

Fiscal Year 2022-23 Proposed Budget

City Council
April 26, 2022



**WATER AND
POWER**

Policy



BWP Challenges



Inflationary Pressures

Water: Chlorine cost up 98%

MWD board unanimously passed a 10% increase - 5% per year

Electric: Substation cost up 30-60% over 2017

Natural gas up 50% over 2020

Renewable contract cost up 35-60%

IPP coal supply chain issues – reduced from 89
MW to 11 MW

Fiber: from \$1.20 per foot to \$3.00 per foot



BWP Efforts To Reduce Cost Pressures

Last 12 months

Cost Savings

Energy Sales – wholesale and economic dispatch	\$13,000,000
Contract Renegotiation	5,575,000
Loan Pre-Payment	382,000
Grants	397,000
Subtotal	\$19,354,000

Cost Avoidance

Process Improvement	\$4,428,219
Technology Upgrade/Automation	379,872
Other	1,135,420
Subtotal	\$5,943,511

State Funding

CA Arrearage Payment Program (CAPP)	\$2,236,319
CA Water/Wastewater Arrearage Payment Program (CWWAPP)	373,518
Subtotal	\$2,609,837
Grand Total	\$27,907,348



Budget Authority by Fund

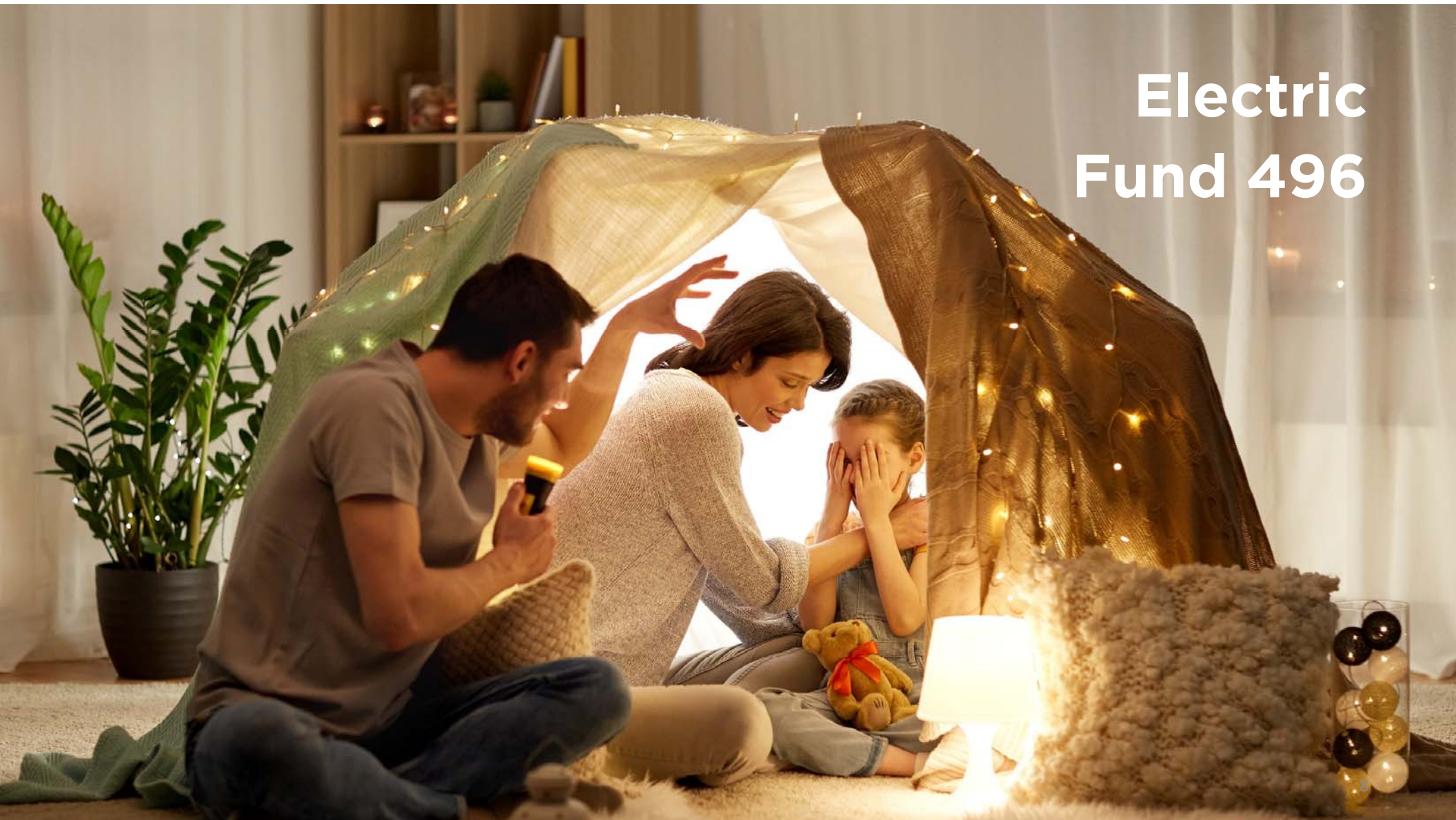
(\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed	Decrease / (Increase) in Budget
Electric Fund (496)	\$270,111	\$313,086	(\$42,975)
Water Fund (497)	\$45,812	\$60,666	(\$14,854)
MPP Operating Fund (483)	\$22,731	\$24,151	(\$1,420)
Tieton Hydro Operating (133)	\$2,388	\$2,082	\$306
Street Lighting Fund (129)	\$2,804	\$3,437	(\$633)
Communications Fund (535)	\$6,927	\$4,417	\$2,510
Total Authority	\$350,778	\$406,787	(\$57,066)



Pension Funding Plan

Fund	Electric	Water
Total 4-Year Commitment	\$11,685,800	\$1,870,000
FY 2019-20	\$3,437,000	\$550,000
FY 2020-21	\$2,749,600	\$440,000
FY 2021-22	\$2,749,600	\$440,000
FY 2022-23	\$2,749,600	\$440,000
Interest Savings	\$12,326,588	\$1,972,541
Saving Period	20 Years	20 Years

Electric Fund 496



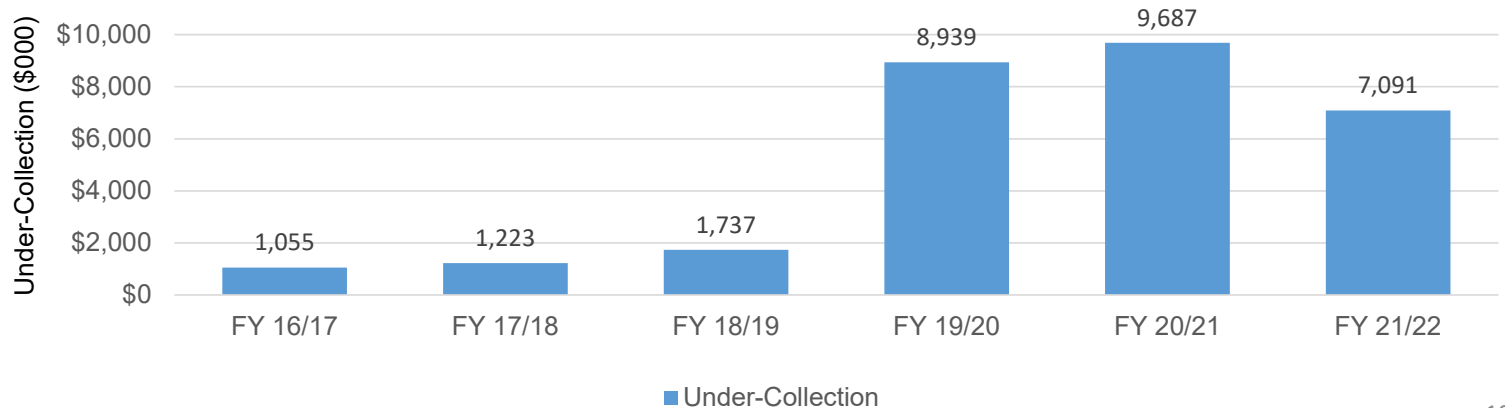


Rate Drivers

\$ in 000's	\$	% of Oper. Rev.
Under-collection	\$7,091	4.11%
Inflation	\$7,688	4.45%
Supply chain/IPP coal issues	\$4,000	2.32%
Renewable mandates	\$7,583	4.39%
Capital financing	\$1,513	0.88%
Lower retail sales	\$3,473	2.01%
2022-23 rate requirement	\$31,348	18.15%
Lower distribution losses	(\$550)	-0.32%
2022-23 rate increase	(\$10,201)	-5.91%
Projected Under-collection	\$20,597	11.92%

Prior Year Under-Collection

\$ in 000's	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Customer Rate Increase %	2.1%	0.0%	0.0%	1.0%	0.0%	2.5%
Under-Collection from Prior Year	\$4,738	\$1,055	\$1,223	\$1,737	\$8,939	\$9,687
New Drivers	\$4,591	\$2,058	\$1,136	\$8,848	\$7,999	\$6,608
New Reductions	(\$4,500)	(\$1,890)	(\$622)	-	(\$7,251)	(\$7,992)
Rate Increase	(\$3,774)	-	-	(\$1,646)	-	(\$1,212)
Under-Collection	\$1,055	\$1,223	\$1,737	\$8,939	\$9,687	\$7,091





Budget Highlights and Assumptions

- 2.7% lower demand
- 7.1% inflation
- Renewable portfolio standard (RPS) at 40%
- 6% rate increase
- \$60 million bond financing
- Pension liability prepayment
- Higher energy prices
- IPP coal issues
- Investments in a sustainable future
- Utilizing cash reserves to stabilize rates



Forecast Assumptions for Years 2-5 (FY 2023-24 – FY 2026-27)

- Renewable portfolio standard (RPS) up to 52%
- IPP demolition
- New transmission planning
- Investments in a sustainable future
- Transition to green hydrogen at IPP
- Increase in substation capacity
- Work force modernization
- Continue rate plan toward full cost recovery



Future Costs Not Included in Budget Forecast

- Greenhouse gas (GHG) reduction projects
- Future staffing needs
- Updated financial reserve policy/increased reserve levels
- Transmission buildout
- Additional local solar and storage projects and investments
- Olive replacement with renewable peaker units
- Design new rate structure
- Additional pension liability prepayment

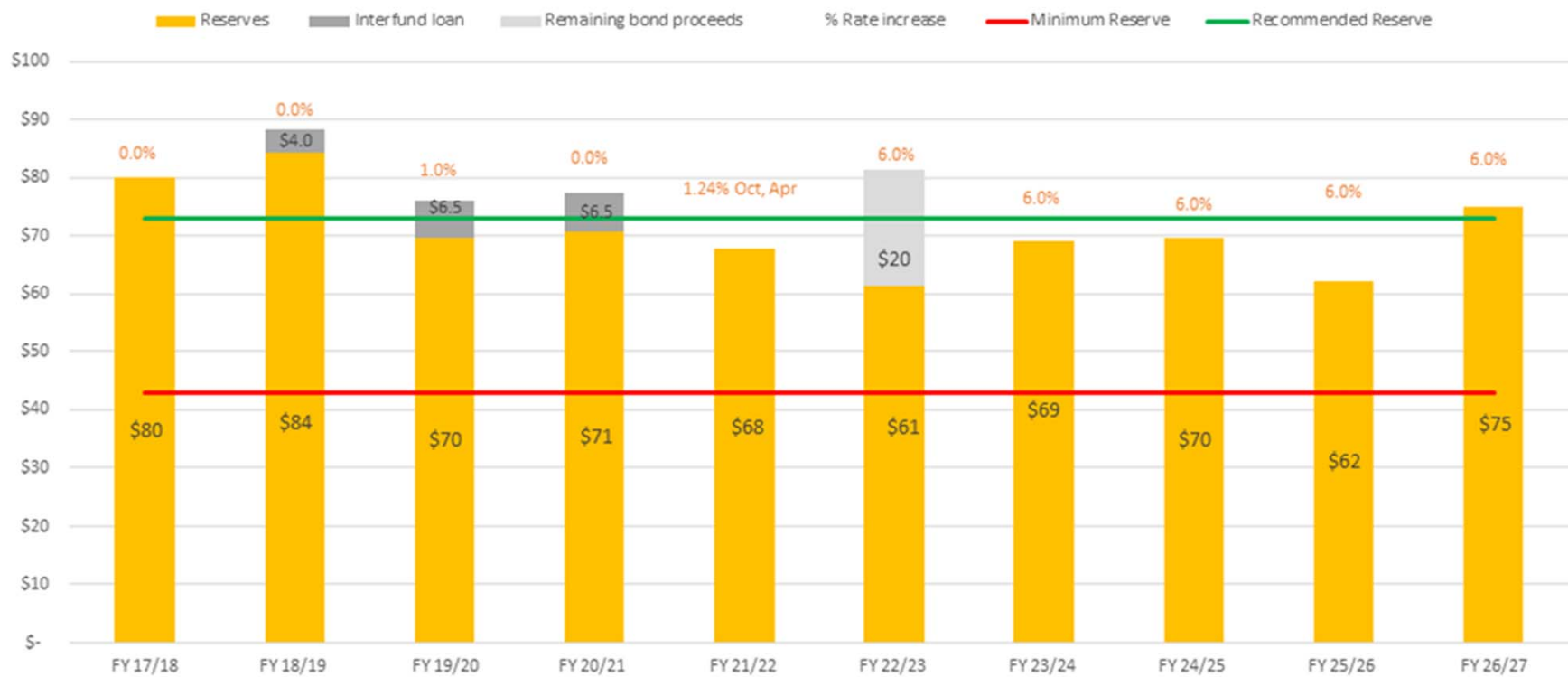
Cash Reserves (Without Capital Financing)

\$ in millions



Cash Reserves (With \$60 Million Capital Financing)

\$ in millions





Cost of Proposed Bonds

- ~\$60 million bond financing
- ~Interest rate 3.5%
- ~Annual debt service of \$3.2 million

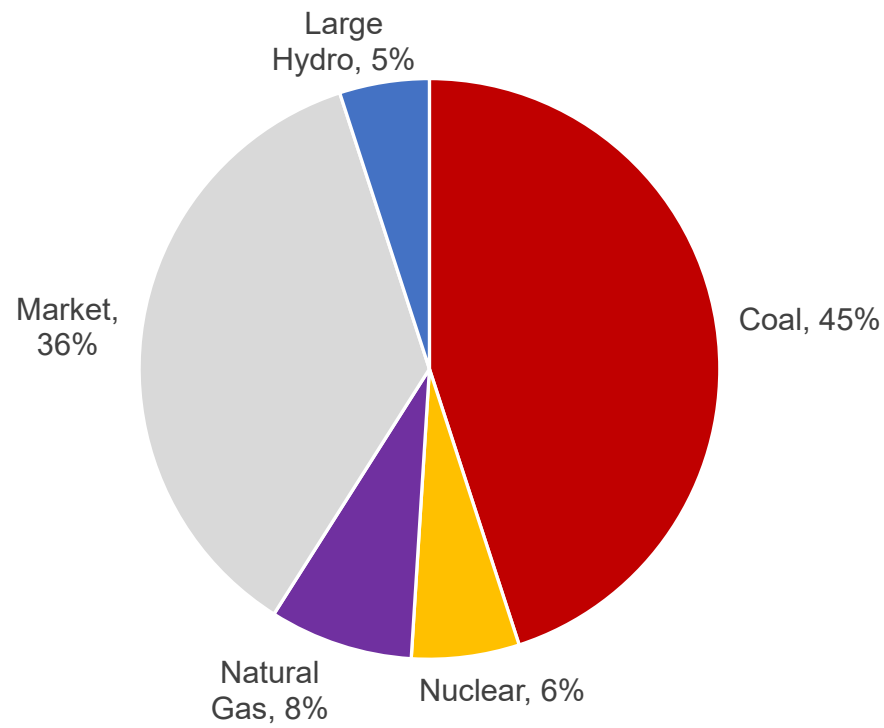


Projects to be Financed

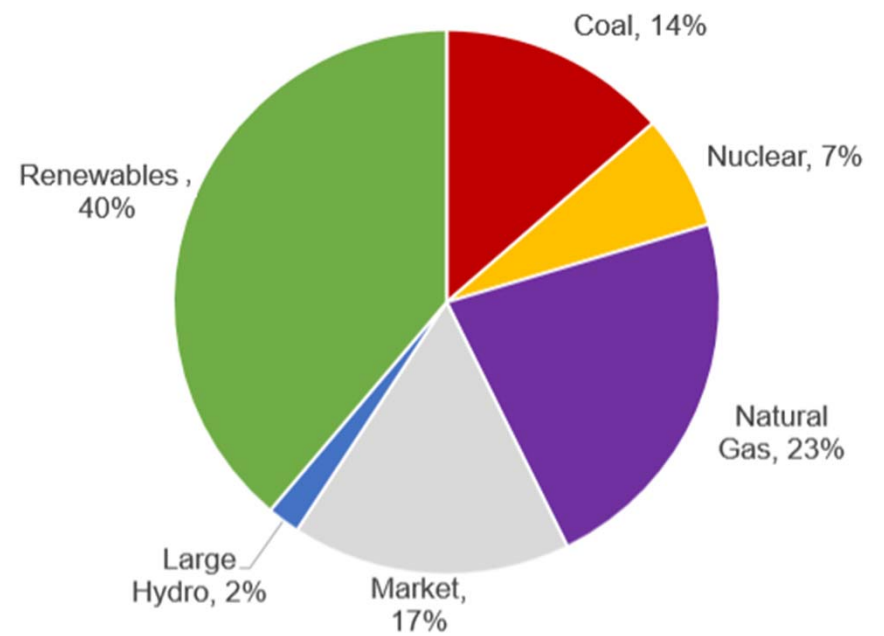
	\$ in 000's
Media District 12kV Capacity	\$17,500
4kV to 12kV Conversions	\$15,000
Regional Intermodal Transportation Center (RITC) Solar and Battery	\$10,000
Golden State Rebuild	\$9,300
Citywide Solar and Storage	\$5,000
EcoCampus Solar and Storage	\$2,500
Replace Deteriorated Underground Electrical Dist. Lines	\$700
Projects Financing	\$60,000

Power Mix

FY 2001-2002

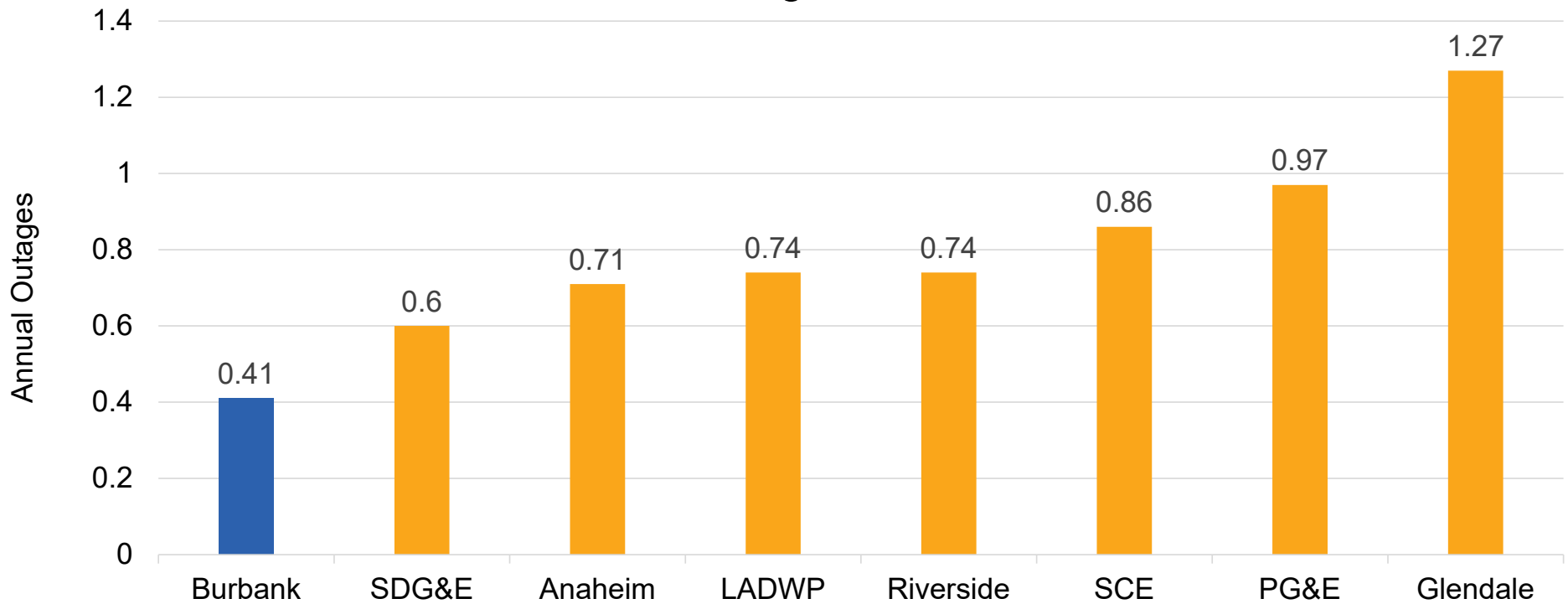


FY 2022-2023



Annual Outages

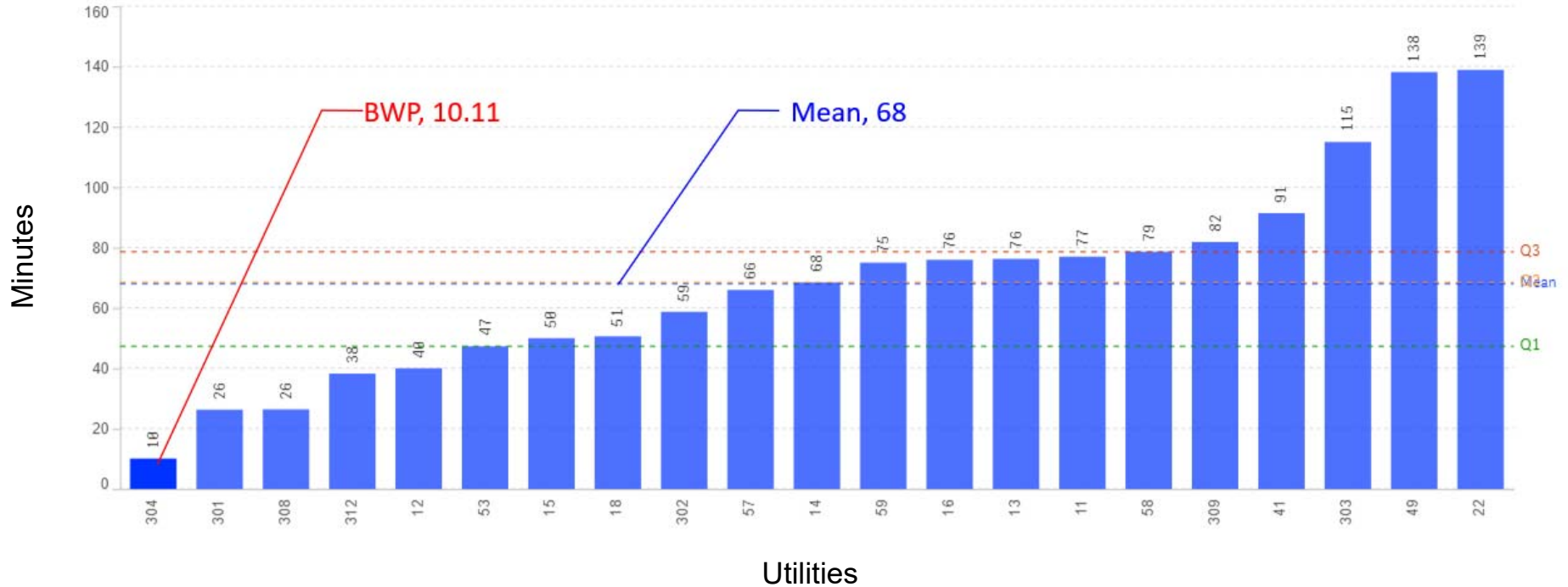
System Average Interruption Frequency Index (SAIFI)
5 Year Average 2016-2020



Reliability

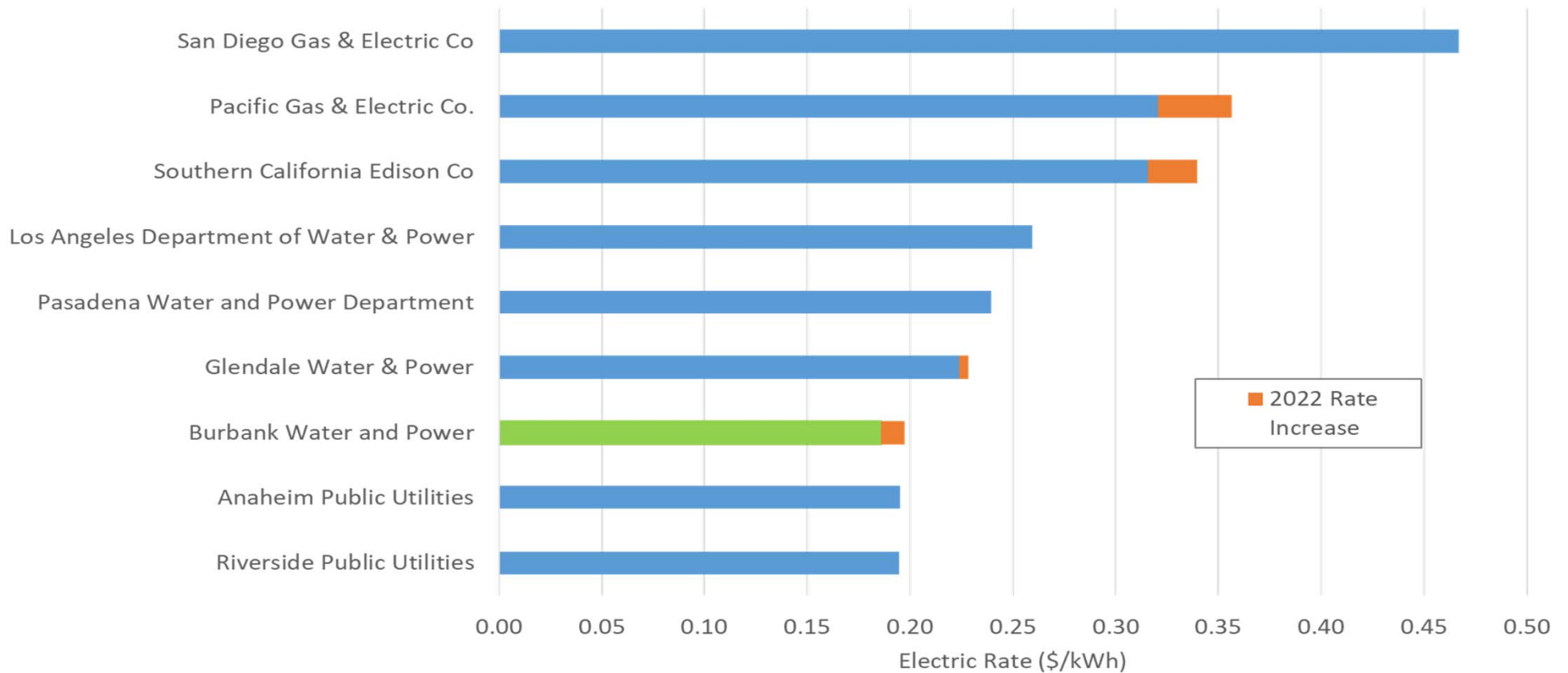
System Average Interruption Duration Index (SAIDI)
2020 Industry Benchmark

Mean	Q1	Q2	Q3
68	47	68	79



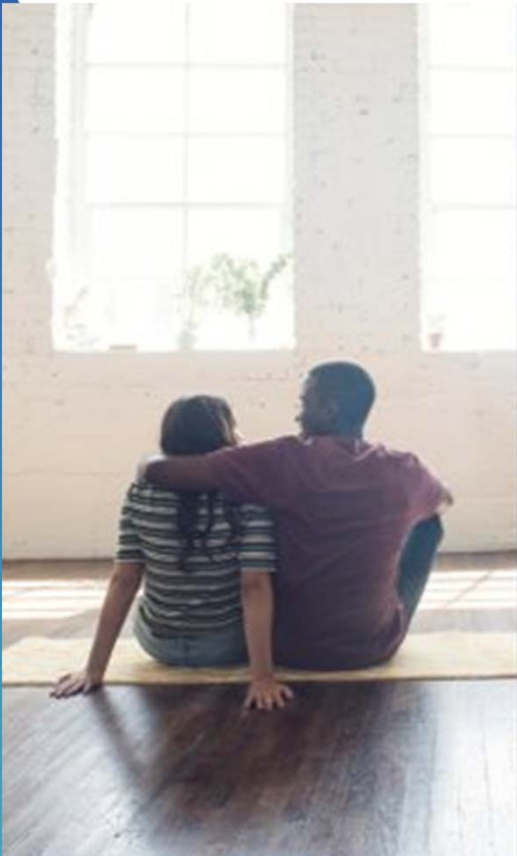
Source: DR0050; Includes Planned Outages.

Residential Rate per kWh for Average Single Family Monthly Consumption



Source: SCPPA Rate Comparison Tool – Developed by City of Redding. January, 2022.

Electric Monthly Bill Comparison



	Current	Proposed	Change
Apt/Condo: Annual Avg. (340 kWh)	\$59.46	\$63.02	\$3.56
Apt/Condo: Summer (500 kWh)	\$90.15	\$95.55	\$5.40
Single Family: Annual Avg. (710 kWh)	\$132.06	\$139.97	\$7.91
Single Family: Summer (1,100 kWh)	\$206.88	\$219.27	\$12.39



Income Statement – Fund 496

\$ in 000's	FY 2021-22 Adopted	FY 2022-23 Proposed
Total Operating Revenues	\$222,795	\$229,600
Total Power Expenses	\$158,040	\$172,267
Gross Margin	\$64,755	\$57,332
Total Operating Expenses (incl Depreciation)	\$62,816	\$65,448
Operating Income/(Loss)	\$1,939	(\$8,116)
Other Income / (Expense)	(\$4,904)	(\$6,261)
Net Income (before AIC)	(\$2,965)	(\$14,376)
Capital Contributions (AIC)	\$14,574	\$7,213
Change in Net Assets	\$11,609	(\$7,163)

Five Year Capital Plan

	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	FY 2022-23 to FY 2026-27 Forecast Total
Power Supply Improvement Projects	\$13,020,000	\$1,290,000	\$5,850,000	\$5,340,000	\$5,200,000	\$30,700,000
Operations Technology	\$1,000,000	-	-	\$300,000	-	\$1,300,000
Distribution Expansion Projects	\$3,636,174	\$1,992,448	\$2,699,325	\$5,123,960	\$4,374,744	\$17,826,651
Distribution Replacement Projects	\$33,802,527	\$11,125,302	\$18,684,908	\$13,167,054	\$13,025,840	\$89,805,631
Facility Renovations	\$1,607,022	\$369,100	\$393,900	\$345,610	\$391,300	\$3,106,932
ONE Burbank	\$1,380,000	\$400,000	\$400,000	\$400,000	\$460,000	\$3,040,000
Finance, Warehouse and Fleet Facility	\$341,250	\$390,000	\$1,047,500	-	\$825,000	\$2,603,750
Customer Service	\$1,105,000	\$850,000	-	\$5,500,000	\$100,000	\$7,555,000
Security	\$355,000	\$100,000	-	\$150,000	\$150,000	\$755,000
Water Fund's share of common projects	(\$522,676)	(\$205,047)	(\$73,761)	(\$778,995)	(\$169,625)	(\$1,750,103)
Total CIP	\$55,724,297	\$16,311,804	\$29,001,872	\$29,547,629	\$24,357,260	\$154,942,861
New Customer Projects/AIC	\$7,213,067	\$11,434,314	\$11,830,348	\$7,014,500	\$7,183,150	\$44,675,379
Total AIC	\$7,213,067	\$11,434,314	\$11,830,348	\$7,014,500	\$7,183,150	\$44,675,379
Total	\$62,937,364	\$27,746,118	\$40,832,220	\$36,562,129	\$31,540,410	\$199,618,240



FY 22-23 Capital Improvements

Project (in 000's)	FY 22-23 Proposed
Media District 12kV Capacity	\$17,009
Regional Intermodal Transportation Center (RITC) Solar and Battery	\$10,000
Golden State Substation Rebuild	\$5,476
4kV to 12kV Conversions	\$5,000
Replace Deteriorated Overhead Electrical Dist. Lines	\$2,000
EcoCampus Solar and Storage	\$1,750
Electric Vehicle Charging Program	\$1,660
Campus Stormwater Management Program	\$819
Data Center Hardware	\$800
Transmission Distribution Management System	\$750
Replace Deteriorated Underground Electrical Dist. Lines	\$750
ESSN Network Infrastructure Replacement	\$750
Customer Information System Replacement/Upgrade	\$650
Protective Relay Network Replacement	\$547
Replace 69 kV and 34.5 kV Lines Due to Deterioration	\$500
ONE Burbank Network Infrastructure Expansion	\$400
Other Remaining Projects	\$6,863
Total Electric Fund CIP Projects	\$55,724



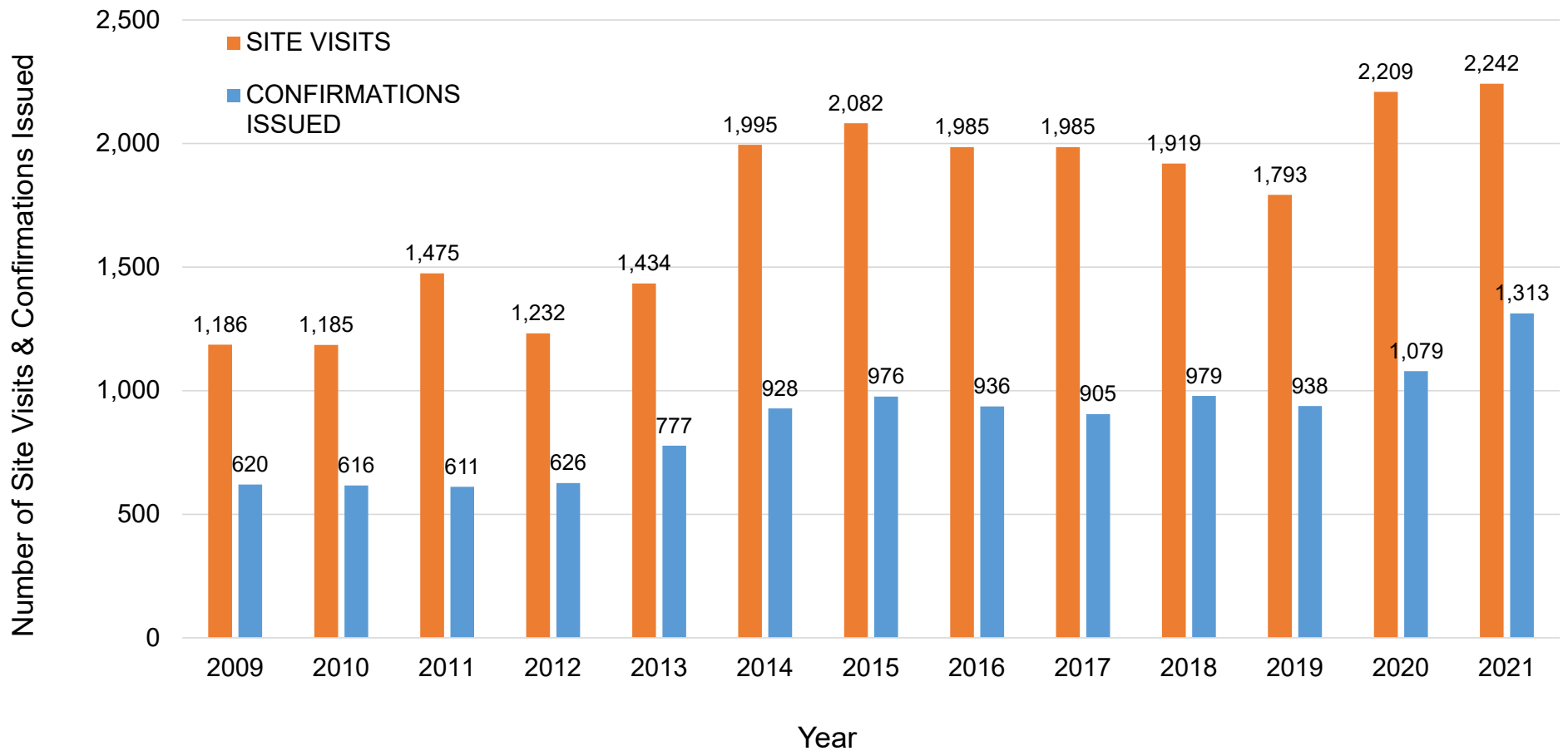
FY 2022-23 Aid-in-Construction

Project (in 000's)	FY 22-23 Proposed
Build Service to Large Projects Over 1 MVA	\$5,500
Build New Customer Transformer Stations, 750 kVA & Under	\$1,000
Other Remaining Projects	\$713
Total Electric Fund AIC Projects	\$7,213

Five Year Capital Outlay

	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	FY 2022-23 to FY 2026-27 Total
Capital Outlay	\$2,650,000	\$2,703,000	\$2,757,060	\$2,812,201	\$2,868,445	\$13,790,706
Information Technology	\$189,390	\$177,000	\$154,875	\$150,000	\$121,070	\$792,335
Master Fleet Plan	\$708,275	\$4,645,525	\$3,348,750	\$1,695,025	\$1,175,000	\$11,572,575
Total Capital Outlay	\$3,547,665	\$7,525,525	\$6,260,685	\$4,657,226	\$4,164,515	\$26,155,616

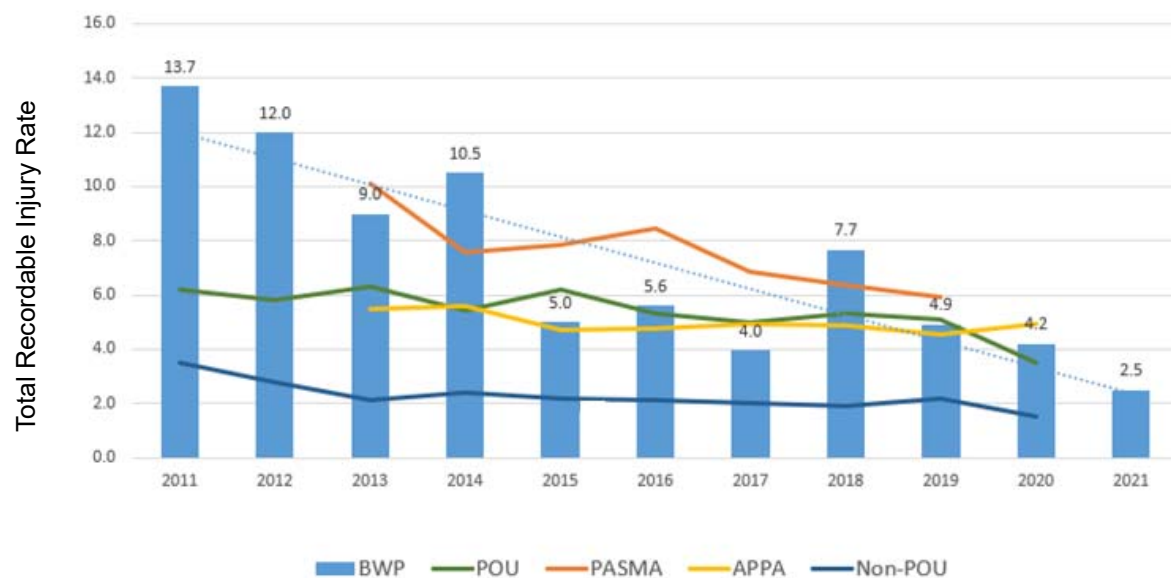
Site Visits and Confirmations



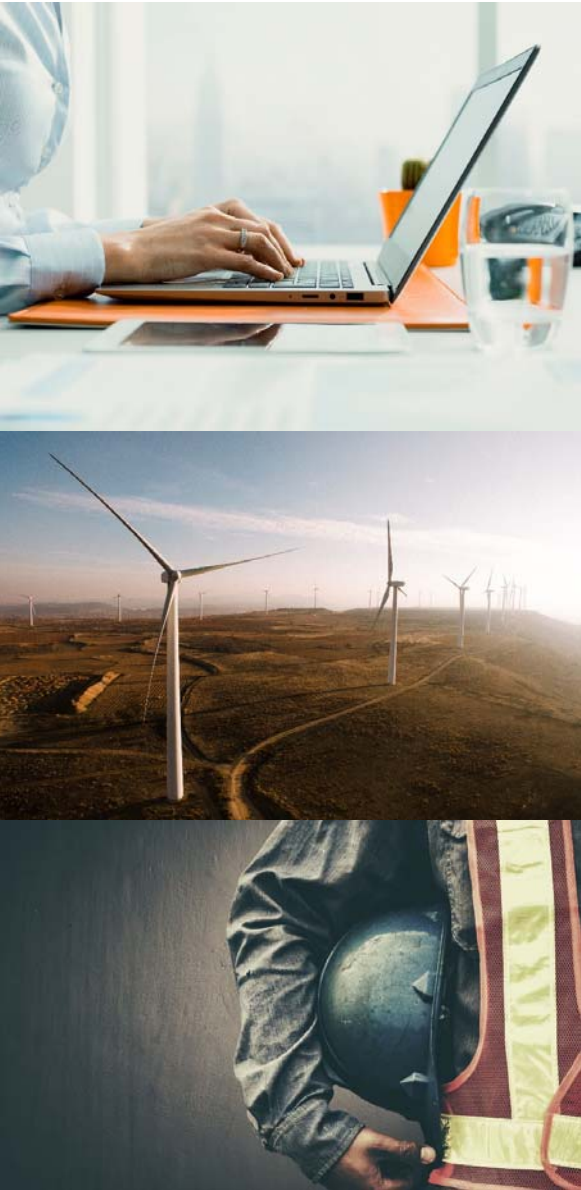


Safety

OSHA Total Recordable Injury Rate (TRIR)



OSHA Recordable Injury Rate – No. of recordable cases per 100 full time employees.
POU – Publicly Owned Utilities – Bureau of Labor Statistics
PASMA – Public Agency Safety Management Association (Utilities only data)
APPA – American Public Power Authority – Average recordable injury rate, all respondents
Non-POU – Not a Publicly Owned Utility



New Positions Driven by Compliance & New Development

	FY 21-22	Change in Head Count	FY 22-23	Total Cost*
Administration & Safety	9	-1	8	(\$142,692)
Customer Service & Marketing	50	1	51	\$142,692
Water Services	53	1	54	\$183,773
Electric Distribution	99	2	101	\$323,211
Power Systems & Facilities	85	2	87	\$440,045
Operations Technology & Security	18	0	18	-
Finance, Fleet & Materials	26.5	1	27.5	\$145,053
Subtotal	340.5	6	346.5	\$1,092,082
External Funds - Aid in Construction & LCFS				(\$274,853)
Communications (Fund 535)	6	0	6	-
Total	346.5	6	352.5	\$817,229

* Total cost includes salaries and benefits.



Reorganization to Modernize the Workforce

- Recruit and retain for today's needed skills, knowledge, and abilities
- Drive improved efficiencies across the organization
- Manage the growing infrastructure replacement
- Manage development within the City
- Acquire renewable energy to meet sustainability mandates

Energy-Water Efficiency Programs

FY 2020-2021



~\$900k of electric PBC funds & \$58k of water funds invested



Over 4.7 million kWh of energy saved



Over 25 million gallons of water saved



1,850 metric tons CO₂e GHG emissions avoided via EE programs¹



125 metric tons of CO₂e GHG reduced via EV public charging sessions²



Over \$865k in customer energy-water bill savings

Sustainability Programs and Participation

FY 2020-2021

Residential Programs	Participants
OPower Web Portal, Proactive Alerts, BDR	45,000
COVID-19 Job Loss Bill Credit	2,289
Lifeline and Life Support	1,733
Livingwise	1,000
Home Rewards Rebates	682
Made in the Shade	163
Home Improvement Program	0
AC Replace Before It Breaks	95
Low-Income Refrigerator Exchange	1
Green Choice Program	163
EV Charger Rebate	18
Used EV Rebate	25

Commercial Program	Participants
Business Rebates	21
Business Bucks	4
Upstream HVAC Program	2
Landscape Battery Rebate	0
EV Charger Rebate	1

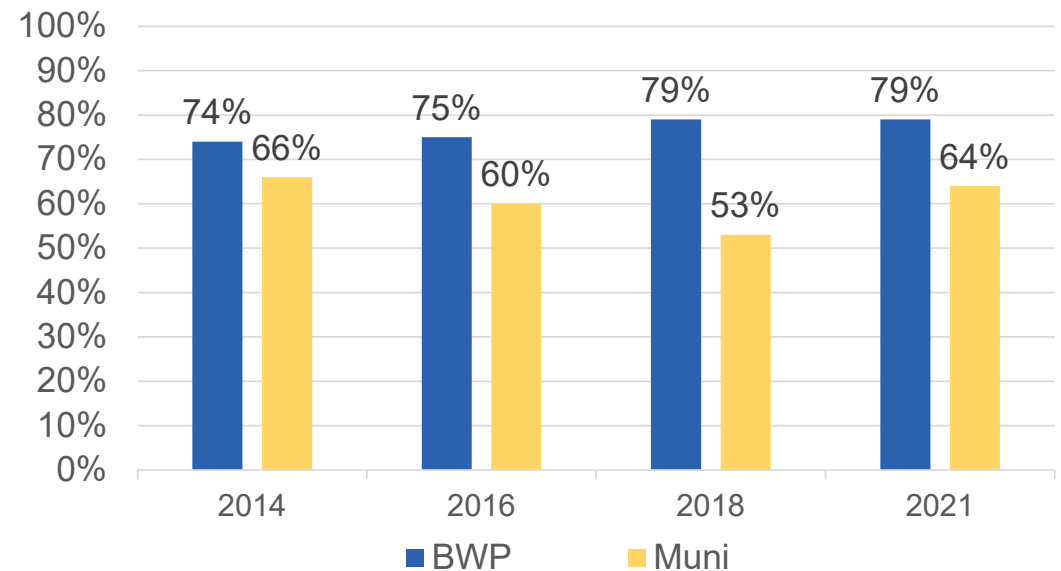
Other Initiatives

Program	Participants or Measures
Water Conservation Rebates	394
LED Street Lighting Project	577



Residential Customer Satisfaction

2021 Independent Survey of Residential Customer Satisfaction – ***Very Satisfied***

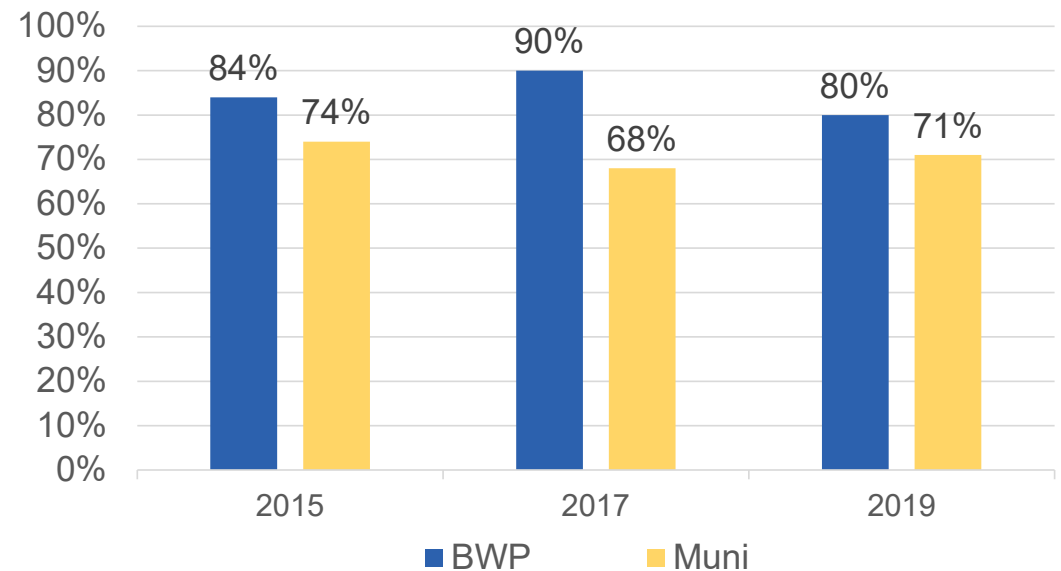


"Top 3 Box" = 8, 9, 10 on 0 = Dissatisfied to 10 = Very Satisfied scale.
Base is customers contacting utility. (C-3a)



Commercial Customer Satisfaction

2019 Independent Survey of Commercial Customer Satisfaction – ***Very Satisfied***

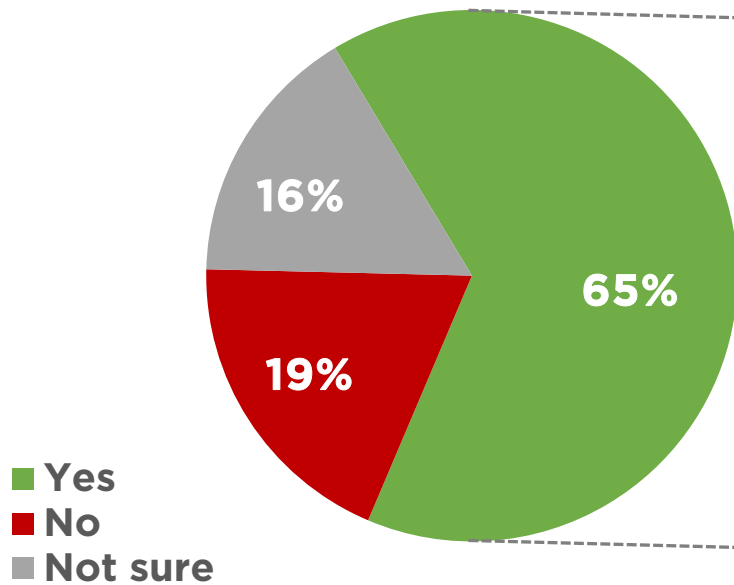


"Top 3 Box" = 8, 9, 10 on 0 = Dissatisfied to 10 = Very Satisfied scale.
Base is customers contacting utility. (C-3a)

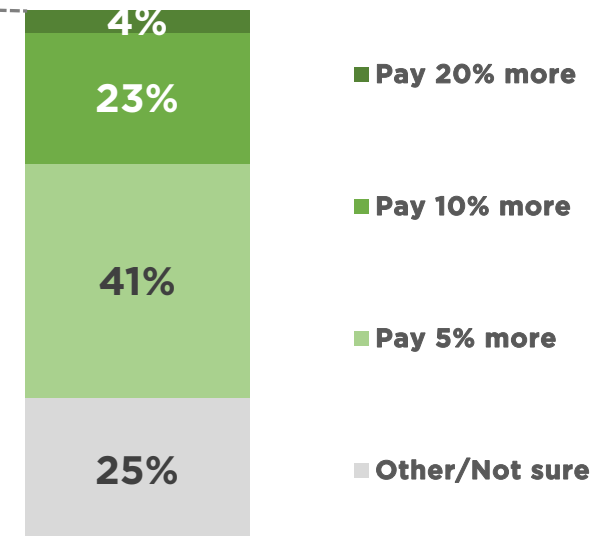


Community Support For Renewable Energy

**Should BWP work to exceed
50% renewable energy
by 2025?**



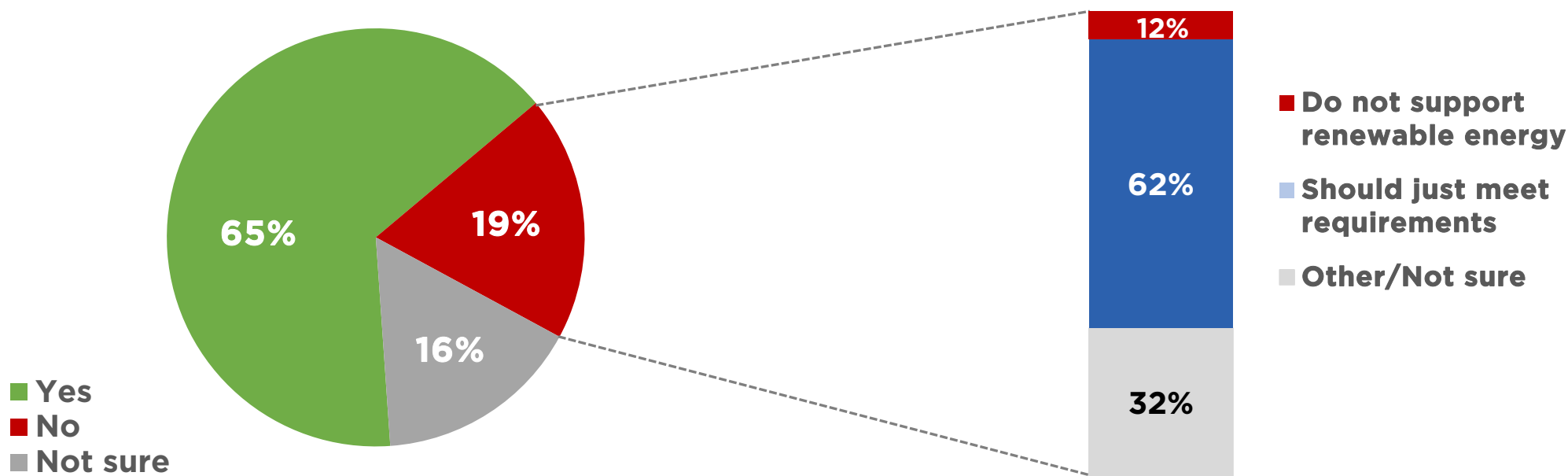
**How much more
are you willing to pay?**





Community Support For Renewable Energy

Should BWP work to exceed 50% renewable energy by 2025?



Customer Assistance Programs

FY 2020-2021



2,060
households
participated



Over \$918k distributed
(Public Benefit Funds)

Federal Dept. of Health and
Human Services

~\$107k for Low
Income Home Energy
Assistance Program

~\$538k in
Lifeline & Life
Support Rate

~\$6k in
Project
Share

~\$374k in C-19
Job Loss Bill
Credit
Program



Customer Debt Reduction

BWP has applied for and received state funding to help customers

Electric Arrears

Current Total Electric Arrears*	\$4,719,653
Total California Arrearage Payment Program (CAPP) Funding	\$2,236,319
Estimated Electric outstanding debt after CAPP	\$2,483,334

Water Arrears

Current Total Water Arrears*	\$910,906
Total California Water/Wastewater Arrearage Payment Program (CWWAPP) Funding	\$373,518
Estimated Water outstanding debt after CWWAPP	\$537,388

* As of December 27, 2021



In FY 22/23 BWP Will Be Expanding Assistance Programs

	Income Qualification (family of 4)	Other Requirements	Benefit	Benefit Frequency	Funding Source
Low-Income Home Energy Assistance Program	\$59,186	-	Utility assistance + weatherization and energy efficiency	Monthly	Federal Health & Human Services
Lifeline Rate Assistance	\$59,100	62+ or disabled household member	40% off electricity No 7% Utility Users Tax	Monthly	BWP Public Benefits
Life Support Rate	None	In home use of life-support equipment	No 7% Utility Users Tax	Monthly	BWP Public Benefits
Project Share	\$59,100	-	\$100 bill credit	One time/year	Burbank resident contributions
New Project Share	\$92,610	-	\$100 - \$300 bill credit	One time/year	Burbank resident contributions
New Assistance Program	\$92,610	-	TBD utility bill discount	Monthly	\$1.1M of approved COVID-19 Relief funds

Magnolia Power Project (MPP)

Joint Power Authority

Fund 483





Proposed Budget – Fund 483

Description (\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed
Est. Net Generation in MWh	1,362,424	1,320,480
Operating and Maintenance Expenses	\$22,591	\$23,593
Capital Expenditures	\$140	\$558
Operating Agent Budget (Fund 483)	\$22,731	\$24,151

Tieton Joint Power Authority

Fund 133





Proposed Budget – Fund 133

Description (\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed
Est. Generation in MWh	47,612	47,299
Operating and Maintenance Expenses	\$2,094	\$1,826
Transmission Expenses	\$93	\$95
Capital Expenditures	\$202	\$161
Operating Agent Budget (Fund 133)	\$2,388	\$2,082

Street Lighting Fund

Fund 129



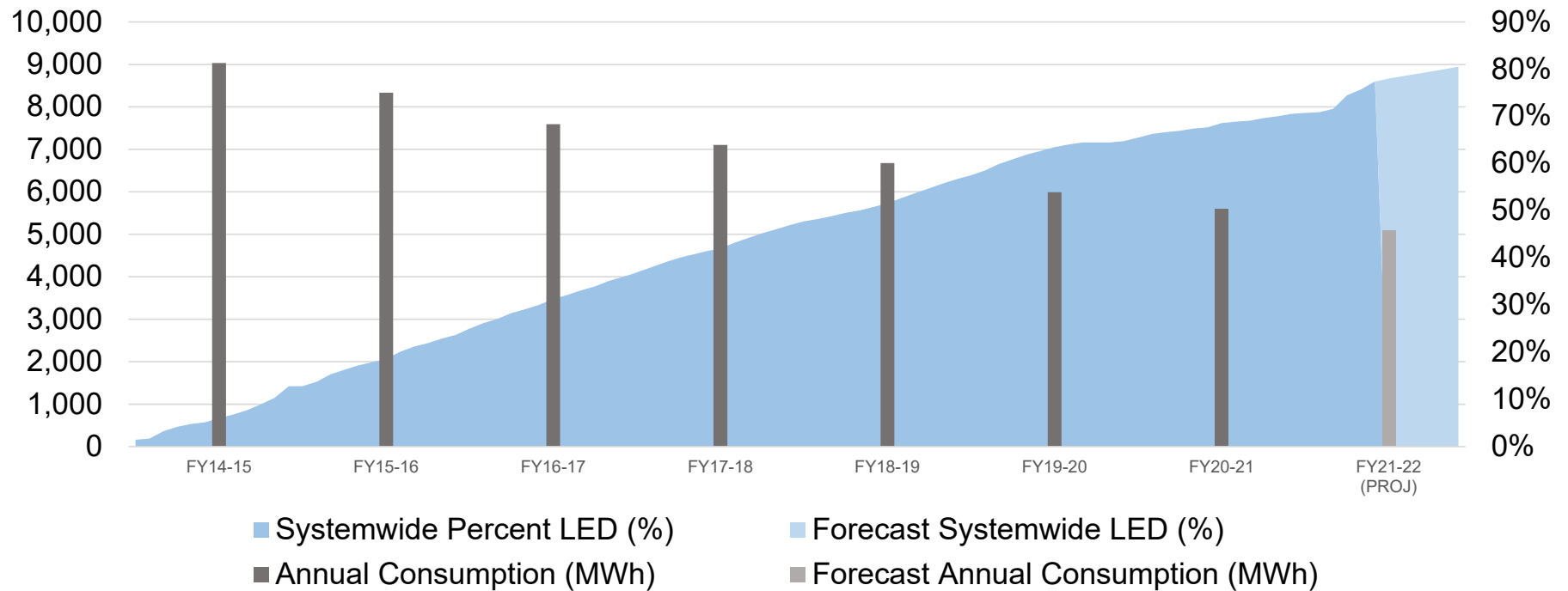


Proposed Budget – Fund 129

Description (\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed
Transfers	\$2,556	\$2,660
Operating Expenses		
Utilities	\$1,006	\$674
Street Light Maintenance	\$495	\$337
Other Operating Expenses	\$189	\$284
Total Operating Expenses	\$1,690	\$1,295
Other Income	\$866	\$1,365
Interest/Other Income and (Expense)	\$66	\$81
Aid-in-Construction	\$285	\$625
Total Other Income	\$351	\$706
Net Change in Net Assets (Net Income)	\$1,217	\$2,070
Capital Expenditures	\$1,114	\$2,142
Budget Authority	\$2,804	\$3,437

LED Conversions

Streetlight System LED Replacement % vs Annual Consumption (MWh)





ONEBurbank Included in Fund 496

Customers



NBCUniversal

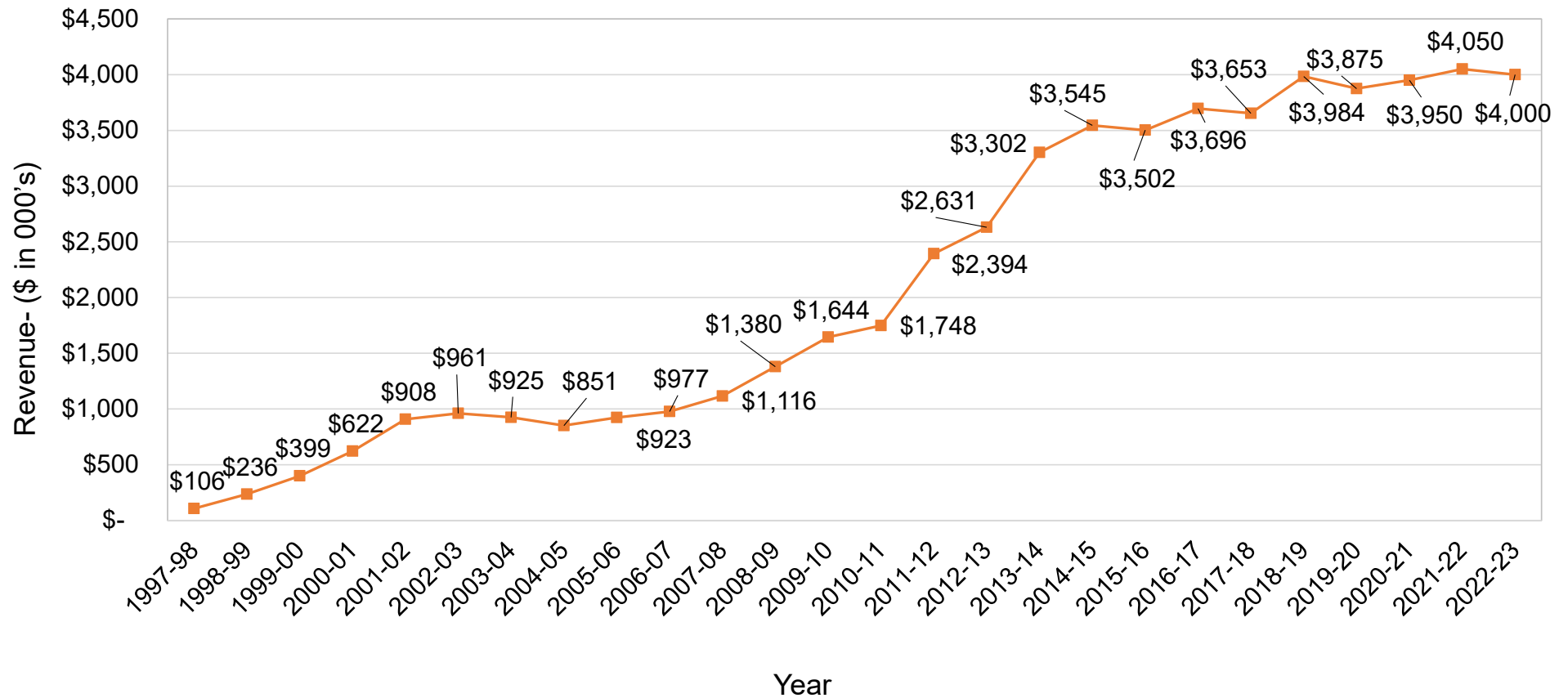


FotoKEM



- Animation Guild
- Buddy's All Stars
- Burbank Studios
- BUSD
- Cast & Crew
- Catalina Media
- CBS
- Century Link
- Critical Content
- Deluxe
- Digital Preservation Labs
- Disney
- Entertainment Partners
- Estrella Media
- FotoKem
- Hasbro
- Keycode Media
- Mobeon Media
- Moviola
- Music Express
- NBC Universal
- New Wave Entertainment
- MSG Entertainment
- Pixellogic Media
- Producers/Writers Guild
- SAG
- Sohonet
- Burbank YMCA
- Viacom Inc. (Nickelodeon)
- Warner Brothers
- Worthe Real Estate

ONEBurbank Revenues





Annual Broadband Benefits

- ~\$515,000 BWP cost savings
- ~\$621,000 City departments cost savings
- ~\$373,000 BUSD cost savings

The image shows two black office telephones. The one in the foreground has a large touchscreen displaying a blue interface with several icons (phone, mail, calendar, etc.) and a numeric keypad below it. The second phone is partially visible behind it to the right, also featuring a touchscreen and a numeric keypad. The background is a plain, light-colored surface.

Communications Fund 535



Proposed Budget – Fund 535

(\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed
Revenues		
Charges for Services	\$3,068	\$3,069
Total Operating Revenues	\$3,068	\$3,069
Operating Expenses		
Operations and Maintenance	\$2,767	\$2,533
Depreciation	\$839	\$819
Total Operating Expenses	\$3,607	\$3,352
Operating Income (Loss)	(\$539)	(\$283)
Interest & Other Income	\$142	\$69
Total Operating Income (Loss)	(\$396)	(\$214)
Extraordinary Expenses		
Pension Repayment Plan	(\$56)	(\$56)
Net Change in Net Assets (Net Income)	(\$452)	(\$270)
Capital Expenditures	\$3,264	\$1,009
Total Budget Authority	\$6,927	\$4,417

Water Fund 497



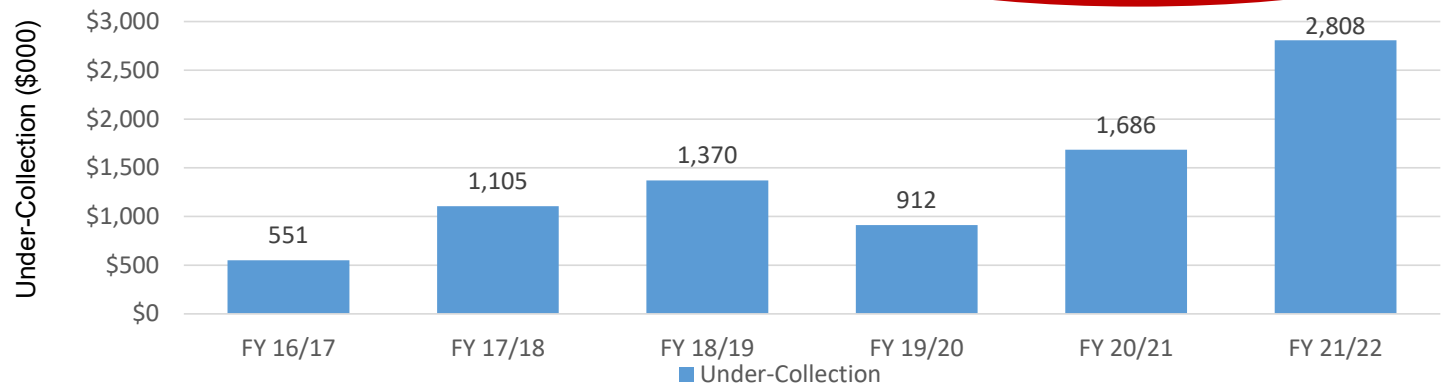


Rate Drivers

(\$ in 000's)	\$	% of Oper. Rev.
Under-collection	\$3,839	11.08%
Inflation	\$2,095	6.05%
Higher cost of water	\$890	2.57%
Lower potable sales	\$2,458	7.09%
2022-23 rate requirement	\$9,282	26.79%
Avoided cost from lower potable sales	(\$1,235)	-3.56%
Cyclic water saving	(\$83)	-0.24%
2022-23 potable and recycled rate increase	(\$4,322)	-12.48%
Projected Under-collection	\$3,642	10.51%

Prior Year Under-Collection

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Customer Rate Increase %	3.4%	3.4%	4.9%	4.9%	0.0%	6.0%
Under-Collection from Prior Year	\$551	\$1,105	\$1,370	\$912	\$1,686	\$2,808
New Drivers	\$3,506	\$2,318	\$1,618	\$2,342	\$1,554	\$2,145
New Reductions	(\$2,202)	(\$1,267)	(\$861)	(\$325)	(\$432)	(\$117)
Rate Increase	(\$750)	(\$786)	(\$1,215)	(\$1,243)	-	(\$997)
Projected Under-Collection	\$1,105	\$1,370	\$912	\$1,686	\$2,808	\$3,839





Budget Highlights and Assumptions

- Decreased utilization of Burbank Operable Unit (BOU)
- Higher water supply costs
- Water conservation is a way of life
- 9.48% decrease in potable demand due to conservation
- 7.1% inflation
- 9% rate increase
- 6% system losses
- Conservation spending at 2%
- Pension liability prepayment
- Investments in modernizing infrastructure
- Utilizing cash reserves to stabilize rates
- Electric loan paid back in FY 2021-22



Forecast Assumptions for Years 2-5 (FY 2023-24 – FY 2026-27)

- Rate plan that balances affordability, reliability, and sustainability
- Maintain a sustainable work force
- Higher water supply costs
- Water conservation is a way of life
- Investments in modernizing infrastructure
- Utilizing cash reserves to stabilize rates
- Continue rate plan toward full cost recovery

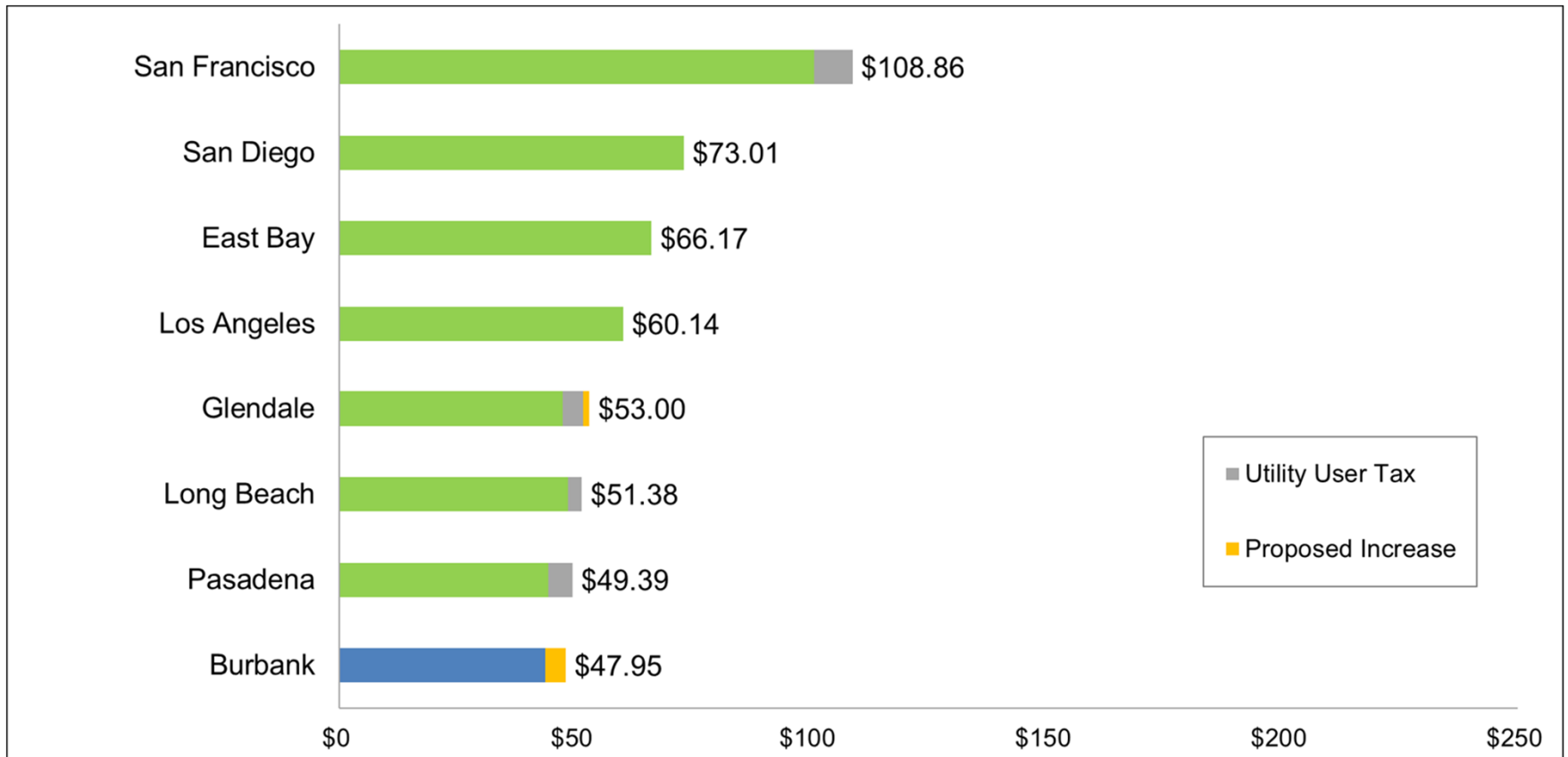


Future Considerations Not Included in Budget Forecast

- Future staffing needs
- Updated financial reserve policy/increased reserve levels
- Additional miles of pipeline replacement
- Additional revenue loss due to drought mandate extension
- MWD rate projections exclude water supply investments for the delta conveyance project, desalination, direct potable re-use
- Additional pension liability prepayment

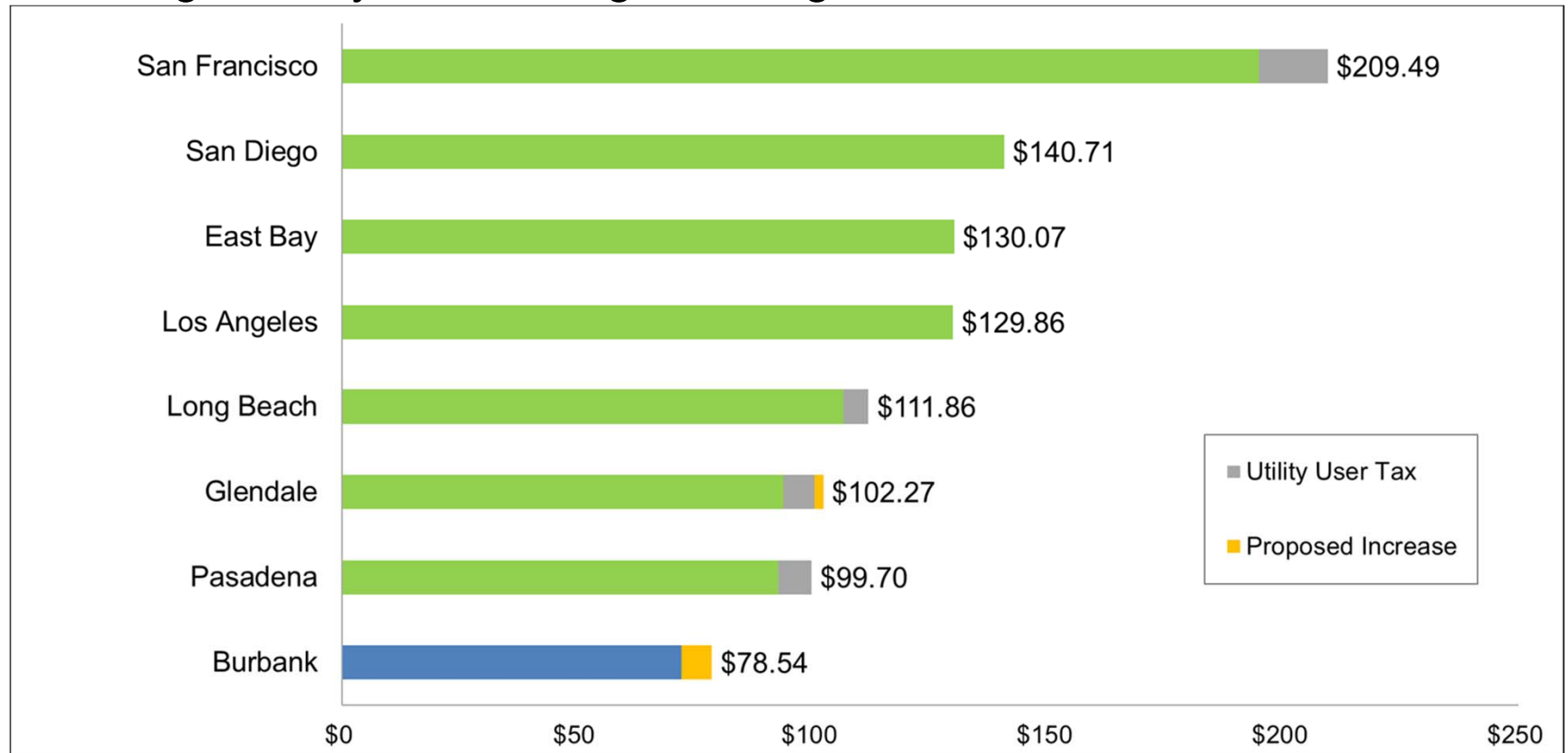
Residential Bill Comparison

Single family home using 6,000 gallons with a ¾" connection



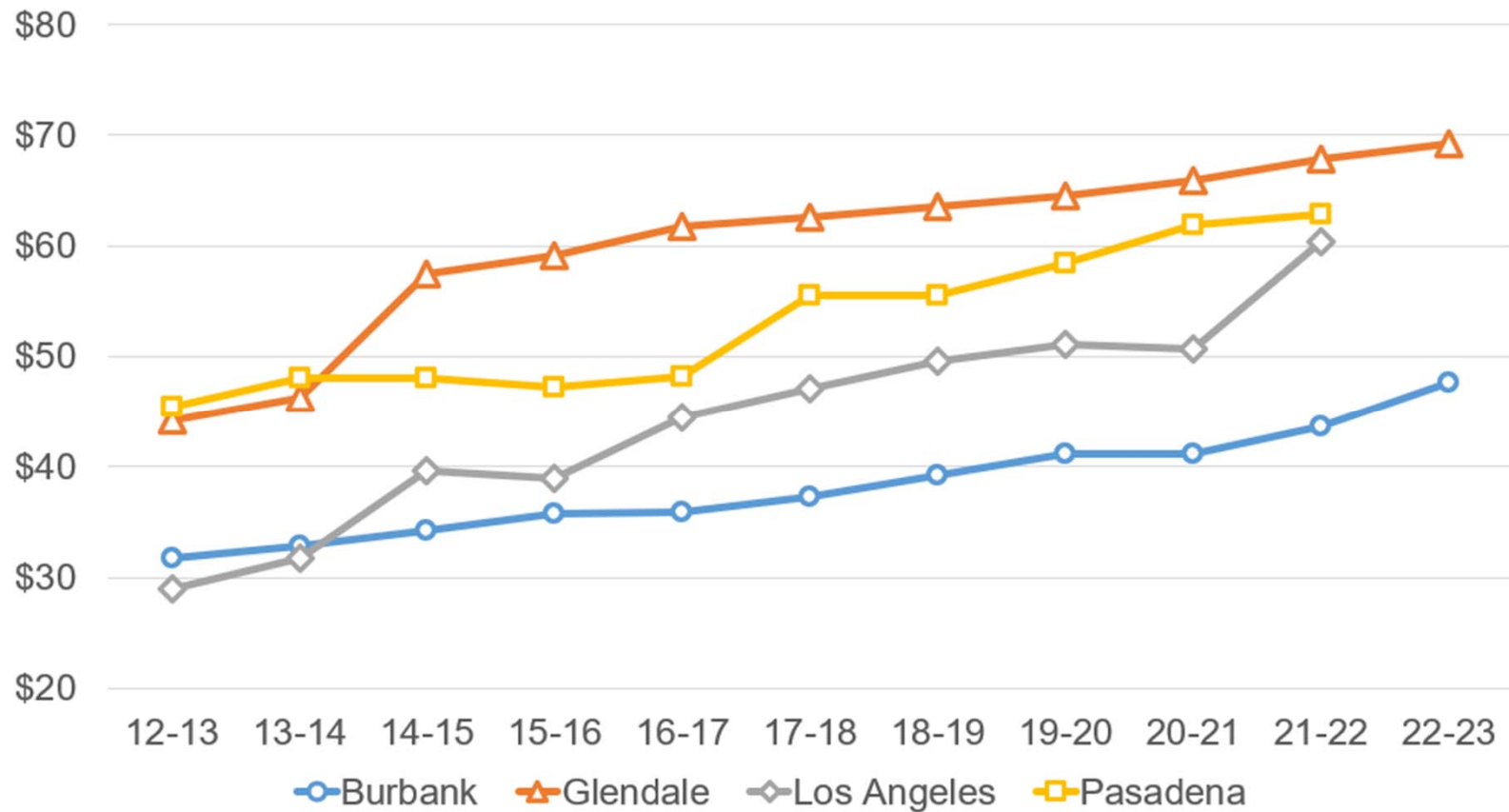
Residential Bill Comparison

Single family home using 12,000 gallons with a 1" connection



Historic Bill Comparison

(6,000 gallons + 1" connection)



Water Monthly Bill Comparison

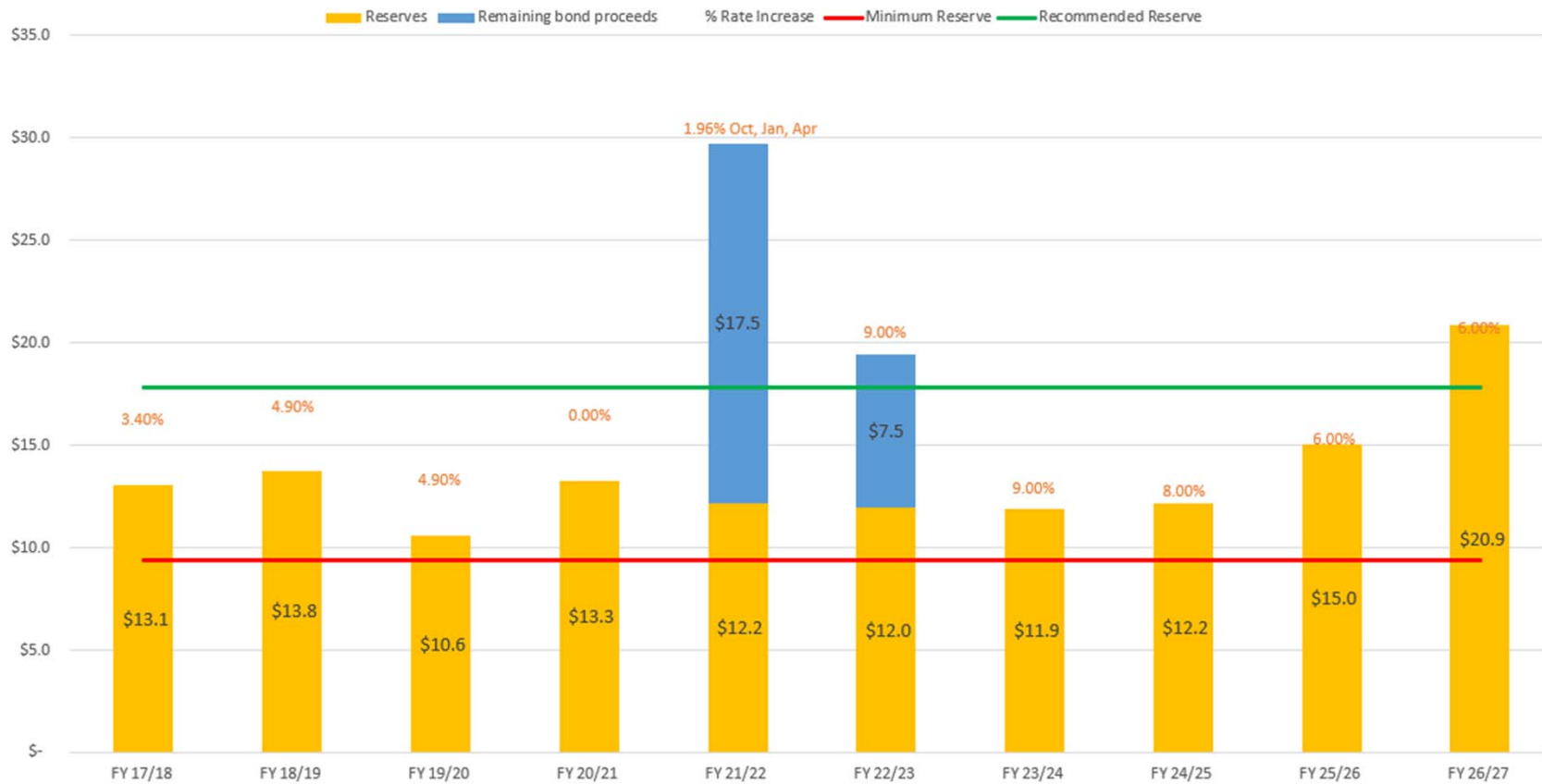


	Current	Proposed	Change
Single Family Home using 8 HCF	\$43.71	\$47.95	\$4.24
Single Family Home using 16 HCF	\$72.09	\$78.54	\$6.45

1 HCF (hundred cubic feet) = 748 gallons

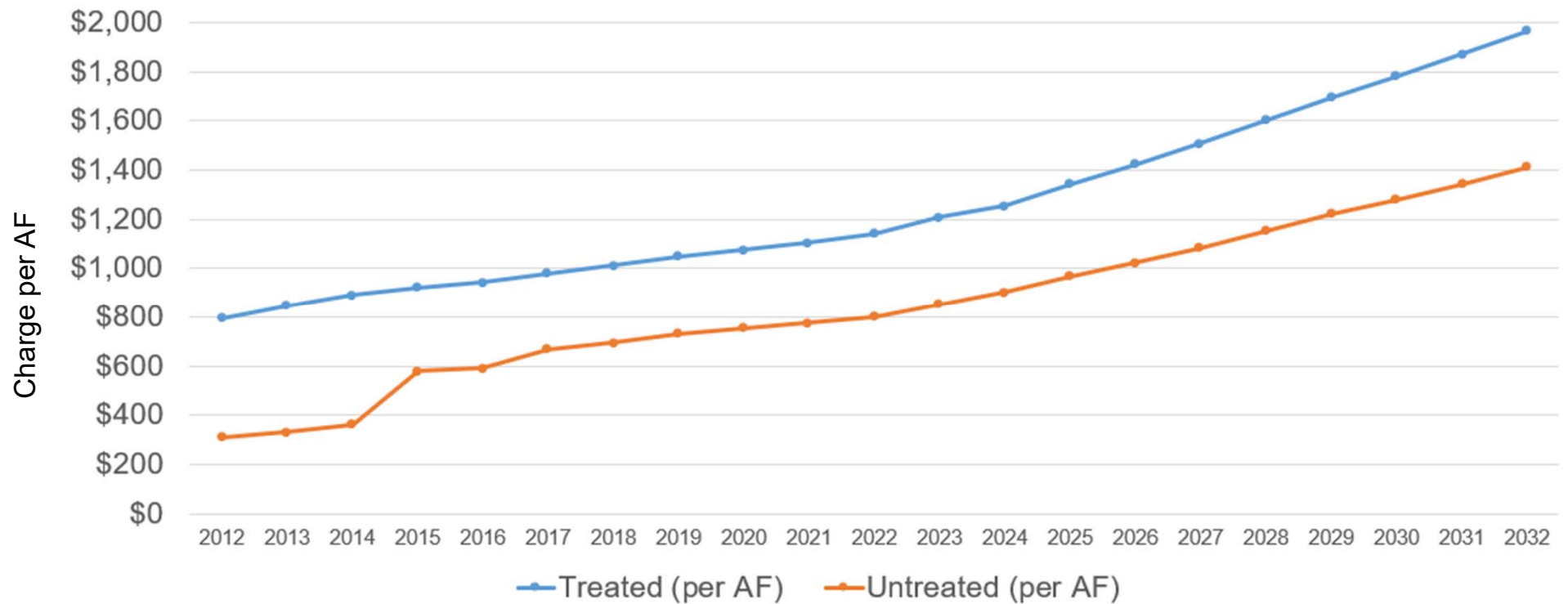
Cash Reserves

\$ in millions



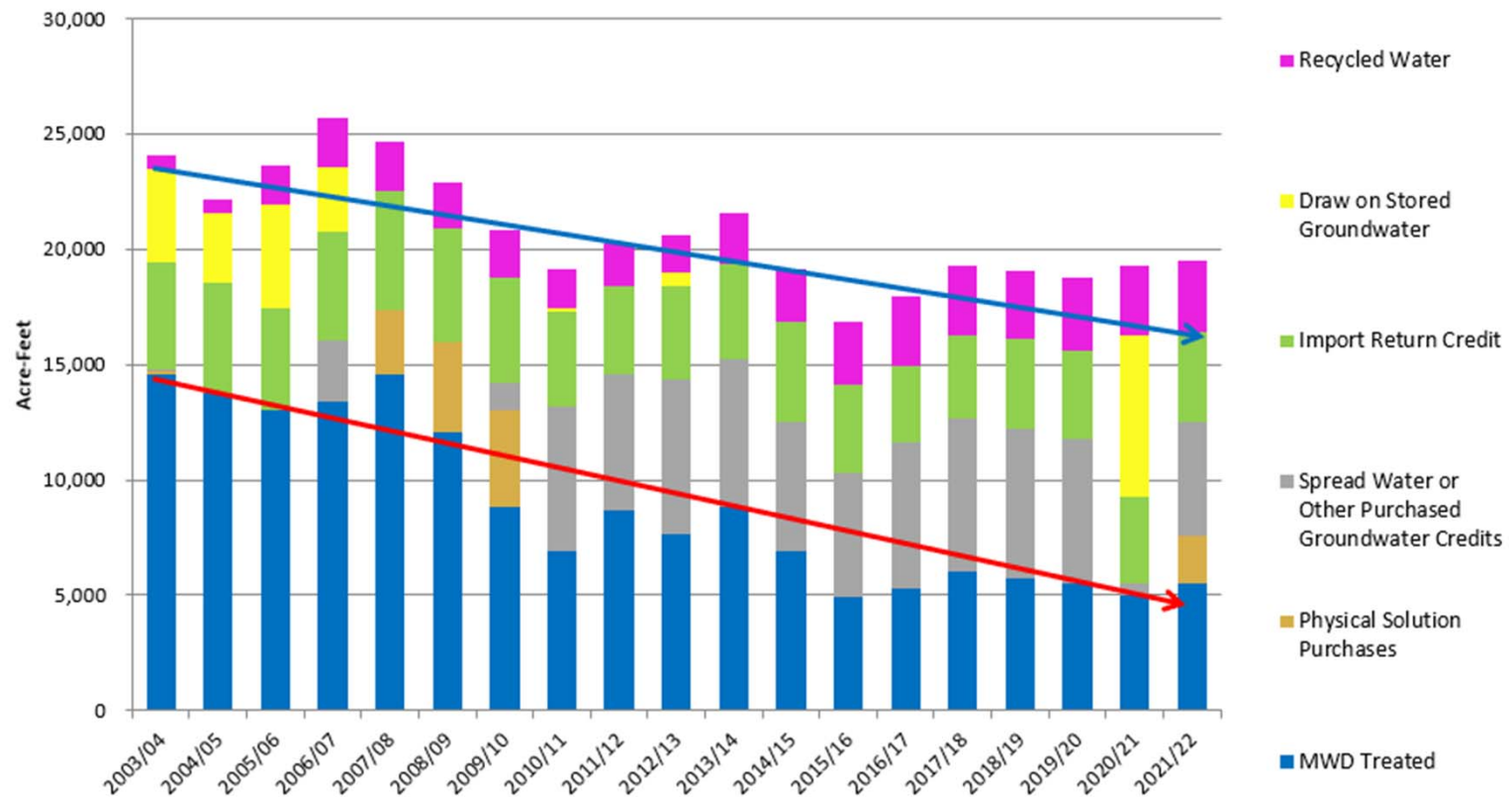


MWD Variable Charges Rate Outlook

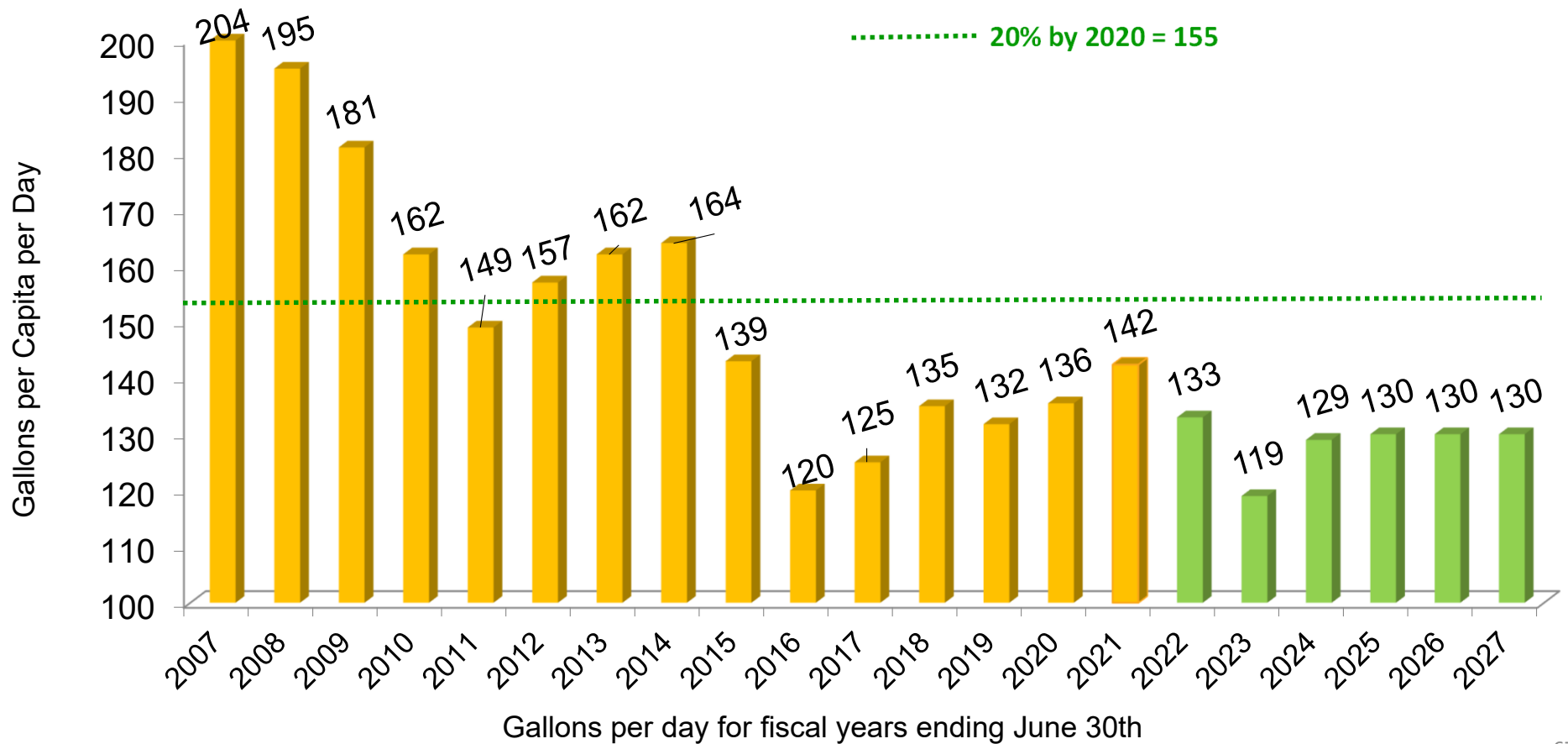


Water Planning

BWP Water Sources



Water Use per Capita





Income Statement – Fund 497

(\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed
Total Operating Revenues	\$34,276	\$35,996
WCAC Expense	\$13,030	\$12,732
Gross Margin	\$21,246	\$23,264
Total Operating Expenses (incl. Depreciation)	\$19,764	\$21,831
Operating Income/(Loss)	\$1,482	\$1,433
Other Income/(Expenses)	(\$2,362)	(\$2,417)
Net Income (before AIC)	(\$86)	(\$984)
Capital Contributions (AIC)	\$392	\$684
Change in Net Assets	\$306	(\$300)

Five Year Capital Plan

	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	FY 2022-23 to FY 2026-27 Forecast Total
Potable CIP						
Small Water Mains	10,033,651	1,888,651	2,517,461	2,977,461	2,837,461	20,254,685
Large Water Mains	7,044,724	985,000	400,000	400,000	800,000	9,629,724
Plant Replacement	35,000	35,000	35,000	35,000	35,000	175,000
Automation and Control Boosters	20,000	20,000	95,000	20,000	20,000	175,000
	-	-	-	-	-	-
Production Facilities	1,325,000	200,000	1,800,000	-	-	3,325,000
Miscellaneous Facilities	1,082,000	225,000	25,000	300,000	25,000	1,657,000
Storage - Reservoirs and Tanks	1,015,000	4,550,000	380,000	655,000	360,000	6,960,000
Water Fund's share of common projects	522,676	205,047	73,761	778,995	169,625	1,750,103
Total Potable CIP	\$ 21,078,051	\$ 8,108,698	\$ 5,326,222	\$ 5,166,456	\$ 4,247,086	\$ 43,926,512
New Customer Projects/AIC	683,762	583,762	583,762	683,762	633,762	3,168,810
Total Potable AIC	\$ 683,762	\$ 583,762	\$ 583,762	\$ 683,762	\$ 633,762	\$ 3,168,810
Total Potable CIP	\$ 21,761,813	\$ 8,692,460	\$ 5,909,984	\$ 5,850,218	\$ 4,880,848	\$ 47,095,322
Recycled CIP						
Recycled Water	746,088	526,088	256,088	271,088	426,088	2,225,440
Total Recycled CIP	\$ 746,088	\$ 526,088	\$ 256,088	\$ 271,088	\$ 426,088	\$ 2,225,440
Total CIP	\$ 22,507,901	\$ 9,218,548	\$ 6,166,072	\$ 6,121,306	\$ 5,306,936	\$ 49,320,762



FY 2022-23 Potable Capital Improvements

Project (\$ in 000's)	FY 22-23 Proposed Budget
Potable Small Water Mains	\$10,034
Potable Large Water Mains	\$7,045
Upper Zones Disinfection Residual Improvement/Upper Zones CL2 Booster	\$1,325
Reservoir #2 Replacement	\$800
System Expansion Services (AIC)	\$600
Water Fund's Share of Common Projects	\$523
VPP Forebay Wall Replacement/Realignment	\$341
Utility Network Migration	\$300
Successful Grant Projects	\$200
System Expansion Meters (AIC)	\$84
Other Remaining Projects	\$511
Grand Total Water Fund Potable CIP	\$21,762



FY 2022-23 Recycled Capital Improvements

Project (\$ in 000's)	FY 22-23 Proposed Budget
Wildwood Tank Repairs	\$200
Recycled Water Mains	\$100
Zone 1 Storage	\$100
PS1 Program Documentation	\$75
Other Remaining Projects	\$271
Total for Recycled Water System	\$746

Five Year Capital Outlay

	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	FY 2022-23 to FY 2026-27 Total
Capital Outlay	-	\$60,000	\$61,200	\$62,424	\$63,672	\$247,296
Information Technology	\$24,610	\$23,000	\$20,125	\$20,000	\$17,331	\$105,066
Master Fleet Plan	\$451,725	\$970,475	\$556,250	\$569,975	\$990,000	\$3,538,425
Total Capital Outlay	\$476,335	\$1,053,475	\$637,575	\$652,399	\$1,071,003	\$3,890,787



Pipe Age and Break History

Year	Break/Leak
2011	6
2012	23
2013	27
2014	27
2015	13
2016	16
2017	23
2018	25
2019	16
2020	17
2021	17

- There are 278 miles of pipe in Burbank
- There are 30 miles of pipe that are approximately 100 years old (or more)
- All of the aged pipe is cast iron
- Break/Leak History (by Calendar Year)



Water Main Condition Assessment Technology

- **Statistical Study/Machine Learning:** Uses proprietary computer algorithm to calculate Likelihood of Failure (LoF) and Consequence of Failure (CoF)
- **Satellite Leak Detection:** Ground penetrating satellite imagery to detect water leak around pipelines on the entire system
- **Automated Leak Detection:** Devices installed on fire hydrants on critical pipelines to provide early warning leak detection
- **Acoustic Velocity Signal Processing:** Determine remaining pipe thickness/remaining pipe useful life by measuring velocity of acoustic wave along the pipe



Summary

- Increased sustainability focus
- Investments to maintain reliability
- Balance affordability with prudent financial planning
- Invest in our employees who continue to rise to the challenge





Fiscal Year 2022-23 Proposed Electric and Water Rates

**City Council
April 26, 2022**






**WATER AND
POWER**

Electric Rate Structure

Type of Charge	 Residential	 Small Comm (Schedule C)	 Med Comm (Schedule D)	 Lg and XL Commercial
		< 20kVA	20kVA - 250kVA	Lg: 250kVA - 1,000kVA XL: 1,000kVA+
Fixed (per meter)	<ul style="list-style-type: none"> • Customer Service Charge • Service Size Charge (by size) 	Customer Service Charge (by phase)	Customer Service Charge (by phase)	Customer Service Charge
Demand (per kVA)	-	-	Demand Charge	<ul style="list-style-type: none"> • Distribution Demand Charge • Reliability Services Demand Charge
Energy (per kWh)	Tiered	Time of Use	Time of Use	Time of Use
	Energy Cost Adjustment Charge (ECAC)			

Water Rate Structure

Type of Charge	 Single Family Residential	 Multi-Family Res, Comm and Industrial	 Recycled
Fixed (per meter)	Water Availability Charge (by connection size)		
Quantity (variable per HCF)	Tiered	Seasonal (Summer / Non-summer)	Quantity Charge
	Water Cost Adjustment Charge (WCAC)		-

Residential Electric Rates

Proposed rate increases effective July 1



Rate Component	Current	Proposed	Change	Unit
Customer Service Charge	\$9.21	\$9.76	\$0.55	Meter
Service Size Charge			6.0%	
Apartment/Condo	\$1.40	\$1.48	\$0.08	Meter
Single Family	\$2.83	\$3.00	\$0.17	Meter
Large Single Family (200 amps)	\$8.48	\$8.99	\$0.51	Meter
Energy Charge			6.0%	
First 300 kWh	\$0.0405	\$0.0429	\$0.0024	kWh
All additional kWh	\$0.0587	\$0.0622	\$0.0035	kWh
Energy Cost Adjustment Charge			6.0%	
First 300 kWh	\$0.0753	\$0.0798	\$0.0045	kWh
All additional kWh	\$0.1093	\$0.1159	\$0.0066	kWh
Bill Comparison				
Apt/Condo: Annual Avg. (340 kWh)	\$59.46	\$63.02	\$3.56	Month
Apt/Condo: Summer (500 kWh)	\$90.15	\$95.55	\$5.40	Month
Single Family: Annual Avg. (710 kWh)	\$132.06	\$139.97	\$7.91	Month
Single Family: Summer (1,100 kWh)	\$206.88	\$219.27	\$12.39	Month

Single Family Residential Water Rates

Proposed rate increases effective July 1

Rate Component	Current	Proposed	Change	Unit
Water Availability Charge			13.0%	
1" or Smaller Meter	\$15.68	\$17.72	\$2.04	Meter
Quantity Charge			6.25%	
1-15 HCF	\$1.486	\$1.579	\$0.093	HCF
16-30 HCF	\$1.829	\$1.943	\$0.114	HCF
31+ HCF	\$2.303	\$2.447	\$0.144	HCF
Water Cost Adjustment Charge			9.0%	
Uniform for all HCF	\$2.018	\$2.200	\$0.182	HCF
Monthly Bill Comparison				
Single Family: 1 st Quartile (~8 HCF)	\$42.91	\$47.08	\$4.17	Month
Single Family: 2 nd Quartile (~13 HCF)	\$61.34	\$66.95	\$5.61	Month
Single Family: 3 rd Quartile (~20 HCF)	\$87.01	\$94.61	\$7.60	Month

*1 HCF (hundred cubic feet) = 748 gallons



Multi-Family and Commercial Water Rates

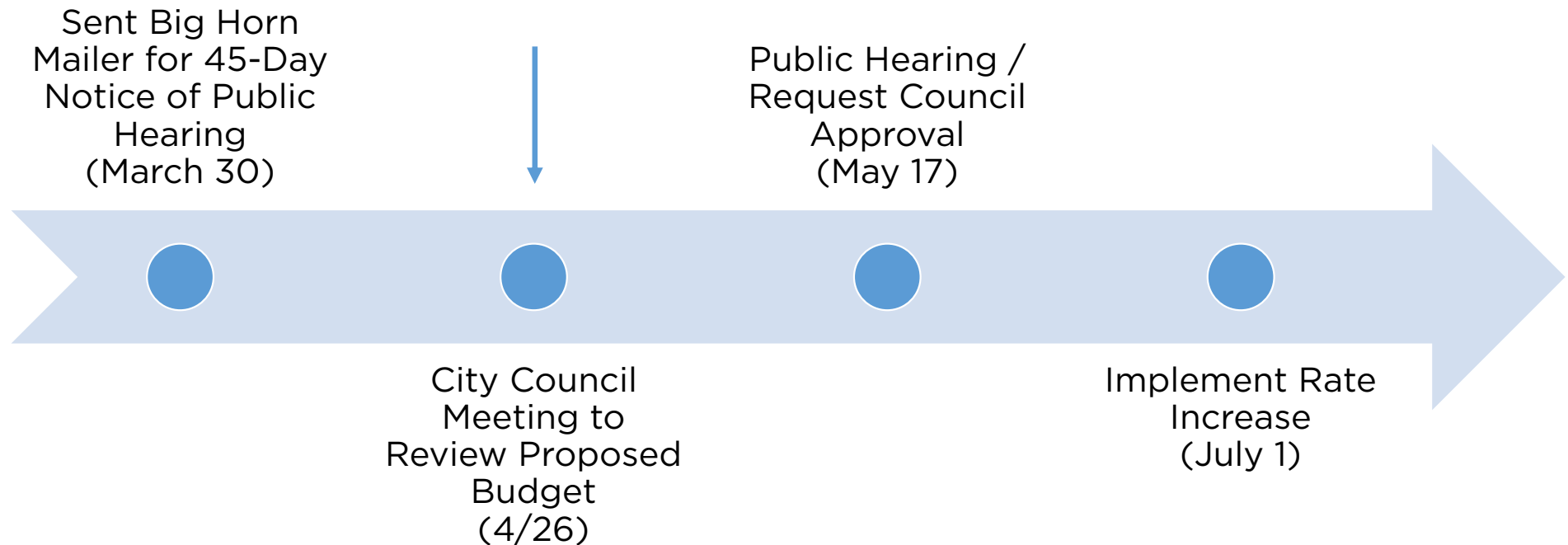
Proposed rate increases effective July 1

Rate Component	Current	Proposed	Change	Unit
Water Availability Charge			13.0%	
1" or Smaller Meter	\$15.68	\$17.72	\$2.04	Month
2" Meter	\$50.15	\$56.67	\$6.52	Month
Quantity Charge			7.3%	
Summer	\$2.124	\$2.279	\$0.155	HCF
Non-summer	\$0.992	\$1.064	\$0.072	HCF
Water Cost Adjustment Charge			9.0%	
Uniform for all HCF	\$2.018	\$2.200	\$0.182	HCF
Monthly Bill Comparison				
Coffee Shop (1" Meter / 30 HCF / Summer)	\$139.94	\$151.41	\$11.47	Month
Supermarket (2" Meter / 500 HCF / Summer)	\$2,121.15	\$2,284.85	\$163.70	Month

*1 HCF (hundred cubic feet) = 748 gallons



Timeline: Implementing Rate Adjustments





Financial Assistance

For financial assistance, please
contact us Monday through
Friday between 7:30 am and 5:00
pm at 818-238-3700
or visit us online at
[BurbankWaterAndPower.com/
financial-assistance](http://BurbankWaterAndPower.com/financial-assistance)