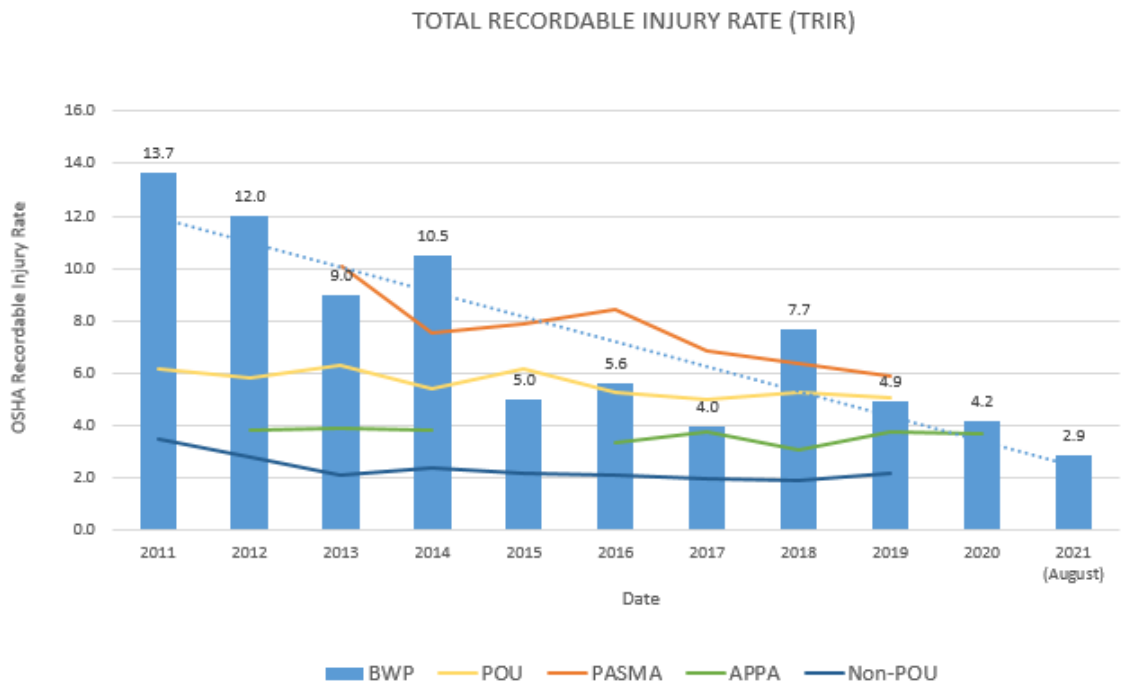
CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT

DATE: October 7, 2021
TO: BWP Board
FROM: Dawn Roth Lindell, General Manager, BWP
SUBJECT: **August 2021** Operating Results

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

SAFETY

For this reporting period BWP experienced one OSHA recordable injury. BWP's 12 month rolling average rate is 2.9.



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees. Current year expressed as 12 month rolling average
PASMA - Public Agency Safety Management Association (Utilities only Data)
POU - Publicly Owned Utilities - Bureal of Labor Statistics
APPA - American Public Power Authority - Average recordable injury rate for similar sized organization. Category F = 250K - 1MM manhours/year
Non-POU - Bureau of Labor Statistics, all non-govenrnmental utility services

Water Estimated Financial Results

For the month of July, net income (NI) was $756,000, which was $442,000 better than budgeted. The favorable result was primarily attributed to lower operating expenses than planned and lower water supply expenses as a result of using more Valley/BOU water which is less costly than imported MWD water.

For additional details, please see the section "COVID-19 "Safer at Home" Order Impacts" and the attached financial statements.

Electric Estimated Financial Results

For the month of July, NI was $2,301,000, which was $429,000 better than budgeted. The favorable result was primarily attributed to lower operating expenses than planned and the wholesale asset utilization program, offset slightly by lower retail sales as a result of COVID-19.

For additional details, please see the section "COVID-19 "Safer at Home" Order Impacts" and the attached financial statements.

COVID-19 "Safer at Home" Order Impacts

Financial Impacts

July's results reflect the sixteenth 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 water and energy in Burbank.

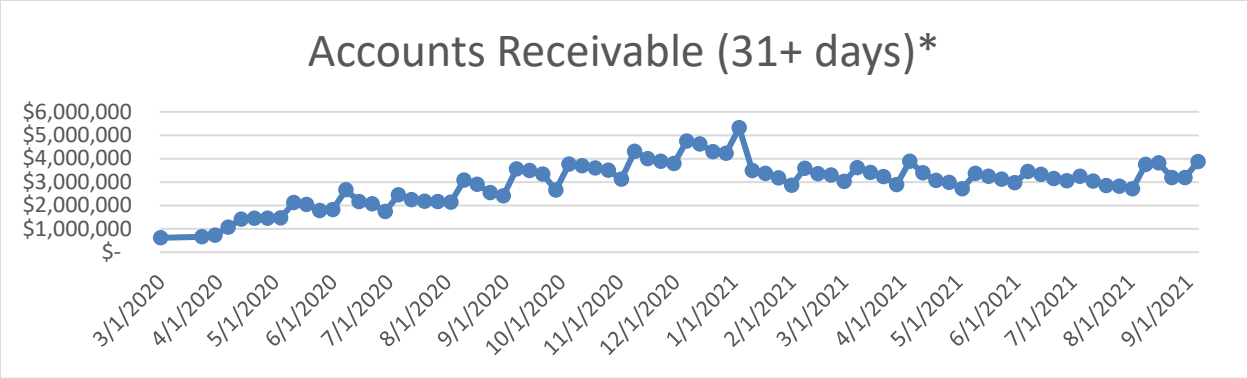
The current year's adopted budget was based on partial economic recoveries from prior year's budget adjustment related to the pandemic. Both energy and water demand are budgeted to increase by 1.2% and 0.5% from the prior fiscal year, respectively. Recent data has shown that the impact of COVID-19 has resulted in a reduction in electric demand and very minimal impact, if any, in water demand. Since the beginning of the pandemic, there has been a large increase in customer receivables.

For the electric fund, July energy demand was 3% below budget. The negative impact from COVID-19 on energy sales was partially offset by a warmer than average July. The loss in retail revenue was partially offset by wholesale asset utilization program, resulting in a lower gross margin of $452,000.

For the water fund, July's water demand was on budget. Water sales in general have been minimally impacted by the pandemic. The decrease in commercial sales have been offset by an increase in residential demand primarily driven by the pandemic as well as a warmer than average July.

Accounts Receivables

The chart below shows the drastic increase for receivables that are over 31 days old for BWP's electric and water funds.



*Excludes in-lieu and utility users tax. The COVID-19 Job Loss Bill Credit Program commenced on December 1, 2020. BWP also began engaging in customer outreach to key commercial accounts on December 17, 2020.

WATER DIVISION

Burbank's Water Use

The table below shows water use in Burbank during **August 2020** compared to **August 2021** measured in gallons per capita per day (gpcd). Also shown is a comparison of Burbank's water use based on a 12 month rolling average.

	Average Monthly Use	Rolling 12 Month Average
Aug 2020	**162 gpcd**	**137 gpcd**
Aug 2021	**161 gpcd**	**143 gpcd**

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the months of **October 2020 through August 2021.**

	BOU Capacity Factor	BOU Ave. Flow Rate	Total System Blend % MWD/BOU
20-Oct	**97.81%**	**8,803 gpm**	**21% / 79%**
20-Nov	**55.61%**	**5,005 gpm**	**49% / 51%**
20-Dec	**86.25%**	**7,762 gpm**	**19% / 81%**
21-Jan	**69.16%**	**6,224 gpm**	**24% / 76%**
21-Feb	**93.55%**	**8,402 gpm**	**25% / 75%**
21-Mar	**96.00%**	**8,640 gpm**	**27% / 73%**
21-Apr	**86.40%**	**7,776 gpm**	**21% / 79%**
21-May	**92.72%**	**8,344 gpm**	**20% / 80%**
21-Jun	**88.61%**	**7,975 gpm**	**31% / 69%**
21-Jul	**91.93%**	**8,274 gpm**	**29% / 71%**
21-Aug	**84.43%**	**7,598 gpm**	**35% / 65%**
		Ave Blend %-last 3 fiscal years	**39% / 61%**

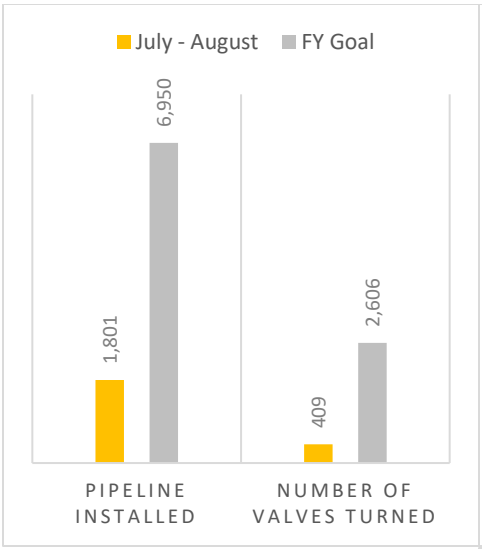
The total system blend percentage represents the total amount of water that was purchased from Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with the capacity factor, is an important measure of efficiency. The capacity factor may fluctuate based on demand and plant 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. **The August flow BOU production was slightly below recent averages due to three liquid phase granular activated carbon media exchanges and necessary maintenance.**

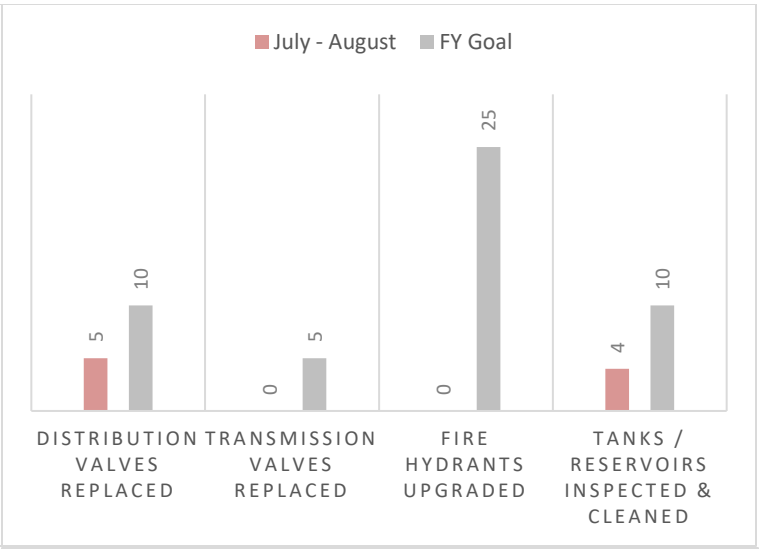
Key Performance Indicators

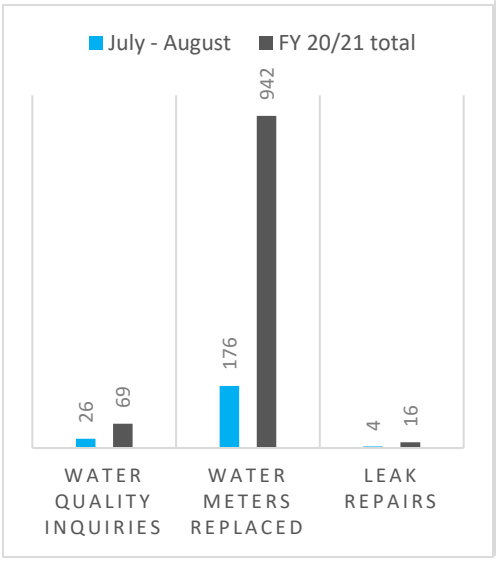
The graphs below illustrate the progress the water division has made on key performance measures through **August.** Note that the values provided need to be viewed with respect to where we are in the fiscal year. Pipeline installation is **26%** complete and we are **17%** through the fiscal year. We have been fortunate on our Monterey, Orchard to Lincoln pipeline project that we have encountered relatively few utilities, boosting our production rate to 115 feet per day and for the first two months of the new fiscal year we find ourselves ahead of our goal.

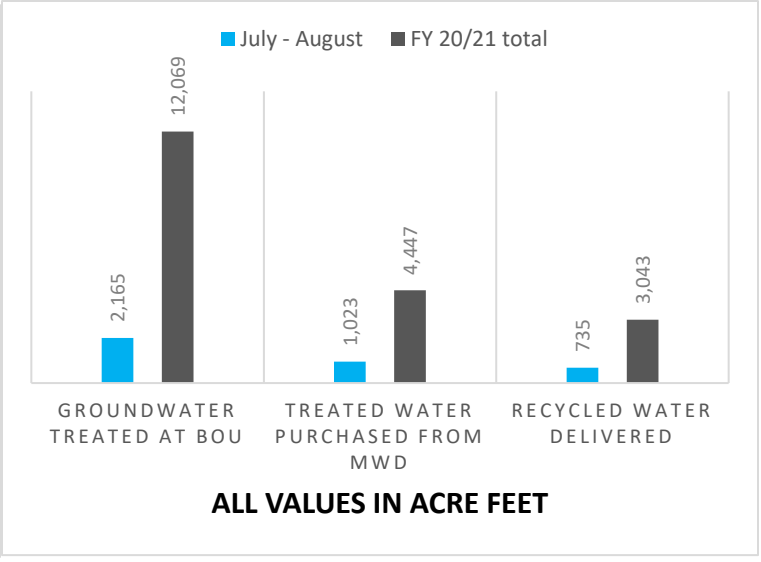
There has been a chlorine shortage that affected the United States and deliveries were sporadic and unreliable. To provide a backup to our chlorine gas supplies, staff installed a sodium hypochlorite tank and related equipment so that we now have two forms of chlorine to use (sodium hypochlorite is liquid chlorine – essentially bleach). This spreads the shortage risk across two forms of chlorine instead of relying on just one.

We closely monitor chorline gas supplies and track it daily.









Leak Alert Notifications

In 2009, BWP began installing an automated metering infrastructure (AMI) system by Itron. The system consists of endpoints that connect directly to the meter to get the meter read. The meter read was transmitted by radio from the endpoints located in the meter box and received by 10 collectors stationed throughout the city. The data was "backhauled" or bundled using the Tropos radio system and delivered to database servers that accepted and processed the meter data. Full deployment of the system (approximately 26,000 endpoints) was completed in 2011.

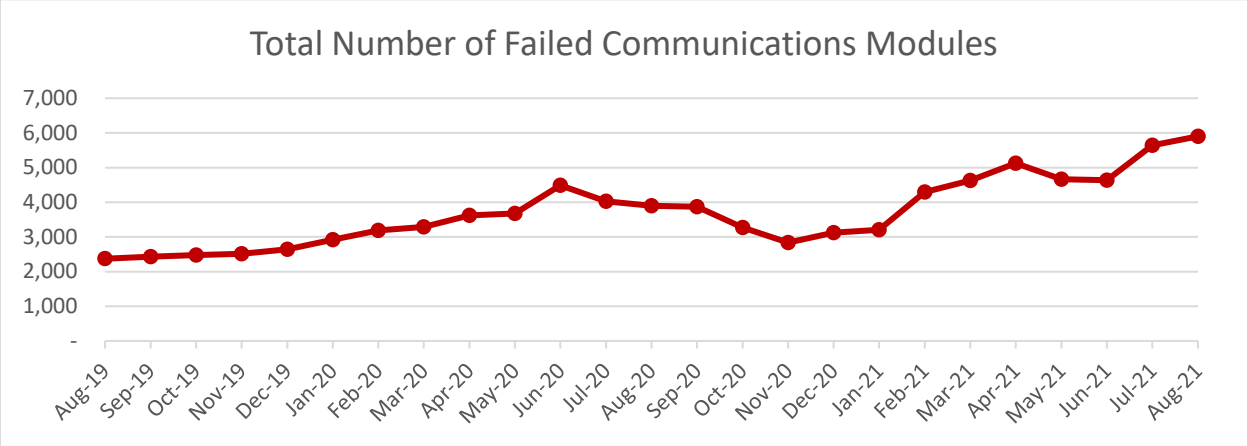
Benefits of AMI technology allow data to be collected rapidly and frequently and can be analyzed to find higher than normal usage and alert customers of leaks. BWP began providing leak alert service to residents who registered to receive notifications. This service, called Water Smart, works by receiving hourly water usage from the meter and analyzes this data to determine if a leak might be present based on continuous usage. Since 2015, BWP has provided 11,756 leak alerts to customers. Unfortunately, a

high volume of water meter communication modules are not working reliably and replacement units are no longer produced.

As of **August 2021,** BWP was not able to receive remote reads for **5,900** water meters out of 27,060 **(22% of the total)** due to failing communications modules and they had to be read manually. In March 2021, staff deployed an interim automatic meter reading (AMR) system to read approximately 800 meters with failed communication modules and we are now able to read them.

BWP previously 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 continued failures BWP is now in the process of notifying additional customers. The AMR system unfortunately will 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.

BWP is in the process of developing a new AMI system. Proposals for managing the specification development and bid review have been reviewed and interviews of the top three firms were conducted. The winning firm will also assist with selection of the installation and procurement contractor and manage the bid and procurement phase for the project.



Projects

Water crew members continue to reinforce safe work practices and continue social distancing while performing routine valve operational maintenance. During this maintenance activity, each valve goes through our standard inspection procedures to ensure proper operation when needed. Valve turning/exercising is part of BWP's key performance indicators.

These essential workers are in the public eye at all times and are the front lines of our public relations and messaging program. As such, they must display safe work practices at all times.

ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In August 2021, BWP experienced one sustained feeder outage. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,301,042 customer minutes.

Reliability Measurement	September 2019 – August 2020	September 2020 – August 2021
Average Outages Per Customer Per Year (SAIFI)	0.3908	0.3074
Average Outage Duration (CAIDI)	20.97 minutes	26.46 minutes
Average Service Availability	99.998%	99.998%
Average Momentary Outages Per Customer Per Year (MAIFI)	0.3407	0.3107
No. of Sustained Feeder Outages	8	12
No. of Sustained Outages by Mylar Balloons	1	3
No. of Sustained Outages by Animals	1	0
No. of Sustained Outages by Palm Fronds	0	0

PROJECT UPDATES

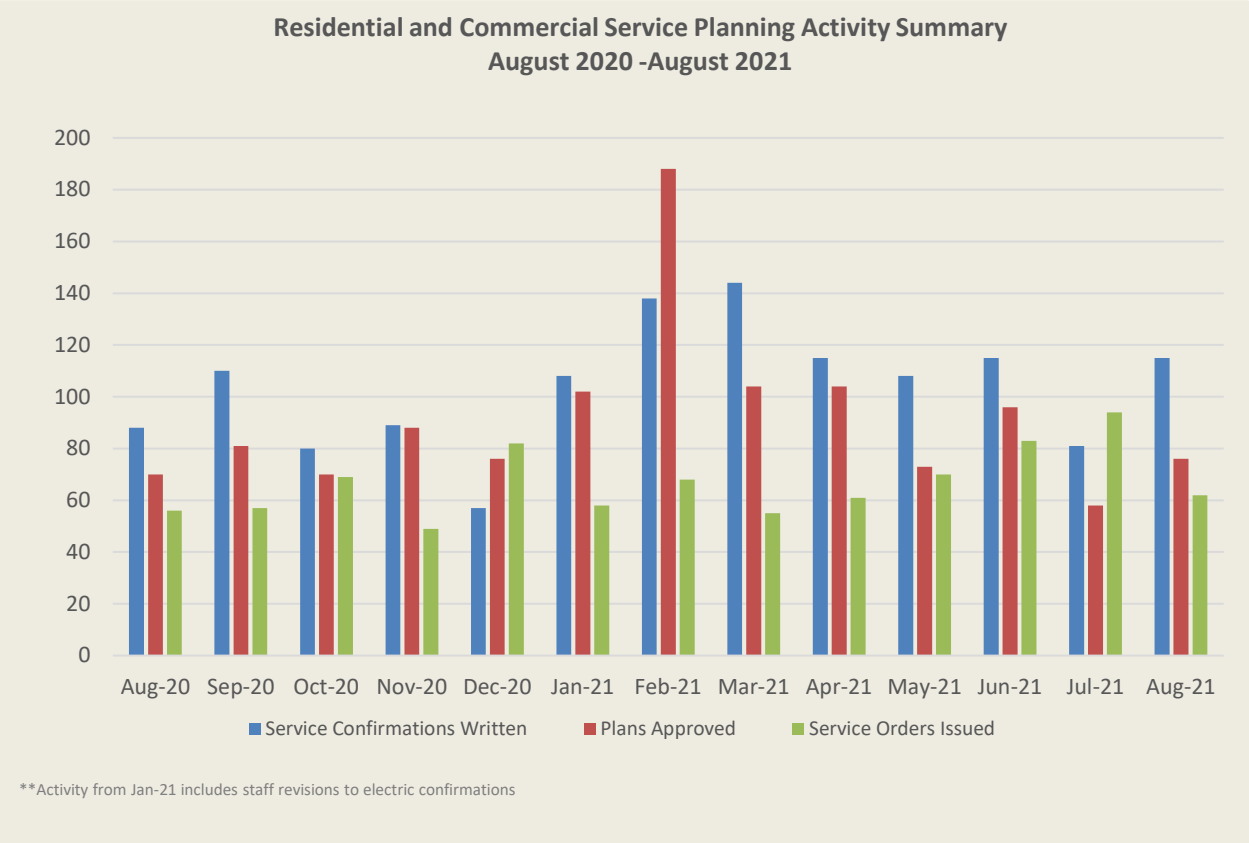
Distribution Capital Projects

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 energize more than 2,000 new residential units in the next three to four years. Staff is currently managing these requests with a longer than usual turn around time despite utilizing overtime and consultant services. Development customers have expressed concerns with the extended time frame. If this level of development 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.

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



Willow Substation and Distribution Work to Second Century Project at The Burbank Studios

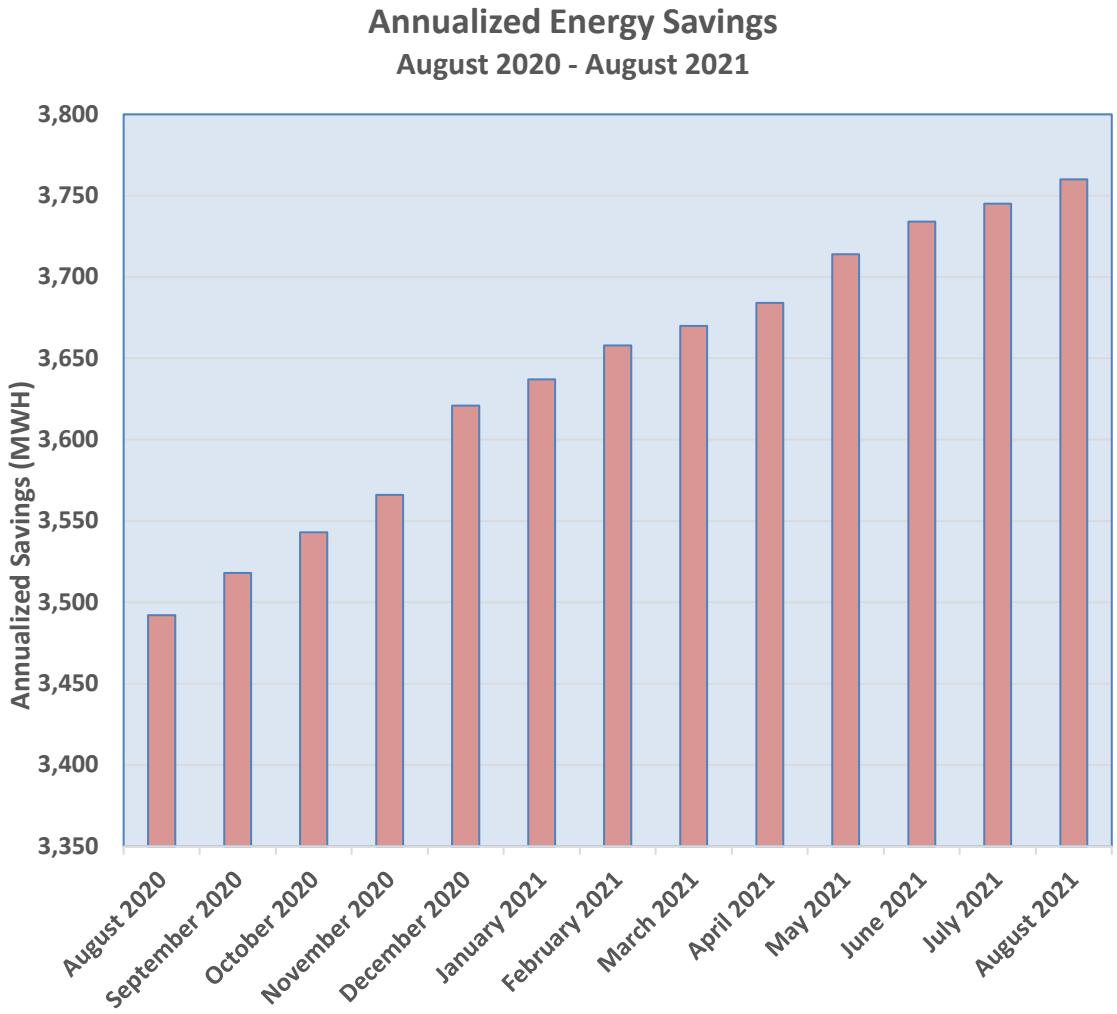
Willow Substation is a new 69 kV to 12 kV electrical substation that will replace an existing 34 kV to 4 kV substation in the Media District area and provide capacity for serving the Second Century project at The Burbank Studios. The request for proposal (RFP) and technical specifications for a design-build contract for this new substation were released in September with evaluations of bids concluding in late November. The negotiated contract is expected to be presented to the BWP Board in January 2022 and to City Council shortly after. Expected completion of Willow Substation is currently scheduled for the 4th quarter of 2023. Below is a conceptual drawing of Willow Substation:

Conceptual drawing

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. The LED replacements consume approximately 60% less energy. **To date, 70.73% of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,745 MWh or a 40.41% reduction in energy consumption. LED conversions have also reduced evening load by 855 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.



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. These agreements are currently with AT&T, Verizon, Extenet, and Crown Castle.

In order for the communication carriers to build a new location for a wireless telecom attachment (WTA), 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 Sign-offs	WTA Work Orders Issued	WTA Sites Energized
AT&T	1	40	12	9	9
Verizon	98	100	-	-	-
Crown Castle	6	-	-	-	-
Total	**105**	**140**	**12**	**9**	**9**

CUSTOMER SERVICE

Customer Service Operations

Call volumes increased by 12% in August. BWP continues to assist customers through the COVID-19 Job Loss Bill Credit Program. Customer service representatives assist customers, make payment arrangements to reduce the amount in arrears, and provide additional resources to help customers manage their utility bill.

BWP Call Center Call Types & Volume

Call Types	% of Calls
Balance	**12%**
Residential Start	**7%**
Residential Stop	**6%**
Update Account Info	**6%**
Solid Waste	**4%**

	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	% Inc/Dec
Call Volume	3,812	3,783	3,527	3,055	3,684	3,383	2,897	3,384	3,017	2,799	3,468	3,186	**3,567**	**12.0%**

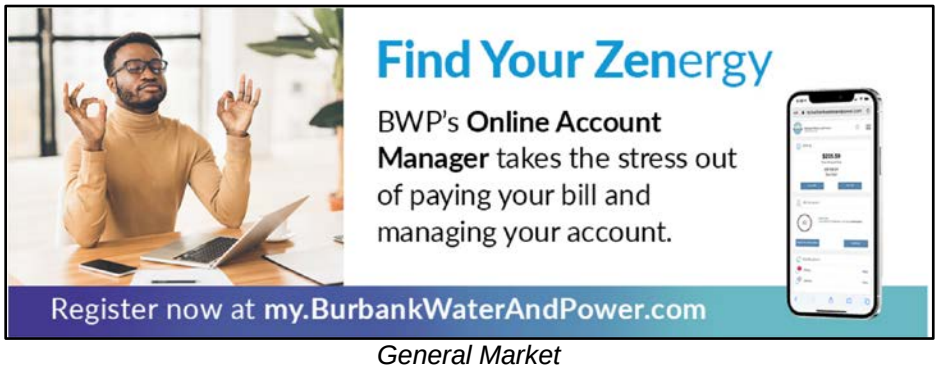
Online Account Manager

The enrollment in the online account manager (OAM) is currently at 58% of all active accounts; increases in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about 82% are paperless customers helping BWP reduce costs and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and auto pay. These initiatives will continue to drive down costs. BWP's second milestone is to have 80% of all active accounts registered on the OAM by the end of **FY 2021-2022**.

The OAM adoption plan consists of three phases. Phase one was to build awareness and promotion through broad communications. 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.

Currently, about 86% of customers that have not adopted the OAM are residential. Therefore, phase two and three will be focused on residential adoption to reach the 80% overall adoption goal. The adoption plan is currently in phase two.

The images below are examples of marketing messaging aimed at key customer segments including: general market, seniors, constrained and green.



General Market

Seniors and Adult Children

Constrained

Green

Marketing is promoting OAM utilizing every owned channel including on-bill messaging, *Digital Currents*, print *Currents*, social media, and BWP's website.

July had an upswing in starts. There was a drop of 84 active customers in August. There is typically a slight seasonality effect, with the number of customers who stop service increasing toward the end of the summer and the number of customers starting service generally declining in the fall. Both of these can lead to a decline in active OAM subscribers.

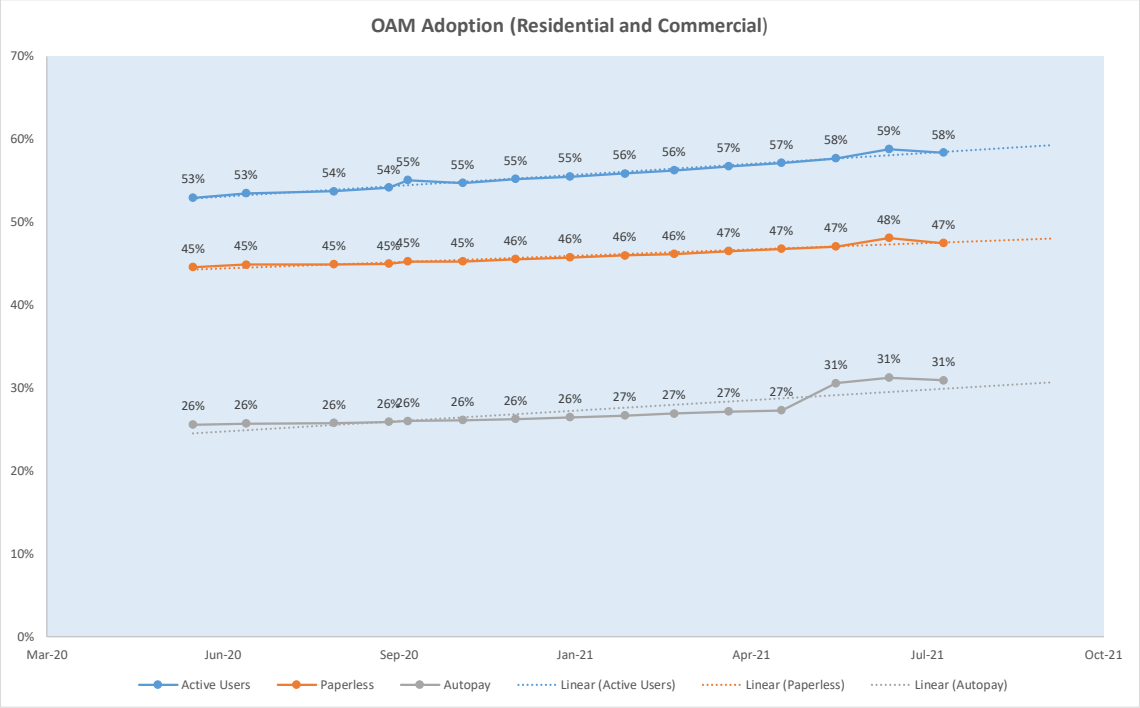
Phase two efforts have not yielded a significant increase in OAM active users. Marketing will evaluate the phase two campaign to determine what we can do to improve results.

To increase adoption, the marketing team believes customers may need incentives to convert to OAM. Phase three was initially targeted to begin in the third quarter of 2021. Marketing is currently operating with 40% of the planned headcount and is fully occupied with launching several new programs and services.[1] The team will

[1] Examples of new programs include the Low-Income Residential Assistance Program, Commercial EV Rebate Charging Station Rebate Program, comprehensive drought-related marketing, education, and outreach, and the relaunch of the Home Improvement Program.

develop incentives along with a supporting marketing and outreach campaign in the month of November and launch in January 2022.

Below is the chart outlining activity for the OAM:



	Active	% of Total Active Accounts
Active Users	30,588	58%
Paperless	24,870	47%
Autopay	16,204	31%

BWP's Energy Efficiency and Water Savings – Fiscal Year to August 31, 2021

Changes in state and local COVID-19 orders allow more services to be restored for efficiency programs requiring home or onsite visits. BWP collaborated with vendors to ensure proper protocols to restore services and comply with health orders.

As a result, the Refrigerator Exchange Program was resumed in June 2021**, resulting in 20 refrigerators being exchanged. In addition, the Home Improvement Program (HIP) was resumed in September 2021, with its new and refreshed program offerings. With the re-launch of these two key efficiency programs, all programs that were temporarily suspended due to the COVID-19 are now back in operation.**

The HIP offers energy-water surveys and efficiency measure installations to all Burbank single-family and multi-family residential customers. Some of the HIP new

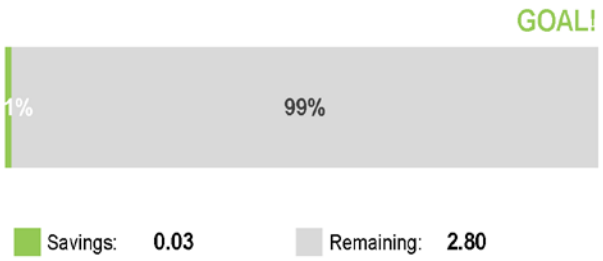
services include direct installation services of weather-based irrigation controllers, high-efficiency sprinkler heads, soil moisture sensors for low-income single-family and multi-family common area customers, and the properties within the disadvantaged community areas of Burbank. Furthermore, the program now offers energy-water surveys and installation of efficiency measures for multi-family common area customers.

As a result of the ongoing COVID-19 impacts to our customers' needs and priorities, program activities continued to be significantly reduced for the month of August 2021. Residential program participation continues to contribute substantially to the reported savings for the month of August, mostly from the BWP residential rebates program. Staff will continue to promote all energy and water efficiency services to increase adoption throughout the year.

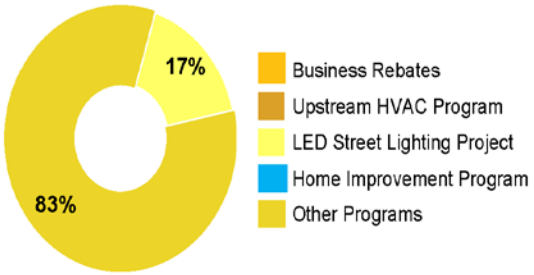
Energy Efficiency Savings FYTD 2021-2022 Period ending on 8/31/2021

1% Demand Goal = 2.92 MW

Demand Savings to Date

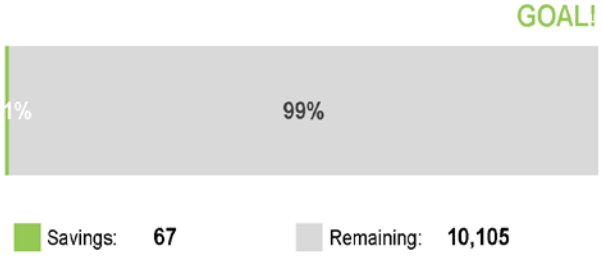


Savings by Program

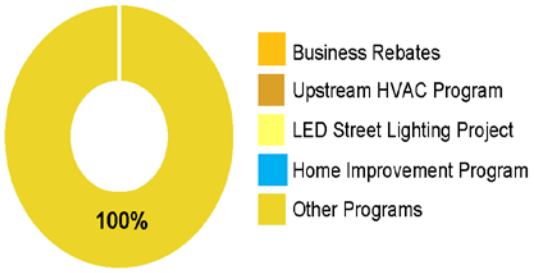


1% Consumption Savings Goal = 10,172 MWh

Savings to Date



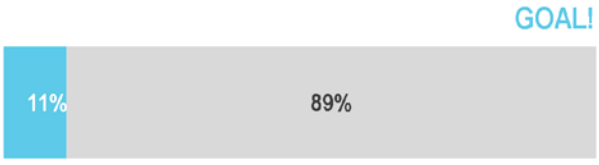
Savings by Program



Water Savings Goal FYTD 2021-2022

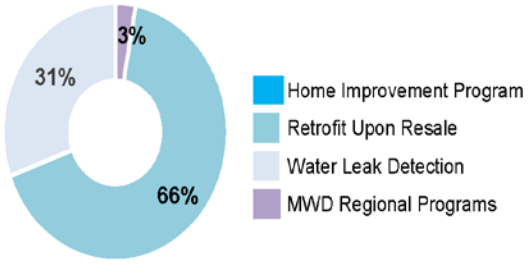
1% (49,630,000 Gallons) Potable Water Savings Goal

Savings to Date



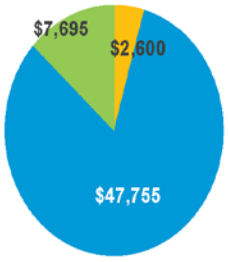
5,300,436 Gallons of Water Saved

Savings by Program



Efficiency Investments FYTD 2021-2022

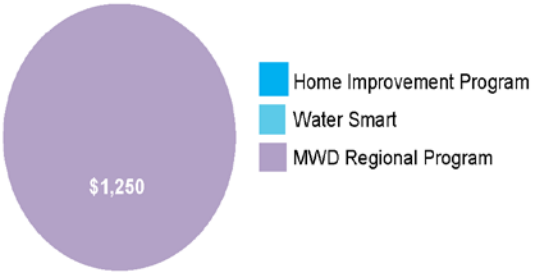
*Electric Programs: $58,050



Commercial Programs
Residential Programs
Both Residential and Commercial Programs

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

Water Programs: $1,250



Electric Vehicle (EV) Charging Program

73 public EV charging ports are installed in Burbank, including 2 DC fast chargers and 24 curbside ports. As of July 1, 2021, summer peak pricing is in effect for public EV charging stations. The public charging rate is $0.3069 per kilowatt-hour (kWh) from 4PM to 7PM and $0.1753 per kWh for all other hours for Level 1 and Level 2. For DC fast chargers, the charging rate is $0.4980 per kWh from 4PM to 7PM and is $0.2817 per kWh for all other hours.

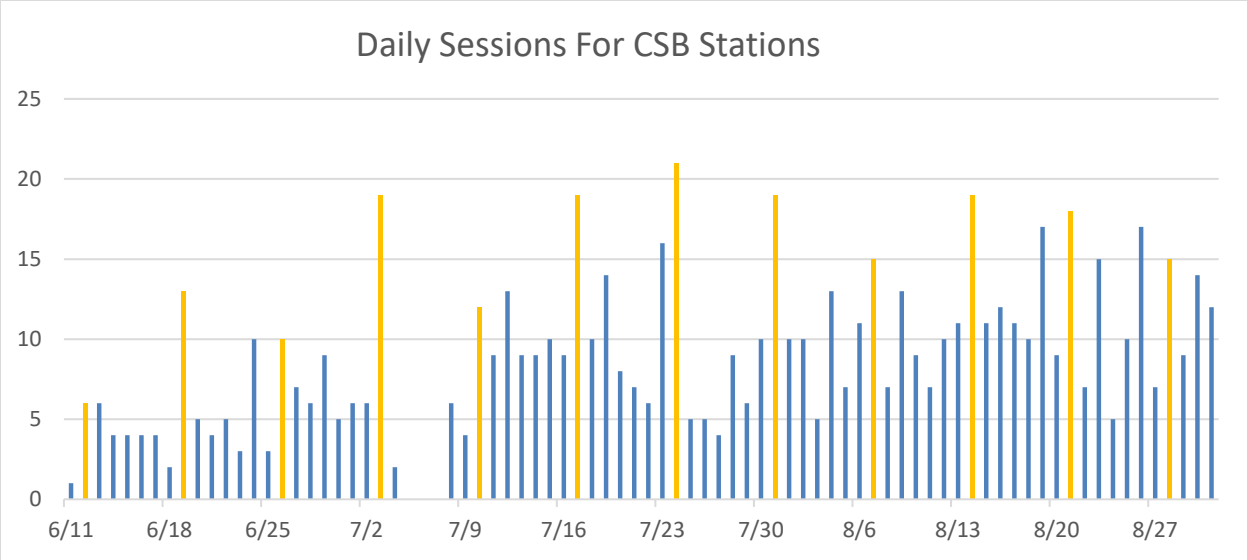
Public Charging Energy Delivery

Public charging station usage is similar to pre-COVID-19 usage. Monthly energy delivered from December 2019 – February 2020 (pre-COVID period where all charging stations were operational) was on average 28,047 kWh, with average revenues of $4,779. The average monthly energy delivered from March of 2020 to February of 2021 was 14,211 kWh, with average revenues of $2,724. These numbers started to increase in March of 2021, with an average of 23,889 kWh from March 2021 through the end of May 2021 and average revenues of $4,299, which is closer to our pre-COVID-19 averages. Since the 26 new ports were installed in June of 2021, the average monthly energy delivered has been 33,186 kWh, with average revenues of $6,729. This means that the average monthly kWh has increased ~5,000 kWh per month from our pre-COVID-19 averages and the average monthly revenue has increased by ~$2,000.

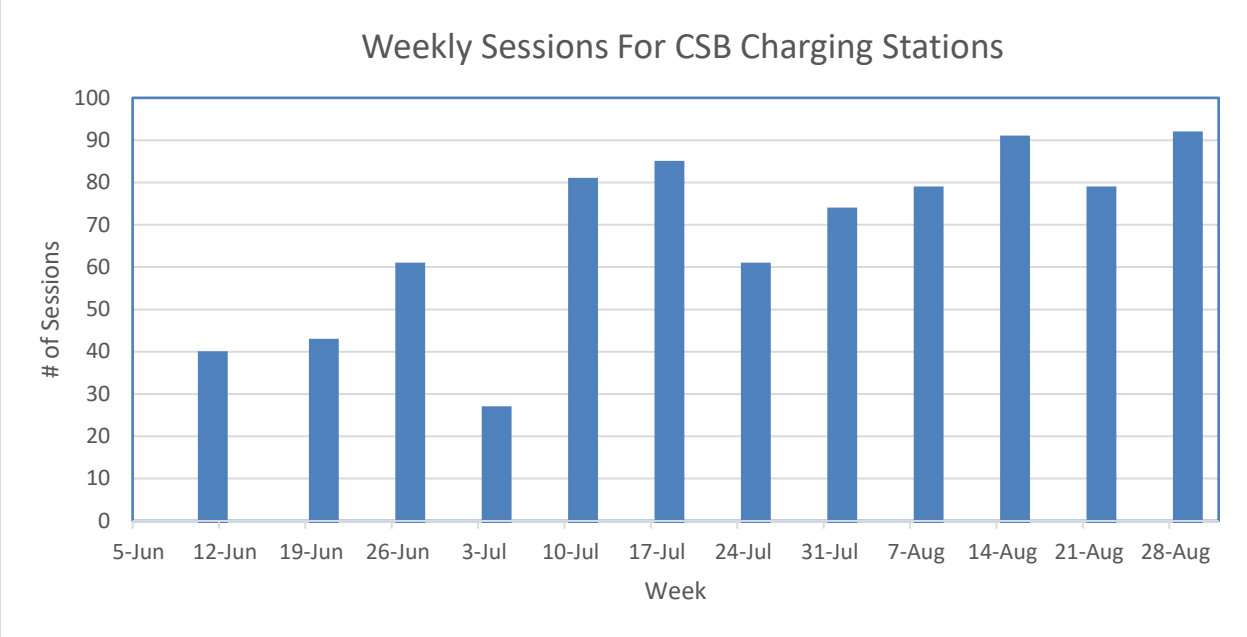
On a per port basis, from December 2019 to February 2020, the average revenue per port per month was ~$101. From March 2020 to February 2021, the average revenue per port per month decreased to ~$60. From March 2021 to May 2021, before the new ports were installed to increase from 47 to 73 total ports, the average revenue per port per month was ~$91. Since the installation of the new ports from June 2021, the average revenue per port per month has been ~$92, so it would appear that the new ports have a similar utilization rate to the existing ports.

New Community Services Building/Library Level 2 Ports

Usage for the new ports at the Community Service Building (CSB)/Library is improving over time. Below are charts of the sessions at the stations:



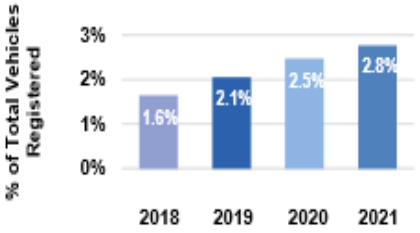
As can be seen in the chart above, Saturday (highlighted in yellow) is usually the most utilized day of the week.



From the weekly session data, we can see that utilization has increased over time, and staff expects this trend to continue as more drivers learn about these new stations.

Transportation Electrification 2021-2022 Period ending on 8/31/2021

EV Growth in Burbank*



Total EV/PHEV DMV Vehicle Registrations

2021:	2,233
2020:	2,236
2019:	1,912
2018:	1,494

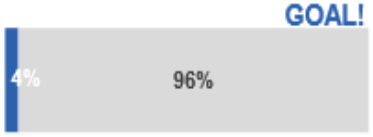
* DMV data as of Jan 01 of the reporting year

Transportation Electrification Initiatives for FY 2021-2022

Used EV Rebates

Goal: 40

GOAL!

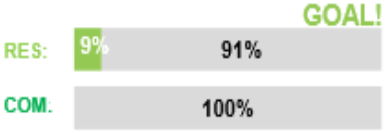


Given: 3 Remaining: 37

Charging Station Rebates

RES. Goal: 50 COM. Goal: 40

GOAL!



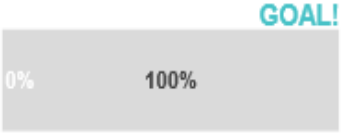
Residential: 8 Remaining (Res): 42

Commercial: 0 Remaining (Com): 40

Public Charging Ports

Goal: 40

GOAL!



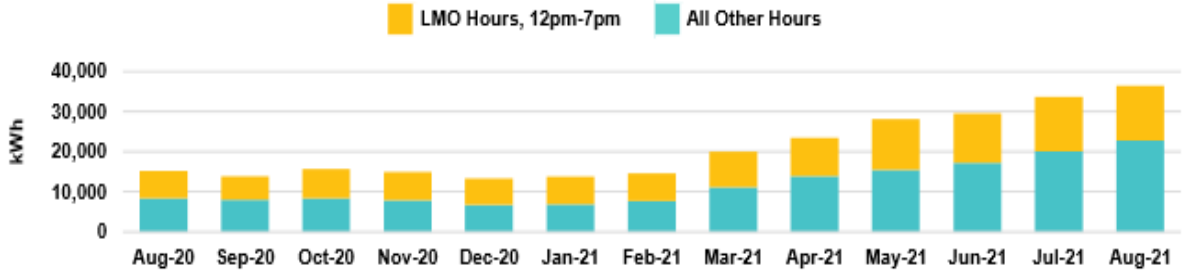
Installed: 0 Remaining: 40

Public Charging Port Statistics

	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	[1]Peak Charging Sessions	[2]Charging Occupancy
	Total Ports	Total Available						
August:	73	73	3,672	36,434	$7,371	20,987	22%	13%
Average:	73	73	3,524	35,033	$7,188	20,180	22%	13%
FY Total:	73	73	7,048	70,065	$14,377	40,360	22%	13%

** 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.*

Load Management Opportunity (LMO) Hours

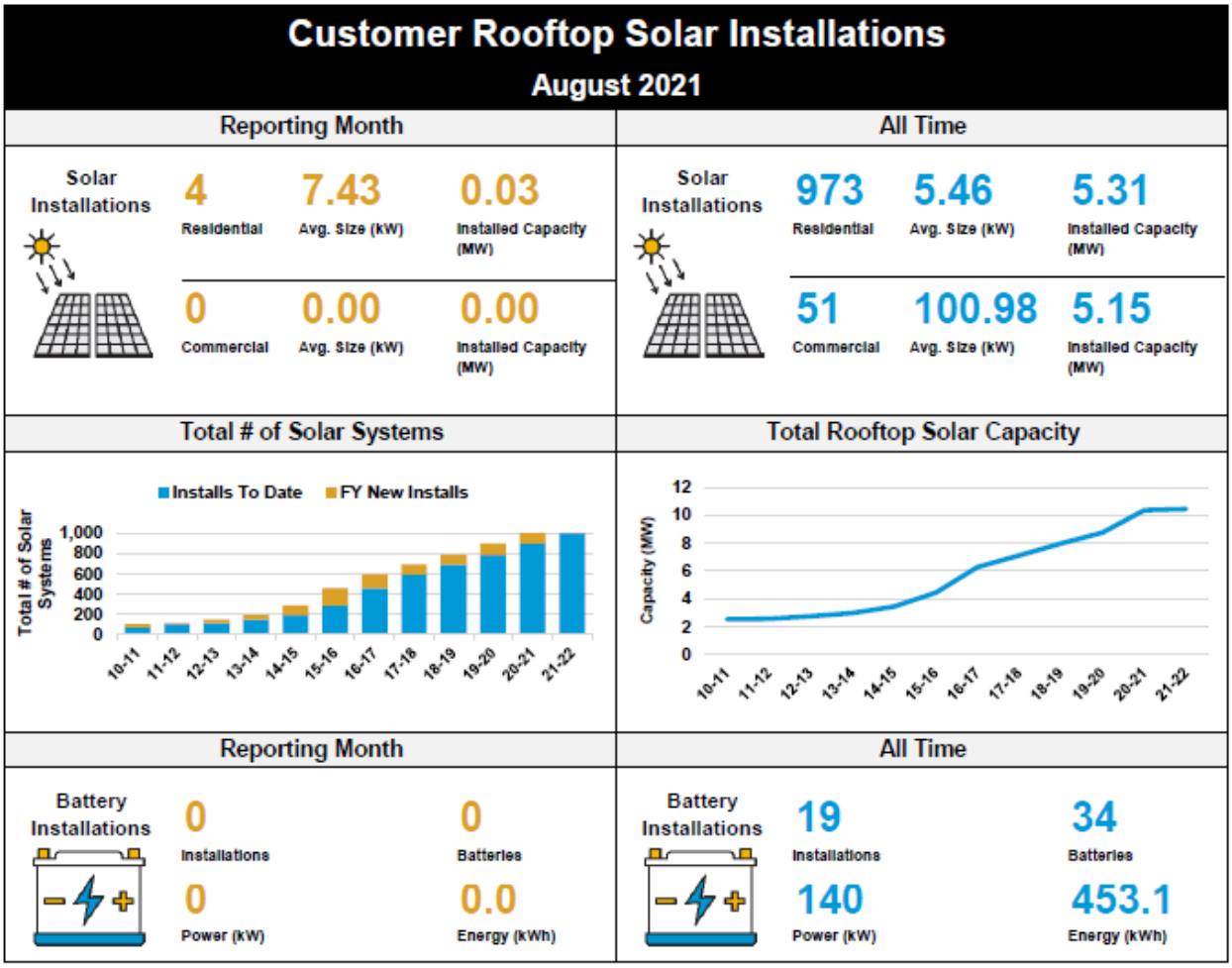


[1]Peak is defined as 4 – 7 PM, as is reflected in the Public EV Charging Station rate

[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, overall, lower equipment costs and 26% Federal Investment Tax Credit in 2021 make purchasing solar and/or battery systems more accessible. System capacity and number of installations are tracked monthly and in total below.



TECHNOLOGY

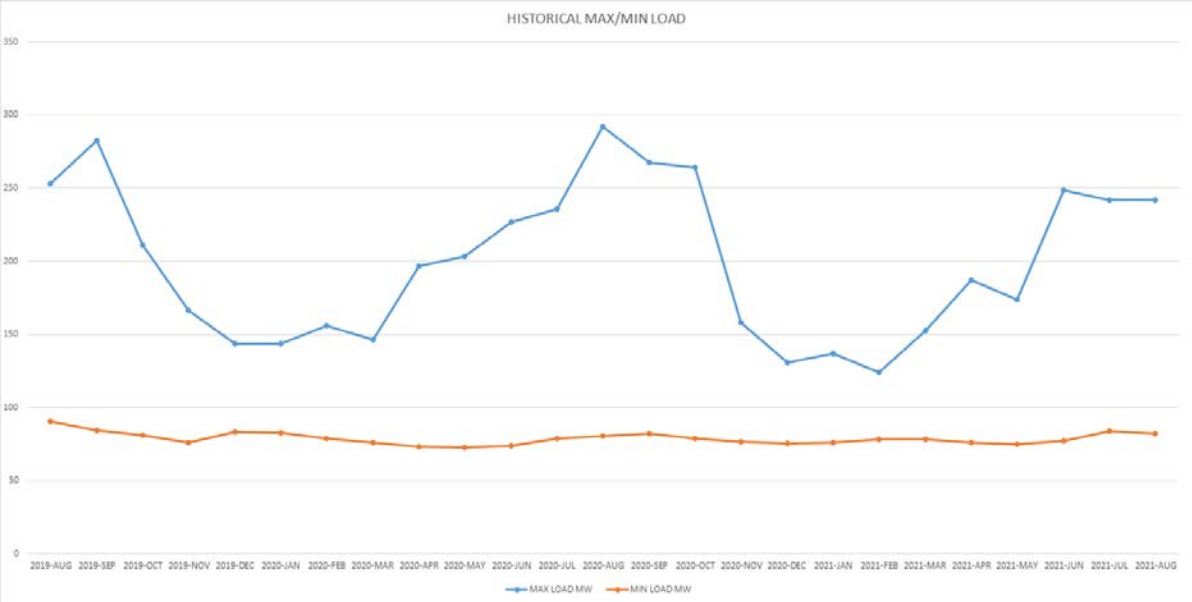
Broadband Services (ONEBurbank)

	August 2021 New Orders	Revenues for August 2021	FYTD 2021-22 Revenues	FYTD Budget
Lit	**6**	**$144,830**	**$285,771**	**$270,000**
Dark	**0**	**$200,665**	**$383,130**	**$405,000**
Total	**6**	**$345,495**	**$668,901**	**$675,000**

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for August 2021 was 242.1 MW at 3:29 PM on August 3, and the minimum load was 82 MW at 7:29 AM on August 9.



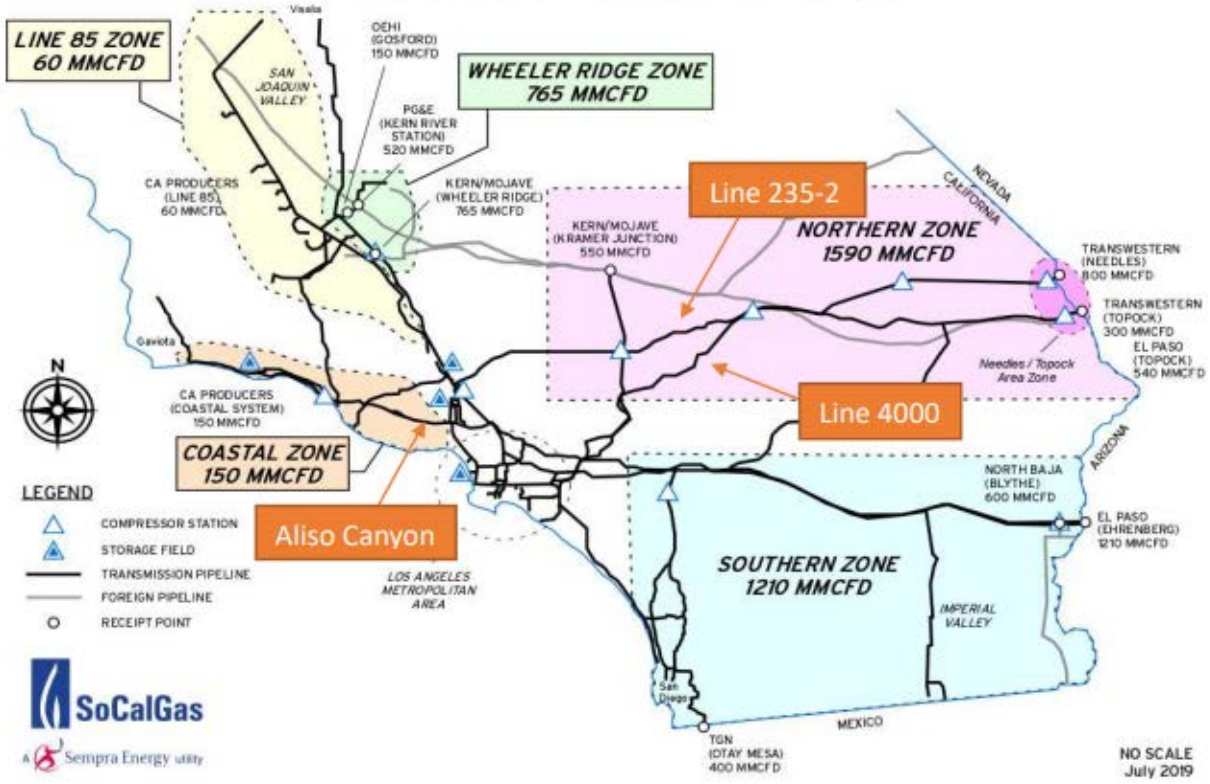
Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
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
2017	322.1 MW	31-Aug-17 16:02

The Burbank power system did not experience any operational issues or natural gas supply issues for August 2021. BWP had zero days of red flag warnings.

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.

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	**100%**	**151**	**5,523**	**10,348**	**18**
MPP	**100%**	**744**	**122,311**	**7,703**	**0**

Olive 1 and 2 remained in dry storage, with a 120-day notice required to restart. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively.

Lake 1 experienced operational concerns in late December. As a result, it was removed and shipped to a certified facility in Houston, TX for inspection and repairs. **The inspection findings indicated the need to replace multiple components that were worn beyond allowable limits and BWP is now proceeding with a full turbine overhaul. Revised estimates included a possible December 2021 return to service and a leased turbine remains installed to mitigate summer risks. The leased turbine was placed online eighteen times during the month of August.**

Magnolia Power Project (MPP)

	August	FYTD	YTD
Availability	**100%**	**100%**	**61%**
Unit Capacity Factor (240 MW)	**69%**	**70%**	**42%**

There were no plant trips or other outages at MPP during the month of August. Preparations are underway for the September 24-27, 2021 planned outage. The main purpose of the outage is to perform an offline water wash of the combustion turbine compressor. Other preventative maintenance items will also be addressed during the outage.

Tieton Hydropower Project (Tieton)

Tieton's 2021 generation season began April 5, 2021 with a single generation unit due to limited water flow controlled by the United States Bureau of Reclamation (BOR). **In August, the Rimrock Reservoir, which supplies Tieton, was reduced to 72% capacity and water flow to Tieton allowed operation of both generation units. Approximately 9,074 MWh were generated in August for the project. A wildfire sparked by lightning in Schneider Springs was discovered on August 4. It has burned over 102,819 acres and is 26% contained. It is being managed under a full suppression strategy and over 590 personnel are on site. It is within 20-30 miles of Tieton, however, it is currently not a risk to generation output or equipment.**

ENVIRONMENTAL

Air Quality

Air quality tests were conducted on MPP on June 3 and June 4, 2021 and on the Lake unit on June 7, 2021. The tests were completed successfully and the formal reports **have been issued and submitted to the South Coast Air Quality Management District (SCAQMD).** Air quality testing is required by the Environmental Protection Agency (EPA) and the SCAQMD to ensure the facility is operating in accordance with its permit to operate.

Storm Water

The State Water Resources Control Board Industrial General Permit requires industrial facilities to collect, at a minimum, four storm water samples per reporting year and compare them to statewide regulatory limits. **No samples have been collected for the current reporting year of July 1, 2021 to June 30, 2022**. The results from the **previous reporting year** samples continue to indicate ongoing compliance issues with metals, specifically zinc. Samples were also collected from the offsite influent that commingles with BWP's storm water discharge. The offsite samples also exceeded the limits for metals.

In order to address the storm water compliance issues, BWP is in the process of implementing a campus storm water improvement project. BWP has completed an environmental review of the project required under the California Environmental Quality

Act (CEQA). The environmental review will be finalized when the project is approved by the Burbank City Council. MNS Engineers was contracted to prepare the final design plans, as well as provide engineering support and permitting support for the project. After the final design is completed, 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 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.

PROJECT UPDATES:

Power Resources

Renewable Portfolio Standard (RPS) Compliance

BWP continues to be on track to meet RPS compliance requirements for calendar year 2021. The calendar year 2021 goal is 35.75% RPS. BWP staff continues to evaluate renewable resources in order to meet future compliance requirements. Staff submitted the RPS report to the California Energy Commission in August.

On December 22, 2020, the California Energy Commission (CEC) adopted new regulations on several important RPS regulations. The regulations were finalized on July 12, 2021. The CEC provided clarification on how to count resources towards the long term requirement, which requires that 65% of RPS compliance come from contracts that are 10 years or longer in duration, as well as set new interim targets, post calendar year 2020. The new regulations now comply with the SB 100 requirement of utilities needing to meet a 60% RPS by 2030, meaning that 60% of BWP's retail load requirement will need to come from renewable resources by 2030.

Integrated Resource Plan (IRP) Update

As BWP moves forward with an update to the IRP, it is possible that it may look different and it may be a document that provides a path towards BWPs many compliance requirements. Concurrently, BWP is starting to review options for a new IRP, which is due to the CEC in 2024. Stakeholder engagement efforts, compliance and costs will be some of the major factors in the 2024 IRP.

Transmission Update

Negotiations with LADWP regarding the renewal of several existing transmission service agreements (TSA), including those associated with Hoover and IPP, are ongoing. An amendment for a one-year extension of the existing Hoover TSA was approved by consent by City Council on April 28, 2020. This amendment extended the Hoover TSA through September 30, 2021. **In mid-July, staff worked with LADWP to finalize the TSA documents for both Hoover and IPP. Staff took the agreements to the Board on August 5, 2021 and to City Council on August 10, 2021 and received unanimous approval. These agreements were signed and forwarded to LADWP. On September 14, 2021, LADWP's Board approved both agreements. LADWP signed originals of both agreements are expected to be received by BWP by the end of September.**

Intermountain Power Project (Delta, UT) Renewal Progress

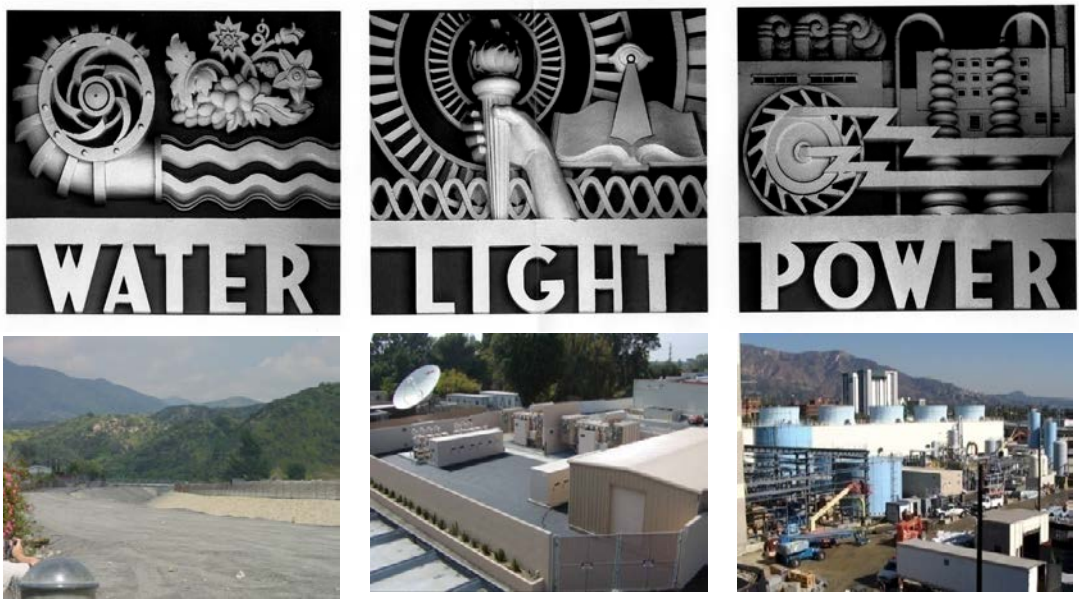
LADWP, BWP and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production, and power generation at IPP. In the medium-term, the IPP Renewal participants are targeting 30% green hydrogen combustion by July 2025, when the IPP repower project is scheduled to come on-line. 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. At the June 3, 2021 BWP Board meeting, staff provided an IPP update. The update included details on the IPP renewal contract, costs and how the green hydrogen will be incorporated into the IPP renewal. Staff will provide updates on IPP as costs are refined and as the project breaks ground.

Staff is presently working with IPA and SCPPA on agreements which relate to funding and bond issuances in support of construction at IPP. As these items are finalized, staff will be bringing them to the Board seeking their support and recommendation to City Council.

Power Production

Lake One Power Plant Emissions Retrofit Project

BWP is in the process of developing a bid specification and front-end documents for the retrofit of the Lake One power plant emissions control system. The new emissions control system will allow Lake One to remain in compliance with upcoming SCAQMD 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
July-21

UNAUDITED

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD July 2021
($ in 000's except MWh Sales)

MTD Actual FY 21-22	MTD Budget FY 21-22	$ Variance	% Variance			YTD Actual FY 21-22	YTD Budget FY 21-22	$ Variance	% Variance
107,085	110,398	(3,313)	(3%)	[a]	NEL MWh	107,085	110,398	(3,313)	(3%)
					Retail				
$ 16,339	$ 17,179	$ (840)	(5%)		Retail Sales	$ 16,339	$ 17,179	$ (840)	(5%)
382	566	(185)	(33%)		Other Revenues	382	566	(185)	(33%)
10,240	10,433	192	2%	[b]	Retail Power Supply & Transmission	10,240	10,433	192	2%
6,481	7,313	(832)	(11%)		**Retail Margin**	6,481	7,313	(832)	(11%)
					Wholesale				
2,729	7,524	(4,795)	(64%)		Wholesale Sales	2,729	7,524	(4,795)	(64%)
2,230	7,405	5,174	70%		Wholesale Power Supply	2,230	7,405	5,174	70%
499	119	380	319%		**Wholesale Margin**	499	119	380	319%
6,980	7,432	(452)	(6%)		**Gross Margin**	6,980	7,432	(452)	(6%)
					Operating Expenses				
777	1,041	264	25%		Distribution	777	1,041	264	25%
209	137	(73)	(53%)	[c]	Administration/Safety	209	137	(73)	(53%)
133	262	129	49%	[d]	Finance, Fleet, & Warehouse	133	262	129	49%
516	519	2	0%		Transfer to General Fund for Cost Allocation	516	519	2	0%
448	577	129	22%		Customer Service, Marketing & Conservation	448	577	129	22%
412	475	64	13%		Public Benefits	412	475	64	13%
305	133	(172)	(130%)	[e]	Security/Oper Technology	305	133	(172)	(130%)
83	147	64	44%	[f]	Telecom	83	147	64	44%
74	202	128	63%	[g]	Construction & Maintenance	74	202	128	63%
1,680	1,881	201	11%		Depreciation	1,680	1,881	201	11%
4,636	5,373	737	14%		Total Operating Expenses	4,636	5,373	737	14%
$ 2,344	$ 2,059	$ 285	14%		**Operating Income/(Loss)**	$ 2,344	$ 2,059	$ 285	14%

Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD July 2021

($ in 000's)

MTD Actual FY 21-22	MTD Budget FY 21-22	$ Variance	% Variance		YTD Actual FY 21-22	YTD Budget FY 21-22	$ Variance [2]	% Variance
$ 2,344	$ 2,059	$ 285	14%	**Operating Income/(Loss)**	$ 2,344	$ 2,059	$ 285	14%
				Other Income/(Expenses)				
88	66	22	33%	Interest Income	88	66	22	33%
149	26	123	470% [h]	Other Income/(Expense) [4]	149	26	123	470%
(279)	(279)	-	0%	Bond Interest/ (Expense)	(279)	(279)	-	0%
(43)	(187)	144	77%	Total Other Income/(Expenses)	(43)	(187)	144	77%
2,301	1,872	429	23%	**Net Income**	2,301	1,872	429	23%
292	1,215	(923)	(76%) [i]	Capital Contributions (AIC)	292	1,215	(923)	(76%)
$ 2,593	$ 3,086	$ (493)	(16%)	**Net Change in Net Assets**	$ 2,593	$ 3,086	$ (493)	(16%)

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 July 2021
($ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget		Explanation
a.	Electric Usage in MWh	107,085	110,398	(3,313)	-	NEL is 3% lower than budget, which is driven primarily by the closing of businesses within Burbank due to the pandemic orders beginning on March 19th, 2020, and is partially offset by higher than average temperature in July. The average high temperature was 88.4°F, compared to the 15-year average high temperature of 86.9°F. The average low temperature was 63.0°F, compared to the 15-year average low temperature of 63.2°F. MTD CDD were 343 versus the 15-year average of 319.
b.	Retail Power Supply & Transmission	10,240	10,433	192	-	The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
c.	Administration/Safety	209	137	(73)	-	The unfavorable variance is primarily attributable to the timing of payments for membership dues.
d.	Customer Service, Marketing & Conservation	448	577	129		The favorable variance is primarily attributable to vacancies and the timing of software/hardware purchases.
e.	Security/Oper Technology	305	133	(172)	-	The unfavorable variance is primarily attributable to the timing of software/hardware purchases.
f.	Telecom	83	147	64	-	The favorable variance is primarily attributable to the timing of professional and private contractual services.
g.	Construction & Maintenance	74	202	128	-	The favorable variance is primarily attributable to the timing of custodial services and building maintenance expenses.
h.	Other Income/(Expense)	149	26	123	-	The favorable variance is primarily attributable to the timing of expenses related to Low Carbon Fuel Standard credits.
i.	Capital Contributions (AIC)	292	1,215	(923)	-	The unfavorable variance is primarily attributable to the timing of capital projects.

July 2021 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): $2,301	$ 429	$ -	$ 429
MTD GROSS MARGIN VARIANCE			
Retail Sales	-	(840)	(840)
Power Supply and Transmission:			
- Lower retail load	70	-	70
- Lower than planned renewables cost and other	276	-	276
- Lower transmission	117	-	117
- Higher energy prices	-	(584)	(584)
- Lower O&M	313	-	313
Other Revenues	-	(185)	(185)
Wholesale Margin	380	-	380
Total	$ 1,156	$ (1,609)	$ (453)
MTD O&M AND OTHER VARIANCES			
Distribution	264	-	264
Administration/Safety	-	(73)	(73)
Finance, Fleet, & Warehouse	129	-	129
Customer Service, Marketing & Conservation	129	-	129
Public Benefits	64	-	64
Security/Oper Technology	-	(172)	(172)
Telecom	64	-	64
Construction & Maintenance	128	-	128
Depreciation expense	201	-	201
All other	147	-	147
Total	$ 1,126	$ (244)	$ 882

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

	Jul-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserve	$ 75,659	$ 73,156	$ 70,186	$ 65,223	$ 65,133 [f]	$ 52,719 [d] [e]	$ 67,320 [b]	$ 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 [g]	3,761	3,740	4,210	6,021	3,769	17,163	16,817		
Sub-Total Cash and Investments	89,420	86,896	84,396	81,244	78,902	79,882	94,137	73,010	42,770
Customer Deposits	(5,701)	(4,245)	(2,722)	(3,083)	(1,486)	(1,811)	(5,641)		
Public Benefits Obligation	(8,575)	(8,128)	(8,198)	(8,287)	(7,826)	(6,990)	(6,069)		
Pacific Northwest DC Intertie	-	-	-	(45)	(48)	(62)	(2,218)		
Low Carbon Fuel Standard [c]	(2,998)	(2,999)	(2,470)	(3,273)	(3,394)	(3,642)	(2,267)		
IPP Decommission	(2,000)	(2,000)	-	-					
Cash and Investments (less Commitments)	**70,146**	**69,523**	**71,005**	**66,556**	**66,149**	**67,376**	**77,942**	**73,010**	**42,770**

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

[b] Includes a $3.95M loan to the Water Fund for the purchase of cyclic storage water.

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

[d] Includes early redemption of the 2010A Electric Bonds ($7.63M).

[e] Includes a $2.5M loan to the Water Fund for the purchase of cyclic storage water.

[f] Includes a one-time payment to CalPERS (for pension) in the amount of $2.75M.

[g] Includes a $4.4M drawdown to pay SCPPA for June and July power invoices, $4.6M for July and August power invoices, $4.6M for August and September power invoices, and $2.3M for December and January power invoices.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets [1] [2]
MTD and FYTD July 2021
($ in 000's except Gallons)

MTD Actual FY 21-22	MTD Budget FY 21-22	$ Variance	% Variance		YTD Actual FY 21-22	YTD Budget FY 21-22	$ Variance	% Variance
522	524	(2)	(0%) [a]	Water put into the system in Millions of Gallons	522	524	(2)	(0%)
116	107	8	8%	Metered Recycled Water in Millions of Gallons	116	107	8	8%
				Operating Revenues				
$ 2,862	$ 2,904	$ (41)	(1%)	Potable Water	$ 2,862	$ 2,904	$ (41)	(1%)
462	423	39	9%	Recycled Water	462	423	39	9%
145	120	24	20%	Other Revenue [3]	145	120	24	20%
3,469	3,447	22	1%	Total Operating Revenues	3,469	3,447	22	1%
1,173	1,326	153	12% [b]	Water Supply Expense	1,173	1,326	153	12%
2,296	2,121	175	8%	**Gross Margin**	2,296	2,121	175	8%
				Operating Expenses				
647	777	130	17%	Operations & Maintenance - Potable	647	777	130	17%
126	139	13	10%	Operations & Maintenance - Recycled	126	139	13	10%
200	226	26	12%	Operations & Maintenance - Shared Services	200	226	26	12%
143	144	0	0%	Transfer to General Fund for Cost Allocation	143	144	0	0%
347	373	25	7%	Depreciation	347	373	25	7%
1,463	1,658	195	12%	Total Operating Expenses	1,463	1,658	195	12%
832	462	370	80%	**Operating Income/(Loss)**	832	462	370	80%
				Other Income/(Expenses)				
11	11	0	0%	Interest Income	11	11	0	0%
56	49	7	14%	Other Income/(Expense) [4]	56	49	7	14%
(143)	(208)	(65)	(31%)	Bond Interest/(Expense)	(143)	(208)	65	31%
(76)	(149)	72	49%	Total Other Income/(Expenses)	(76)	(149)	72	49%
756	314	442	141%	**Net Income/(Loss)**	756	314	442	141%
27	33	(6)	(17%)	Aid in Construction	27	33	(6)	(17%)
$ 783	$ 347	$ 437	126%	**Net Change in Net Assets**	$ 783	$ 347	$ 437	126%

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.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
MTD July 2021
($ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget		Explanation
a.	Water put into the system in Millions of Gallons	522	524	(2)	-	Potable water demand was on budget. The average high temperature was 88.4°F, compared to the 15-year average high temperature of 86.9°F. The average low temperature was 63.0°F, compared to the 15-year average low temperature of 63.2°F. MTD CDD were 343 versus the 15-year average of 319.
b.	Water Supply Expense	1,173	1,326	153	-	The favorable variance is a result of using more Valley/BOU water which is less costly than imported MWD water.

July 2021 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): $756	$ 442	$ -	$ 442
MTD GROSS MARGIN VARIANCE			
Potable Revenues	-	(41)	(41)
Recycled Revenues	39	-	39
Other Revenue	24	-	24
Water Supply Expense	153	-	153
Total	216	$ (41)	$ 175
FYTD O&M AND OTHER VARIANCES			
Potable O&M	130	-	130
Recycled Water O&M	13	-	13
Allocated O&M	26	-	26
Depreciation Expense	25	-	25
All Other	72	-	72
Total	$ 267	$ -	$ 267

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

	Jul-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserves	$ 13,949	$ 12,181	$ 15,066	$ 13,972	$ 10,972 [e]	$ 8,395 [c] [d]	$ 11,555 [b]	$ 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	16,169	14,401	17,286	16,192	13,192	10,615	13,775	17,830	9,370
Customer Deposits	(1,198)	(1,125)	(1,151)	(1,311)	(1,133)	(1,227)	(1,454)		
Cash and Investments (less commitments)	**$ 14,971**	**$ 13,276**	**$ 16,136**	**$ 14,882**	**$ 12,060**	**$ 9,388**	**$ 12,321**	**$ 17,830**	**$ 9,370**

[a] The Statement of Cash Balances may not add up due to rounding.
[b] Includes a $3.95M loan from the Electric Fund for the purchase of cyclic storage water.
[c] Includes early redemption of the 2010A Water Bonds ($2.07M).
[d] Includes a $2.5M loan from the Electric Fund for the purchase of cyclic storage water.
[e] Includes a one-time payment to CalPERS (for pension) in the amount of $440k.