to read meters with failed communication modules. However, we cannot receive the continuous communication that enables us to notify these customers of leaks.

BWP 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 the continuing failures, BWP continually notifies the affected customers. The AMR system does not enable BWP to notify customers of leaks at all. This will leave customers vulnerable to unnoticed leaks causing water damage, bills that could reach thousands of dollars as well as unnecessary and significant water waste.

The schedule for the AMI system request for proposal (RFP) is provided below:

- **September 15, 2022 - Release of RFP**
- **September 30, 2022 - Pre-proposal meeting (virtual)**
- **October 3, 2022 - Due date for RFP questions**
- **October 21, 2022 - Due date for response to RFP 2:00 PM**
- **October 31 - November 4, 2022 - Interview/negotiation dates**
- **November 28, 2022 - Notice of award**
- **December 5, 2022 - Notice to proceed (NTP)**



***Based on field orders generated resulting from failed AMI communication.**

Burbank's Path to Sustainable Water Use

Burbank Water and Power is committed to facilitating a sustainable community. Our state is currently facing severe drought conditions. The drought makes our water-saving efforts more critical, and BWP wants to ensure our efforts drive lasting change. We have adopted the ADKAR change management model to help us deliver on this transformation and have been planning efforts to help our community make lasting change. The ADKAR change model describes the steps that need to be taken, starting with awareness, desire, knowledge, ability, and re-enforcement. The table below describes these steps, and the actions BWP has completed and plans on completing.

	Completed	Planned
Increasing drought and water conservation awareness	• Digital Currents (2022: January, March, April, May, June, July, August, September. 2021: August, September, October, November, December) • Print Currents (April 2022, November 2021, July 2022) • BWP drought webpages • BWP Online Account Manager banners • Social media (Facebook, Twitter, Instagram) • Flyers with watering schedule and conservation programs information • Bill inserts • Bill graphics • Graphic on bill envelope • MyBurbank advertisement • Burbank Channel advertisement • Educational videos (Burbank's water story, drought and conservation programs, and Stage II rules) • Press release – Stage III • Parks & Recreation newsletter advertisement • Burbank Channel advertisement • Educational video for stage III • Water city hall turf with recycled water • Email and letter to commercial, industrial, and institutional (CII)	• BWP employee efforts for water conservation • Burbank Bulletin advertisement • Other physical advertising options in Burbank • **Updating community of November 1st water schedule change to one day per week, on Saturday from November to March.**

	customers about Emergency Water Regulation • Burbank Bus advertising • HeyBurbank feature – July 2022 https://youtu.be/v6Z2aBQVMCU • Burbank Recycle Center advertisement • Doorhangers for water waste violations • Magnolia Blvd banner • Enforcement notifications via letter for watering violations: Education letter number 1, Education letter number 2, fine of $100, fine of $200, fine of $500 **Outreach efforts to notify customers of the MWD pipeline repair that resulted in no outdoor watering from September 6-20, 2022** • **Launched temporary Recycled H2O to Go Program**	
Increasing the community's desire to make change	• Automated leak alerts to customers • Report water waste online form – Stage II • Report water waste online form – stage III • Targeted communications on irrigation schedule compliance and high-volume users to customers based on WaterSmart AMI information • **Home Improvement Program door-to-door outreach** • **Participated in rain barrel distribution event with other cities, resulting in 17 residents signing up to receive rain barrels**	• Exploring community partnerships to create demonstration gardens and signage on drought tolerant landscaping (have received 5 requests to date) • Table tents for restaurants • Exploring options for service-based events for drought • **Commercial water-saving rebate promotion. Staff to develop a communication plan to create rebate awareness.**
Customer knowledge on how to make change	• Signage and pool cover rebate applications for local shops	• Exploring options to offer water conservation and turf replacement classes

	• Drought flyer with water conservation programs information • Lobby signage with water conservation programs information • Portable signage with water conservation programs information for local events (National Night Out, Starlight Bowl) • Customers' testimonials and resource recommendations on turf replacement	

Ability to make change	• Increased rebate amounts for:
	  ○ Flow monitoring device - $150
	  ○ High-efficiency clothes washer - $150
	  ○ Rotating sprinkler nozzle - $5
	  ○ Weather-based irrigation controller - $100
	  ○ Soil moisture sensor system - $100
	  ○ Premium high-efficiency toilet - $100
	  • **Turf Removal Rebate increased from $2 sq/ft to $3 sq/ft.**
	• Home Improvement Program additions for sprinkler check and controller programming for common areas of multi-family unit buildings
	• Provide no-cost showerheads, and kitchen and bathroom aerators to customers in the BWP lobby
	• Provide no-cost toilet dye tablets to help customers detect toilet leaks
	• Leak assistance grant for income-qualified households
		Reducing the cost for customers to make change
		• Reinitiate demonstration garden grants
		• Additional funding for water efficiency rebates
		• Exploring water conservation giveaway items (buckets, soil moisture sensors, adjustable nozzles for hose, etc.) to encourage water use efficiency

	• **Conducted social media giveaway to provide collapsible buckets to capture sink water for use on outdoor plants.** • **Provided soil moisture sensors daily to first two Recycled H2O to Go participants.** • **Innovative Conservation Program (ICP) pilot project enables water usage monitoring and leak detection services for multi-family property owners and tenants**	
Reinforcement, including progress updates and recognition	• Fill the "Burbank Tank" graphic that staff will update monthly on the BWP website and in Digital Currents	• Customer recognition program • Lawn signs

Projects

Recycled H2O to Go

In response to the Metropolitan Water District upper feeder pipeline repair, Burbank Water and Power offered free recycled water to residents and businesses. This fill station was located by George Izay Park at 1110 W. Clark Ave. Residents and businesses brought in different-sized containers ranging from 1 to 300 gallons to fill them up with recycled water for use on their trees, gardens, and plants. Our community recycled water fill station was open to the public from September 6, 2022 to September 20, 2022. During this time, we distributed 30,369 gallons of recycled water to residents.

ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In **September** 2022, BWP **did not experience** any sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,137,076 customer minutes.

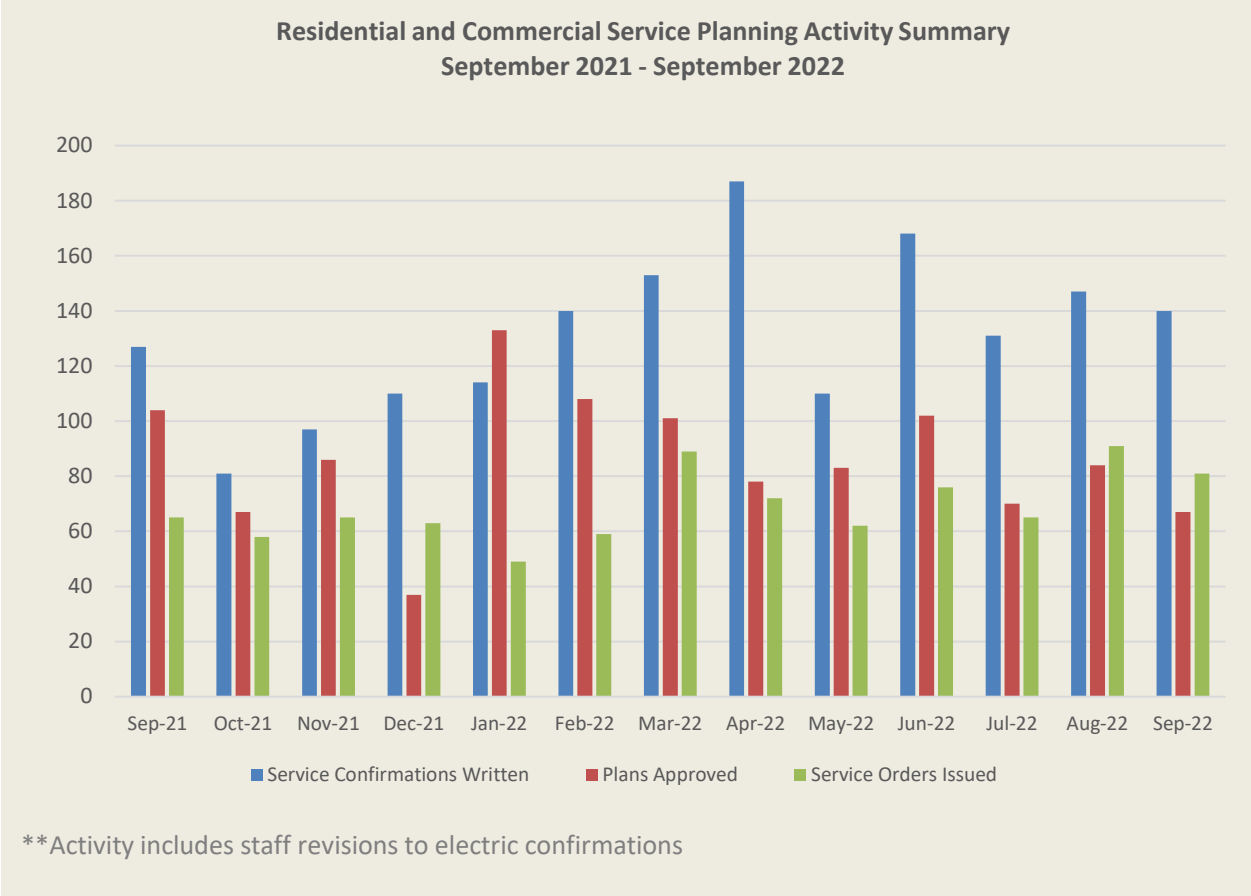
Reliability Measurement	October 2020 – September 2021	October 2021 – September 2022
Average Outages Per Customer Per Year (SAIFI)	**0.2486**	**0.3001**
Average Outage Time Experienced Per Year (SAIDI)	**8.13 minutes**	**12.67 minutes**
Average Restoration Time (CAIDI)	**30.98 minutes**	**42.22 minutes**
Average Service Availability	**99.999%**	**99.998%**
Average Momentary Outages Per Customer Per Year (MAIFI)	**0.2827**	**0.2716**
No. of Sustained Feeder Outages	**10**	**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**	**2**

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 services. 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 the monthly activity for our residential and commercial service planning group within the T&D engineering section.

The electrical engineering section is seeing an unprecedented amount of development requests including large site developments, major housing developments, and accessory dwelling units. In the last decade, BWP has energized about 400 new residential units. Based on the current proposed development, BWP is on the path to energizing more than 2,000 new residential units in the next three to four years. This is a tenfold increase in the amount of development, if this level of work is to continue, the electrical engineering section will need to staff accordingly to be able to keep up with the maintenance work that is currently being placed on hold to accommodate the development work and resulting capital projects.



Retirement of Pacific Substation – 34kV Station Bypass

In order to completely de-energize and retire the Pacific Substation, overhead and underground 34kV line work was needed to completely bypass Pacific Substation and create a permanent link between the Lincoln Switching Station with the Valley Switching Station. After BWP's underground contractor completed the underground conduit bypass work, BWP's electrical distribution section completed their line work bypassing the Pacific Substation. This project was completed on August 26, 2022.

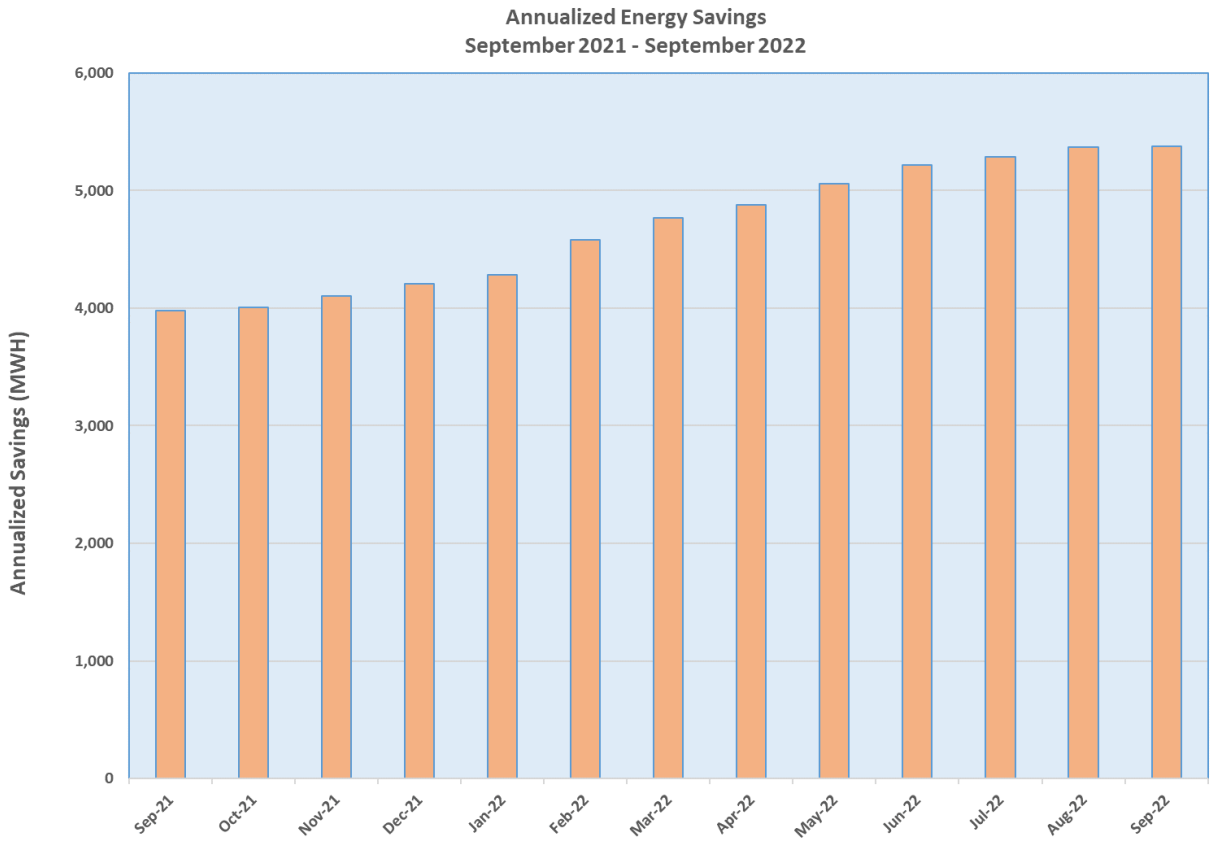
Underground 34kV conduit work to bypass Pacific Station

Completed bypass work with no transmission lines going into Pacific Station

STREET LIGHTING

LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) street light luminaires with light-emitting diodes (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. LED replacements consume approximately 60% less energy. To date, **91.36%** of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of **5,378** MWh or a **58.03%** reduction in energy consumption. LED conversions have also reduced evening load by **1,246** kW**,** which shortens the "neck of the duck curve" and reduces the amount of energy generation that BWP needs. The graph below shows the annualized energy savings in MWh for the past 13 months.



*** Note: Starting October 2021, staff started tracking LED installations based on a more reliable source (GIS database). This change resulted in a savings correction of 156 MWh (increase) in annualized savings; previous months have been adjusted accordingly.

Wireless Telecom Attachments

BWP has entered into four master license agreements to allow communication carriers to attach, install, operate, and maintain communication facilities on street light poles with the public right-of-way.

For the communication carriers to build a new location for a wireless telecom attachment, BWP must first provide an electric service confirmation, which details how the location will be served. Each design must meet the city's aesthetic requirements as well as BWP's design guidelines. Once BWP approves the plans and a Public Works permit is issued, BWP issues work orders to our field crews to carry out inspection as well as the electrical and street lighting work. The table below summarizes the activity that has taken place to date:

	Confirmations in Progress	Written Confirmations	Plan Signoffs	WTA Work Orders Issued	WTA Sites Energized
Total	**0**	256	**19**	**20**	**30**

CUSTOMER SERVICE OPERATIONS

BWP continues to assist customers through the COVID-19 pandemic. Customer Service Representatives (CSR) assist customers by making payment arrangements to reduce the amount in arrears and provide additional resources to help customers manage their finances related to their utility bill. BWP staff continue to proactively engage customers to reduce their arrears by encouraging payment arrangements to any customer they interact with that has a 60-day or greater past due balance. We currently have **234** customers who have an active payment arrangement, resulting in a reduction of arrears by **$537,650.** BWP will continue to encourage payment arrangements to assist our customers to manage their outstanding arrears.

On October 27, 2020, the Burbank City Council approved disconnections to resume for non-payment of medium, large, and extra-large commercial customers. Disconnections were discontinued once California Arrearage Payment Program (CAPP) was announced, due to the prohibition of disconnections for 90 days after applying CAPP funds to customer accounts in May **2022**. Thereafter, BWP began notifying medium, large, and extra-large commercial customers via letter and personal phone calls that disconnection for non-payment would resume as of July 6, 2022 and encouraged payment arrangements. In addition, several communications were sent to customers subject to disconnection including letters, e-mails, and automated phone calls. Since beginning disconnections, **a total of 3 medium, large, or extra-large** commercial customers have been disconnected for non-payment, **resulting in a reduction in arrears by $3,878.39**. Customers are making their payments and/or entering into a payment arrangement.

In late June **2022**, we received notification that the legislature and Governor had approved a new round of funding for unpaid electric bills resulting from the COVID pandemic. There is $239.4 million available for publicly owned utility (POU) accounts. This new program,

known informally as CAPP 2.0, will operate in a similar fashion as CAPP 1.0 with a few key differences. CAPP 2.0 will have a longer COVID-19 pandemic relief period that extends from June 16, 2021, through December 31, 2021 and will only benefit **active** residential customers. Since CAPP 2.0 will not be applied to commercial customers, on August 4, 2022, the BWP Board reviewed and passed the proposal to resume disconnections for small commercial customers beginning September 1, 2022 with a 7-0 vote. On August 23, 2022, City Council voted 3-1 to approve resuming power disconnections for small commercial customers effective September 1, 2022. After receiving approval from City Council, BWP immediately began notifying all small commercial customers via letter, e-mail, and automated phone calls. Small commercial customers who are eligible for disconnection, began receiving an official notice as of September 6, 2022. BWP began disconnecting small commercial customers for non-payment effective September 29, 2022. **From September 29, 2022 through October 11, 2022, 22 small commercial customers have been disconnected for non-payment, resulting in a reduction in arrears of $16,183.38.**

Outstanding Debt

As of **October 10, 2022**, the following is the current outstanding debt by commodity:

Aging By Service Type					
Service Type	**31-60**	**61-90**	**91+**	**Total**	**% of Total**
ELECTRIC	**$ 2,926,467**	**$ 584,824**	**$ 2,068,676**	**$ 5,579,968**	**66%**
WATER	**$ 255,607**	**$ 89,994**	**$ 496,561**	**$ 842,161**	**10%**
SEWER	$ 186,978	$ 89,201	$ 481,365	$ 757,545	9%
SOLID WASTE	$ 162,603	$ 99,793	$ 679,718	$ 942,114	11%
FIBER OPTIC	$ 171,320	$ 113,268	$ 27,110	$ 311,698	4%
GENERAL SERVICE	$ 1,071	$ 497	$ 3,690	$ 5,258	0%
MISCELLANEOUS	$ -	$ -	$ 38	$ 38	0%
Grand Total	**$3,704,047**	**$977,577**	**$3,757,157**	**$8,438,781**	**100%**

BWP Call Center Call Types & Volume

Customer Contact Types	% of Calls
Update Customer Account Info	**9.6%**
Balance	**9.4%**
Residential Start	**4.2%**
Autopay Inquiry	**4.1%**
High Bill/Usage Review	**3.8%**

	Sep - 21	Oct - 21	Nov - 21	Dec - 21	Jan - 22	Feb - 22	Mar - 22	Apr - 22	May - 22	Jun - 22	Jul - 22	Aug - 22	**Sep - 22**	**% Inc/Aug**
Call Volume	3,841	3,235	2,845	3,102	3,234	2,833	3,340	3,148	3,314	3,311	3,220	4,001	**4,436**	**10.9%**

Call volume increased by approximately **10 percent** in **September.** The majority of the calls were related to questions from customers on the water restrictions between September 6th and 20th and wastewater notifications they may have received. To improve

online payment security, there was a change in online payment vendor, leading some customers to call for help to re-register for autopay within the online account manager.

Online Account Manager

The Online Account Manager (OAM) is BWP's online customer portal. Customers can view their utility bills, make payments, change addresses, and enroll in automated bill and payment notifications. The enrollment in the online account manager (OAM) is currently at **63%** of all active accounts; increases in enrollments have been on the rise since the COVID-19 pandemic. **Of the 37% of customers who are not currently enrolled in OAM, 86% of those customers are residentia**l. Of all registered OAM accounts, about 82% are paperless customers helping BWP reduce costs, save trees and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and autopay. These initiatives will continue to drive down costs.

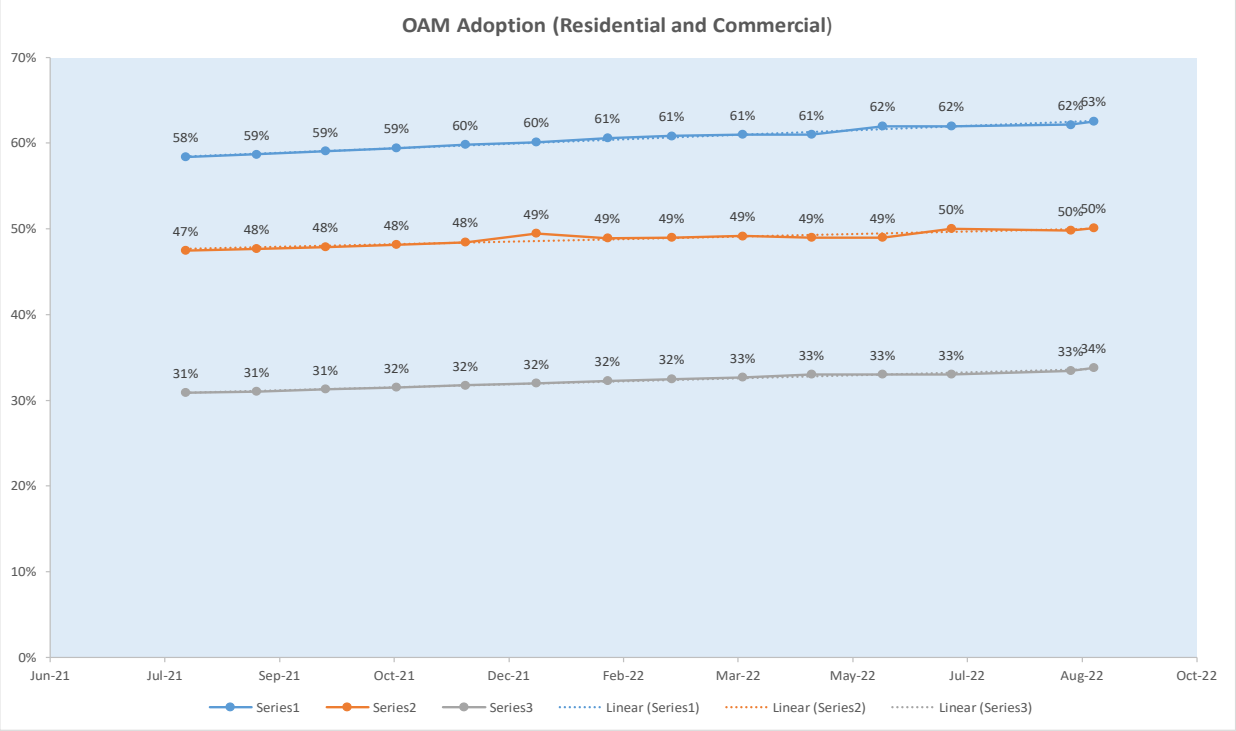
Staff believes that 66% customer OAM adoption is an achievable goal for BWP and in line with benchmarking data conducted by First Quartile Consulting, which shows utilities with the highest online account adoption have 66% of customers enrolled in an online account.

For this fiscal year, BWP marketing promoted a general OAM outreach campaign utilizing every owned channel, including on-bill messaging, *Digital Currents*, print *Currents*, social media, and BWP's website. The second phase is to provide targeted messages to segments that have not adopted the OAM. The third phase is to provide incentives to adopt the OAM.

BWP is currently in phase two, and we have been targeting the general residential market to increase OAM adoption. Those campaigns have not yielded a significant increase in OAM adoption, so staff is in the process of segmenting our customers further and developing additional targeted messaging. The revised marketing campaign will focus on the segment of customers who have not yet adopted OAM and will address their concerns to overcome barriers to adoption. The campaign was initially targeted to launch in February 2022 but was delayed due to staffing and competing communication priorities. BWP has developed the messaging and designs for various segments and will aim to launch the campaign later this year.

Following the launch of the segmented campaign, staff will measure the campaign's effectiveness and determine if phase three efforts are needed to reach the 66% OAM adoption goal.

Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Active Users	32,824	63%
Paperless	26,277	50%
Autopay	17,741	34%

SUSTAINABILITY, MARKETING, AND STRATEGY

BWP'S Energy Efficiency and Water Savings – Fiscal Year to September 30, 2022

BWP manages a comprehensive portfolio of resource efficiency programs for residential and commercial customers focusing on energy efficiency, peak load reduction, water conservation, transportation electrification, and greenhouse gas savings.

BWP's Refrigerator Exchange Program offers income-qualified customers a new Energy Star certified refrigerator in exchange for their old, inefficient refrigerator. The Refrigerator Exchange Program has had **23** refrigerators exchanged since the beginning of the fiscal year.

In addition, the *Home Improvement Program (HIP)* offers energy-water surveys and efficiency measure installations to all Burbank single-family residential, multi-family residential, and multi-family common area customers. Some of the HIP's services include

direct installation services of weather-based irrigation controllers, high-efficiency sprinkler heads, soil moisture sensors for low-income single-family and multi-family common area customers, and properties within the disadvantaged community areas of Burbank. Furthermore, the program offers energy-water surveys and the installation of efficiency measures for multi-family common area customers. Since the beginning of the fiscal year, a total of **129** customers have participated in the HIP**.**

Some additional energy efficiency programs include residential and commercial rebates for the purchase and installation of high-efficiency measures, AC Replace Before It Breaks, Business Bucks, Shade Tree, and LivingWise.

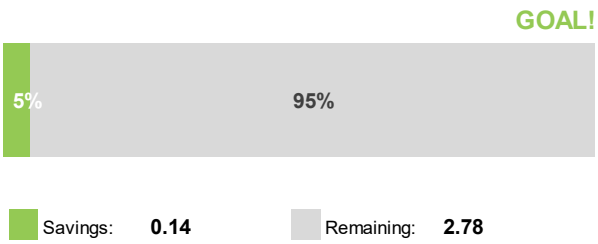
BWP continues to offer various water conservation programs and incentives to the community. In addition to giveaways of low-flow showerheads and aerators at no cost and direct installation of water efficiency measures delivered through the HIP and Business Bucks Program, Burbank residents and businesses are eligible for various water-saving technology rebates funded and administered by the Metropolitan Water District's (MWD) Regional Incentive Program. Starting in August, BWP used its water public benefits charge fund this fiscal year to establish additional incentive levels to help its residential and commercial customers reduce their water use during the ongoing drought. BWP is promoting these additional rebates through various communication channels.

BWP recently launched the Hydration Station Program for commercial customers. The program offers rebates for water filling stations to provide the community with access to safe and reliable tap water while also helping reduce plastic bottle waste. The MWD funds the Hydration Station Program.

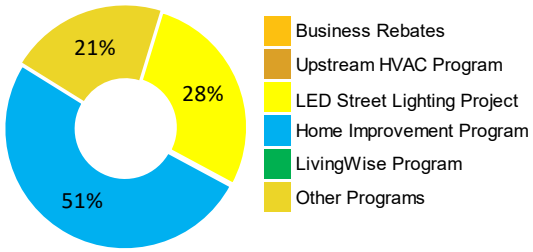
Energy Efficiency Savings FYTD 2022-2023 Period ending on 9/30/2022

1% Demand Goal = 2.92 MW

Demand Savings to Date

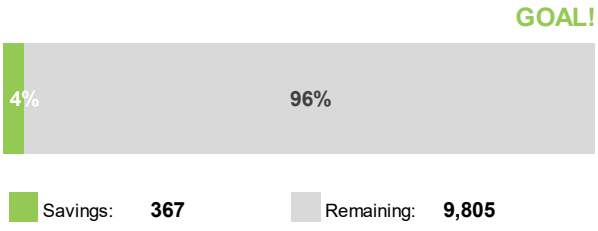


Savings by Program

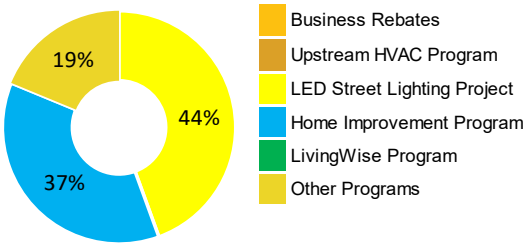


1% Consumption Savings Goal = 10,172 MWh

Savings to Date

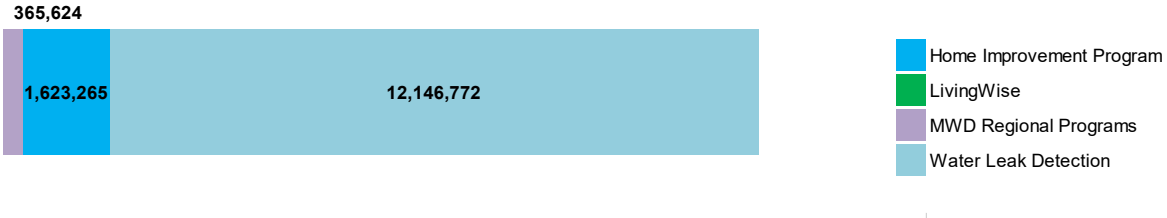


Savings by Program



Water Efficency Program Savings

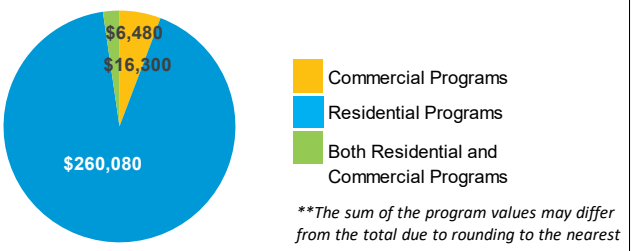
Gallons of Potable Water



14,135,661 Gallons of Water Saved for FY 22/23

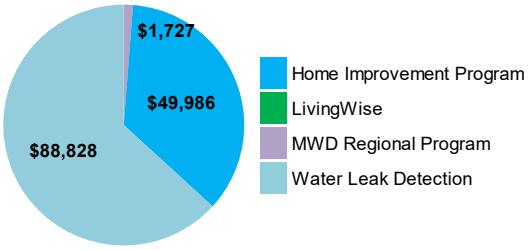
Efficiency Direct Program Costs* FYTD 2022-2023

**Electric Programs: $282,860



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

Water Programs: $140,541



*Direct program costs reflect rebates and payments to program implementers, they do not include marketing and administration costs

Electric Vehicle (EV) Charging Program

BWP plays a key role in facilitating the adoption of transportation electrification through education and the development of programs and initiatives.

The city now has seventy-three public EV charging ports, including 2 DC fast chargers and 24 curbside ports. As of June 1, the public charging rate is $0.31 per kWh for level 1 and level 2 charging stations from 4 PM – 7 PM, and $0.18 for all other hours. The public charging rate is $0.51 per kWh for DC fast chargers from 4 PM – 7 PM and is $0.29 for all other hours.

The rates will revert to winter rates on November 1, 2022.

Public Charging Energy Delivery

In September, the per-port average revenue was **$169,** which is an increase from prior months.

Period	Average Usage	Average Total Revenue	Average Per Port Revenue	Notes
Dec 2019 - Feb 2020	28,047 kWh	$4,779	$101	Pre-COVID, all units operational
March 2020 - Feb 2021	14,211 kWh	$2,724	$60	COVID downturn
March 2021 - May 2021	23,889 kWh	$4,299	$91	COVID recovery period
June 2021 – August 2022	**44,209**kWh	**$7,686**	$**105**	Post-installation of new ports
September 2022	**58,319**kWh	$**12,321**	$**169**	Most recent month

New Public EV Charging Station Construction

Due to supply chain issues for electric metering cabinets, the energization of all charging ports has been delayed. **In the current fiscal year, BWP will be able to energize at least two projects: stations near John Burroughs High School and Theodore Roosevelt.** These are the first of 8 projects that were delayed to fiscal year 2022/2023 from fiscal year 2021/2022 due to supply chain issues. These 8 projects were planned to install 31 new level 2 ports and one new DC fast charging station. **BWP has confirmed the first delivery of service cabinets will come in October; however, it will not be sufficient to complete all projects.** BWP is still looking for alternative solutions to complete these projects. For the projects not in the right of way, we are exploring options that would use panels similar to house panels, mounted on H frames, that may have shorter delivery timelines. For the right of way, this would not be acceptable, and we would need to wait for the appropriate cabinets.

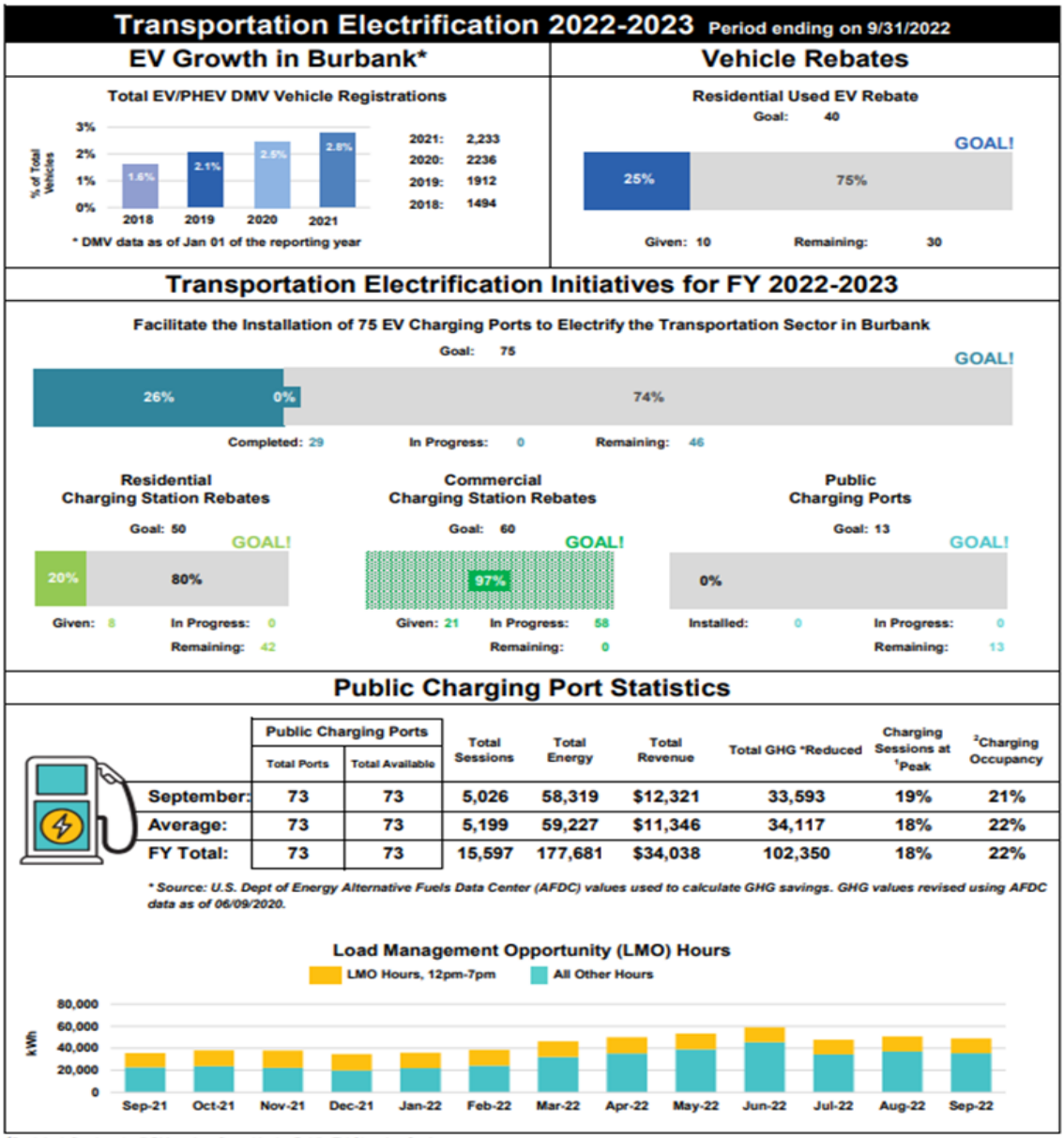
Commercial Rebate Program

BWP currently has reservations for 58 commercial EV charging ports – 18 at one site, and 40 at another site that are planned to be installed this fiscal year. An application is under review for 40 additional ports that have been installed.

A rebate was issued to IKEA for the 21 ports installed to support their local electric delivery fleet.

Residential Rebate Program

Two residential rebates were distributed in **September 2022.**



	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG *Reduced	Charging Sessions at [1]Peak	[2]Charging Occupancy
	Total Ports	Total Available						
September:	73	73	5,026	58,319	$12,321	33,593	19%	21%
Average:	73	73	5,199	59,227	$11,346	34,117	18%	22%
FY Total:	73	73	15,597	177,681	$34,038	102,350	18%	22%

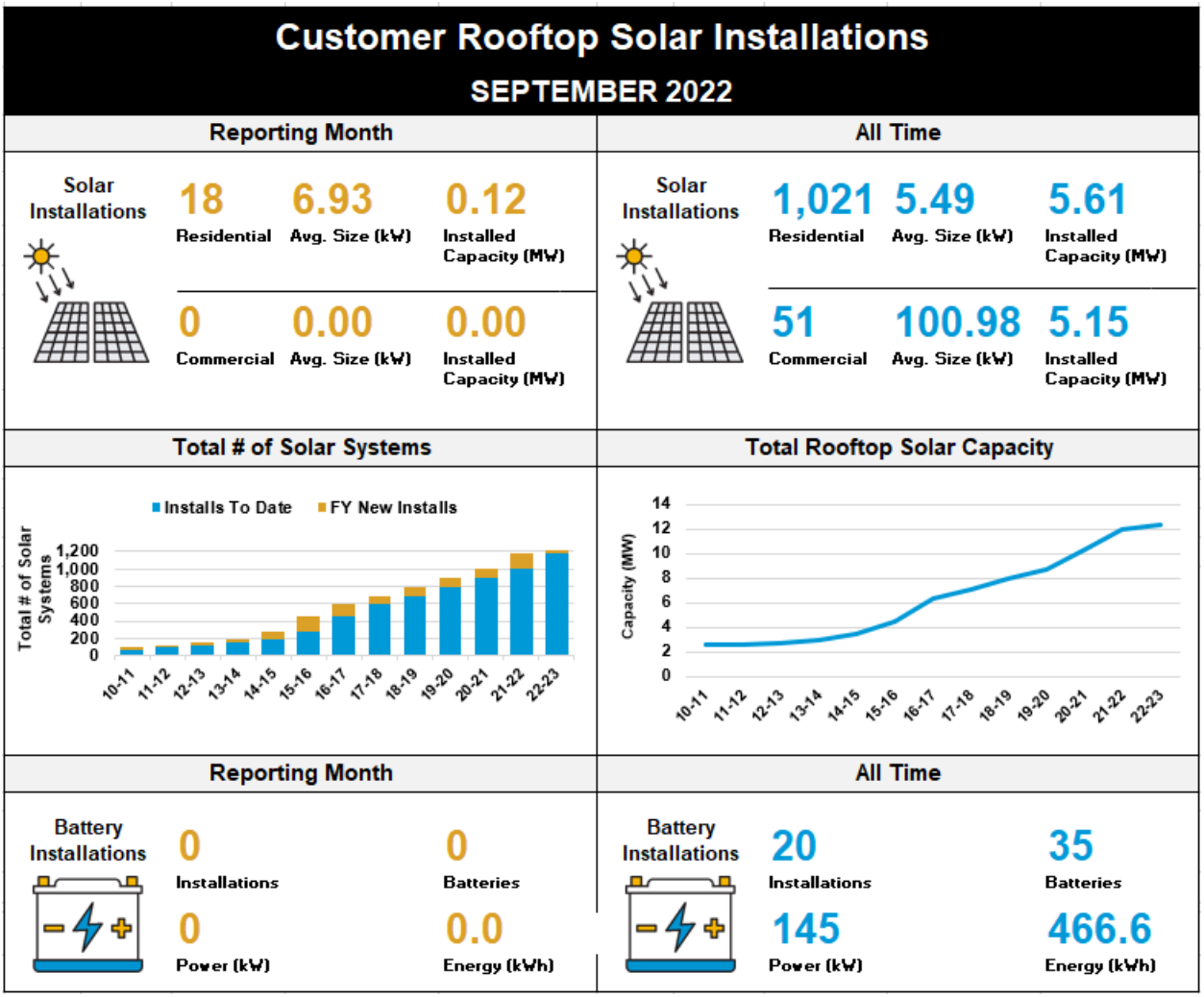
** Source: U.S. Dept of Energy Alternative Fuels Data Center (AFDC) values used to calculate GHG savings. GHG values revised using AFDC data as of 06/09/2020.*

[1]Peak is defined as 4 – 7 PM, as is reflected in the Public EV Charging Station rate

[2]Charging Occupancy is defined as the percentage of time EV's are charging at stations for all available hours in a given month across all charging stations

Rooftop Solar and Battery Installations

Customer-owned rooftop solar system installations continue to grow. Burbank Water and Power does not provide rebates for installing these systems. However, the 26% Federal Investment Tax Credit in 2020-2022 makes purchasing solar and/or battery systems more accessible. The tax credit expires starting in 2024 unless renewed by Congress.



TECHNOLOGY

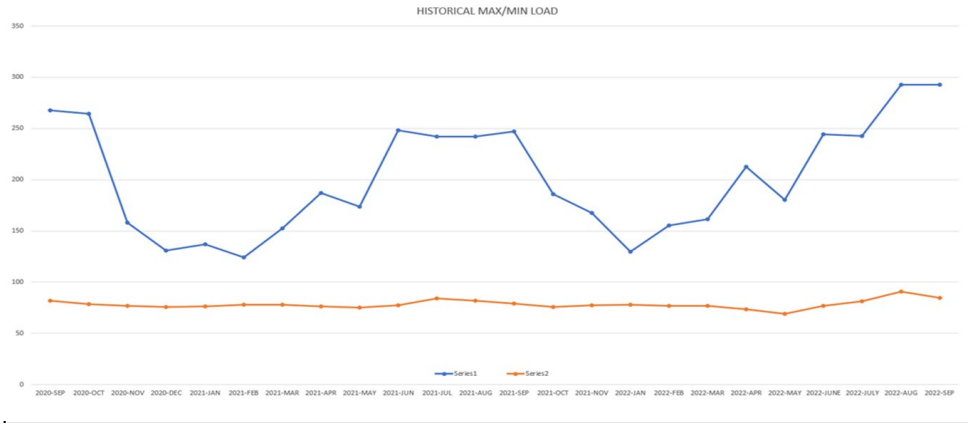
Broadband Services (ONEBurbank)

	September 2022 New Orders	Revenues for September 2022	FYTD 2022-23 Revenues	FYTD Budget
Lit	**6**	**$163,290**	**$484,141**	**$400,000**
Dark	**1**	**$183,940**	**$570,470**	**$600,000**
Total	**7**	**$347,230**	**$1,054,611**	**$1,000,000**

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for **September 2022** was **292.8 MW** at **3:58 PM** on **September 06, 2022,** and the minimum load was **84.3 MW at 2:58 AM** on **September 19, 2022.**



YEAR	MAX LOAD	MAX DATE
2022	292.8 MW	06-September-22 15:58
2021	248.5 MW	15-June-21 14:57
2020	292.3 MW	18-Aug-20 15:22
2019	282.66 MW	04-Sep-19 15:31
2018	306.3 MW	06-Jul-18 16:41

The Burbank power system did not experience any natural gas supply issues for **September 2022.**

Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCalGas' 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. As a result, BWP has not had issues with obtaining adequate gas supplies to operate its natural gas fired generators, however the supplies have been at a much higher price than normal due to national and global issues and increases in demand.

Following the Russia and Ukraine conflict, Russia implemented sharp reductions in exports of natural gas to Europe. According to the Energy Information Administration (EIA) report, US liquefied natural gas exports to Europe exceeded Russia's exports in third quarter. This is the first time this has occurred in history. For the first eight months of 2022, US gas exports were 14% higher than 2021. For the first 8 months of 2022, power generation, residential and commercial sectors demand caused US demand to increase by 4%. US storage levels were well below the 5year average at the end of September 2022. US natural gas prices reached their highest level since summer 2008, due to tight supply-demand balance and low storage levels. LNG exports are expected to increase another 4% next year, adding to the current US supply/demand issue.

From the Federal Energy Regulatory Commission (FERC) October 2022 West Natural Gas Market Report, the table (below) shows that natural gas prices in 2022 are about three times higher than they were in 2019 and 2020. The price of natural gas jumped due to extreme winter (2021) weather followed by the Russia-Ukraine conflict and these higher prices are expected to continue into 2023 and will continue to have a negative impact on BWP's budget. BWP continues to hedge (procure natural gas at fixed prices for future delivery) to minimize the risk and exposure to extreme pricing, however, the higher prices increase BWP's cost of generation and impact market prices for power and have negative impacts on the budget.

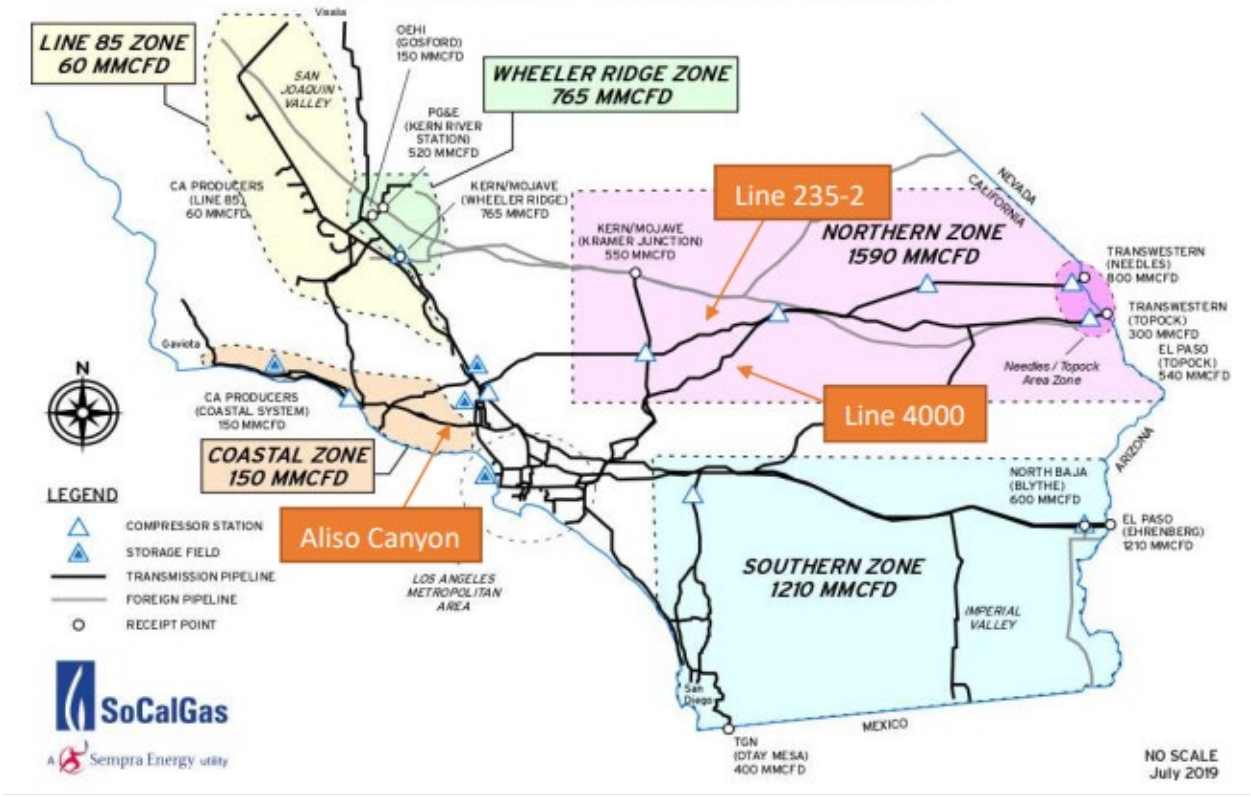
West Day-Ahead Natural Gas Prices
Averaged Annually/Seasonally

Federal Energy Regulatory Commission Market Assessments

	Average Day Ahead Prices ($/MMBtu)	SoCal Border	Opal Wyoming Plant	El Paso Permian	PG&E Malin Oregon	Henry Hub
2019	Annual	2.67	2.78	1.11	2.83	**2.51**
	Summer	2.10	1.97	0.79	2.02	**2.39**
	Winter 2019/2020	2.17	2.23	1.06	2.27	**2.07**
2020	Annual	2.17	2.03	1.32	2.06	**1.99**
	Summer	2.07	1.81	1.24	1.83	**1.88**
	Winter 2020/2021	7.44	7.06	7.96	3.29	**3.08**
2021	Annual	6.11	5.52	5.67	4.01	**3.84**
	Summer	4.47	3.83	3.58	3.91	**3.87**
	Winter 2021/2022	5.05	4.88	4.05	4.88	**4.50**
2022 YTD	Annual	6.89	6.34	5.89	6.40	**6.67**
	Summer	7.96	7.20	6.76	7.30	**7.68**
	Winter 2022/2023					

We are keeping a close eye on labor issues and inflationary pressures and will provide an update as we get more information. We are also monitoring Senate Bill 1486, which would limit operations at Aliso Canyon, post 2027. BWP is a member of Southern California Generation Coalition (SCGC) which continues to follow and participate in the CPUCs efforts to evaluate alternatives that would minimize or eliminate the use of Aliso Canyon. SCGC's (including Burbank) continues to express concerns about reliability and the need to maintain Aliso Canyon storage facility unless or until an alternative is identified that can supply the product and services that it provides.

Image 1: Receipt Points & Transmission Zone Firm Capacities



ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	Net Heat Rate (Btu/kWh)	Number of Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	99%	**149**	**5,140**	**10,496**	**14**
MPP	**92%**	**659**	**128,925**	**7,486**	**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 1 was placed online **fourteen** times during the month of **September.**

Magnolia Power Project (MPP)

	September	**FYTD**	**YTD**
Availability	**92%**	**96%**	94%
Unit Capacity Factor (240 MW)	**75%**	**80%**	70%

MPP was shut down on September 23, 2022, to perform an offline water wash of the combustion turbine compressor. Balance of plant maintenance was also completed during this outage. MPP was restarted on September 26, 2022.

Tieton Hydropower Project (Tieton)

Tieton began generation on March 31, 2022, when sufficient water flow provided by the United States Bureau of Reclamation became available. **In September, both generators were in operation a majority of the month. A total of 10,286 MWh was generated in September.**

ENVIRONMENTAL

Air Quality

There are no air quality updates at this time.

Storm Water

The State Water Resources Control Board Industrial General Permit requires industrial facilities to collect, at a minimum, four stormwater samples per reporting year and compare them to statewide regulatory limits. No samples have been collected yet for the current reporting year of July 1, 2022 to June 30, 2023. BWP will collect the required samples over the course of the year. The results from previous samples continue to indicate ongoing compliance issues with metals, specifically zinc and copper. Samples were also collected from the offsite influent that commingles with BWP's stormwater discharge. The offsite samples also exceeded the limits for metals.

In order to address the stormwater compliance issues, BWP is in the process of implementing a campus stormwater improvement project. BWP initially completed the proposed project's California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration in 2019. However, recent amendments to the CEQA guidelines now require an update to the CEQA Initial Study/Mitigated Negative Declaration. The updated Initial Study/Mitigated Negative Declaration CEQA public review period ended on July 22, 2022 and responses to comments on the document are being prepared. The environmental review was expected to be finalized when the project was approved by the

Burbank City Council. However, the engineering design and permitting phase have taken longer than originally expected due to the complexity of the project as well as other factors, including the onset of a pandemic. MNS Engineers was contracted to prepare the final design plans, as well as provide engineering support and permitting support for the project. The project's final design is complete and bid specifications will be prepared, and a request for proposals (RFP) will be issued for the construction activities. As an interim measure, BWP has also applied for time schedule orders (TSOs) that include interim limits, which are achievable for this site. The final TSOs were approved by the Los Angeles Regional Water Quality Control Board (LAWQCB) on June 7, 2021. These TSOs and interim limits will apply until the improvement project is complete. Milestone achievements are required, and project completion must be achieved by November 17, 2023. BWP submitted a TSO amendment request to the LAWQCB. The amendment consists of consolidating the BWP and MPP facilities into one TSO, requesting coverage for copper and updating the project schedule. The TSO amendment public review process ended on July 21, 2022 and no comments were received. The amended TSO was finalized on July 31, 2022 and was received in August.

PROJECT UPDATES:

Power Resources

Renewable Portfolio Standard (RPS) Compliance

BWP continues to be on track to meet RPS compliance requirements for the calendar year 2022. The calendar year 2022 goal is 38.5% RPS. BWP staff continues to evaluate renewable resources in order to meet future compliance requirements. Staff updated the RPS Procurement Plan and Enforcement Program in December 2021, which shows BWP's path forward with RPS compliance. Staff recently purchased Portfolio Content Category (PCC) 3 RPS products and PCC 2 RPS products to meet CY2022 regulatory compliance at least cost. Staff is currently working on three new renewable contracts, in order to maintain RPS compliance for future years. Prices for long term renewables has increased approximately 20-30% due to supply chain issues as well an increase in demand as load serving entities try to procure renewable resources to meet the state's RPS targets.

Integrated Resource Plan (IRP) Update

BWP has selected a vendor for the IRP **and a stakeholder team is being assembled. The IRP is** due to the CEC in 2024. Stakeholder engagement efforts, compliance, and costs will be some of the major factors in the 2024 IRP. The IRP development and stakeholder engagement process is expected to take 6-12 months to complete.

Transmission Update

BWP is partnering with LADWP on additional renewable contracts and opportunities. BWP will continue to meet with LADWP monthly to discuss transmission needs. BWP is

working with LADWP on the update to the Open Access Transmission Tariff (OATT) process. LADWP has delayed the implementation of new rates by 2-3 months, with an implementation date in early calendar year 2023. The rates are expected to increase significantly, and final numbers will not be known until 2023.

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 and power generation at IPP. In the medium-term, the IPP renewal participants are targeting 30% green hydrogen combustion by July 2025, when the IPP repower project is scheduled to come online. On a monthly basis, IPP participants continue to meet to discuss the IPP renewal, including concerns on facilities development and potential additional resources at the site. An update on the IPP renewal project will be provided in the summer.

Staff continues to actively work with Intermountain Power Agency on cost increases due to the Hydrogen Betterments Project and coal supply issues. The cost of the IPP renewal project has increased significantly, from $2.5 billion in 2019 to $3.6 billion in August 2022. BWP's share was $86.5 million in 2019 and is now $141 million (this does not include interest). Staff will continue to track costs and report on them, as new data becomes available.

In regard to the coal supply concerns, IPP participants agreed to limit the output of the IPP units, for the past 9 months, to maintain a minimum megawatt supply sufficient to preserve the integrity of the Southern Transmission System direct current lines and meet the participants' minimal needs during the less critical times of the year. This operational change allowed for the growth of the existing coal pile, to a sufficient level, to meet the critical needs of the participants, during the third quarter of the calendar year. As of July 1, 2022, BWP's share of the two units was increased to 70 MW and can be dispatched as needed. The current coal supply estimates, which are subject to change, show that we will be able to run two units up to an average of an 80% capacity factor, from July 2022 to October 2022. Due to the coal supply being under the forecast, it is expected that only one unit will be running, with some limited ability to ramp up, starting November 1, 2022.

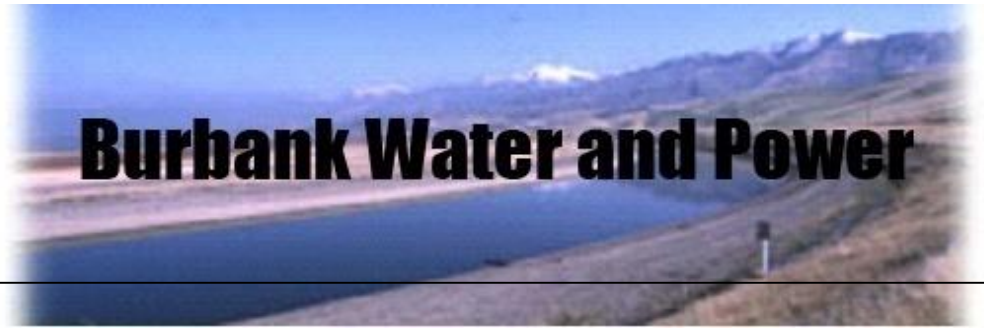
Power Production

Lake One Power Plant Emissions Retrofit Project

The purchase order (PO) and notice to proceed for this project were issued to ARB, Inc. (ARB) on August 4, 2022. Engineering work is ongoing, and BWP received preliminary piping and instrumentation diagrams (P&IDs) on August 26, 2022. General arrangement (GA) drawings of the ammonia flow control unit and catalyst drawings were received on September 9, 2022. The computational fluid dynamics (CFD) modeling is in progress and BWP expects to receive the draft report by mid-

October. Procurement is ongoing and expected to increase as the engineering work is completed. Substantial completion of the project is expected on or before April 1, 2023.

The new emissions control system will allow Lake One to remain in compliance with upcoming air quality requirements. The project consists of designing, engineering, permitting, constructing/installing, commissioning, and testing the new emissions system. This project is planned to conclude in the first half of 2023.



Financial Report (Estimated)

August-22

UNAUDITED

*Estimated

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD August 2022
($ in 000's except MWh Sales)

MTD Actual FY 22-23	MTD Budget FY 22-23	$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	$ Variance	% Variance	
115,325	104,418	10,907	10%	[a] NEL MWh	217,338	210,730	6,608	3%	[A]
				Retail					
$ 18,624	$ 17,382	$ 1,242	7%	Retail Sales	$ 35,279	$ 35,068	$ 211	1%	
410	573	(163)	(28%)	[b] Other Revenues [3]	825	1,146	(320)	(28%)	[B]
12,826	11,763	(1,063)	(9%)	[c] Retail Power Supply & Transmission	23,162	23,682	521	2%	
6,208	6,192	16	0%	**Retail Margin**	12,943	12,532	411	3%	
				Wholesale					
3,628	10,791	(7,163)	(66%)	Wholesale Sales	7,921	15,179	(7,258)	(48%)	
3,229	10,575	7,346	69%	Wholesale Power Supply	6,714	14,875	8,161	55%	
399	216	183	85%	**Wholesale Margin**	1,207	304	903	297%	
6,606	6,408	199	3%	**Gross Margin**	14,150	12,835	1,314	10%	
				Operating Expenses					
711	1,082	372	34%	[d] Distribution	1,495	2,198	703	32%	[C]
123	132	9	7%	Administration/Safety	217	277	59	21%	[D]
276	339	64	19%	[e] Finance, Fleet, & Warehouse	501	707	207	29%	[E]
538	538	-	0%	Transfer to General Fund for Cost Allocation	1,077	1,077	-	0%	
279	473	194	41%	[f] Customer Service	553	987	433	44%	[F]
76	219	143	65%	[g] Marketing & Sustainability	135	437	302	69%	[G]
116	398	281	71%	[h] Public Benefits	167	795	628	79%	[H]
102	140	39	28%	[i] Security/Oper Technology	447	292	(156)	(53%)	[I]
80	130	50	38%	[j] Telecom	163	288	124	43%	[J]
188	225	37	17%	Construction & Maintenance	301	454	153	34%	[K]
1,641	1,831	190	10%	Depreciation	3,305	3,663	357	10%	
4,129	5,508	1,379	25%	Total Operating Expenses	8,362	11,174	2,812	25%	
$ 2,478	$ 900	$ 1,578	175%	**Operating Income/(Loss)**	$ 5,787	$ 1,661	$ 4,126	248%	

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD August 2022

($ in 000's)

MTD Actual FY 22-23	MTD Budget FY 22-23	$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	$ Variance	% Variance
$ 2,478	$ 900	$ 1,578	175%	**Operating Income/(Loss)**	$ 5,787	$ 1,661	$ 4,126	248%
				Other Income/(Expenses)				
95	87	8	9%	Interest Income	186	174	12	7%
135	138	(2)	(2%)	Other Income/(Expense) [4]	(2,355)	(2,384)	29	(1%)
(279)	(275)	4	(2%)	Bond Interest/ (Expense)	(559)	(550)	-9	2%
(49)	(50)	1	(3%)	Total Other Income/(Expenses)	(2,728)	(2,760)	32	(1%)
2,429	849	1,579	186%	**Net Income**	3,059	(1,099)	4,158	(378%)
122	601	(479)	(80%) [k]	Capital Contributions (AIC)	122	1,202	(1,080)	(90%) [L]
$ 2,550	$ 1,450	$ 1,100	76%	**Net Change in Net Assets**	$ 3,181	$ 103	$ 3,078	2982%

1. This report may not foot due to rounding.
2. ( ) = Unfavorable.
3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.
4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension), revenues and expenses related to Low Carbon Fuel Standard credits, and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
MTD August 2022
($ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(a)	Electric Usage in MWh	115,325	104,418	10,907 -	NEL is 10% higher than budget due primarily to warmer weather. The average high temperature in Aug was 91°F, compared to the 15-year average high temperature of 89°F. The average low temperature was 65°F, compared to the 15-year average low temperature of 64°F. MTD CDD were 416 versus the 15-year average of 339.
(b)	Other Revenues	410	573	(163) -	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. The unfavorable variance is also attributable to the moratorium on fees in light of the COVID-19 pandemic.
(c)	Retail Power Supply & Transmission	12,826	11,763	(1,063) -	The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
(d)	Distribution	711	1,082	372	The favorable variance is primarily attributable to vacancies, the timing of private contractual services, other professional services and work for other departments.
(e)	Finance, Fleet, & Warehouse	276	339	64 -	The favorable variance is primarily attributable to vacancies, work for others and the timing of other professional services and software support.
(f)	Customer Service	279	473	194	The favorable variance is primarily attributable to vacancies, work for others and the timing of other professional services and software support.
(g)	Marketing & Sustainability	76	219	143	The favorable variance is primarily attributable to vacancies and the timing of private contractual services, other professional services and office supplies.
(h)	Public Benefits	116	398	281 -	The favorable variance is attributable to vacancies and lower than planned programs spending.
(i)	Security/Oper Technology	102	140	39 -	The unfavorable variance is primarily attributable to lower than planned work for others, offset by the timing of spending in other professional services and private contractual services.
(j)	Telecom	80	130	50 -	The favorable variance is primarily attributable to the timing of private contractual services, other professional services and higher than planned capital work.
(k)	Capital Contributions (AIC)	122	601	(479) -	The unfavorable variance is attributable to the timing of AIC projects.

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
FYTD August 2022
($ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(A)	Electric Usage in MWh	217,338	210,730	6,608	- NEL is 3% higher than budget due primarily to warmer weather. The YTD average high temperature was 89°F, compared to the 15-year average high temperature of 88°F. The YTD average low temperature was 64F, compared to the 15-year average low temperature of 63°F. YTD CDD were 732 versus the 15-year average of 649.
(B)	Other Revenues	825	1,146	(320)	- 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. The unfavorable variance is also attributable to the moratorium on fees in light of the COVID-19 pandemic.
(C)	Distribution	1,495	2,198	703	- The favorable variance is primarily attributable to vacancies, the timing of private contractual services, other professional services and work for other departments.
(D)	Administration / Safety	217	277	59	- The favorable variance is primarily attributable to the timing of private contractual service and other professional services.
(E)	Finance, Fleet, & Warehouse	501	707	207	- The favorable variance is primarily attributable to vacancies, work for others and the timing of other professional services and software support.
(F)	Customer Service	553	987	433	- The favorable variance is primarily attributable to vacancies, work for others and the timing of other professional services and software support.
(G)	Marketing & Sustainability	135	437	302	- The favorable variance is primarily attributable to vacancies and the timing of private contractual services, other professional services and office supplies.
(H)	Public Benefits	167	795	628	- The favorable variance is attributable to vacancies and lower than planned programs spending.
(I)	Security/Oper Technology	447	292	(156)	- The unfavorable variance is primarily attributable to lower than planned work for others, offset by the timing of spending in other professional services and private contractual services.
(J)	Telecom	163	288	124	- The favorable variance is primarily attributable to the timing of private contractual services and other professional services.
(K)	Construction & Maintenance	301	454	153	- The favorable variance is primarily attributable to the timing of private contractual services, custodial services, special departmental supplies & building ground maint. & repair.
(L)	Capital Contributions	122	1,202	(1,080)	- The unfavorable variance is attributable to the delay of AIC projects.

*Estimated

August 2022 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): $2,429	$ 1,579	$ -	$ 1,579
MTD GROSS MARGIN VARIANCE			
Retail Sales	1,242	-	1,242
Power Supply and Transmission:			
- Higher retail load	-	(954)	(954)
- Lower than planned renewables cost and other	189	-	189
- Higher transmission	-	(27)	(27)
- Higher energy prices	-	(583)	(583)
- New minimum for IPP and Hydrogen Betterment	-	(536)	(536)
- Lower O&M	848	-	848
Other Revenues	-	(163)	(163)
Wholesale Margin	183	-	183
Total	2,462	(2,263)	199
MTD O&M AND OTHER VARIANCES			
Distribution	372	-	372
Administration/Safety	9	-	9
Finance, Fleet, & Warehouse	64	-	64
Customer Service	194	-	194
Marketing & Sustainability	143	-	143
Public Benefits	281	-	281
Security/Oper Technology	39	-	39
Telecom	50	-	50
Construction & Maintenance	37	-	37
Depreciation expense	190	-	190
All other	1	-	1
Total	1,381	-	1,381

*Estimated

August 2022 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): $3,059	$ 4,158	-	$ 4,158
FYTD GROSS MARGIN VARIANCE			
Retail Sales	211	-	211
Power Supply and Transmission			
- Higher retail load	-	(575)	(575)
- Lower than planned renewables cost and other	360	-	360
- Lower transmission	12	-	12
- Higher energy prices	-	(879)	(879)
- New minimum for IPP and Hydrogen Betterment	-	(669)	(669)
- Lower O&M	1,308	-	1,308
- Retail load management and economic dispatch	310	-	310
- SCPPA True-up and prior period adjustments	653	-	653
Other Revenues	-	(320)	(320)
Wholesale Margin	903	-	903
Total	$ 3,757	$ (2,443)	$ 1,314
FYTD O&M AND OTHER VARIANCES			
Distribution	703	-	703
Administration/Safety	59	-	59
Finance, Fleet, & Warehouse	207	-	207
Customer Service	433	-	433
Marketing & Sustainability	302	-	302
Public Benefits	628	-	628
Security/Oper Technology	-	(156)	(156)
Telecom	124	-	124
Construction & Maintenance	153	-	153
Depreciation expense	357	-	357
All other	32	-	32
Total	$ 2,999	$ (156)	$ 2,844

*Estimated

	Aug-22	Jul-22	Jun-22	Mar-22	Dec-21	Sep-21	Jun-21	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserve [e]	$ 59,132 [c],[d]	$ 55,407	$ 69,212	$ 79,152	$ 78,621	$ 70,437	$ 73,156	$ 52,010	$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	4,456	4,452	3,794	3,792	3,771	3,762	3,740		
Sub-Total Cash and Investments	73,588	69,859	83,007	92,944	92,392	84,199	86,896	73,010	42,770
Customer Deposits	(10,003)	(9,867)	(9,939)	(10,297)	(10,762)	(7,870)	(4,245)		
Public Benefits Obligation	(9,965)	(9,211)	(9,315)	(9,065)	(8,883)	(8,584)	(8,128)		
Low Carbon Fuel Standard [b]	(3,454)	(3,460)	(3,464)	(3,786)	(2,767)	(2,855)	(2,999)		
IPP Decommission	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)		
Cash and Investments (less Commitments)	**48,165**	**45,320**	**58,288**	**67,796**	**67,980**	**62,889**	**69,523**	**73,010**	**42,770**

[a] The Statement of Cash Balances may not add up due to rounding.

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

[c] Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of $2.75M.

[d] Includes an annual payment to CalPERS of $6.59M to paydown the Electric unfunded liability.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD August 2022
($ in 000's except Gallons)

MTD Actual FY 22-23	MTD Budget FY 22-23	$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	$ Variance	% Variance	
476	479	(3)	(1%)	Water put into the system in Millions of Gallons	961	953	8	1%	
107	112	(5)	(4%)	Metered Recycled Water in Millions of Gallons	195	220	(25)	(11%)	
				Operating Revenues					
$ 2,992	$ 3,135	$ (143)	(5%)	[a] Potable Water	$ 5,901	$ 6,245	$ (344)	(6%)	[A]
494	523	(29)	(6%)	Recycled Water	931	1,026	(95)	(9%)	
167	113	55	49%	[b] Other Revenue [3]	348	225	123	55%	[B]
3,653	3,770	(117)	(3%)	Total Operating Revenues	7,180	7,496	(316)	(4%)	
1,169	1,297	128	10%	Water Supply Expense	2,346	2,578	232	9%	
2,484	2,473	11	0%	**Gross Margin**	4,834	4,918	(84)	(2%)	
				Operating Expenses					
554	840	286	34%	[c] Operations & Maintenance - Potable	1,261	1,680	420	25%	[C]
169	145	(24)	(16%)	Operations & Maintenance - Recycled	294	290	(5)	(2%)	
88	335	247	74%	[d] Operations & Maintenance - Shared Services	276	680	404	59%	[D]
144	148	4	3%	Transfer to General Fund for Cost Allocation	296	296	-	0%	
355	370	15	4%	Depreciation	723	741	18	2%	
1,311	1,838	527	29%	Total Operating Expenses	2,850	3,686	837	23%	
1,173	635	538	85%	**Operating Income/(Loss)**	1,984	1,231	753	61%	
				Other Income/(Expenses)					
64	13	51	378%	[e] Interest Income	78	27	51	189%	[E]
82	45	37	82%	[f] Other Income/(Expense) [4]	(388)	(440)	53	12%	
(216)	(216)	0	0%	Bond Interest/(Expense)	(431)	(431)	0	0%	
(70)	(157)	88	56%	Total Other Income/(Expenses)	(741)	(845)	103	12%	
1,104	478	626	131%	**Net Income/(Loss)**	1,243	387	856	221%	
267	57	210	368%	[g] Capital Contributions (AIC)	267	114	153	134%	[F]
$ 1,370	$ 535	$ 836	156%	**Net Change in Net Assets**	$ 1,510	$ 501	$ 1,009	202%	

1. This report may not foot due to rounding.
2. ( ) = Unfavorable
3. Other Revenue includes items such as fire protection services, damaged property recovery, connection fees, late fees, and tampering fees.
4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets.

*Estimated

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
MTD August 2022
($ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(a)	Potable Water Revenue	2,992	3,135	(143)	- The unfavorable variance is attributable to lower demand.
(b)	Other Revenue	167	113	55	- Other revenues include items such as fire protection services, damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(c)	Operations & Maintenance - Potable	554	840	286	- The favorable variance is primarily attributable to vacancies and the timing of professional services.
(d)	Operations & Maintenance - Shared Services	88	335	247	- The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the Electric Fund.
(e)	Interest Income	64	13	51	- The favorable variance is attributable to 2021 Water Bond Project Fund Interest, based on higher than planned balances related to the timing of bond drawdowns.
(f)	Other Income/(Expense)	82	45	37	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate.The favorable variance is primarily attributable to proceeds from unbudgeted grant proceeds.
(g)	Capital Contributions (AIC)	267	57	210	- The unfavorable variance is attributable to the delay of AIC projects.

*Estimated

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
FYTD August 2022
($ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(A)	Potable Water Revenue	5,901	6,245	(344)	- The unfavorable variance is attributable to lower demand.
(B)	Other Revenue	348	225	123	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(C)	Operations & Maintenance - Potable	1,261	1,680	420	- The favorable variance is attributable primarily to vacancies and lower than planned other professional services and special departmental supplies.
(D)	Operations & Maintenance - Shared	276	680	404	- The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the Electric Fund.
(E)	Interest Income	78	27	51	- The favorable variance is attributable to 2021 Water Bond Project Fund Interest, based on higher than planned balances related to the timing of bond drawdowns.
(F)	Capital Contributions (AIC)	267	114	153	- The unfavorable variance is attributable to the delay of AIC projects.

*Estimated

August 2022 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): $1,104	$ 626	$ -	$ 626
MTD GROSS MARGIN VARIANCE			
Potable Revenues	-	(143)	(143)
Recycled Revenues	-	(29)	(29)
Other Revenue	55	-	55
Water Supply Expense	128	-	128
Total	183	$ (172)	$ 11
FYTD O&M AND OTHER VARIANCES			
Potable O&M	286	-	286
Recycled Water O&M	-	(24)	(24)
Allocated O&M	247	-	247
Depreciation Expense	15	-	15
All Other	92	-	92
Total	$ 639	$ (24)	$ 615

*Estimated

August 2022 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: $1,243	$ 856	$ -	$ 856
FYTD GROSS MARGIN VARIANCE			
Potable Revenues	-	(344)	(344)
Recycled Revenues	-	(95)	(95)
Other Revenue	123	-	123
Water Supply Expense	232	-	232
Total	$ 355	$ (439)	$ (84)
FYTD O&M AND OTHER VARIANCES			
Potable O&M	420	-	420
Recycled Water O&M	-	(5)	(5)
Allocated O&M	404	-	404
Depreciation Expense	18	-	18
All Other	103	-	103
Total	$ 945	$ (5)	$ 940

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

	Aug-22	Jul-22	Jun-22	Mar-22	Dec-21	Sep-21	Jun-21	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserves	[d] $ 13,175	[b], [c] $ 11,294	$ 12,759	$ 12,544	$ 11,294	$ 14,287	$ 12,181	$ 12,630	$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	15,395	13,514	14,979	14,764	13,514	16,507	14,401	17,830	9,370
Customer Deposits	(397)	(477)	(1,052)	(1,013)	(1,002)	(1,021)	(1,125)		
Cash and Investments (less commitments)	**$ 14,997**	**$ 13,037**	**$ 13,927**	**$ 13,751**	**$ 12,512**	**$ 15,487**	**$ 13,276**	**$ 17,830**	**$ 9,370**

[a] The Statement of Cash Balances may not add up due to rounding.
[b] Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of $440k.
[c] Includes an annual payment to CalPERS of $1.12M to paydown the Electric unfunded liability.