

FY 2022-23 Proposed Budget

March 3, 2022

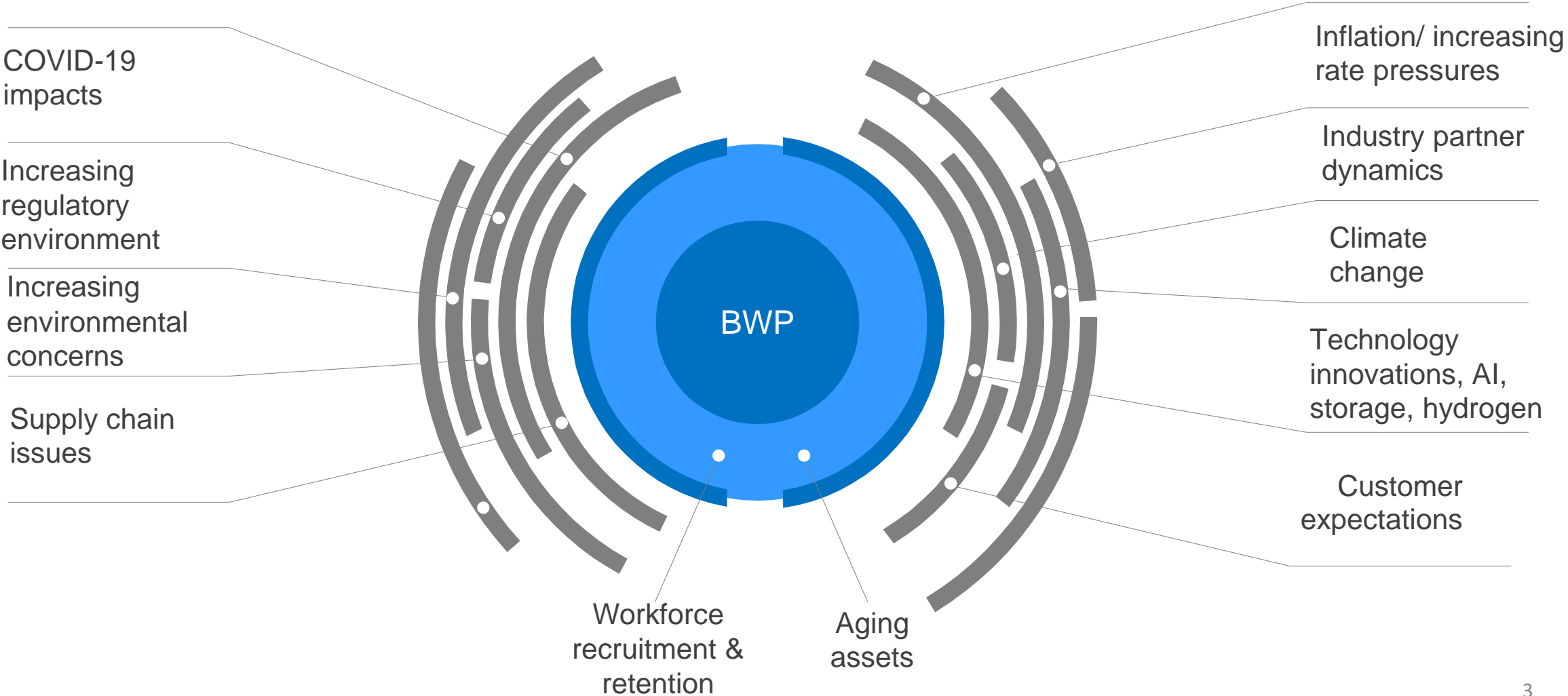


**WATER AND
POWER**

Policy



BWP Challenges





BWP Cost Savings and Avoidance

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	\$2,690,087
People- Insource	1,689,532
Technology Upgrade/Automation	379,872
People-Outsource	48,600
Other	1,135,420
Subtotal	\$5,943,511
Grand Total	\$25,297,511



Budget Authority by Fund

(\$ in 000's)	FY 2021-22 Adopted	FY 2022-23 Proposed	Decrease / (Increase) in Budget
Electric Fund (496)	\$270,113	\$312,186	(\$42,073)
Water Fund (497)	\$45,812	\$60,527	(\$14,715)
MPP Operating Fund (483)	\$22,731	\$24,151	(\$1,420)
Tieton Hydro Operating (133)	\$2,388	\$2,082	\$306
Street Lighting Fund (129)	\$2,808	\$3,437	(\$629)
Communications Fund (535)	\$6,927	\$4,403	\$2,524
Total Authority	\$350,778	\$406,787	(\$56,007)



Budget Authority Changes Since 2/3

(\$ in 000's)	FY 2022-23 Proposed 2/3/22	FY 2022-23 Proposed 3/3/22	Decrease / (Increase) in Budget
Electric Fund (496)	\$312,012	\$312,186	(\$174)
Water Fund (497)	\$59,948	\$60,527	(\$579)
MPP Operating Fund (483)	\$24,151	\$24,151	\$0
Tieton Hydro Operating (133)	\$2,082	\$2,082	\$0
Street Lighting Fund (129)	\$3,424	\$3,437	(\$13)
Communications Fund (535)	\$4,414	\$4,403	\$11
Total Authority	\$406,032	\$406,787	(\$755)



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



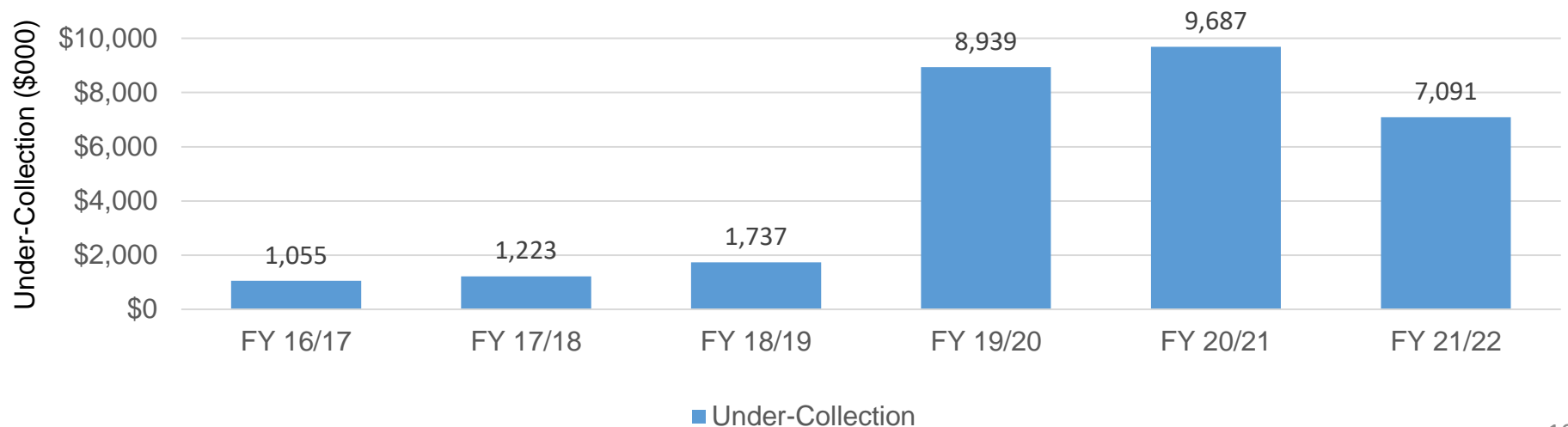


Rate Drivers

\$ in 000's	\$	% of Oper. Rev.
Under-collection from prior years	\$7,091	4.11%
Higher energy prices	\$4,348	2.52%
IPP coal issues	\$4,000	2.32%
IPP demolition reserve	\$2,000	1.16%
IPP green hydrogen funding	\$2,750	1.59%
Higher operations and maintenance	\$4,684	2.71%
Capital financing	\$1,513	0.88%
Lower retail load	\$3,473	2.01%
2022-23 rate requirement	\$29,859	17.29%
Lower distribution losses	(\$550)	-0.32%
2022-23 rate increase	(\$10,201)	-5.91%
Projected Under-collection	\$19,108	11.06%

Prior Year Under-Collection

	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 (\$000)	1,055	1,223	1,737	8,939	9,687	7,091



Budget Highlights and Assumptions

- 2.7% lower demand
- 7.1% inflation
- 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

- 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

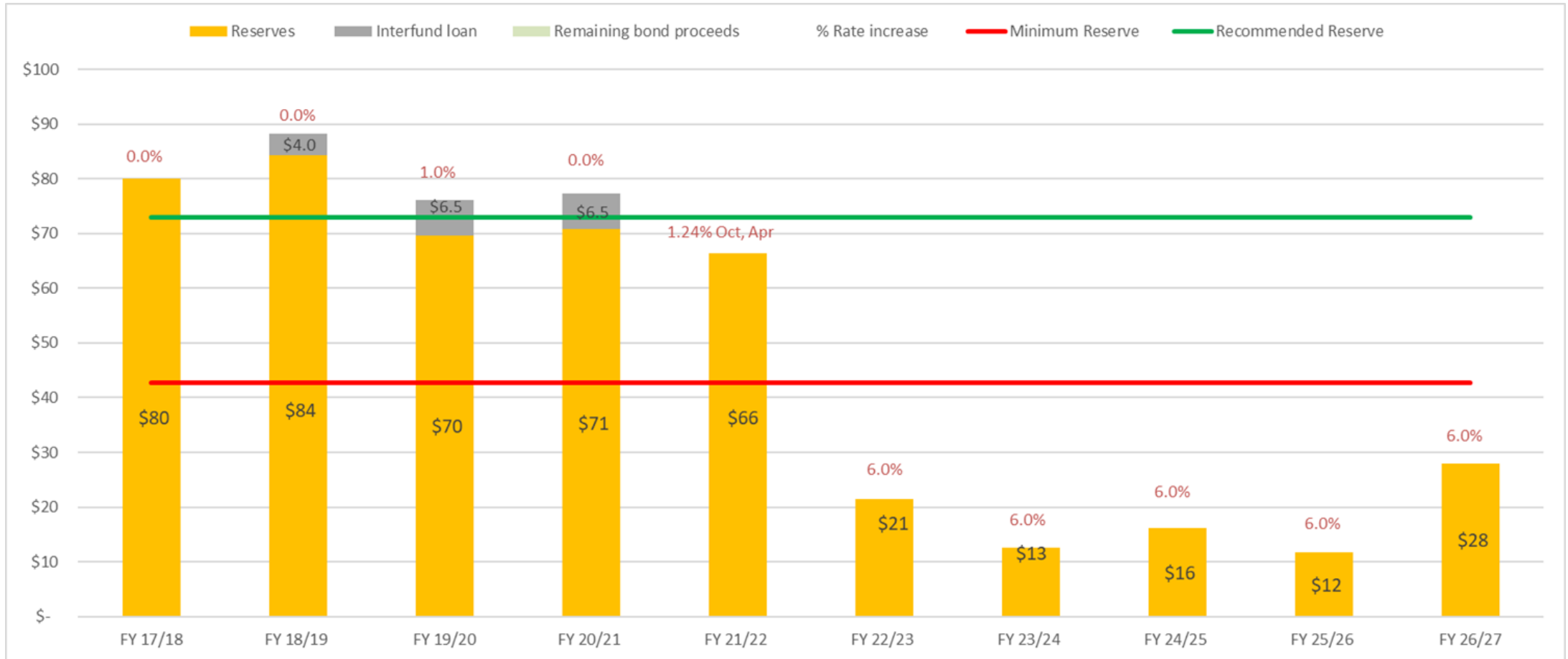


Future Costs Not Included in Budget Forecast

- 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

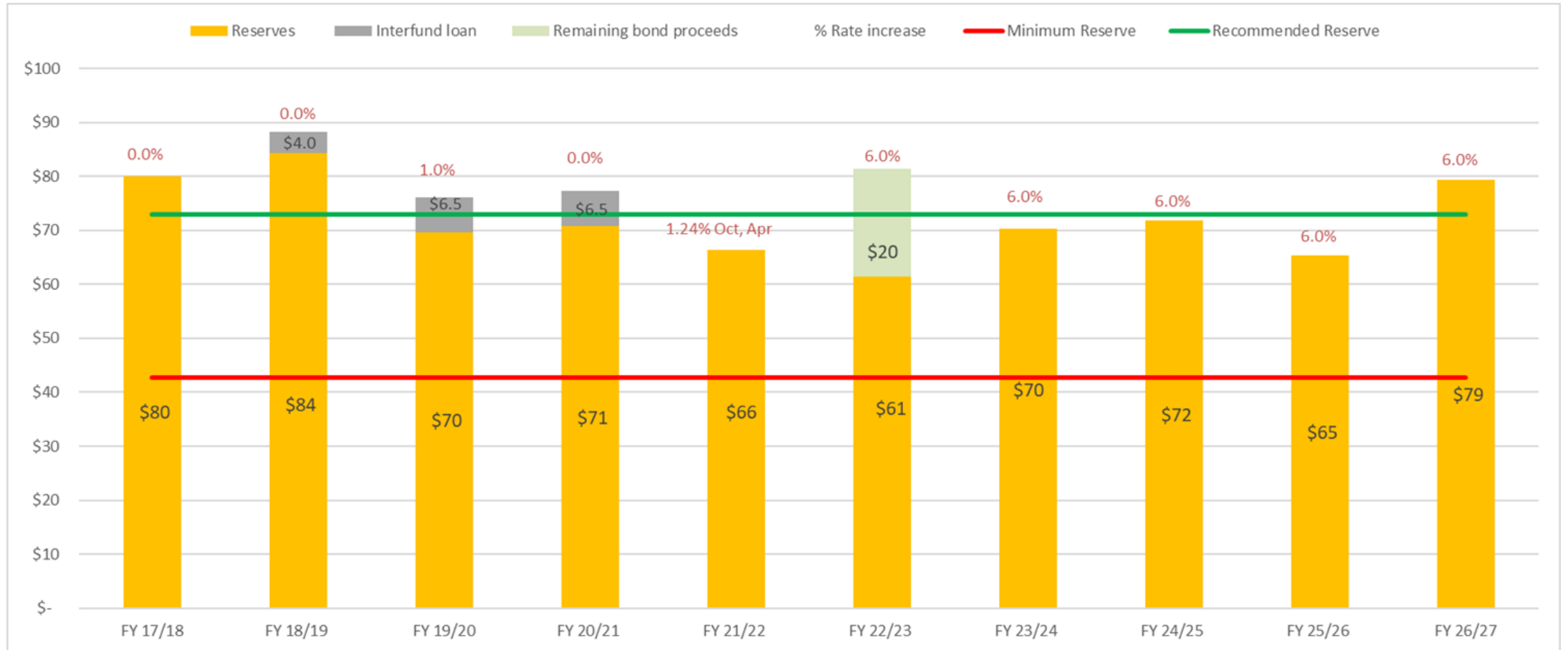
Cash Reserves (Without Capital Financing)

\$ 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

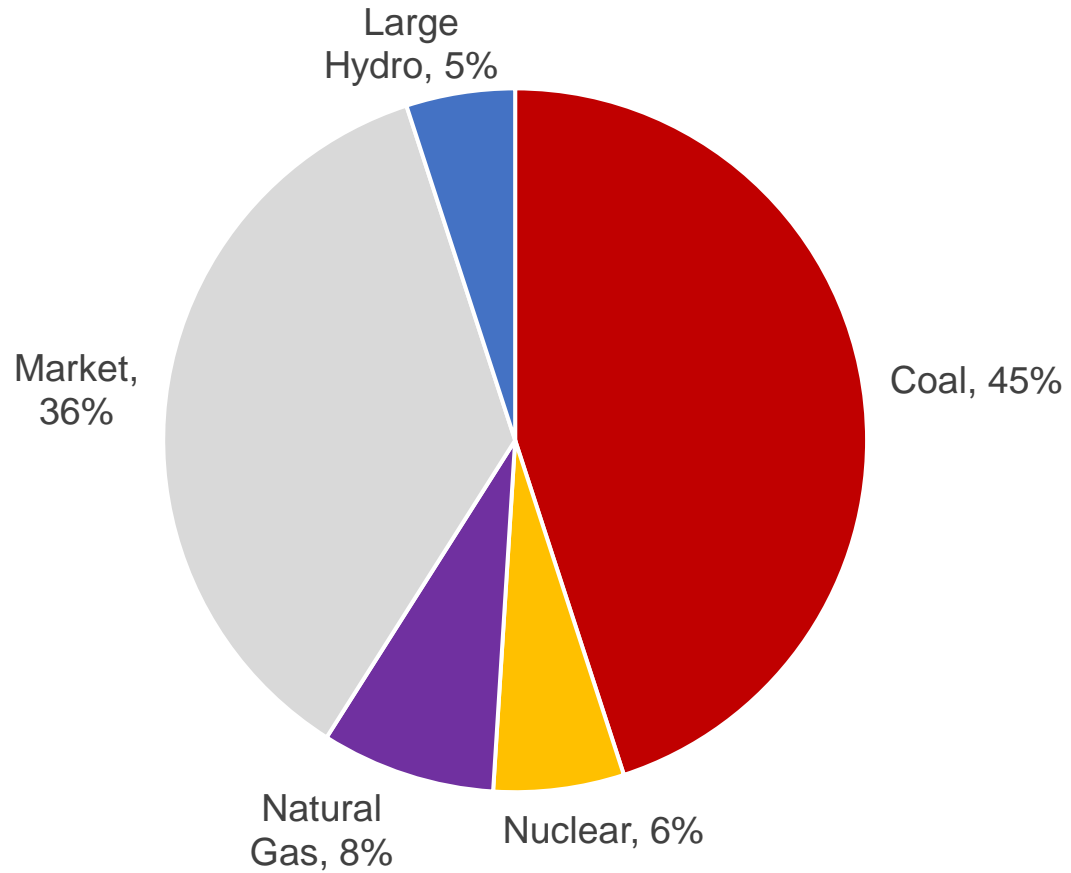


Projects to be Financed

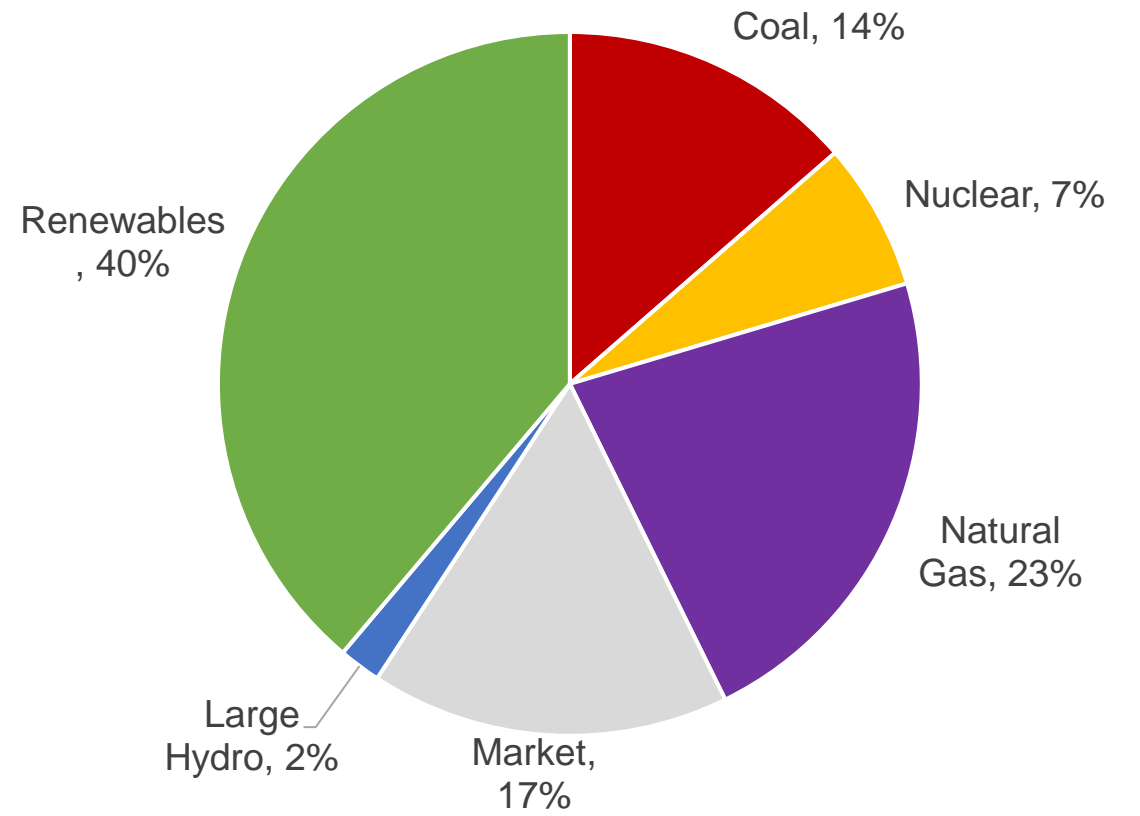
	\$ in 000's
Media District 12kV Capacity	\$17,500
4kV to 12kV Conversions	\$15,000
Regional Intermodal Transportation Center (RITC) Solar and Battery	\$10,000
Golden State Rebuild	\$9,300
Citywide Solar and Storage	\$5,000
EcoCampus Solar and Storage	\$2,500
Replace Deteriorated Underground Electrical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

Power Mix

FY 2001-2002

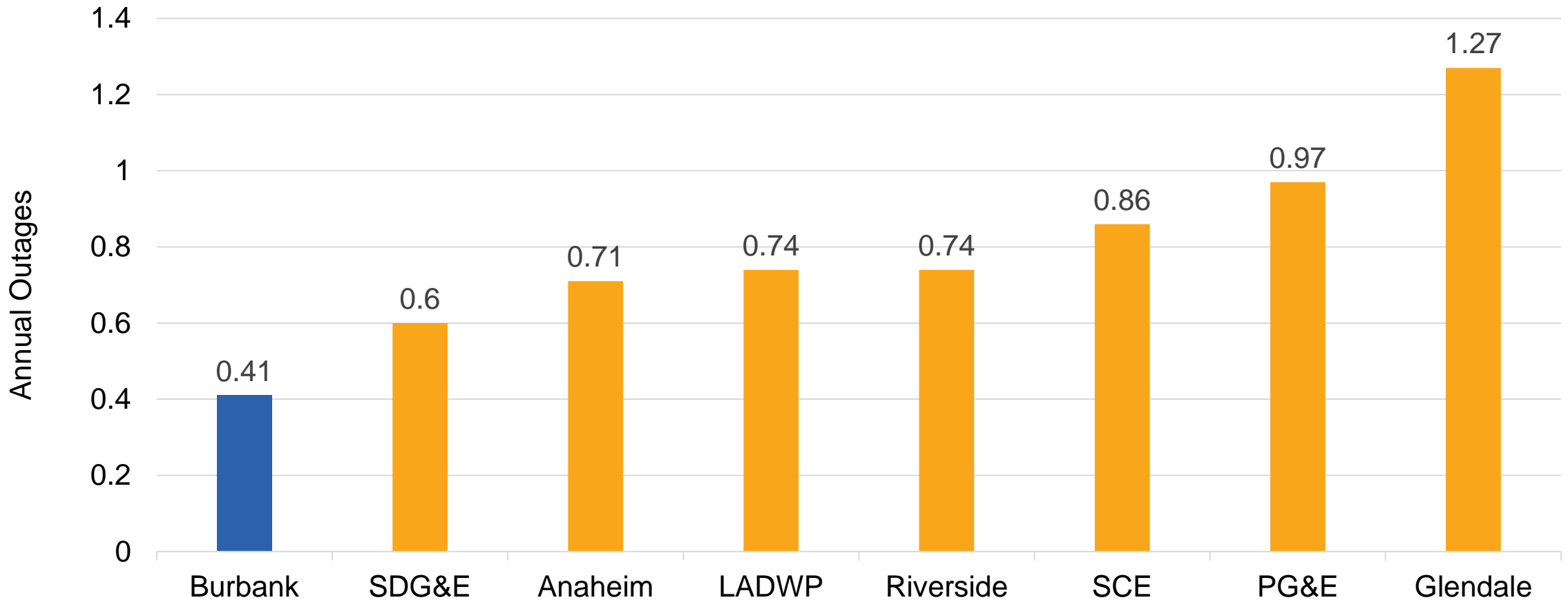


FY 2022-2023



Annual Outages

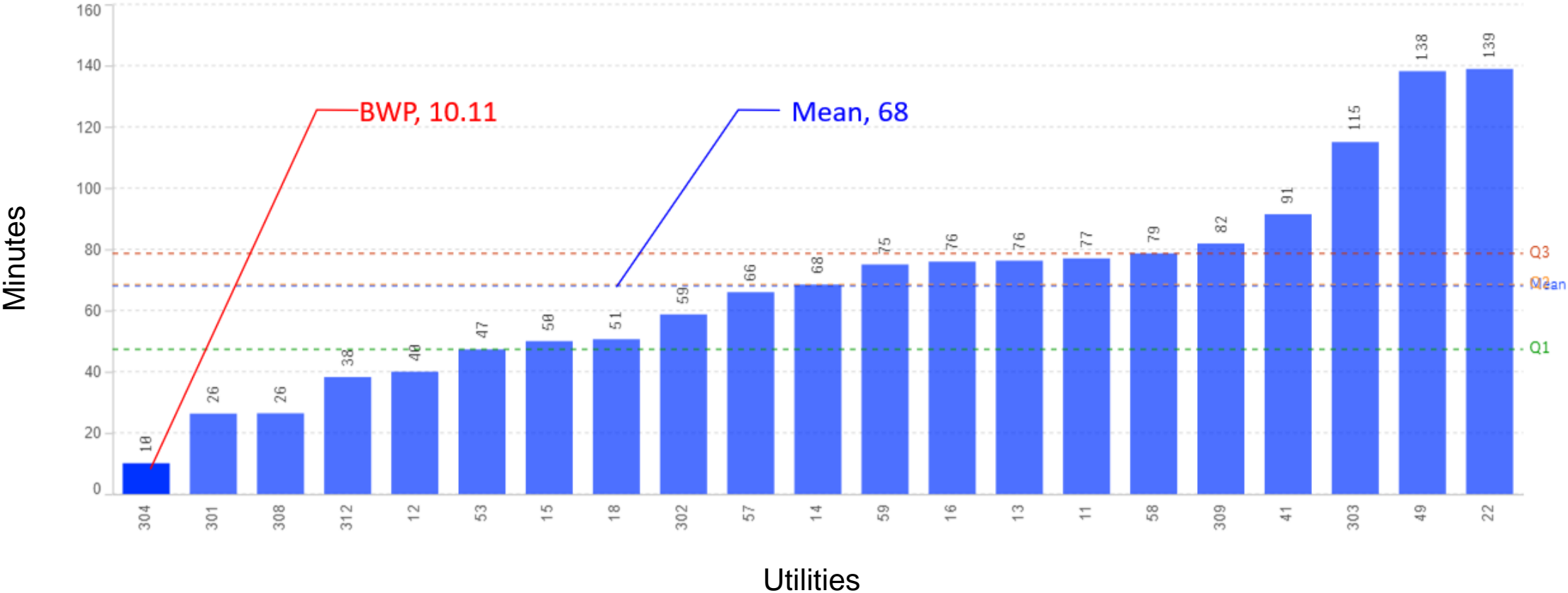
System Average Interruption Frequency Index (SAIFI)
5 Year Average 2016-2020



Reliability

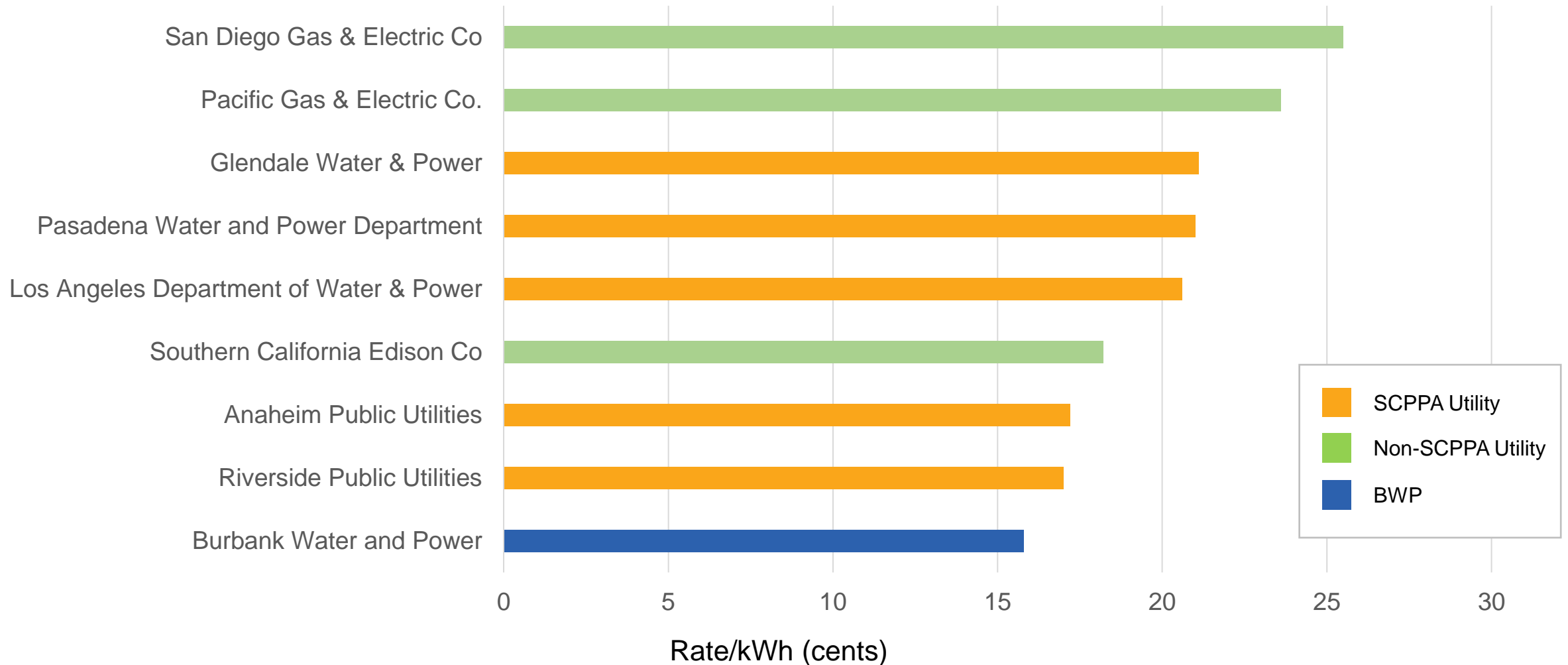
System Average Interruption Duration Index (SAIDI)
2020 Industry Benchmark

Mean	Q1	Q2	Q3
68	47	68	79



Source: DR0050; Includes Planned Outages.

Residential Rate per kWh



Income Statement

\$ in 000's	Adopted Budget FY 21-22	Proposed Budget FY 22-23 2/3/22	Proposed Budget FY 22-23 3/3/22
Total Operating Revenues	\$222,795	\$229,541	\$229,600
Total Power Expenses	\$158,040	\$171,990	\$172,055
Gross Margin	\$64,755	\$57,551	\$57,544
Total Operating Expenses (incl Depreciation)	\$62,816	\$64,581	\$64,691
Operating Income/(Loss)	\$1,939	(\$7,030)	(\$7,147)
Other Income / (Expense)	(\$4,904)	(\$5,586)	(\$5,590)
Net Income (before AIC)	(\$2,965)	(\$12,616)	(\$12,737)
Capital Contributions (AIC)	\$14,574	\$7,213	\$7,213
Change in Net Assets	\$11,609	(\$5,403)	(\$5,524)

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 Gleet 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



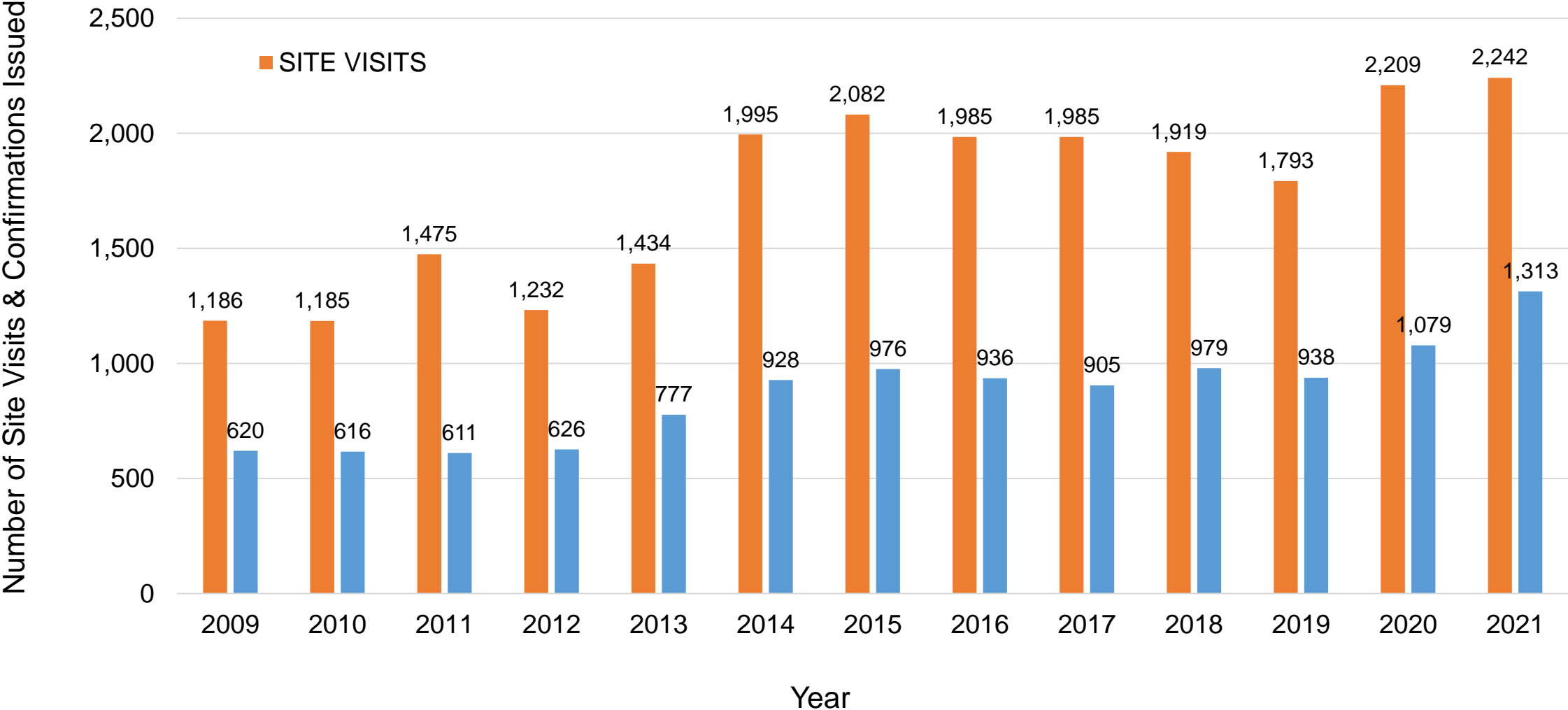
FY 2022-23 Aid-in-Construction

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

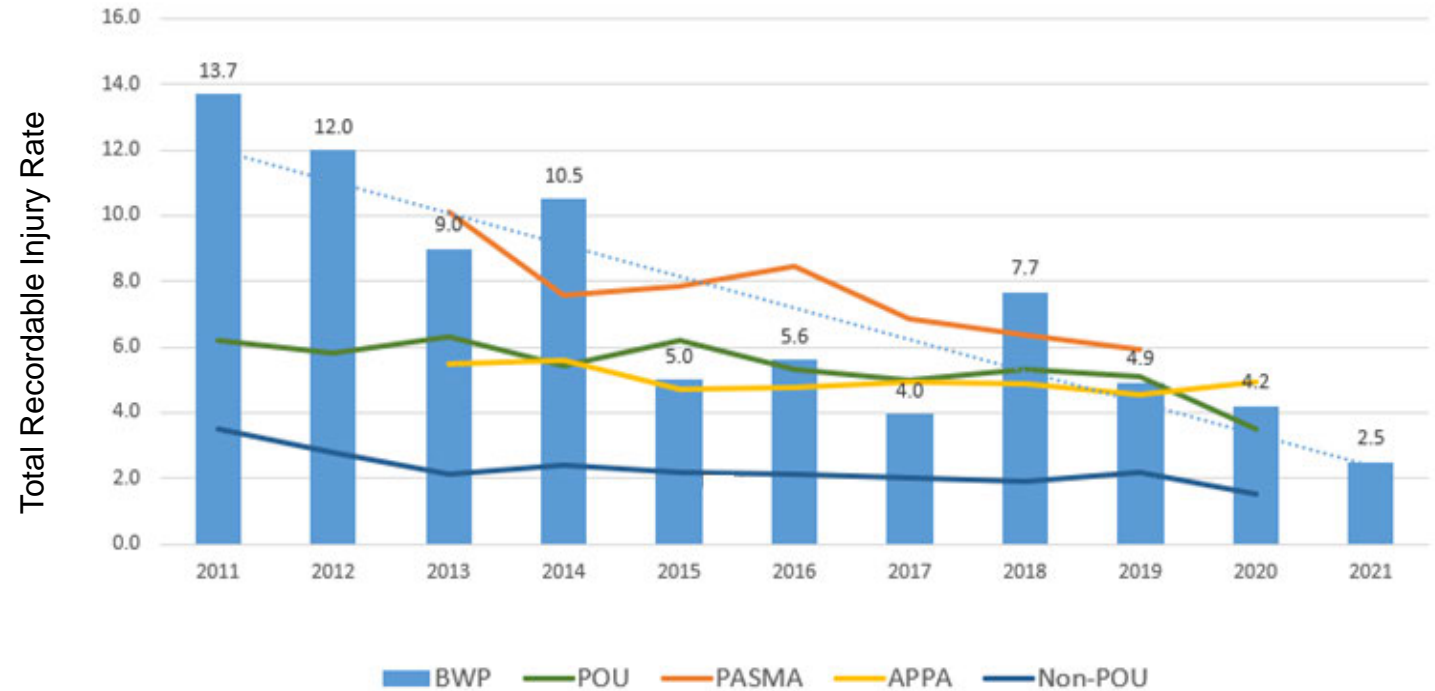
Site Visits and Confirmations





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

Staffing Summary

	FY 21/22	Proposed New Positions	FY 22-23	Total Cost*
Administration & Safety	9	-1	8	-
Customer Service & Marketing	50	0	50	(\$160,044)
Water Services	53	1	54	\$182,012
Electric Distribution	99	2	101	\$321,080
Power Systems & Facilities	85	2	87	\$304,634
Operations Technology & Security	18	0	18	-
Finance, Fleet & Materials	26.5	1	27.5	\$144,120
Subtotal	340.5	5	345.5	\$791,802
External Funds - Aid in Construction & LCFS				(\$274,853)
Communications (Fund 535)	6	0	6	-
Total	346.5	5	351.5	\$516,949

* Total cost includes salaries and benefits.

Staffing Upgrades

	Upgrade	Cost <i>Salary+benefits</i>	Offsets <i>Salary/PSA</i>	Net Cost	Upgrade Drivers
Administration & Safety	1	\$158,454	\$ 103,983	\$ 54,471	Sr. Administrative Analyst to drive efficiencies & improve internal service levels
Customer Service & Marketing	12	\$704,237	\$720,562	\$(16,325)	Modernize to utilize customer data to drive improvements <ul style="list-style-type: none"> 6 upgrades for Utility Systems Analyst Series Modernize to improve customer sustainability programs <ul style="list-style-type: none"> 4 upgrades for Marketing Specialists AGM-Sustainability, Marketing & Strategy Repurpose AMCO for Electrical Engineer
Water Services	1	\$132,374	\$88,046	\$44,328	Growing infrastructure & development <ul style="list-style-type: none"> Water Service Planner
Electric Distribution	5	\$860,261	\$743,785	\$116,476	Growing infrastructure & development <ul style="list-style-type: none"> Line Mechanic Supervisor Jr. Engineering Aide
Power Systems & Facilities	2	\$438,025	\$421,078	\$16,947	Need for more renewable energy to drive sustainability <ul style="list-style-type: none"> Principal Engineer for SCADA Energy Trader for GHG target compliance
Operations Technology & Security	3	\$597,101	\$549,001	\$48,100	Modernize to address increased Cyber Threats <ul style="list-style-type: none"> Sr. Communications Network Engineer - specialized communications network engineering
Finance, Fleet & Materials	1	\$109,318	\$100,234	\$9,084	Administrative Technician to support more financial analysis & reconciliations
Total	25	\$4,055,837	\$3,827,403	\$228,434	



Electric's Position Request

5 positions needed, 2 requested

- Increased development
- Utility solar + storage installations
- Wildfire mitigation planning
- Advanced analytics/technology (Smartgrid)
- EV charging installations
- Solar Installation (plan check & permitting)
- Battery Storage (plan check & permitting)
- Accessory Dwelling Unit law change
- Wireless Telecom Attachments
- Pole loading requirements (modeling)



Power's Position Request

4 positions needed, 2 requested

- Risk of \$147 million in penalties if we don't comply with renewable portfolio standard
- Renewable portfolio standard compliance and renewable contract negotiations (need to negotiate at least 6-8 new contracts before 2030)
- Development of the Integrated Resources Plan (due every 5 years and takes 2 years to develop)
- Citywide Utility solar+storage development, analysis and metrics
- Pilot project development
- Contract development, management for pilot projects
- Regulatory and legislative management for power supply items
- Updates to renewable portfolio standard rulemaking
- Update to California Air Resources Board Regulations
- Analysis for future renewable development on the EcoCampus
- Intermountain Power Project Renewal and project analysis
- Transmission study and transmission contract negotiations and development



Water's Position Request 1 position needed, 1 requested

- Modernize how we access and manage the increasing amount of technical information
- Support the installation of the advanced water metering infrastructure (AMI) system



Finance's Position Request

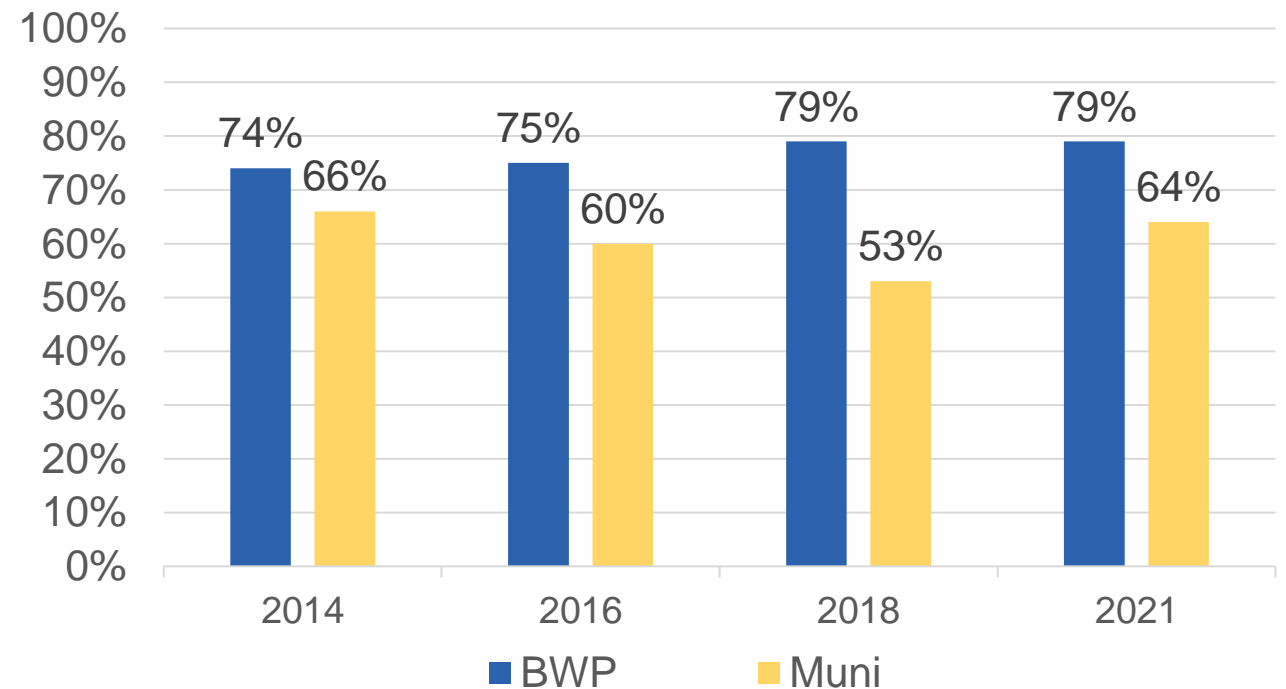
1.5 positions needed, 1 requested

- Internal audits
- Regular reconciliations of the utility customer payments account and the utility refunds and rebates account
- Capital reporting
- Accounting and reporting
- Regulatory accounting
- Recurring MPP audits
- Balance sheet reconciliations
- Regular review of policies for compliance
- Regular updates of policies and procedures
- Collections process of aging Oracle accounts
- Regular review and update of overheads and rental rates
- Administration, system maintenance and testing of the Hyperion budget software
- Accounting/budget training for non-accounting staff



Residential Customer Satisfaction

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

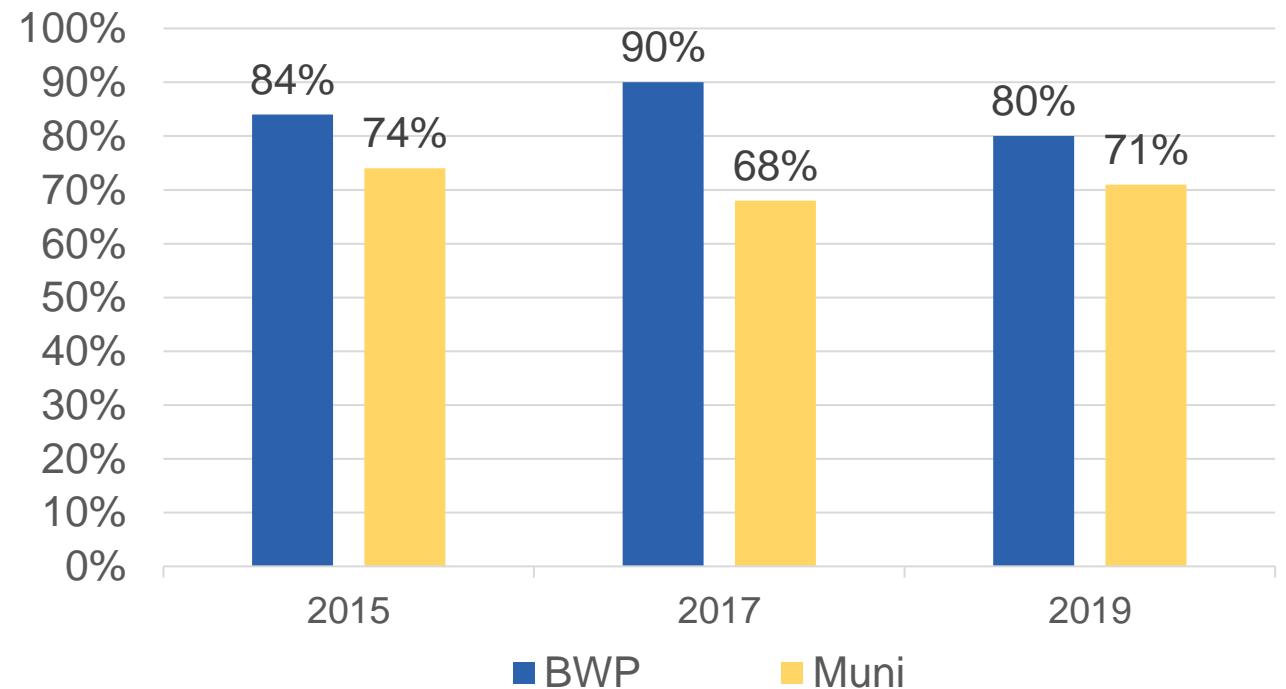


“Top 3 Box” = 8, 9, 10 on 0 = Dissatisfied to 10 = Very Satisfied scale.
Base is customers contacting utility. (C-3a)



Commercial Customer Satisfaction

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



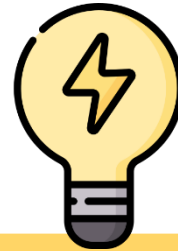
"Top 3 Box" = 8, 9, 10 on 0 = Dissatisfied to 10 = Very Satisfied scale.
Base is customers contacting utility. (C-3a)

Energy-Water Efficiency Programs

FY 2020-2021



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



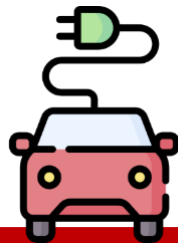
Over 4.7 million kWh of energy saved



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

Income-Qualified Assistance Programs

FY 2020-2021



**2,060
households
participated**



**Over \$918k distributed
(BWP PBC Funds)**

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

Federal Dept. of Health and
Human Services

**~\$538k in
Lifeline & Life
Support Rate**

**~\$6k in
Project Share**

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

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



Customer Outstanding Debt

The State has provided funding to help customers manage through the pandemic

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

MPP Joint Power Authority





Proposed Budget

Description (\$ in 000's)	FY 21-22 Adopted Budget	FY 22-23 Proposed Budget
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

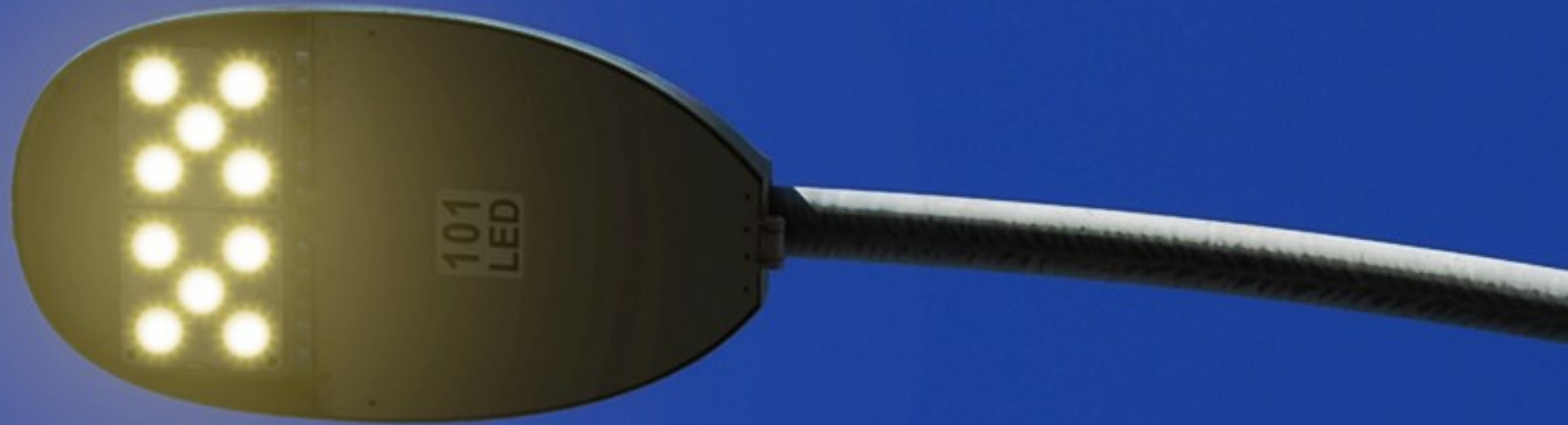


Proposed Budget



Description (\$ in 000's)	FY 21-22 Adopted Budget	FY 22-23 Proposed Budget
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



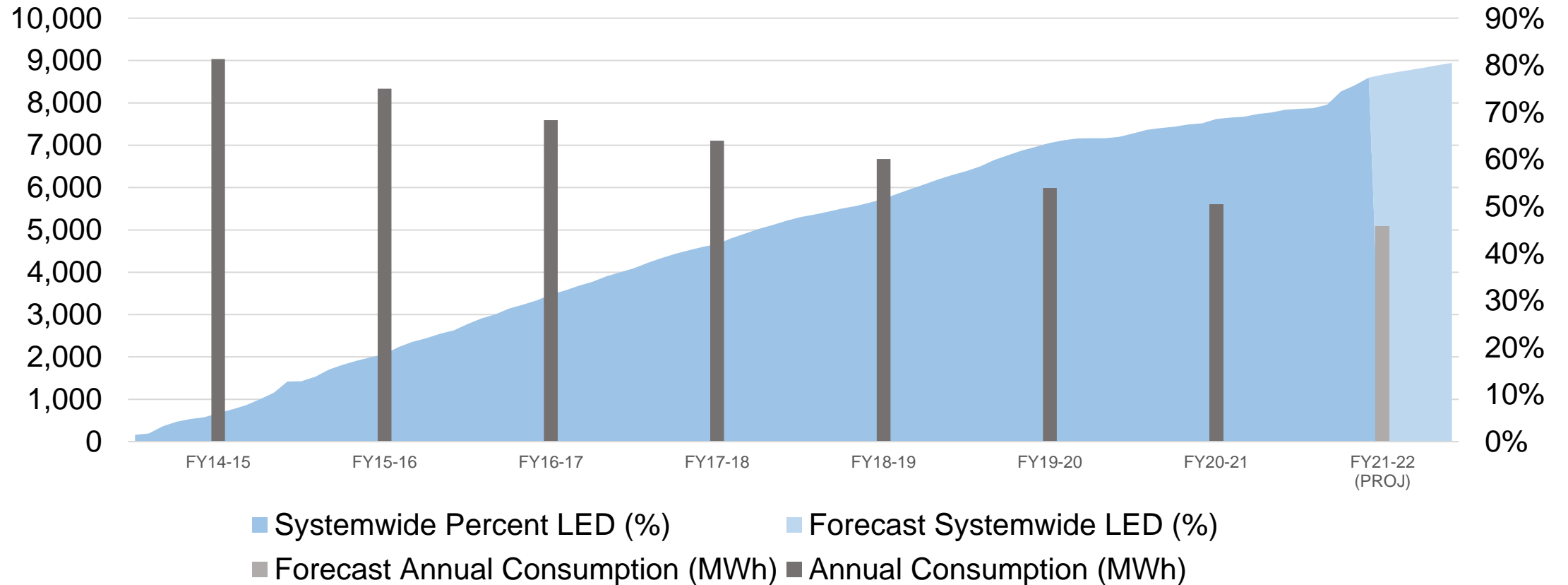


Proposed Budget

Description (\$ in 000's)	FY 21-22 Adopted Budget	FY 22-23 Proposed Budget
Transfers	\$2,556	\$2,660
Operating Expenses		
Utilities	\$1,006	\$674
Street Light Maintenance	\$495	\$337
Other Operating Expenses	\$193	\$284
Total Operating Expenses	\$1,694	\$1,295
Other Income	\$863	\$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)	\$1,214	\$2,070
Capital Expenditures	\$1,114	\$2,142
Cash Balance at June 30	\$1,827	\$1,756

LED Conversions

Streetlight System LED Replacement % vs Annual Consumption (MWh)





ONEBurbank

Customers



NBCUniversal

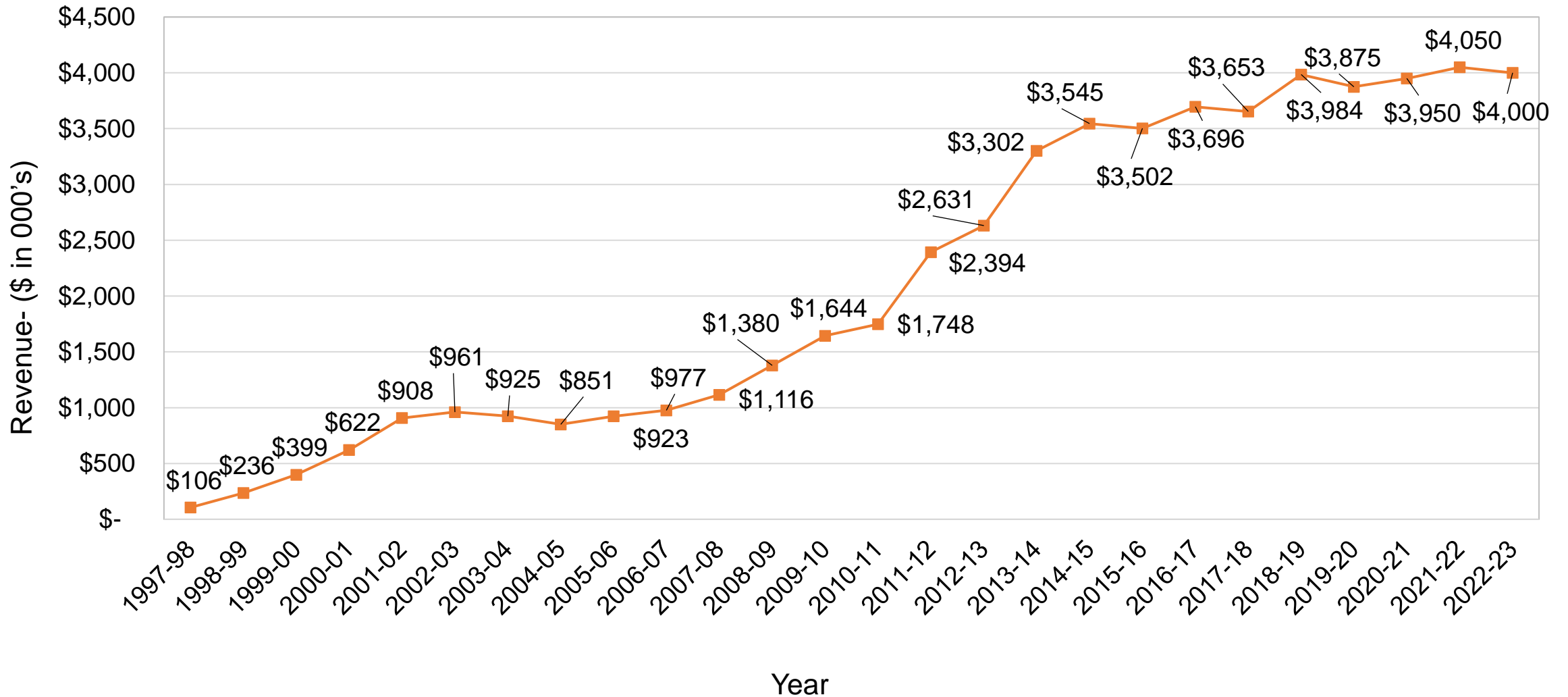


FOTOKEM



- 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
- Pixelogic Media
- Producers/Writers Guild
- SAG
- Sohonet
- Burbank YMCA
- Viacom Inc. (Nickelodeon)
- Warner Brothers
- Worthe Real Estate

ONEBurbank Revenues






Annual Broadband Benefits

- \$515k BWP cost savings
- \$621k City departments cost savings
- \$373k BUSD cost savings

Communications Fund

The image shows two modern office telephones. The one in the foreground is a black telephone with a large touchscreen at the top displaying a blue interface with several icons. Below the screen is a numeric keypad with standard function buttons. The second telephone is partially visible in the background, also featuring a touchscreen and keypad. The background is a light-colored wall with some faint, illegible text.



Proposed Budget

(\$ in 000's)	FY 21-22 Adopted Budget	FY 22-23 Proposed Budget
Revenues		
Charges for Services	\$3,068	\$3,069
Total Operating Revenues	\$3,068	\$3,069
Operating Expenses		
Operations and Maintenance	\$2,767	\$2,520
Depreciation	\$839	\$819
Total Operating Expenses	\$3,607	\$3,338
Operating Income (Loss)	(\$539)	(\$269)
Interest & Other Income	\$142	\$69
Total Operating Income (Loss)	(\$396)	(\$200)
Extraordinary Expenses		
Pension Repayment Plan	(\$56)	(\$56)
Net Change in Net Assets (Net Income)	(\$452)	(\$256)
Capital Expenditures	\$3,264	\$1,009

Water Fund



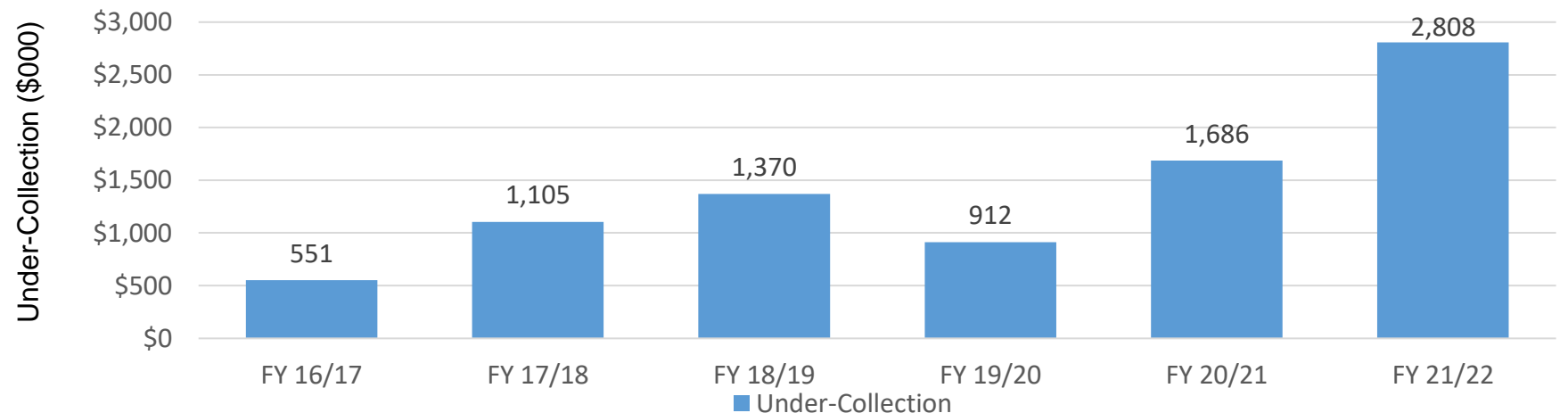


Rate Drivers

(\$ in 000's)	\$	% of Oper. Rev.
Under-collection from prior years	\$3,839	11.08%
Higher operating expenses	\$1,956	5.65%
Higher water supply expenses	\$1,020	2.94%
Lower potable sales	\$2,458	7.09%
2022-23 rate requirement	\$9,273	26.76%
Avoided potable water supply	(\$1,235)	-3.56%
Cyclic water saving	(\$83)	-0.24%
2022-23 potable and recycled rate increase	(\$4,322)	-12.48%
Projected Under-collection	\$3,633	10.49%

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 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

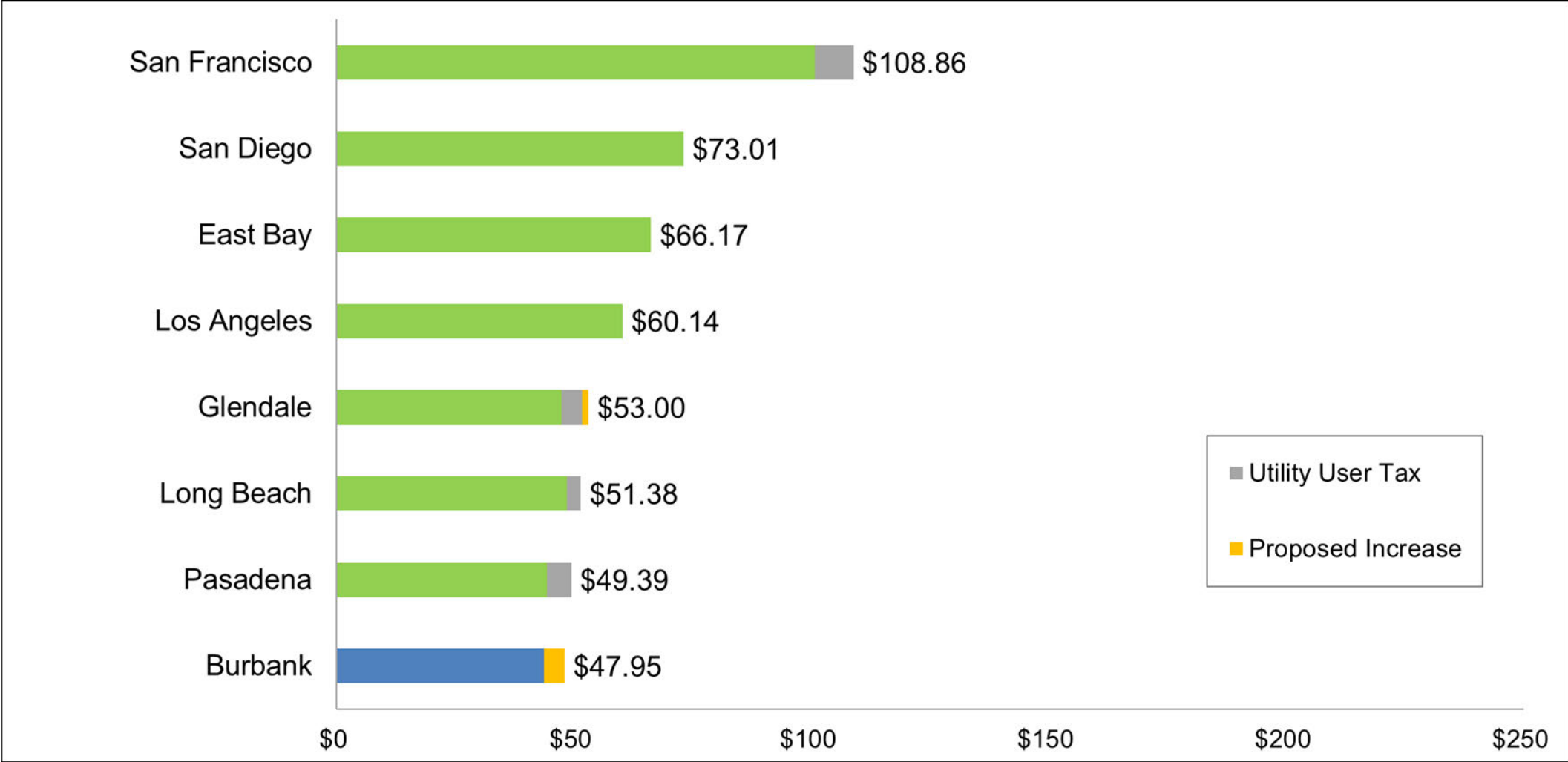
- Rate plan that balances affordability, reliability, and sustainability
- Maintain a sustainable work force
- Higher water supply costs
- Water conservation is a way of life
- Investments in modernizing infrastructure
- Utilizing cash reserves to stabilize rates
- Continue rate plan toward full cost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

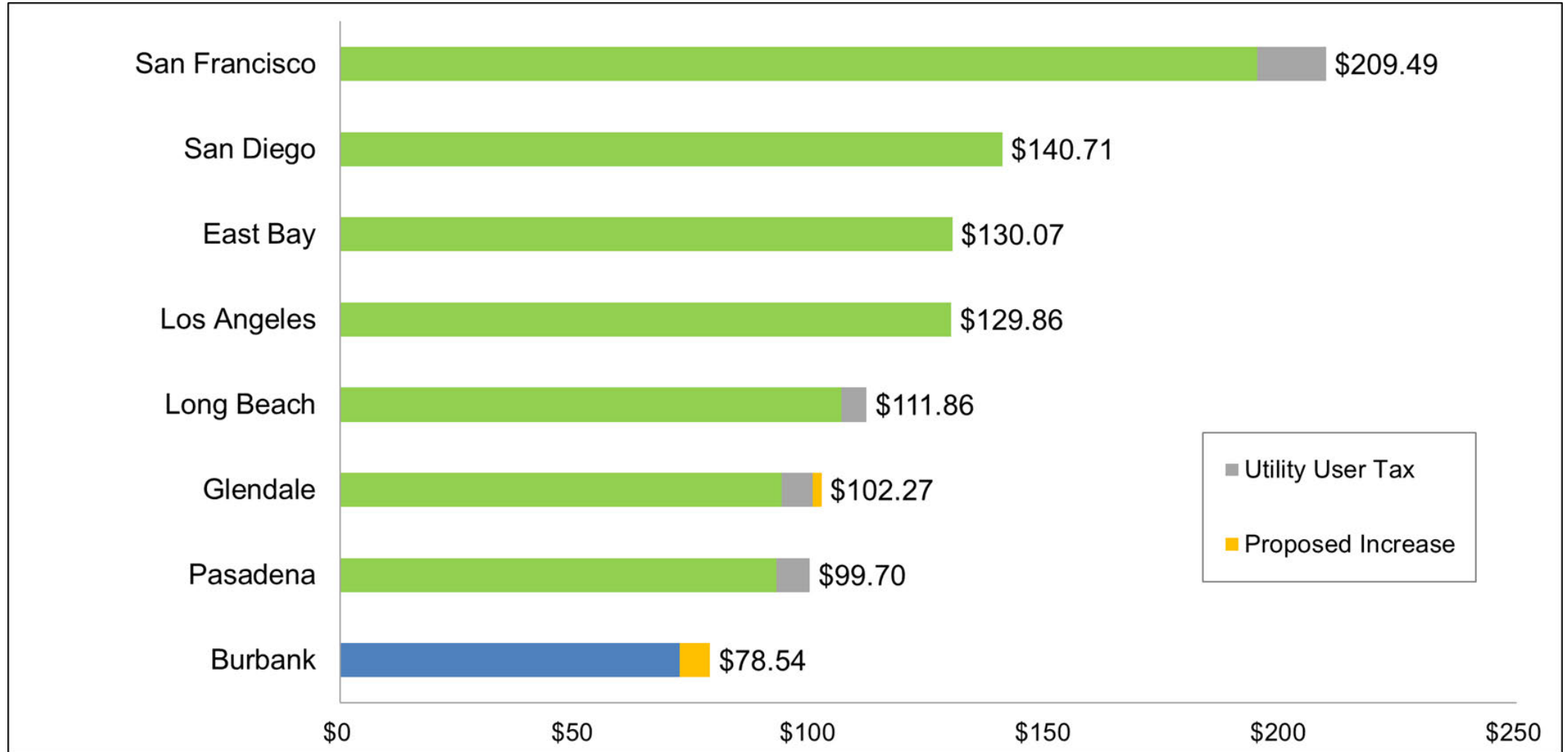
Residential Bill Comparison

Small home: 6,000 gallons with a 3/4" connection



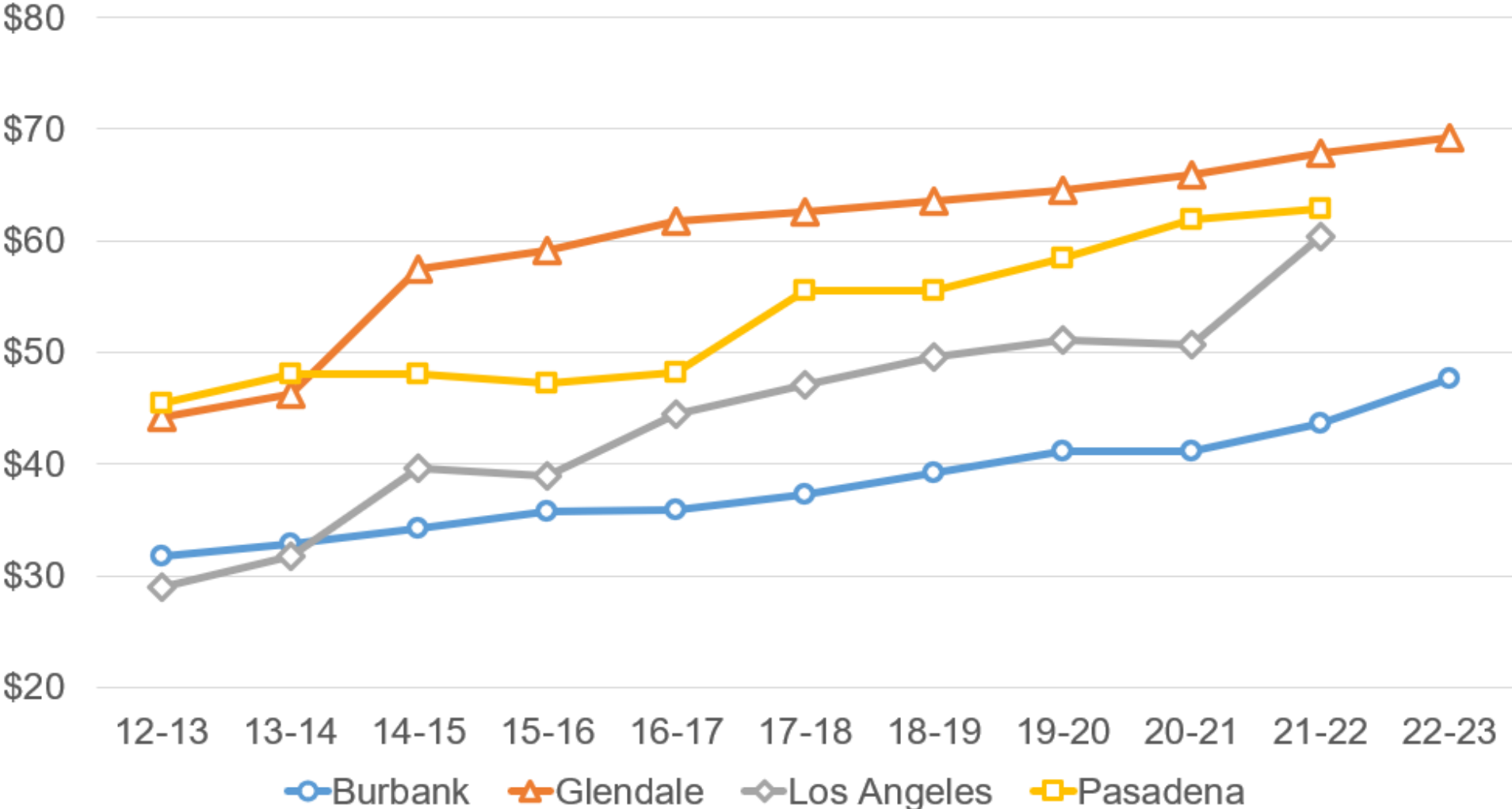
Residential Bill Comparison

Medium home: 12,000 gallons with a 1" connection



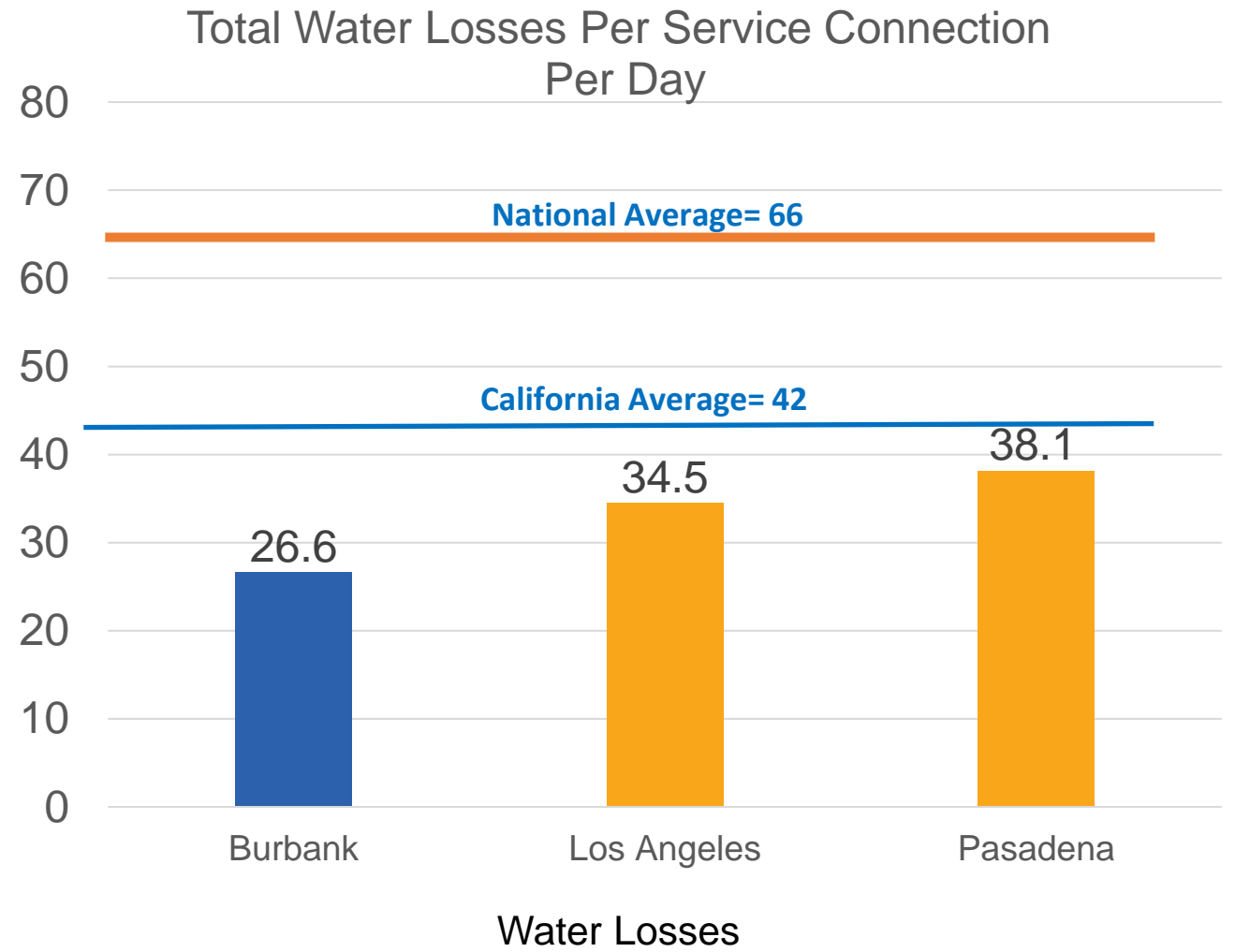
Historic Bill Comparison

(6,000 gallons + 1" connection)





Water Losses



Water Losses

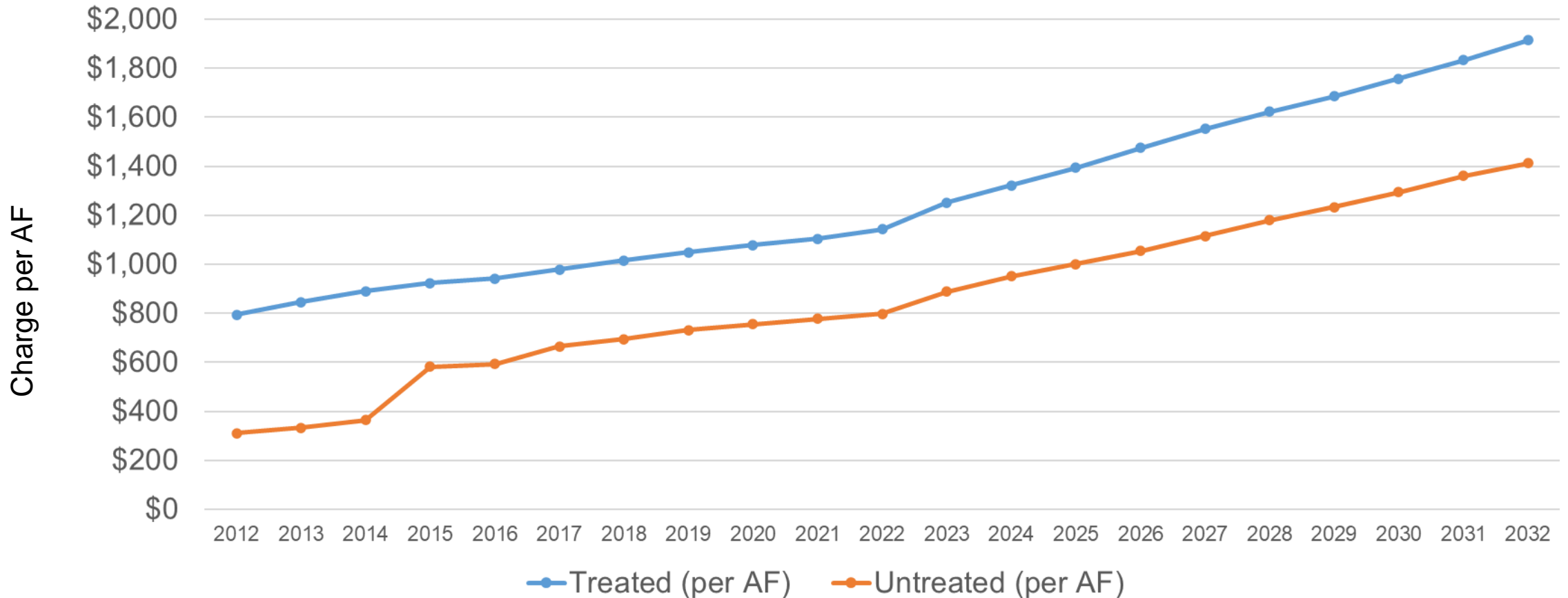
Cash Reserves

\$ in millions



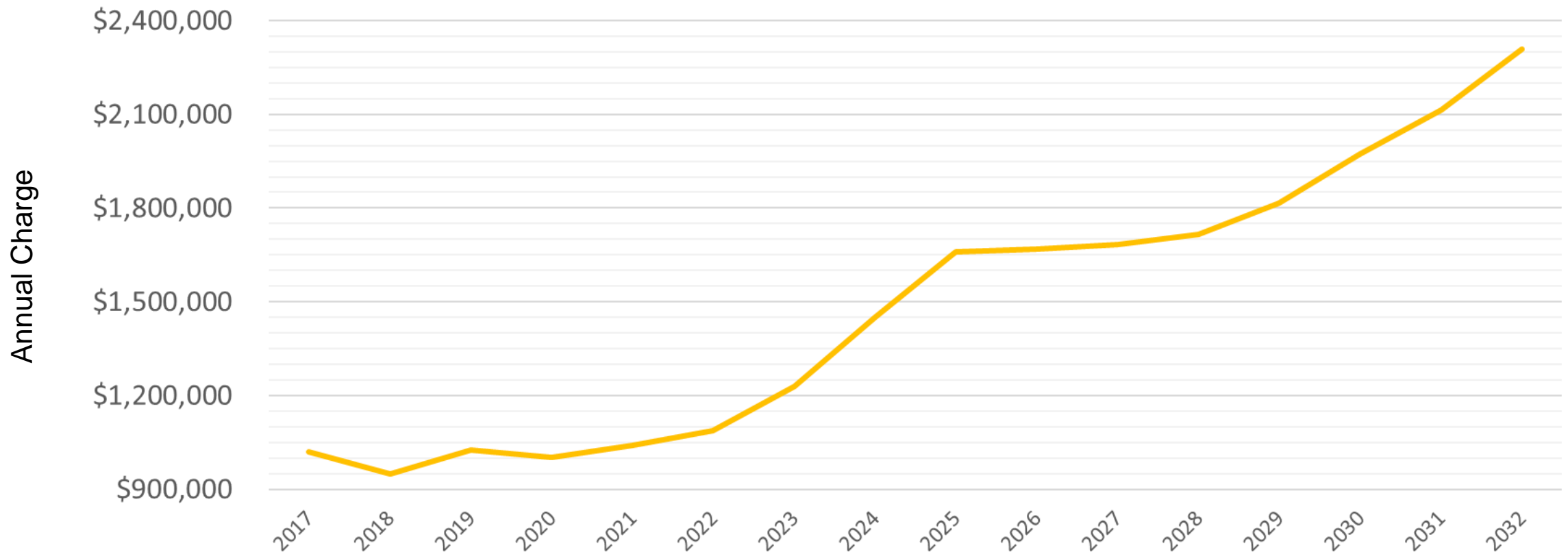


MWD Variable Charges Rate Outlook



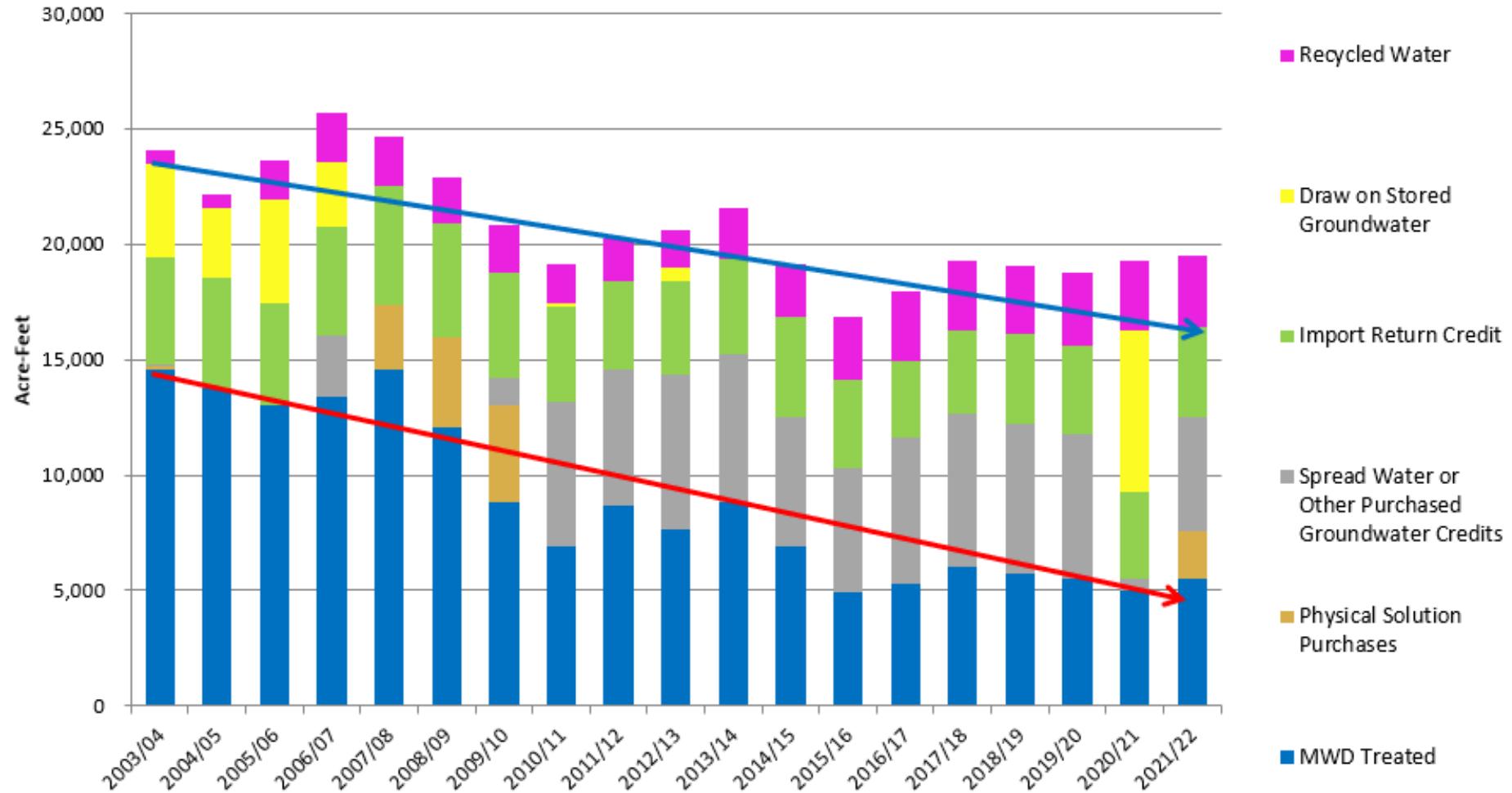


MWD Fixed Charges Rate Outlook

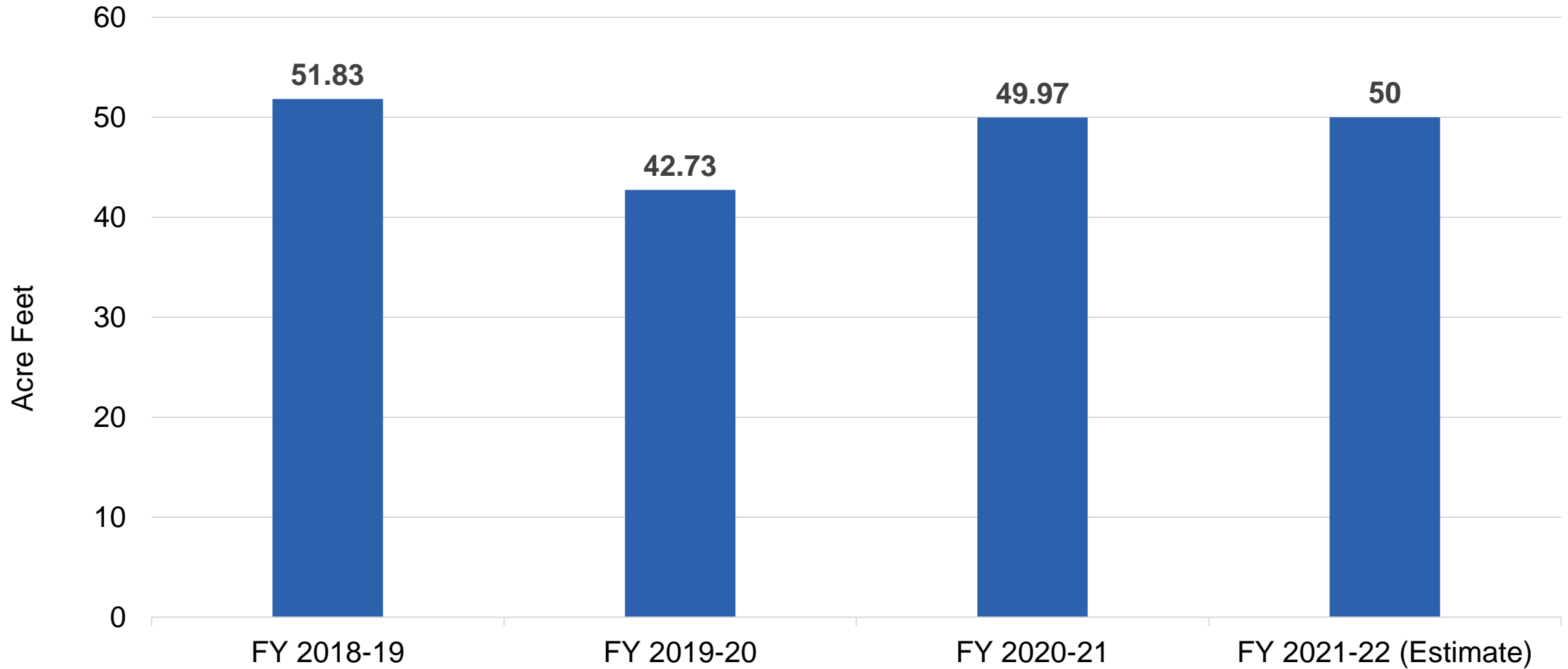


Water Planning

BWP Water Sources

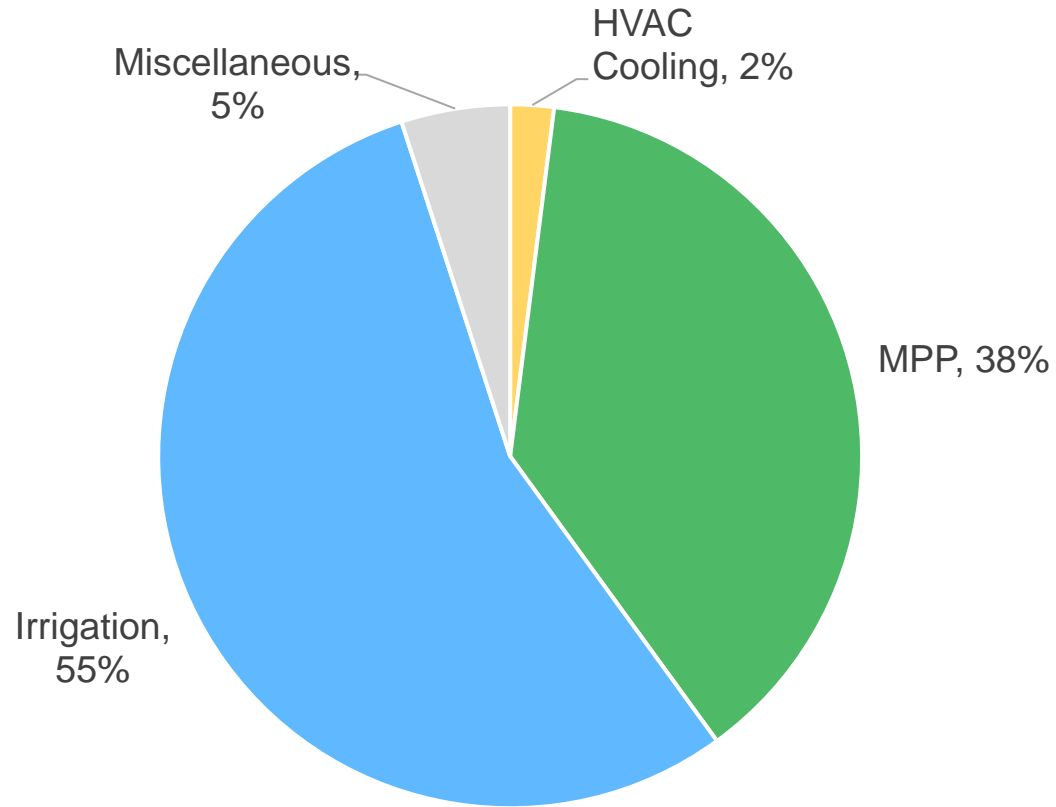


LA Exchange

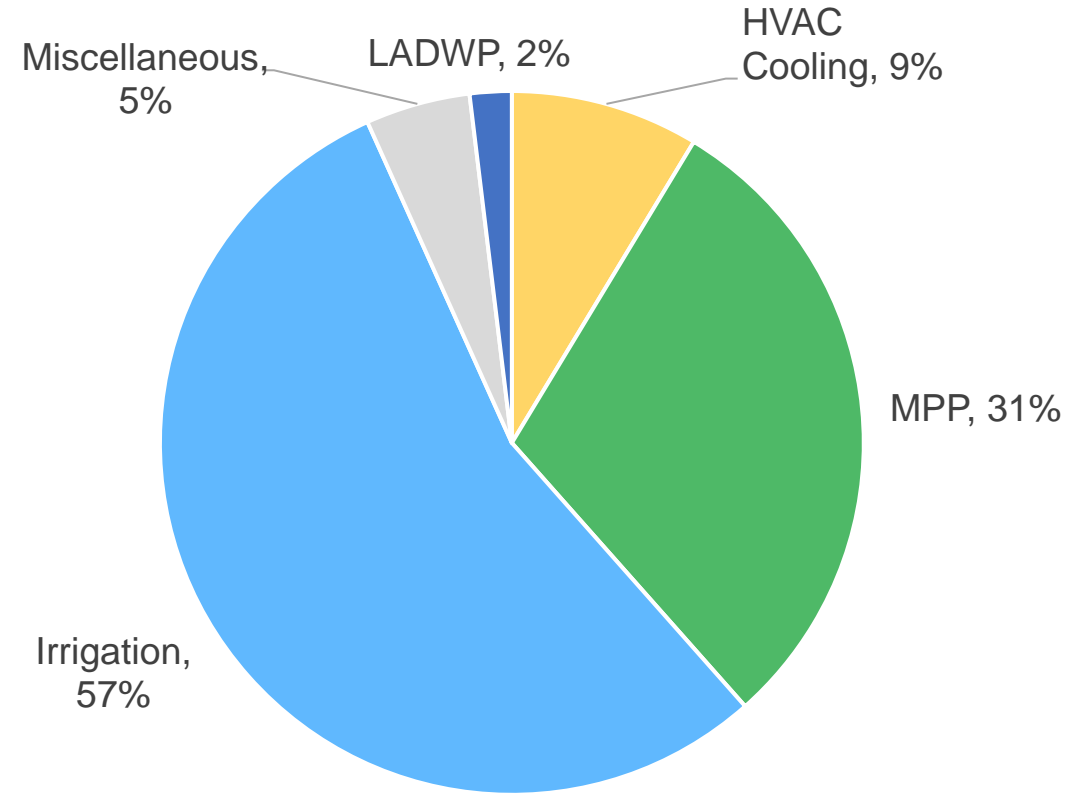


Recycled Water Usage

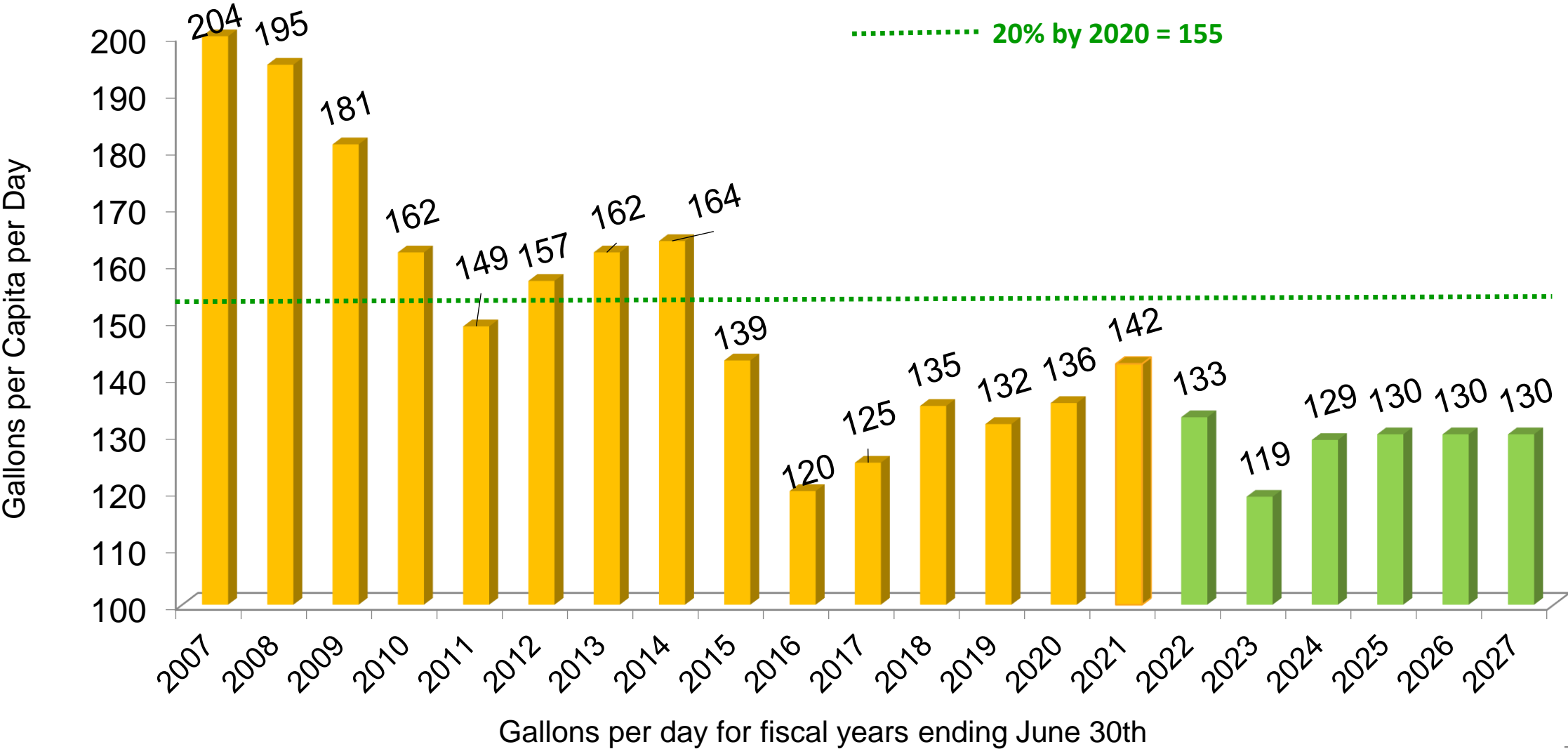
2016



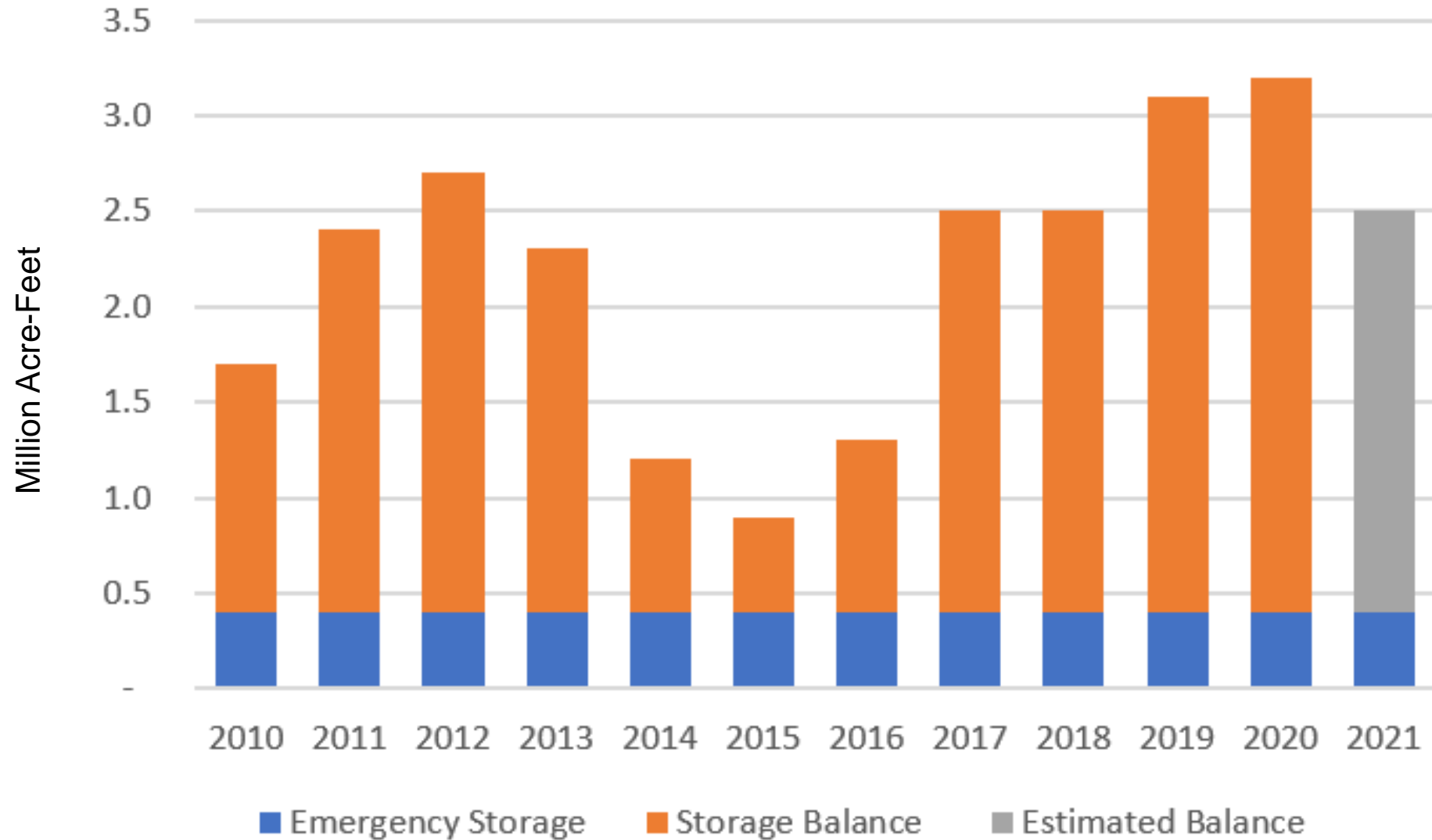
2022 (Estimate)



Water Use per Capita



MWD Storage Reserve Levels





Income Statement

(\$ in 000's)	FY 21-22 Adopted Budget	FY 22-23 Proposed Budget 2/3/22	FY 22-23 Proposed Budget 3/3/22
Total Operating Revenues	\$34,276	\$35,360	\$35,996
WCAC Expense	\$13,030	\$12,531	\$12,732
Gross Margin	\$21,246	\$22,830	\$23,264
Total Operating Expenses (incl. Depreciation)	\$19,764	\$21,316	\$21,692
Operating Income/(Loss)	\$1,482	\$1,514	\$1,572
Other Income/(Expenses)	(\$2,362)	(\$2,420)	(\$2,420)
Net Income (before AIC)	(\$86)	(\$907)	(\$848)
Capital Contributions (AIC)	\$392	\$684	\$684
Change in Net Assets	\$306	(\$223)	(\$164)

	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	20,000	20,000	95,000	20,000	20,000	175,000
Boosters	-	-	-	-	-	-
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

FY 2022-23 Proposed Budget

March 3, 2022



**WATER AND
POWER**