



WATER AND
POWER



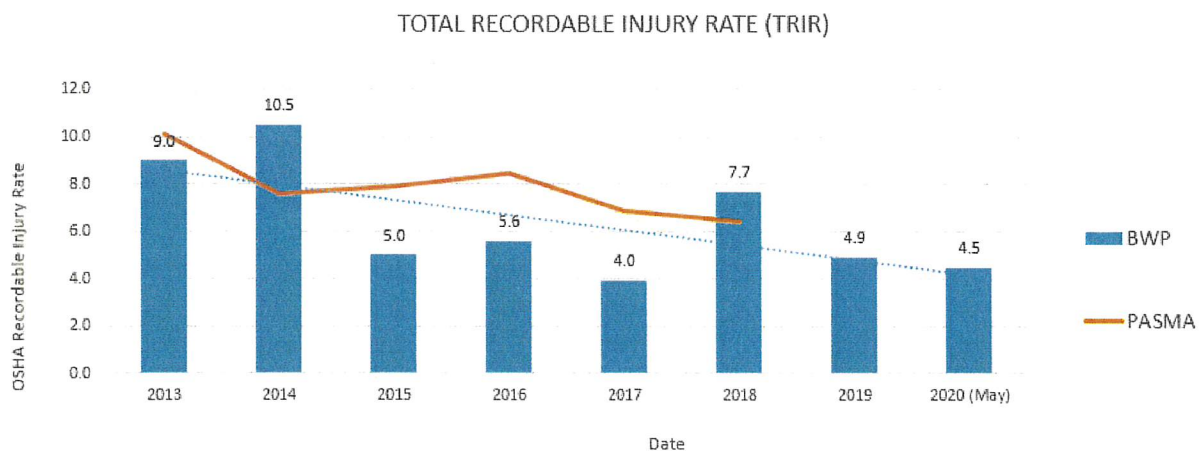
CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

DATE: July 2, 2020
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: May 2020 Operating Results

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

SAFETY

For the month of May, BWP experienced one OSHA recordable injury. BWP's 12 month rolling rate for the end of this reporting period is 4.5.



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)
APPA - American Public Power Authority - All Members

Water Estimated Financial Results

For the month of May, Potable Water usage was 10% (42 million gallons) higher than budgeted and Potable Water Revenues were \$248,000 better than budgeted. Recycled Water usage was 11% (10 million gallons) higher than budgeted and Recycled Water Revenues were \$48,000 better than budgeted. May Water Supply Expenses were \$121,000 higher than budgeted, corresponding to the higher demand. MTD Water Supply Expenses were also impacted by higher than planned purchase of MWD treated water since the Burbank Operable Unit (BOU) was not running at full capacity. May's Gross Margin was \$154,000 higher than budgeted. Net Income was \$200,000, which was \$154,000 higher than budgeted.

May fiscal-year-to-date (FYTD) Potable Water usage was 1% (39 million gallons) higher than budgeted. FYTD May Potable Water Revenues were \$114,000 better than budgeted. FYTD Recycled Water usage was 6% (50 million gallons) lower than budgeted and Recycled Water Revenues were \$113,000 lower than budgeted. FYTD Water Supply Expenses were \$383,000 higher than budgeted, due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay, resulting to no local water production from February through early part of the March. YTD Water Supply Expenses were also impacted by higher than planned purchase of MWD treated water due to damages suffered by the Burbank Operable Unit (BOU) from the Golden State Station fire in April. The FYTD May Gross Margin was \$376,000 lower than budgeted. Operating Expenses were \$1,711,000 lower than budgeted. Net Income was \$1,342,000, which was \$1,377,000 better than budgeted.

Electric Estimated Financial Results

For the month of May, electric loads were 11% lower than budget. Retail Sales were \$1,476,000 lower than budgeted. May Power Supply Expenses were \$478,000 lower than budgeted. May's Wholesale Margin was \$167,000 better than budgeted. May's Gross Margin was \$1,039,000 lower than budgeted. Net Loss was \$1,734,000, which was \$1,039,000 lower than budgeted.

FYTD May electric loads were 8% lower than budget. Retail Sales were \$9,746,000 lower than budgeted. FYTD Power Supply Expenses were \$10,000,000 lower than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load), lower retail load, and higher than planned annual true up credits. FYTD Wholesale Margin was \$278,000 lower than budgeted. FYTD Gross Margin was \$1,014,000 lower than budgeted. May FYTD Operating Expenses were \$1,594,000 lower than budgeted. Net Loss was \$932,000, which was \$781,000 better than budgeted.

COVID-19 “Safer at Home” Order Impacts

Financial Impacts

May’s results reflect the second full month of the impacts resulting from the COVID-19 pandemic “Safer at Home” order (the order) issued by Los Angeles County and the State of California on Thursday, March 19, 2020. With many Burbank commercial enterprises being closed or curtailing operations, this order has, and is anticipated to continue to, significantly impact commercial demand for water and energy in Burbank. Historically, approximately 25% of Burbank’s water, and 75% of Burbank’s electric, load is attributable to its commercial enterprises.

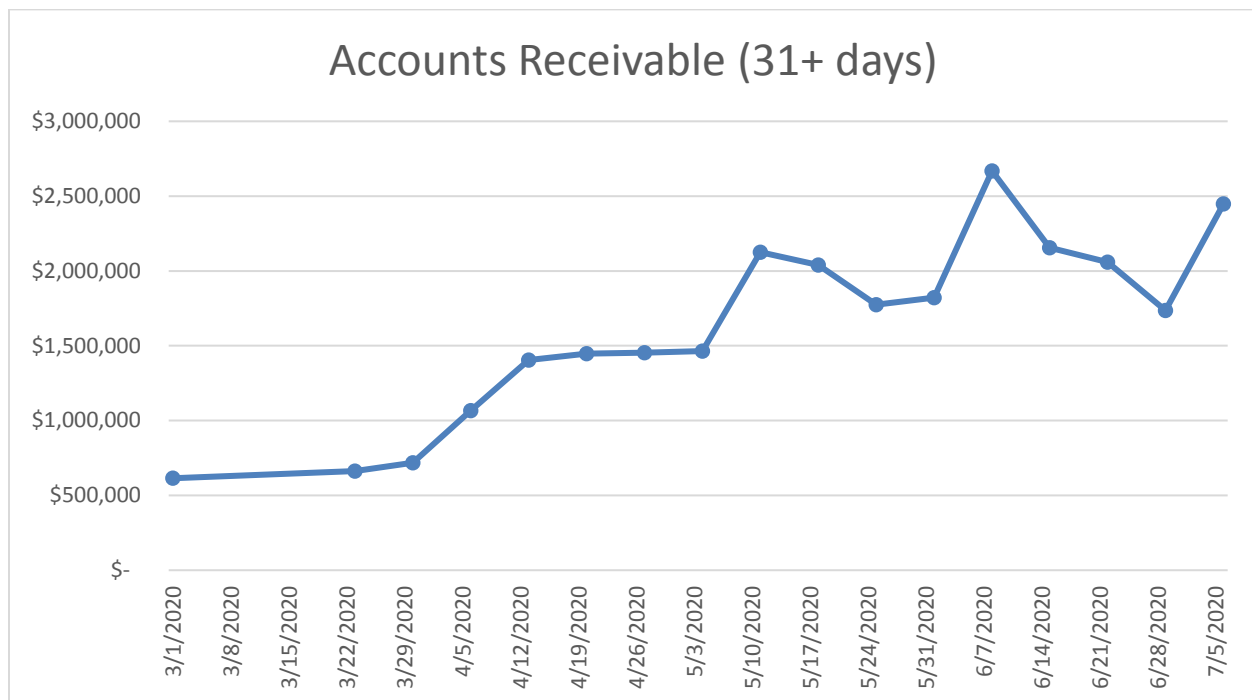
May saw a significant increase in water demand from April. May potable water usage was 10% above the budgeted amount primarily attributed to warmer than average temperature and partially offset by lower demand from commercial customers.

May experienced significantly lower daily energy demand as compared to the budget. May’s energy demand was 11% below the budgeted amount. Since commercial load makes up 75% of electric demand, it is understandable that the order’s impact is more significant on the Electric Fund than the Water Fund. BWP has observed that its load curves have been largely unchanged with lower peaks and load minimums lower by 5%-6%.

At the May 7 BWP Board meeting, staff estimated that if the order remained in effect through June 30, 2020, the Water Fund would experience a 9% reduction in potable water sales, resulting in a \$700k loss in water revenues and a \$400k lower water gross margin than originally planned; and the Electric Fund would see an additional 12% reduction in energy sales, resulting in a \$4.2 million loss in electric revenues and an electric gross margin that is \$3.6 million lower than originally planned. Based on May’s sales, staff expects slightly better results than what was presented at the May Board meeting.

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 UUT**

WATER DIVISION

State Water Project Update

On May 22, 2020, the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A from 15% to 20% due to above-average precipitation in May. Following below-average precipitation most of the winter, May storms delivered 181% of average in the Northern Sierra for this time of year. The May announcement will likely be the final allocation update of 2020. This year's snowpack is the 11th driest on record since 1950 and precipitation stands as the seventh driest on record since 1977. Thirty percent of California's annual water supply comes from snowpack.

Lake Oroville, the SWP's largest reservoir, is currently at 67% of capacity and 80% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 76% of capacity and 90% of average. In Southern California, SWP's Castaic Lake is at 93% of capacity and 104% of average.

A 20% allocation amounts to 843,696 acre-feet of water.

Burbank's Water Use

The table below shows water use in Burbank during May 2020 compared to May 2019 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
May 2019	123 gpcd	132 gpcd
May 2020	139 gpcd	135 gpcd

These figures show annual water use is on target to be below 157 gpcd that must be met by the year 2020.

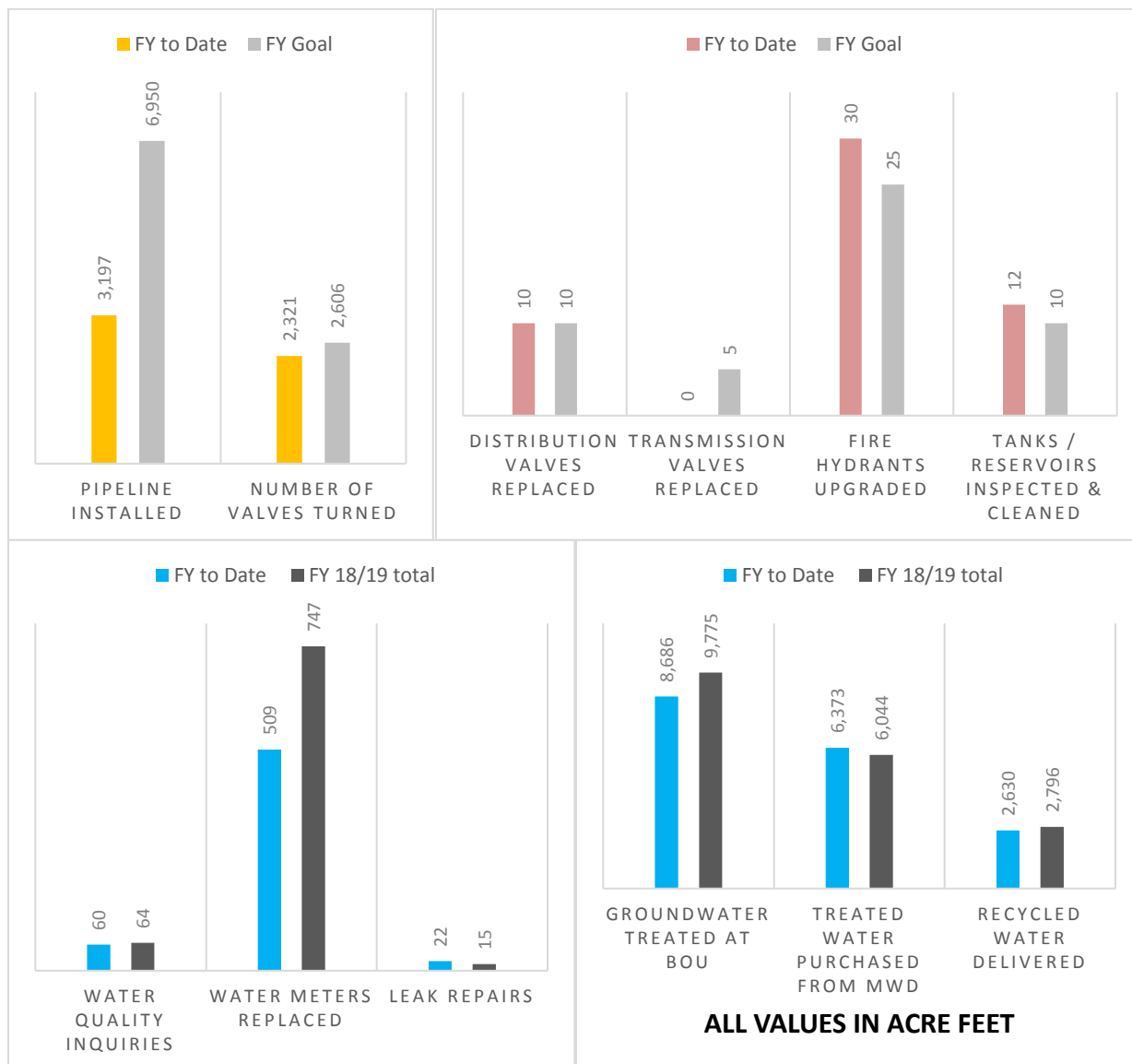
Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the rolling quarter of March through May.

	Capacity Factor	Average Flow Rate (FY Total)
March 20	38.16%	3435 gpm
April 20	47.82%	4304 gpm
May 20	68.87%	6199 gpm

Key Performance Indicators

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



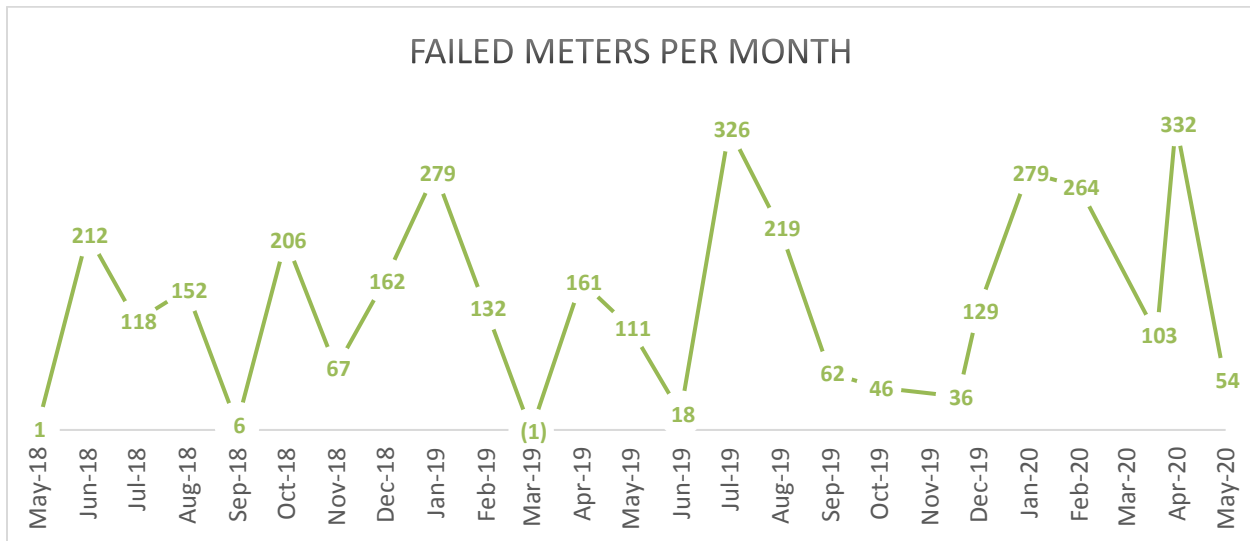
Leak Alert Notifications

During the Fall of 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 water use 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 18 months.

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, 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, we have provided 11,756 leak alerts to customers. Unfortunately, a high volume of communication modules are not working reliably and replacement units are no longer produced.

As of May 2020, 3,676 communication modules are not working properly out of 26,985 meters (about 13.6%). That is an increase of 54 meters since last month. We 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, we are now in the process of notifying additional customers.



Projects

12-inch Potable Main Project:

This section of water main will connect Tulare Avenue to Kenwood Street. This will alleviate 2 dead ends in the distribution system, which in turn will improve water quality.

These essential workers are in the public eye at all times and by continually following safe work practices, they provide sound public relations and messaging, which is valuable both in normal times and during a crisis like this one.





ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In May 2020, BWP experienced two sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,167,460 customer minutes.

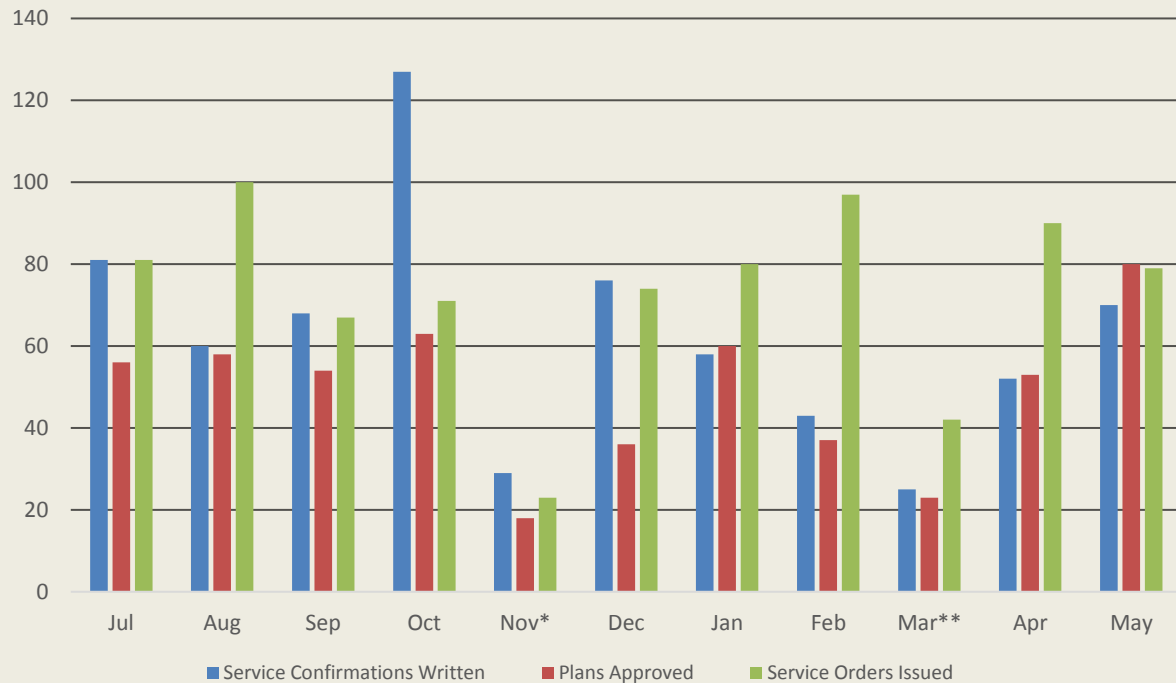
Reliability Measurement	June 2018 – May 2019	June 2019 – May 2020
Average Outages Per Year (SAIFI)	0.4844	0.3349
Average Outage Duration (CAIDI)	33.04 minutes	24.27 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.3273	0.2788
No. of Sustained Feeder Outages	14	9
No. of Sustained Outages by Mylar Balloons	2	2
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	3	0

PROJECT UPDATES

Residential and Commercial Service Planning Activities

BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing 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 Electrical Engineering Section.

Residential and Commercial Service Planning Activity Summary Fiscal Year 19-20

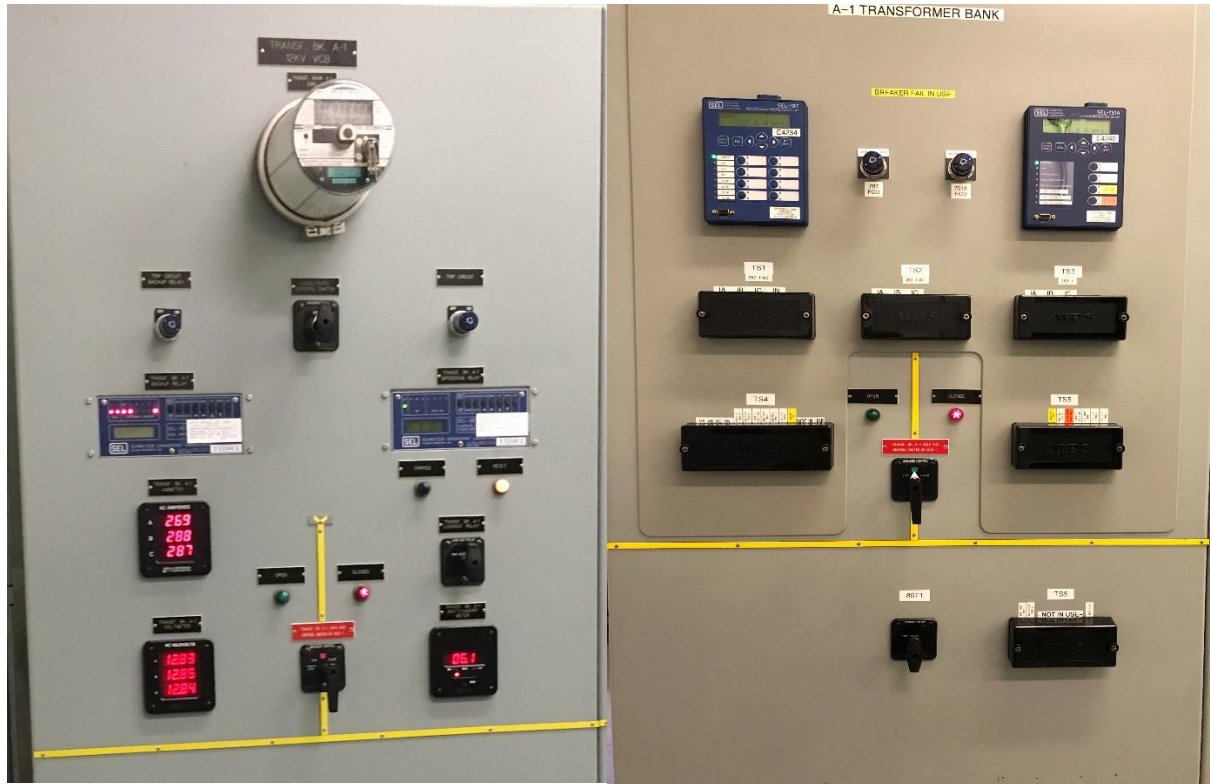


* Nov-19 activity slow down is not representative of a typical November and was the result of a temporary deficiency in labor resources for the service planning group.
 ** Mar-20 activity slow down is due to the coronavirus pandemic.

Transformer Relay Replacement at Keystone Substation

BWP has been replacing its older substation transformer relays with modern microprocessor-based relays. Keystone substation's older style microprocessor relays that were replaced have reached their expected life. In addition, the new relays provide additional equipment protection, improved telemetry, relay event reports, and early event notifications via TEAM software which will aid in troubleshooting system events.

BWP's Electrical Equipment Section installed, tested, and commissioned the new relays for Keystone A-1 & A2 banks in May 2020. Pictures can be seen below.



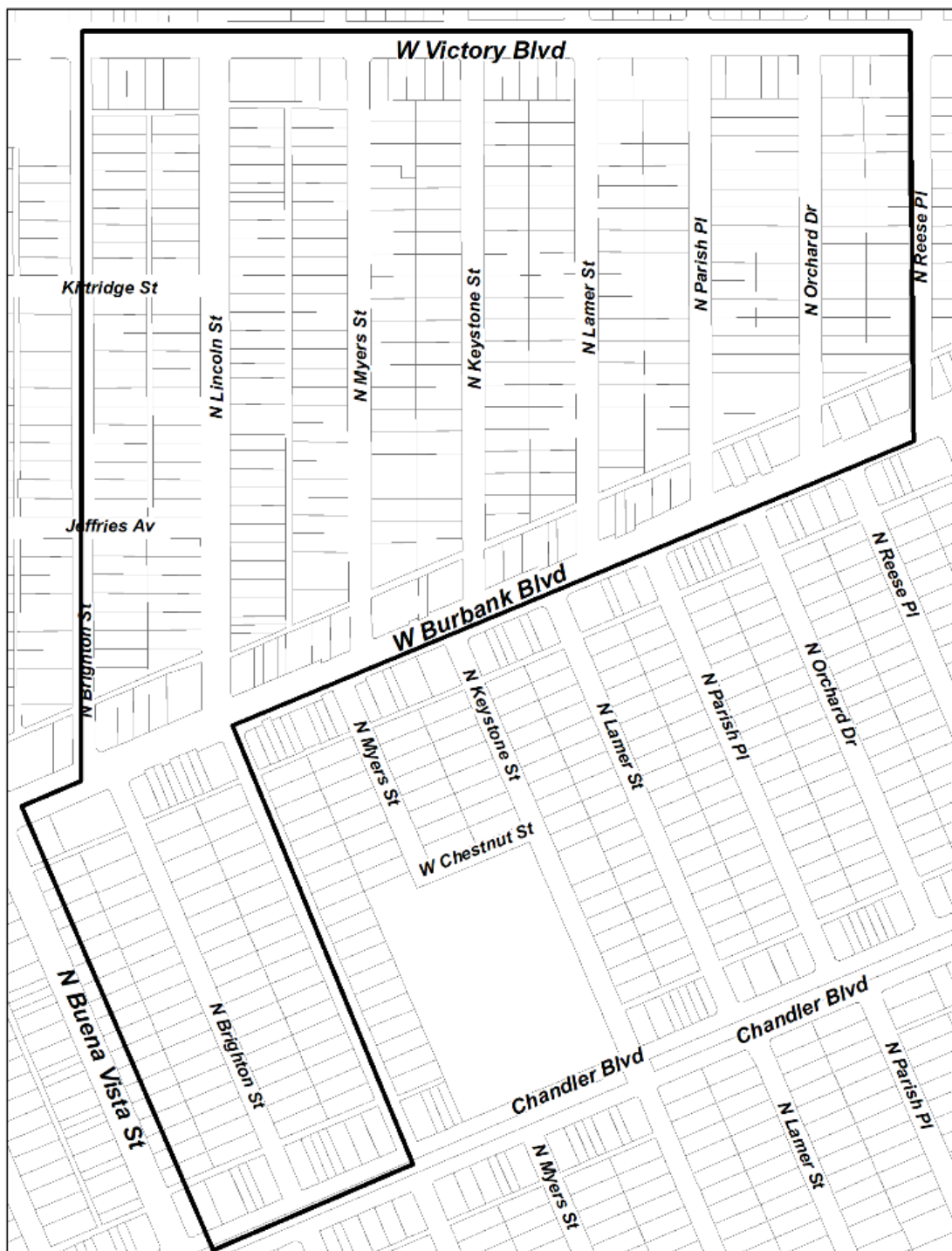
Before Installation (Old Relays)

After Installation (New Relays)

Victory-7 4kV to 12kV Pole Line Rebuild & Conversion

In alignment with its Electric Distribution Master Plan goals, BWP is managing its aging infrastructure through strategic replacement of assets by converting its circuits from 4kV to 12kV. Performing these conversions improves system efficiency and replaces deteriorated poles, worn distribution transformers, and conductors with new ones. Additionally, it transfers electrical load from BWP's oldest 4kV electrical substations. This also allows for the timely retirement of BWP's older 4kV stations, which enables BWP to avoid costly upgrades to its large power transformers, power circuit breakers, voltage regulators, disconnect switches, and other station components.

The Victory-7 conversion area contains 149 poles, 67 transformers, 8,610 feet of overhead primary wire, and 13,930 feet of overhead secondary wire.



V-7 Conversion Area

The pole line rebuild for the Victory-7 4kV feeder has resumed in alley areas. Construction work in the remaining portions of the conversion area will continue through late summer of 2020.

STREET LIGHTING

LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) streetlight luminaires with light-emitting diode (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. The LED replacements consume approximately 60% less energy. To date, 64.51% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,647 MWh or a 39.35% reduction in energy consumption. LED conversions have also reduced evening load by 833 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

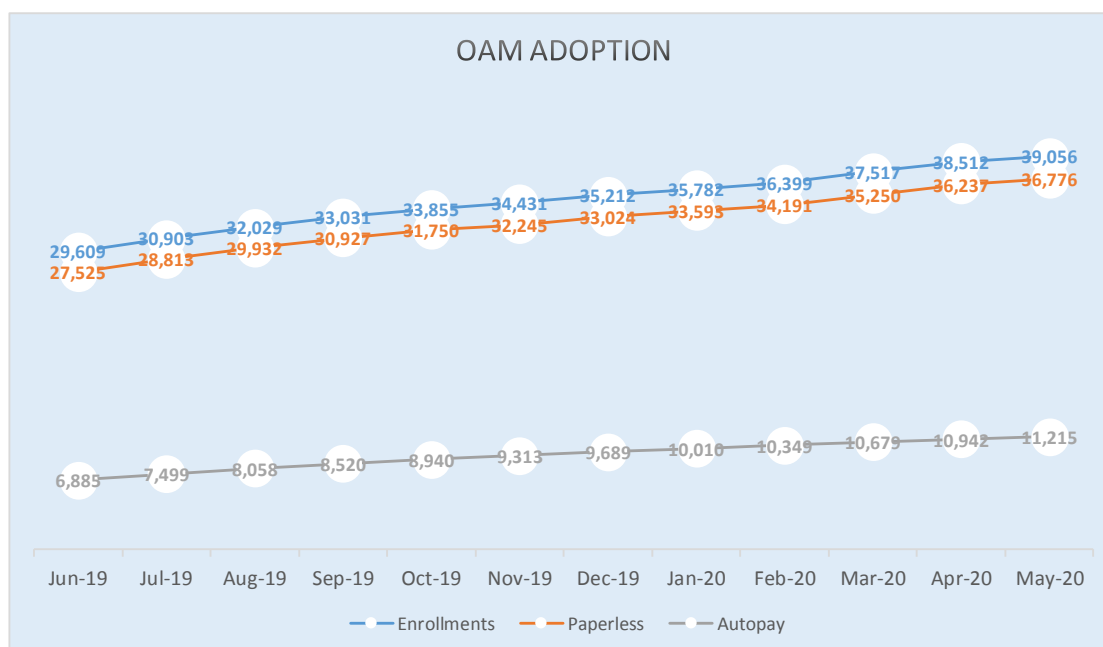
Call Volumes in May decreased by 4%. This decline is primarily due to the moratorium placed on disconnection of service for non-payment and late fees due to COVID-19. Customers continue to ask for COVID-related assistance programs and are requesting payment extensions. The BWP lobby opened to the public on May 18, which resulted in an increase of 90% in cash payments and a total increase of 26% for all non-electronic payments.

Call Types	% of Calls
Balance	25%
Residential Start Service	8%
Residential Stop Service	7%
Update Customer Account Info	6%
Account#/PIN	6%

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	% Inc/Dec
Call Volume	7,227	5,740	6,310	5,029	5,507	5,417	4,675	5,374	4,330	5,389	4,778	4,337	4,320	3,543	3,392	-4.0%

Online Account Manager

The adoption of the Online Account Manager (OAM) is currently at 53% of all active accounts; increase in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about 90% are paperless customers helping BWP reduce costs and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and auto pay. These initiatives will continue to drive down costs. BWP's second milestone is to have 80% of all active accounts registered on the OAM by the end of 2021. Below is the chart outlining activity for the OAM:

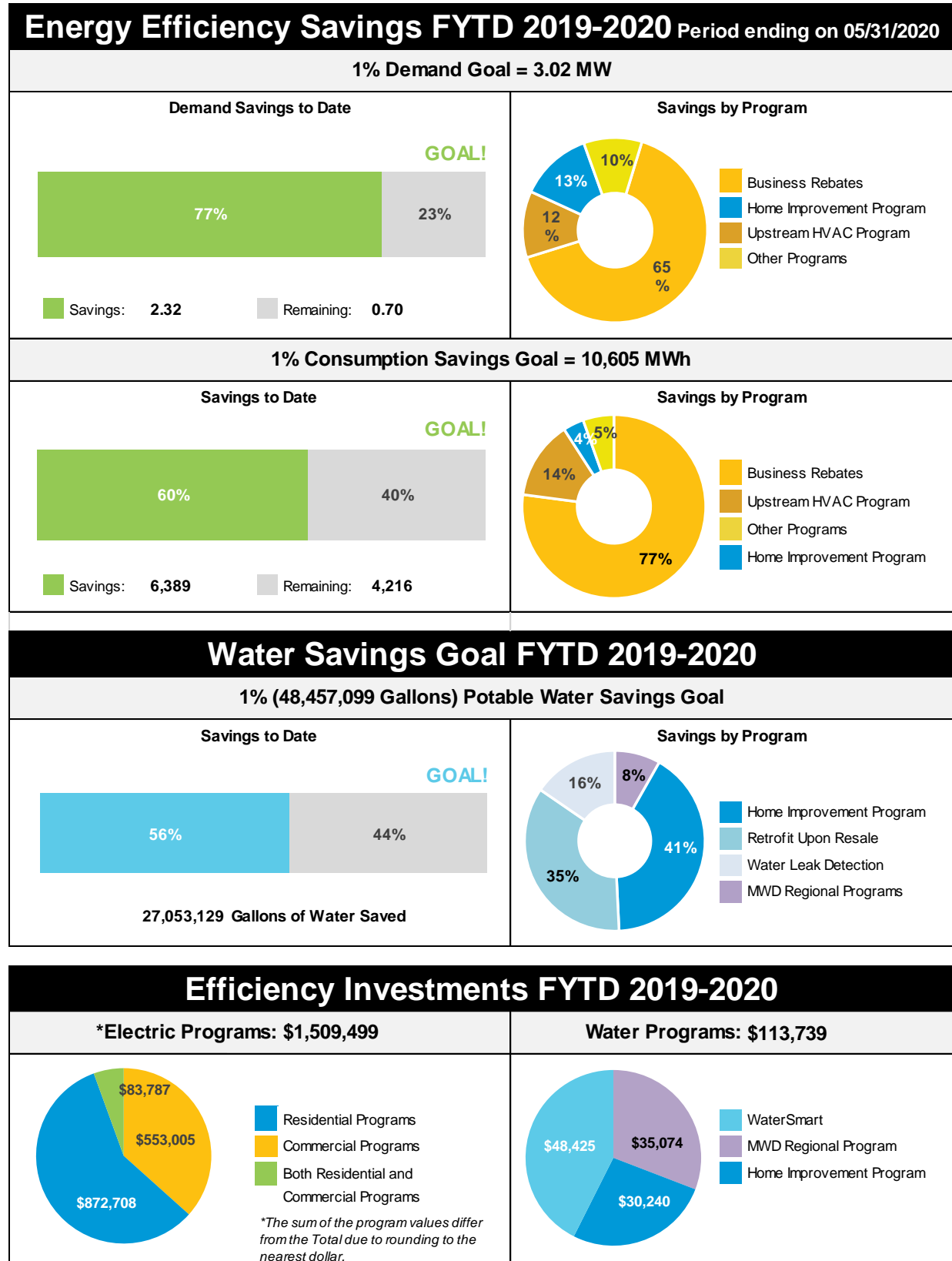


	Active	% of Total Active Accounts
Enrollments	27,529	53%
Paperless	23,291	45%
Autopay	14,721	28%

BWP's Energy Efficiency and Water Savings – Fiscal Year to May 31, 2020

To comply with State and Local COVID-19 orders, energy efficiency programs that required home visits were suspended through May 2020. Commercial program participation significantly contributed to the reported savings for the month of May

2020, mostly from the BWP Business Rebates program utilized by some of the largest commercial customers. Incentives for large projects have incentive caps but yield total project efficiency savings.

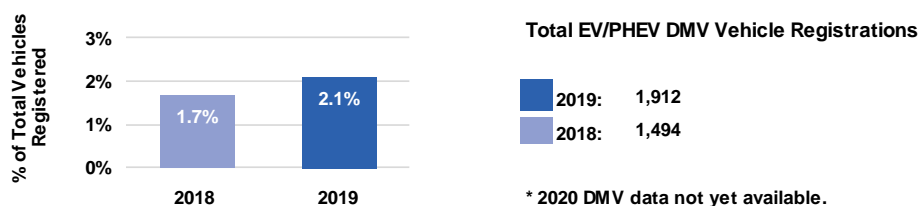


Electric Vehicle (EV) Charging Program

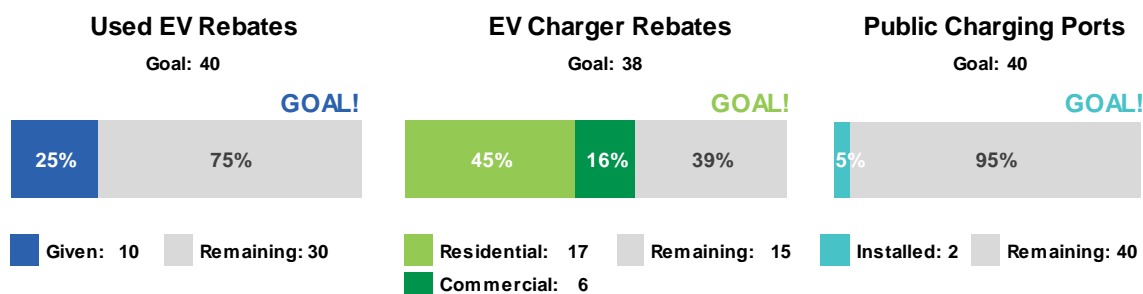
Forty-seven public EV charging ports are installed in Burbank, including 2 DC Fast Chargers and 18 curbside chargers. As of **June 1, 2020**, pricing for public EV charging is **\$0.3069 per kilowatt-hour (kWh) from 4PM to 7PM** and **\$0.1753 per kWh for all other hours** for Level 1 and Level 2. For the DC Fast Chargers, the charging rate is **\$.4980 per kWh from 4PM to 7PM** and is **\$0.2817 per kWh for all other hours**. Reduced public charger usage can likely be attributed to the shelter-in-place order issued in March.

Transportation Electrification 2019-2020 Period ending on 05/31/2020


EV Growth in Burbank*



Transportation Electrification Initiatives for FY 2019-2020



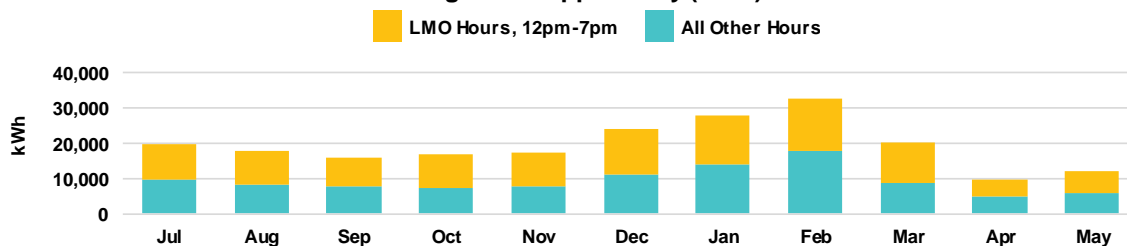
Public Charging Port Statistics



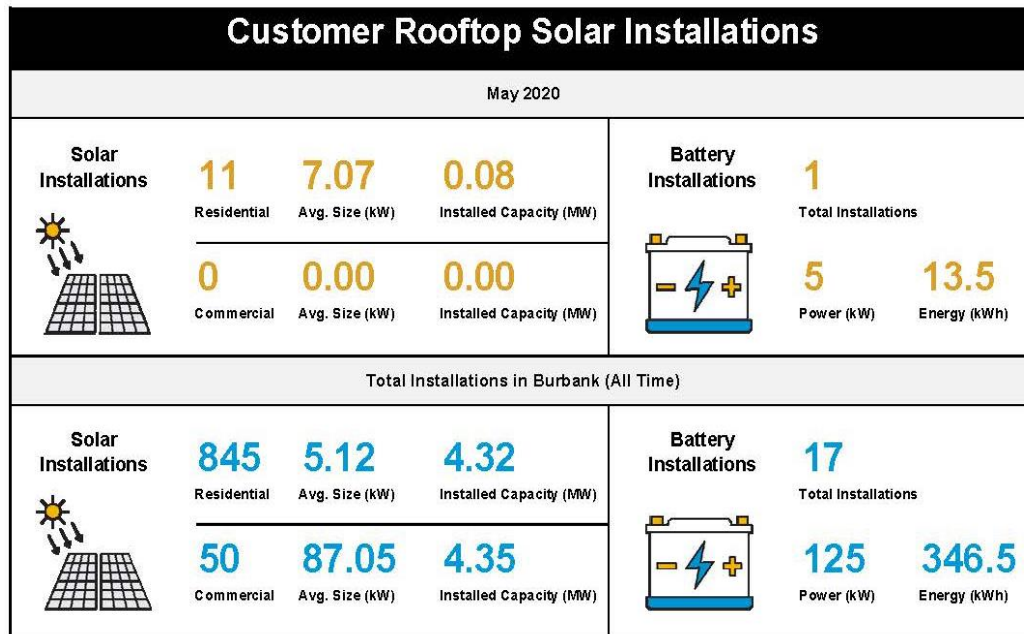
	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	Peak Charging Sessions
	Total Ports	Total Available					
May:	47	47	1,117	12,173	\$2,229	7,012	21%
Average:	47	43	2,162	19,388	\$3,531	11,168	22%
FY Total:	47	N/A	23,782	213,268	\$38,837	122,849	N/A

* 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



Rooftop Solar and Battery Installations



TECHNOLOGY

Broadband Services (ONE Burbank)

	May 2020 New Orders	Revenues for May 2020	FYTD 2019-20 Revenues	FYTD Budget
Lit	5	\$112,701	\$1,254,514	\$1,411,667
Dark	0	\$191,365	\$2,223,465	\$2,117,500
Total	5	\$304,066	\$3,477,979	\$3,529,167

BWP WiFi

BWP is currently implementing technology improvements which will impact the way WIFI data is gathered and metrics are reported going forward. BWP will make every effort to provide accurate and relevant data within these reports, however, as necessary technology improvements are required, these reports and the data referenced within them may change.

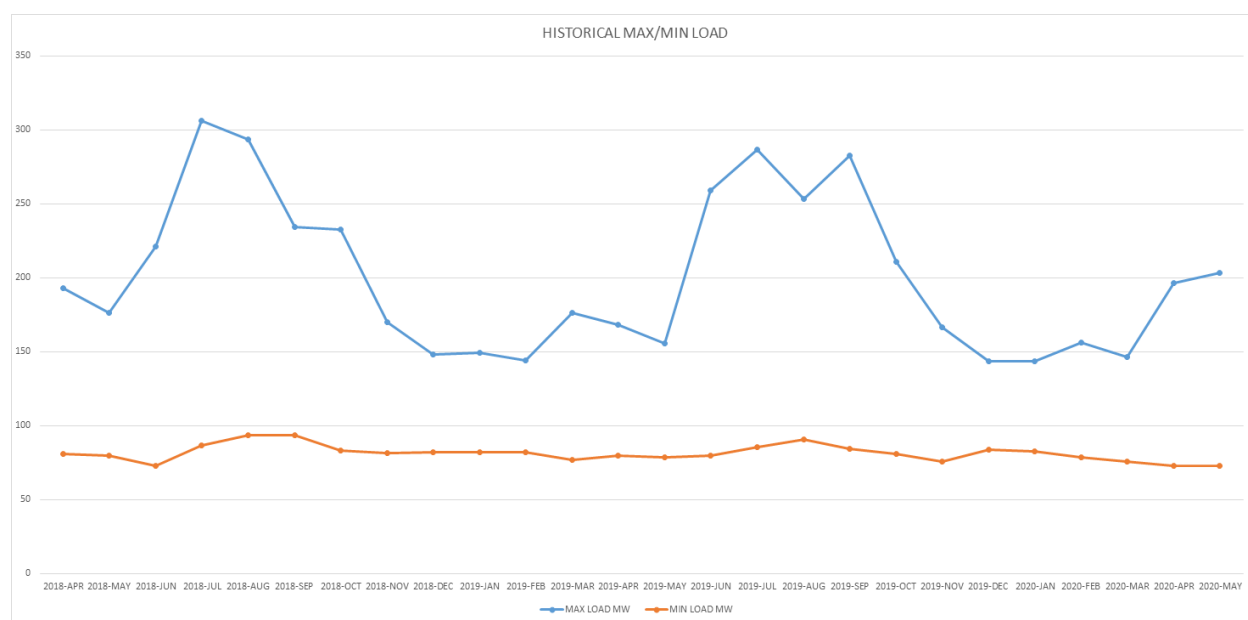
Cyber Security Update – May 2020

BWP is currently implementing technology improvements which will impact the way cyber security data is gathered and metrics are reported going forward. BWP will make every effort to provide accurate and relevant data within these reports, however, as necessary technology improvements are required, these reports and the data referenced within them may change.

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for May 2020 was 203.2 MW at 3:31 PM on Thursday, May 7, and the minimum load was 72.7 MW at 5:38 AM on Sunday, May 17.



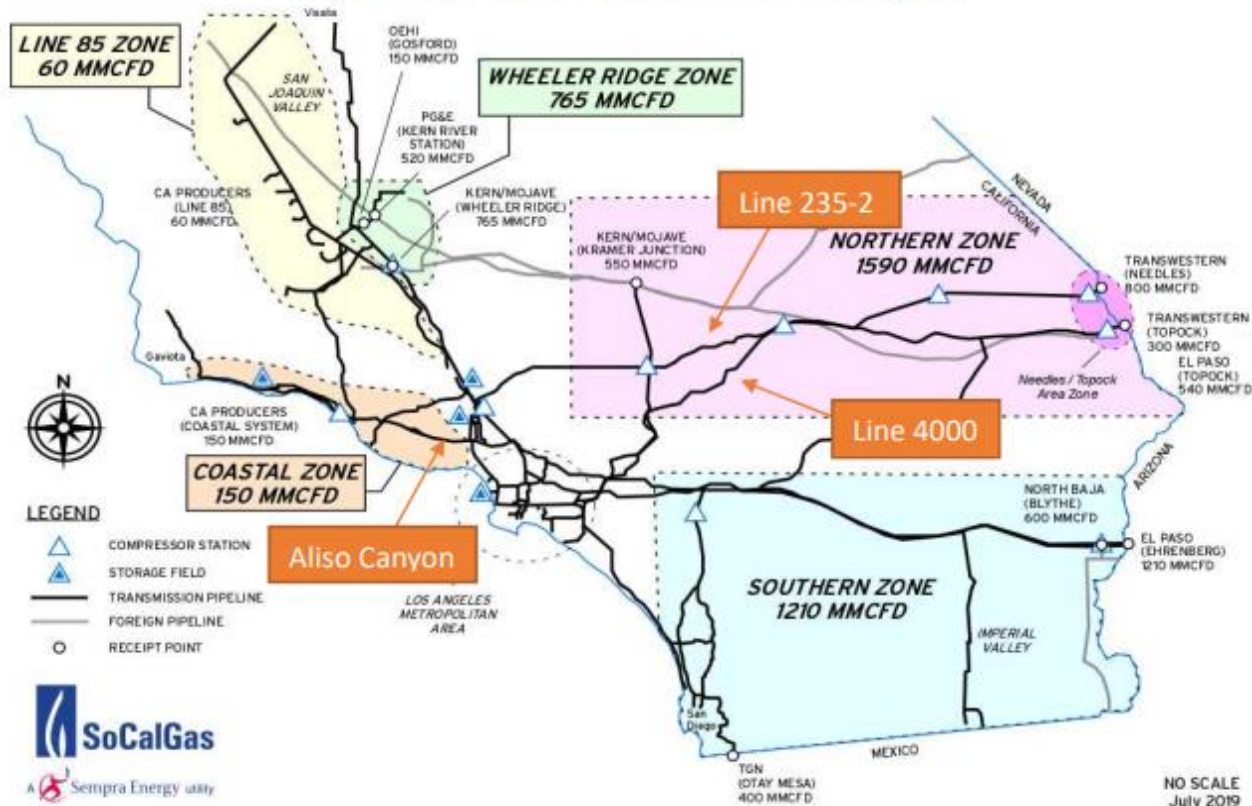
Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2020	203.2 MW	7-May-20 15:31:19
2019	282.66 MW	04-Sep-19 15:31:17
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52
2016	308.52 MW	20-Jun-16 16:46:20

The Burbank power system did experience a heat wave but did not experience any natural gas supply issues for May 2020.

Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCal Gas' system capacity and supply are primarily a function of two components: (1) transmission pipelines, which bring gas into and then transport it throughout the system; and (2) underground natural gas storage connected to transmission pipelines near system load. While one component of the system's limited supply is the transmission pipeline reductions and outages, the other critical component is storage operating constraints 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



Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) was again removed from service on January 27, 2020 after a preliminary report was received indicating a single location that needed to be immediately remediated. The repair has been completed and the pipeline was returned to service at a reduced pressure on February 17, 2020.

SoCal Gas used two vendors to perform in-line inspections in October 2019 and received a final report on February 25, 2020 from one vendor and a preliminary

report from the other vendor on June 5, 2020. One report had one safety-related condition (SRC), the other reported had 31 SRCs. These SRC's will result in remediation work being performed including excavations and some pipe replacements. Delays may be caused by weather issues, restricted maintenance operations, permit requirement restrictions, additional remediation and safety concerns. The current return to service date is 12/1/2020.

Line 4000

Following the Line 235-2 rupture, SoCal Gas reduced the pressure of Line 4000 (largely a 1960 vintage pipeline) because it is in the same "family" of pipelines as Line 235-2. SoCal Gas lowered the pressure to increase the factor of safety on the pipeline until SoCal Gas can conduct further analysis of Line 4000 based on what is learned from Line 235-2. In addition, this increased safety margin reduced the safety risk to employees working on Line 235-2, which is in close proximity to Line 4000 for the first 5-6 miles.

Line 4000 was taken out of service on September 19, 2019 for validation digs. Line 4000 returned to service on October 24, 2019 at reduced pressure.

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	NO _x (lbs)	Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	63%	0	0	0	2
MPP	100%	724	122,372	4,986	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 One was placed online zero times during the month of May.**

Magnolia Power Project (MPP)

	May	FYTD	YTD
Availability	100%	85%	72%
Unit Capacity Factor (240 MW)	69%	65%	51%

There were no plant trips or other outages at MPP during May 2020.

Tieton Hydropower Project (Tieton)

Generation began April 6, 2020 with limited water flow controlled by the United States Bureau of Reclamation (USBR). Water flow has varied and allowed for generation up to 9.5 MW from a single generation unit. Rimrock Reservoir, which supplies water to Tieton, is now at 100% full and the USBR water management goal remains storage control. This status will fluctuate reservoir output depending on the desired reservoir level as well as the rate of water input resulting from snowmelt and other contributing sources.

ENVIRONMENTAL

Air Quality

Air quality tests were conducted on MPP from May 26 to May 28, 2020. The tests were completed successfully, and the formal reports are pending. Air quality testing is required by the Environmental Protection Agency (EPA) and the South Coast Air Quality Management District (SCAQMD) to ensure the facility is operating in accordance to its permit to operate.

Storm Water

All the required storm water samples for the current reporting year (July 2019 –June 2020) have been collected at the BWP Campus. No additional sampling is necessary. Storm water samples are required to be analyzed by an independent laboratory and the results submitted to the State Water Resources Control Board's online reporting tool. The sample analytical results for this reporting year continue to indicate elevated levels of zinc. **BWP has completed most of the environmental review process for the storm water improvement project to address the BWP campus storm water compliance issues. The environmental review process will be finalized when the project goes to City Council for approval. BWP has hired MNS Engineers to prepare the final 100% design plans, as well as provide ancillary engineering support for the storm water improvement project. After the final design is completed, a bid package will be prepared.**

PROJECT UPDATES:

Power Resources

Transmission Update

Negotiations with LADWP, for several existing Transmission Service Agreements, including those associated with Hoover Dam and IPP generation resources are ongoing. A one-year extension of the existing Hoover Transmission Service Agreement was approved by consent by City Council on August 13, 2019. The IPP related Transmission Service Agreement expires in 2027.

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, storage, and power generation at IPP. In the medium-term, the participants are targeting 30% green hydrogen combustion by July 2025, when the repowered project is scheduled to come on-line.

Power Generation

Landfill Gas to Energy (LFGTE) Project

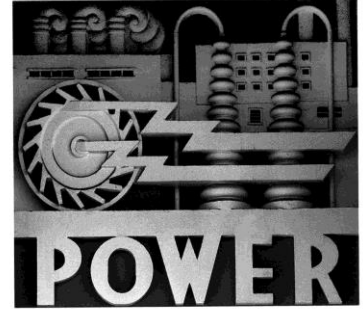
The LFGTE microturbines and gas conditioning skid are fully operational and generating power for the Burbank Electrical System as of February 2020. ACCO Engineered Systems has assumed responsibility for operating and maintaining the system for the first year.

The air emissions test was completed in April and the test results were received in May. The test results demonstrated compliance with the facilities air permit. The project is now complete.



LFGTE System

Burbank Water and Power



Estimated Financial Report May-20

UNAUDITED

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD May 2020
(\$ in 000's except MWh Sales)

MTD FY 19-20	MTD May-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD May-20 Budget	\$ Variance ⁽²⁾	% Variance
81,274	90,936	(9,662)	(11%) ^(a)	NEL MWh	967,387	1,047,123	(79,736)	(8%) ^(A)
				Retail				
\$ 11,893	\$ 13,370	\$ (1,476)	(11%)	Retail Sales	\$ 145,795	\$ 155,541	\$ (9,746)	(6%)
379	587	(208)	(35%) ^(b)	Other Revenues ⁽³⁾	5,467	6,458	(991)	(15%) ^(B)
9,466	9,945	478	5% ^(c)	Retail Power Supply & Transmission	99,120	109,120	10,000	9% ^(C)
2,806	4,012	(1,206)	(30%)	Retail Margin	52,142	52,879	(736)	(1%)
				Wholesale				
1,559	3,789	(2,230)	(59%)	Wholesale Sales	7,729	43,727	(35,998)	(82%)
1,297	3,694	2,397	65%	Wholesale Power Supply	6,913	42,633	35,720	84%
262	95	167	176%	Wholesale Margin	815	1,093	(278)	(25%)
3,068	4,107	(1,039)	(25%)	Gross Margin	52,958	53,972	(1,014)	(2%)
				Operating Expenses				
953	953	-	0%	Distribution	10,846	10,221	(625)	(6%)
139	139	-	0%	Administration/Safety	1,202	1,428	226	16% ^(D)
220	220	-	0%	Finance, Fleet, & Warehouse	2,306	2,474	168	7%
507	507	-	0%	Transfer to General Fund for Cost Allocation	5,580	5,580	0	0%
446	446	-	0%	Customer Service, Marketing & Conservation	3,634	4,901	1,267	26% ^(E)
370	370	-	0%	Public Benefits	4,141	4,310	169	4%
224	224	-	0%	Security/Oper Technology	2,196	1,896	(300)	(16%) ^(F)
110	110	-	0%	Telecom	1,247	1,275	28	2%
183	183	-	0%	Construction & Maintenance	1,661	2,008	347	17% ^(G)
1,575	1,575	-	0%	Depreciation	17,007	17,320	313	2%
4,726	4,726	-	0% ^(d)	Total Operating Expenses	49,820	51,413	1,594	3%
\$ (1,658)	\$ (619)	\$ (1,039)	(168%)	Operating Income/(Loss)	\$ 3,138	\$ 2,558	\$ 580	23%

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD May 2020

(\$ in 000's)								
MTD FY 19-20	MTD May-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD May-20 Budget	\$ Variance ⁽²⁾	% Variance
\$ (1,658)	\$ (619)	\$ (1,039)	(168%)	Operating Income/(Loss)	\$ 3,138	\$ 2,558	\$ 580	23%
				Other Income/(Expenses)				
162	162	-	0%	Interest Income	1,885	1,784	101	6%
106	106	-	0%	Other Income/(Expense) ⁽⁴⁾	(2,167)	(2,268)	101	4% ^(H)
(344)	(344)	-	0%	Bond Interest/ (Expense)	(3,788)	(3,788)	-	0%
(76)	(76)	-	0%	Total Other Income/(Expenses)	(4,069)	(4,271)	202	5%
(1,734)	(695)	(1,039)	(149%)	Net Income	(932)	(1,713)	781	46%
359	359	-	0%	Capital Contributions (AIC)	3,203	2,546	657	26% ^(I)
<u>\$ (1,375)</u>	<u>\$ (336)</u>	<u>\$ (1,039)</u>	<u>(309%)</u>	Net Change in Net Assets	<u>\$ 2,272</u>	<u>\$ 833</u>	<u>\$ 1,438</u>	<u>173%</u>

1. This report may not foot due to rounding.

2. () = Unfavorable

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

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

5. MTD is estimated for May 2020; FYTD reports July 2019 through April 2020 actuals.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD May 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	81,274	90,936	(9,662)	- MTD NEL is 11% lower than budget, which is driven primarily by the closing of businesses within Burbank due to the "Safer at home" order issued by Los Angeles County officials and California Governor Newsom on March 19th, 2020, partially offset by higher than average temperature. For the month of May, average high temperature was 80.3°F, compared to the normal of 75.3°F. MTD HDD were 17 versus the 15 year average of 64. MTD CDD were 121 versus the 15 year average of 64.
b.	Other Revenues	379	587	(208)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
c.	Retail Power Supply & Transmission	9,466	9,945	478	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
d.	Total Operating Expenses	4,726	4,726	-	- Expenses for May 2020 are estimated at budgeted values.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD May 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	967,387	1,047,123	(79,736)	- NEL is 8% lower than budget, which is impacted by the closing of businesses within Burbank due to the "Safer at home" order issued by Los Angeles County officials and California Governor Newsom on March 19th, 2020 . FYTD actual average high temperature from July to October is 86.9°F and the 15 year summer average high temperature is 85.9°F. FYTD CDD were 1,295 versus the 15 year average of 1,231. FYTD HDD were 1,399 versus the 15 year average of 1,300.
B.	Other Revenues	5,467	6,458	(991)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	99,120	109,120	10,000	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Administration / Safety	1,202	1,428	226	- The favorable variance is primarily attributable to timing of expenditures for other professional services, training and general travel.
E.	Customer Service, Marketing & Conservation	3,634	4,901	1,267	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, and lower than planned spending on other professional services and software & hardware.
F.	Security/Oper Technology	2,196	1,896	(300)	- The unfavorable variance is primarily attributable to less work on capital and O&M than planned, offset by lower than planned spending on professional services.
G.	Construction & Maintenance	1,661	2,008	347	- The favorable variance is primarily attributable to lower than planned work performed from Power Supply; and the timing of expenditures for building grounds maintenance & repair, and custodial services.
H.	Other Income/(Expense)	(2,167)	(2,268)	101	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory and assets, as well as the BABS subsidy, which tend to fluctuate. July 2019 includes a one-time pension payment to CalPERS of \$3.43M.
I.	Capital Contributions (AIC)	3,203	2,546	657	- The favorable variance is due to \$2.55M received in April-20 from the State of California for relocation of the Burbank Bridge.

Estimated May 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>MTD NET INCOME/(LOSS): (\$1,734)</u>		\$ (1,039)	\$ (1,039)
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(1,476)	(1,476)
Power Supply and Transmission			
- Lower transmission	216		216
- Lower retail load	135		135
- Lower energy prices and economic dispatch	103		103
- Lower than planned renewables	24		24
Other Revenues & Other income/(Expenses)		(208)	(208)
Wholesale Margin	167		167
Total	645	(1,684)	(1,039)

Estimated May 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME / (LOSS): (\$932)</u>	\$ 781		\$ 781
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(9,747)	(9,747)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	3,383		3,383
- Lower retail load	1,821		1,821
- Lower than planned annual true up	1,529		1,529
- Lower O&M expenses than planned	1,489		1,489
- Lower than planned transmission expenses	1,061		1,061
- Lower than planned renewables	717		717
Other Revenues		(991)	(991)
Wholesale Margin		(278)	(278)
Total	10,000	(11,016)	(1,016)
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution		(625)	(625)
Administration/Safety	226		226
Finance, Fleet, & Warehouse	168		168
Customer Service, Marketing & Conservation	1,267		1,267
Public Benefits	169		169
Security/Oper Technology		(300)	(300)
Telecom	28		28
Construction & Maintenance	347		347
Depreciation expense	313		313
All other	204		204
Total	2,722	(925)	1,797

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

	May-20	Apr-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments								
General Operating Reserve	\$ 53,606 ^(d)	\$ 62,791	\$ 63,968	\$ 67,481	\$ 62,047	\$ 67,320 ^(b)	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	17,097	17,097	17,062	17,014	16,912	16,817		
Sub-Total Cash and Investments	80,703	89,888	91,029	94,495	88,959	94,137	73,010	42,770
Customer Deposits	(1,699)	(6,300)	(6,300)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(7,149)	(6,952)	(6,849)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(246)	(246)	(255)	(855)	(1,389)	(2,218)		
Low Carbon Fuel Standard ^(c)	(3,642)	(2,267)	(2,267)	(2,267)	(2,267)	(2,267)		
Cash and Investments (less Commitments)	<u>67,967</u>	<u>74,123</u>	<u>75,360</u>	<u>77,615</u>	<u>73,874</u>	<u>77,942</u>	<u>73,010</u>	<u>42,770</u>

^(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).

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD May 2020
(\$ in 000's except Gallons)

MTD FY 19-20	MTD May-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD May-20 Budget	\$ Variance ⁽²⁾	% Variance
455	412	42	10% ^(a)	Water put into the system in Millions of Gallons	4,784	4,744	39	1% ^(A)
100	90	10	11% ^(b)	Metered Recycled Water in Millions of Gallons	846	896	(50)	(6%) ^(B)
Operating Revenues								
2,538	2,291	\$ 248	11% ^(c)	Potable Water	26,297	26,183	\$ 114	0%
419	370	48	13%	Recycled Water	3,557	3,670	(113)	(3%) ^(C)
41	62	(21)	(34%) ^(d)	Other Revenue ⁽³⁾	687	681	6	1%
2,998	2,723	274	10%	Total Operating Revenues	30,541	30,533	7	0%
1,113	993	(121)	(12%) ^(e)	Water Supply Expense	11,883	11,499	(383)	(3%) ^(D)
1,884	1,730	154	9%	Gross Margin	18,658	19,034	(376)	(2%)
Operating Expenses								
688	688	-	0%	Operations & Maintenance - Potable	6,928	7,632	705	9% ^(E)
138	138	-	0%	Operations & Maintenance - Recycled	1,334	1,531	197	13% ^(F)
217	217	-	0%	Allocated O&M	1,946	2,305	358	16% ^(G)
172	172	-	0%	Transfer to General Fund for Cost Allocation	1,897	1,897	0	0%
370	370	-	0%	Depreciation	3,617	4,067	451	11%
1,585	1,585	-	0% ^(f)	Total Operating Expenses	15,722	17,432	1,711	10%
299	145	154	106%	Operating Income/(Loss)	2,936	1,601	1,335	83%
Other Income/(Expenses)								
21	21	-	0%	Interest Income	282	233	49	21%
39	39	-	0%	Other Income/(Expense) ⁽⁴⁾	(142)	(124)	(18)	(14%)
(159)	(159)	-	0%	Bond Interest/(Expense)	(1,735)	(1,746)	11	1%
(99)	(99)	-	0%	Total Other Income/(Expenses)	(1,595)	(1,637)	42	3%
200	47	154	329%	Net Income/(Loss)	1,342	(35)	1,377	3912%
40	40	-	0%	Aid in Construction	120	443	(323)	(73%) ^(H)
\$ 241	\$ 87	\$ 154	177%	Net Change in Net Assets	\$ 1,462	\$ 408	\$ 1,054	258%

1. This report may not foot due to rounding.

2. () = Unfavorable

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

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets.

5. MTD is estimated for May 2020; FYTD reports July 2019 through April 2020 actuals.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD May 2020
(\$ 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	455	412	42	- Potable water demand was higher than budget. For the month of May, average high temperature was 80.3°F, compared to the normal of 75.3°F. MTD HDD were 17 versus the 15 year average of 64. MTD CDD were 121 versus the 15 year average of 64. Burbank received .30 inches of rainfall in May as compared to the monthly norm of .35 inches.
b.	Recycled Water Usage in Millions of Gallons	100	90	10	- Recycled water demand was higher than budget. Please refer to footnote (a).
c.	Potable Water Revenue	2,538	2,291	248	- The WCAC impact increased potable water revenues by \$158k MTD. Without this adjustment, potable water revenues would be favorable by 4%.
					MTD Actual
					WCAC Revenue
					\$955
					WCAC Expenses
					\$1,113
					WCAC revenue deferral/(accrual)
					<u>(\$158)</u>
d.	Other Revenue	41	62	(21)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
e.	Water Supply Expense	1,113	993	(121)	- Water supply expense is higher than budget, corresponding to the higher demand. The unfavorable variance was also impacted by higher than planned purchase of MWD treated water since the Burbank Operable Unit (BOU) was not running at full capacity.
f.	Total Operating Expenses	1,585	1,585	-	- Expenses for May 2020 are at budgeted values.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD May 2020
(\$ 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	4,784	4,744	39	- FYTD Potable water sales are slightly higher than budget. Rainfall season-to-date was 14.5 inches, 2.7 inches less than the season norm of 17.2 inches. FYTD actual average high temperature from July to October is 86.9°F and the 15 year summer average high temperature is 85.9°F. FYTD CDD were 1,295 versus the 15 year average of 1,231. FYTD HDD were 1,399 versus the 15 year average of 1,300.
B.	Metered Recycled Water in Millions of Gallons	846	896	(50)	- FYTD Recycled water sales are lower than budget. Please refer to footnote (A).
C.	Potable Water	26,297	26,183	114	- The WCAC impact increased potable water revenues by \$538k YTD. Without this adjustment, potable revenues would be unfavorable by 2%
					FYTD Actual
					WCAC Revenue <u>\$11,340</u>
					WCAC Expenses <u>\$11,878</u>
					WCAC revenue deferral/(accrual) <u><u>(\$538)</u></u>
D.	Water Supply Expense	11,883	11,499	(383)	- Water supply expense is higher than budget due to no water provided from local production in Feb-20 through the beginning of March (thus using more expensive treated water) due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay. Valley Pumping Plant production has since resumed. The unfavorable variance was also impacted by higher than planned purchase of MWD treated water in April and May since the Burbank Operable Unit (BOU) was not running at full capacity as a result of damages suffered from the Golden State Station fire.
E.	Operations & Maintenance - Potable	6,928	7,632	705	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, and the timing of expenditures for other professional services; offset by lower than planned capital work and work for others.
F.	Operations & Maintenance - Recycled	1,334	1,531	197	- The favorable variance is attributable to the timing of expenditures for other professional services, private contractual services, and electricity for water pumping; offset by higher than planned work performed by others.
G.	Allocated O&M	1,946	2,305	358	- Allocated O&M is lower than budget due to favorable variances in allocated expenses (Administration, Safety, Finance, Customer Service, Marketing, Construction and Maintenance) from the Electric Fund.
H.	Aid in Construction	120	443	(323)	- The unfavorable variance is attributable to the timing of AIC projects.

Estimated May 2020 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Month-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME (LOSS): \$200</u>	\$ 154		\$ 154
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	248		248
Recycled Revenues	48		48
Other Revenue		(21)	(21)
Water Supply Expense		(121)	(121)
Total	<u>296</u>	<u>(142)</u>	<u>154</u>

Estimated May 2020 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME: \$1,342</u>	\$ 1,377		\$ 1,377
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	114		114
Recycled Revenues		(113)	(113)
Other Revenue	6		6
Water Supply Expense		(383)	(383)
Total	120	(496)	(376)
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	705		705
Recycled Water O&M	197		197
Allocated O&M	358		358
Depreciation Expense	451		451
All Other	42		42
Total	1,753	-	1,753

Water Fund (497)
Estimated Statement of Changes in Cash and Investment Balances ^(a)
(\$ in 000's)

	<u>May-20</u>	<u>Apr-20</u>	<u>Mar-20</u>	<u>Dec-19</u>	<u>Sep-19</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments								
General Operating Reserves	\$ 6,109 ^(c)	\$ 8,015	\$ 8,826	\$ 16,341	\$ 13,174	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>8,329</u>	<u>10,235</u>	<u>11,046</u>	<u>18,561</u>	<u>15,394</u>	<u>13,775</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,398)	(1,518)	(1,504)	(1,650)	(1,252)	(1,454)		
Cash and Investments (less commitments)	<u>6,930</u>	<u>8,717</u>	<u>9,543</u>	<u>16,911</u>	<u>14,142</u>	<u>12,321</u>	<u>17,830</u>	<u>9,370</u>

^(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).