

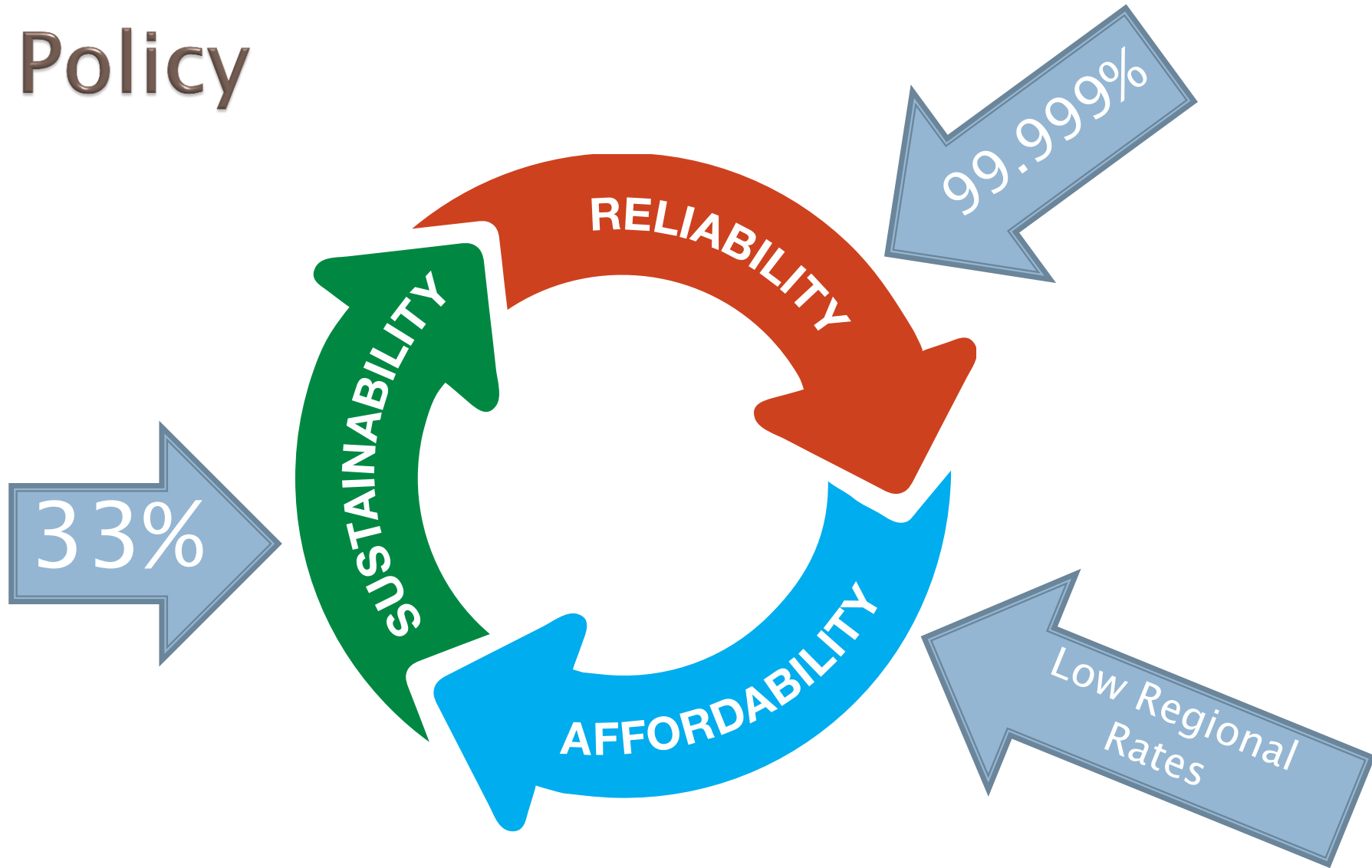
Fiscal Year 2016–17 Proposed Budget Burbank Water & Power May 10, 2016



Policy



Policy



Budget Authority by Fund

(\$ in 000's)	FY 2015-16 Adopted	FY 2016-17 Proposed	Decrease / (Increase) in Budget
Electric Fund (496)	\$281,193	\$293,502	(\$12,309)
Water Fund (497)	\$35,466	\$34,351	\$1,115
MPP Operating Fund (483)	\$30,395	\$23,545	\$6,850
Tieton Hydro Operating (133)	\$2,207	\$2,372	(\$165)
Street Lighting Fund (129)	\$3,368	\$3,184	\$184
Communications Fund (535)	\$2,602	\$2,702	(\$100)
Total Authority	\$355,231	\$359,656	(\$4,425)



Copper Mountain Solar Project



20 FEB 2015

Electric Budget Assumptions

- ▶ Continue to phase Copper Mountain into rates
- ▶ Continue to experience lower demand caused by conservation and lack of growth
- ▶ Electric rate increase of 2.10% effective July 1, 2016

Electric Budget Assumptions

- ▶ No change in staffing levels
- ▶ No new capital programs – continue capital plan designed for efficiency and reliability
- ▶ Cash remains above minimum but below recommended



Electric Budget Drivers

(\$ in 000's)

	<u>\$</u>	<u>Rate Impact</u>
2015-16 Requirements	\$8,517	4.73%
2015-16 Rate Increase	(\$3,779)	(2.10%)
Carryover from FY 2015-16	\$4,738	2.63%
Additional Copper Mountain	\$1,500	0.83%
Transmission Services	\$1,500	0.83%
Wages & Benefits	\$1,400	0.78%
City Cost Allocations	\$400	0.22%
Other	\$241	0.13%
Carryover and Budget Increases	\$9,779	5.42%



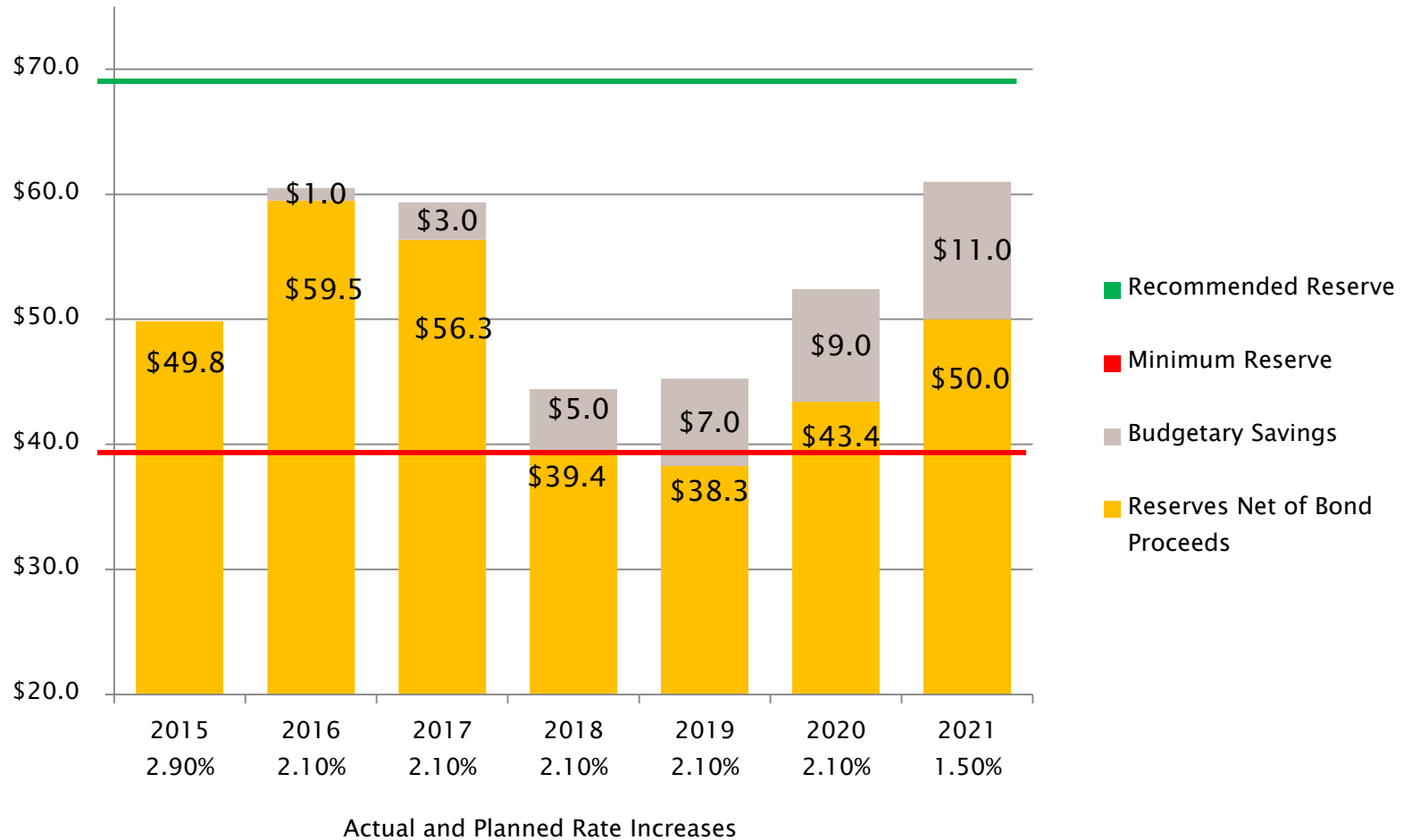
Electric Budget Drivers

(\$ in 000's)

	<u>\$</u>	<u>Rate Impact</u>
Carryover and Budget Increases	\$9,779	5.42%
Lower Natural Gas Prices	(\$2,300)	(1.28%)
MPP Debt Refinancing	(\$2,200)	(1.23%)
MPP Overhead Recovery	(\$641)	(0.36%)
2016-17 Requirements	\$4,638	2.55%
Proposed Rate Increase	(\$3,774)	(2.10%)
Carryover to FY 2017-18	\$864	0.45%

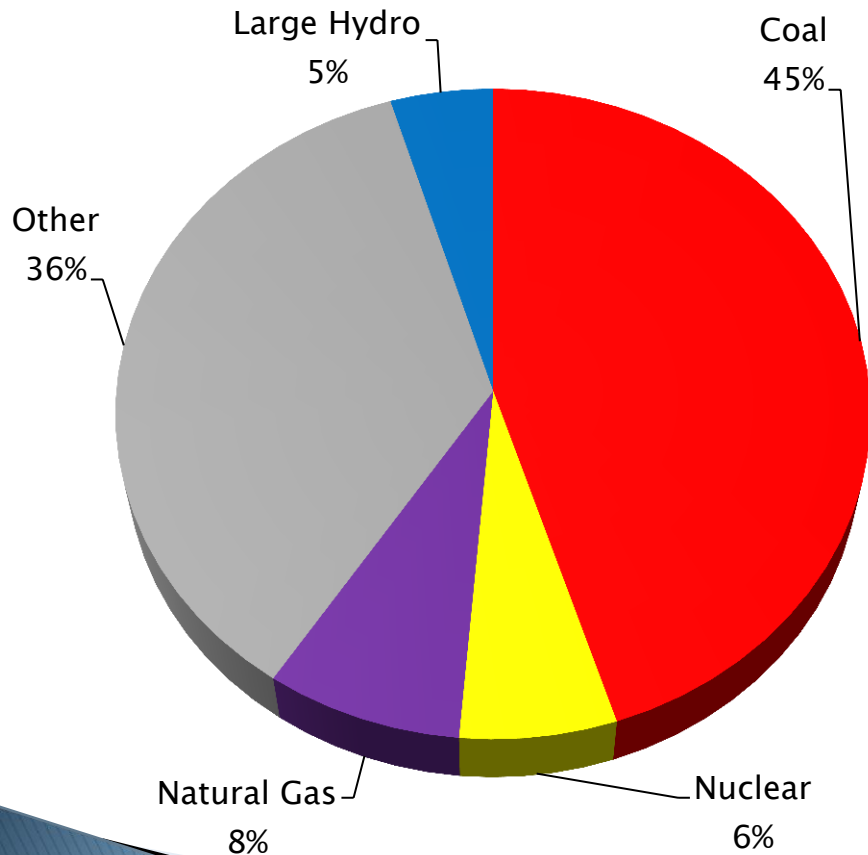


Electric Cash Reserves

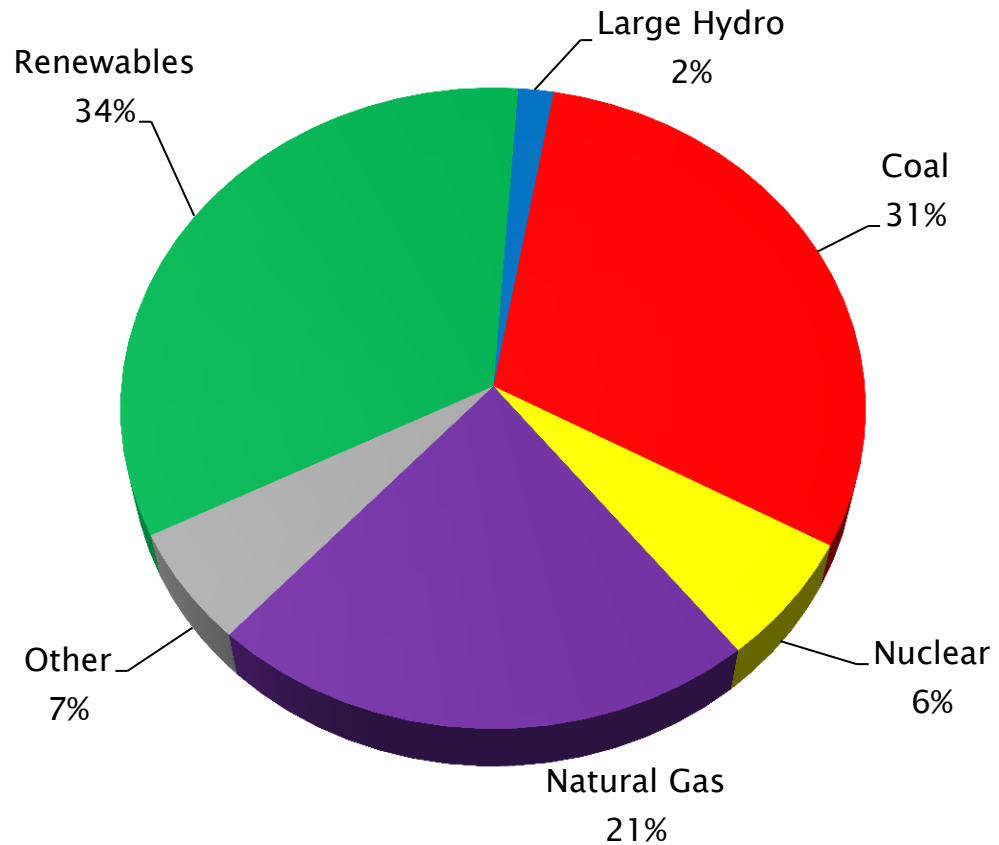


Energy Planning

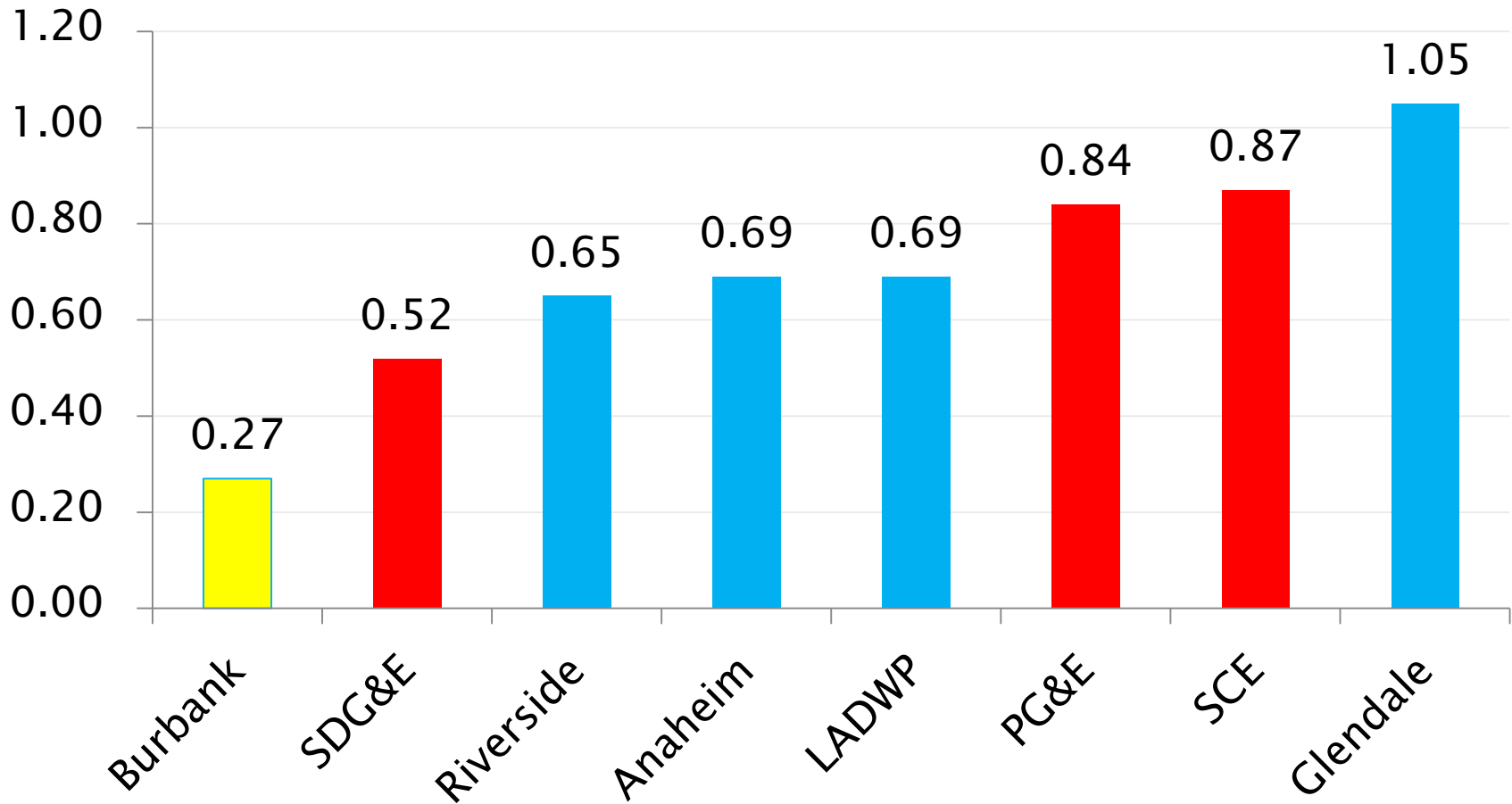
FY 2001-2002



FY 2016-2017

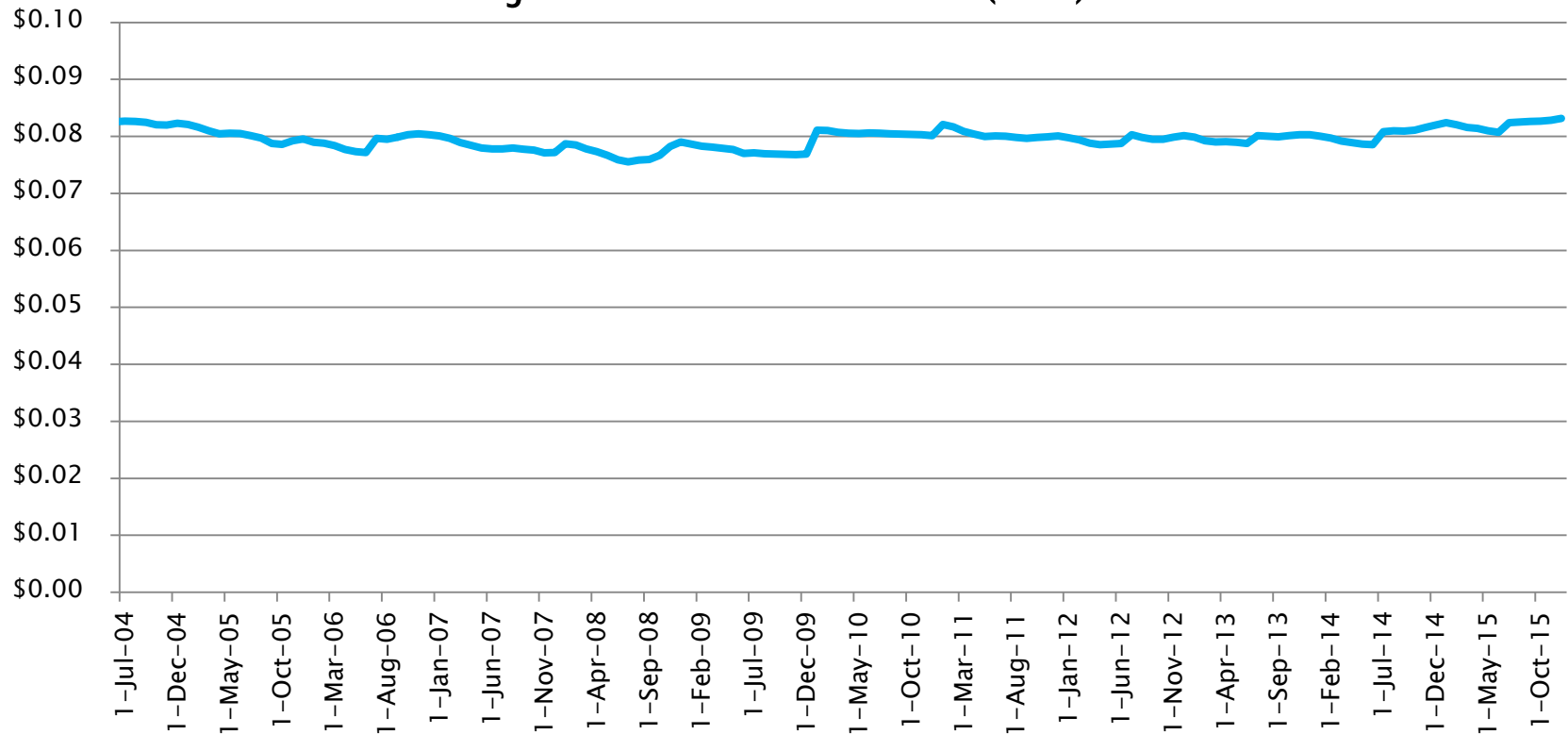


Outages per Year

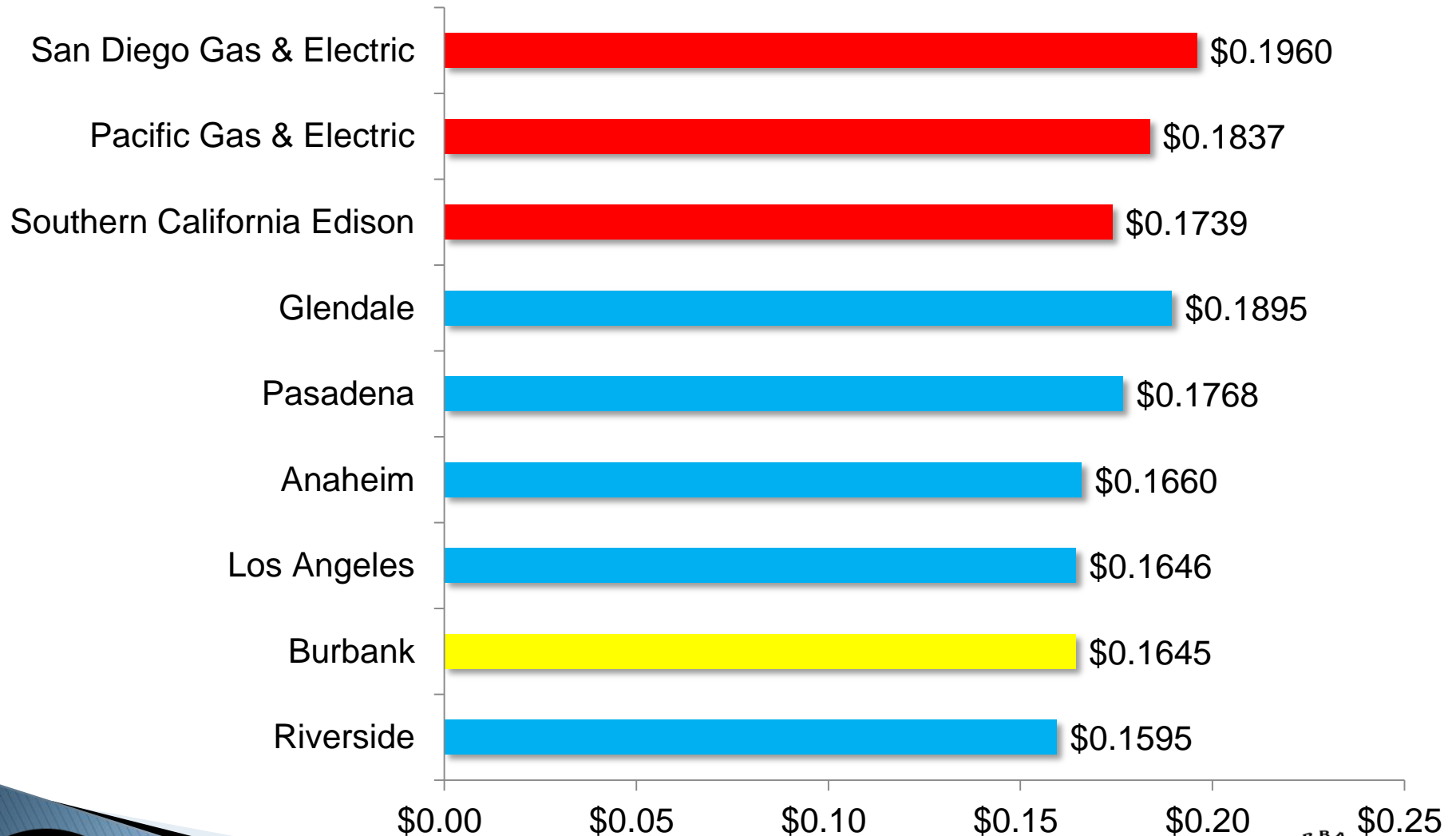


Competitive Electric Rates

Average Electric Residential Rate per kWh
Adjusted for Inflation (CPI)



2016-17 Average Residential Revenue Per kWh



Source: EIA



Estimated Impact of Proposed 2.1% Rate Increase on Residential Bills

Change on a 350 kWh Bill

2015-16	\$57.56
2016-17	\$59.49
Estimated Impact	<hr/> \$1.93

**Customer with Small Service Size*



Estimated Impact of Proposed 2.1% Rate Increase on Residential Bills

Change on a 550 kWh Bill

2015-16	\$96.51
2016-17	\$98.44
Estimated Impact	<hr/> \$1.93

**Customer with Medium Service Size*



Electric Income Statement

(\$ in thousands)

	Approved Budget FY 15-16	Proposed Budget FY 16-17
MWh NEL	1,174,532	1,165,811
Total Operating Revenues	\$ 260,220	\$ 265,103
Total Power Expenses	\$ 192,820	\$ 190,901
Gross Margin	\$ 67,400	\$ 74,202
Total Operating Expenses before Depreciation	\$ 36,301	\$ 38,271
Depreciation Expense	\$ 18,542	\$ 18,447
Operating Income/(Loss)	\$ 12,557	\$ 17,484



Electric Income Statement (cont.)

(\$ in thousands)

	Approved Budget FY 15-16	Proposed Budget FY 16-17
Operating Income/(Loss)	\$ 12,557	\$ 17,484
Other Income / (Expense)	\$ (2,659)	\$ (2,358)
In Lieu	\$ (8,402)	\$ (9,184)
Street Lighting	\$ (2,647)	\$ (2,640)
Net Income	\$ (1,151)	\$ 3,302
Capital Contributions (AIC)	\$ 4,255	\$ 1,967
Change in Net Position	\$ 3,104	\$ 5,269



Public Benefits Programs

	Approved FY 2015-16	Proposed FY 2016-17
Residential Programs		
Home Improvement Program	950,000	1,230,000
Low-Income Assistance Programs	735,000	680,000
Home Rewards Rebates	275,000	250,000
A/C Tune-Up & Duct Sealing Program	110,000	250,000
Customer Outreach Campaigns	-	10,000
Embertec Plug Load Device	10,000	15,000
Made in the Shade	62,000	50,000
Home Energy Reports	52,000	285,000
Low-Income Refrigerator Exchange	50,000	100,000
Refrigerator Round-Up	30,000	37,000
Sub-Total Residential Programs	2,274,000	2,907,000



Public Benefits Programs (cont.)

	Approved FY 2015-16	Proposed FY 2016-17
Commercial Programs		
Energy Solutions Business Rebates	600,000	645,100
Business Bucks Audit & Install Program	550,000	550,000
Upstream HVAC Incentives	100,000	175,000
Sub-Total Commercial Programs	1,250,000	1,370,100
Renewable Energy/Environmental Initiatives		
Solar Support Program	403,400	146,000
Electric Vehicle Chargers & Rebates	50,000	100,000
CalElectric Transportation Coalition Membership	5,000	5,000
New Programs to be Developed	75,700	75,000
Sub-Total Renewable Energy and Environmental Initiatives	534,100	326,000



Public Benefits Programs (cont.)

	Approved FY 2015-16	Proposed FY 2016-17
Educational Programs		
LivingWise Educational Program	60,000	61,000
Currents Newsletter Production Costs	40,000	44,000
Community Events	36,000	15,000
Wire Newsletter	4,900	4,900
Architectural Design Competition	3,000	3,000
Sub-Totals Educational Programs	143,900	127,900
Administration & Accrued Obligation		
Program Administration	1,049,302	1,101,448
Total Public Benefits Expenditures	5,251,302	5,832,448
Funding from SoCalGas		(230,000)
Accrued Spending Obligation	(595,040)	(580,804)
Public Benefits Expense	4,656,262	5,021,644



Electric Fund 5 Year Capital Plan

	2016-17	2017-18	2018-19	2019-20	2020-21
	Proposed	Forecast	Forecast	Forecast	Forecast
Power Supply Improvement Projects	3,702,121	7,750,000	2,732,963	-	-
Operations Technology	355,479	-	250,000	-	-
Distribution Expansion Projects	11,229,377	5,484,316	3,028,486	2,908,114	3,440,144
Distribution Replacement Projects	6,893,740	6,145,744	6,080,378	6,965,320	6,719,839
New Customer Projects/AIC	1,967,235	1,040,567	1,325,392	835,811	825,358
Facility Renovations	57,756	99,500	370,000	370,000	370,000
ONE Burbank	301,652	263,605	263,605	263,605	315,116
Finance, Warehouse and Fleet Facility	1,029,710	-	-	1,500,000	-
Customer Service	2,345,000	1,938,020	2,003,023	-	-
Safety	329,674	-	-	-	-
Water Fund's share of common projects	(255,553)	(11,443)	(292,928)	(215,050)	(42,550) (A)
Total CIP	\$ 27,956,191	\$ 22,710,309	\$ 15,760,919	\$ 12,627,799	\$ 11,627,907

Note:

(A) Includes 15% for Safety, 12.5% for Customer Service, and 11.5% for Operations Technology, Facilities, and Finance when applicable.



Electric Fund Capital Improvements

(\$ in 000's)

Valley Distributing Station	\$ 7,459
Pacific Northwest DC Intertie	3,200
4 kV to 12 kV Conversion of Circuit BB-3	2,322
Meter Data Management System Upgrade	2,000
Relocation of Facilities for Caltrans Burbank Bridge Replaceme	1,292
4 kV to 12 kV Conversion of Circuit N-18 to BB-15	633
Distribution Substation Transformer Replacement	605
Replace Deteriorated Underground Electrical Dist. Lines	604
Build New Customer Transformer Stations, 750 kVA & Under	575
Replace Deteriorated Overhead Electrical Dist. Lines	525
Distribution Substation Transformer Backup	502
Other Remaining Projects	8,239
Total	<u>\$27,956</u>



Electric Fund 5 Year Capital Outlay

	2016-17	2017-18	2018-19	2019-20	2020-21
	Proposed	Forecast	Forecast	Forecast	Forecast
Capital Outlay	989,500	1,009,290	1,029,476	1,050,065	1,071,067
Information Technology	336,270	437,360	449,860	485,912	516,209
Master Fleet Plan	80,000	1,172,928	1,447,038	1,221,815	1,625,000
Total Capital Outlay	\$ 1,405,770	\$ 2,619,578	\$ 2,926,374	\$ 2,757,792	\$ 3,212,276



ONE Burbank Customers



❖ Disney



❖ Warner



❖ Viacom Inc.
(Nickelodeon)



❖ Original Production

❖ Captions Inc.

❖ Worthe Real Estate

❖ Cast & Crew

❖ Civolution



❖ Entertainment Partners

❖ Dolby Laboratories

❖ Evolution

❖ NBC/Universal

❖ Modern VideoFilm



Century Link



❖ SAG

❖ MyEye Media

❖ Encompass Digital

❖ New West Records

❖ FotoKem



❖ Music Express

❖ Buddy's All Stars

❖ Keycode Media

❖ 42 Entertainment

❖ Deluxe



❖ Point 360

❖ Hula Post



❖ Sohonet

❖ Visual Data

❖ KCET

❖ Liberman

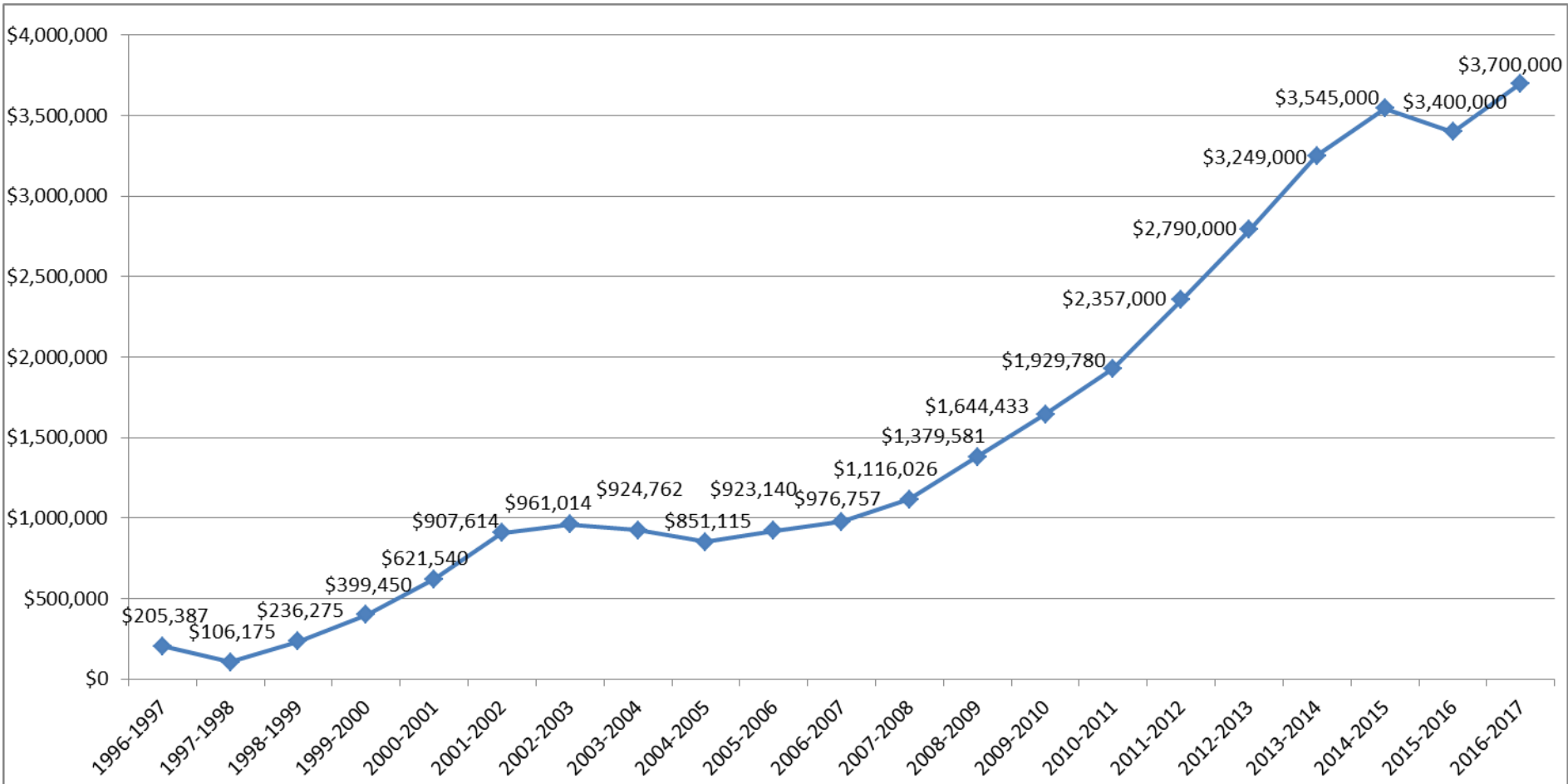
❖ Quail Capital

❖ Yahoo

❖ Producers/Writers Guild



ONE Burbank Revenues



Broadband Benefits

- BWP cost savings \$375k
- Other City departments cost savings of \$480k
- BUSD cost savings of \$330k
- Free City Wi-Fi

Water Budget Highlights

- Governor's Drought Order
- Increased Water Costs
- Multi-year Rate Plan
- Collaborative Recycled Water project with LADWP



Governor's Drought Order

- ▶ Burbank has met the State mandate to lower water use by 24% of 2013 levels, saving over a billion gallons of water
- ▶ Current state mandates require continuing conservation efforts through at least Oct. 2016



Governor's Drought Order Impacts

- ▶ \$1.5 million loss in margin
- ▶ Cash Reserves will fall below minimum 2017–18

Water Budget Assumptions

- ▶ Continued recovery of higher cost of water
- ▶ Stage III Watering Restrictions in FY 2016–17
- ▶ Multi-year water rate increases of 3.4%

Water Budget Assumptions

- ▶ Increase groundwater use by 4%
- ▶ Recycled water sales increase by 3%
- ▶ System losses are 2.5%

Water Budget Assumptions

- ▶ Addition of two pipefitters to address anticipated BWP retirements
- ▶ Continue capital replacement plan and preventative maintenance program for efficiency and reliability

Water Budget Drivers

(\$ in 000's)

	<u>\$</u>	<u>Rate Impact</u>
2015-16 Requirements	\$1,435	5.52%
2015-16 Rate Increase	(\$884)	(3.40%)
Carryover from FY 2015-16	\$551	2.12%
Sales Reduction for Lower Demand	\$2,965	13.44%
O & M	\$241	1.09%
MWD Rate Increases	\$300	1.36%
Carryover and Budget Increases	\$4,057	18.01%



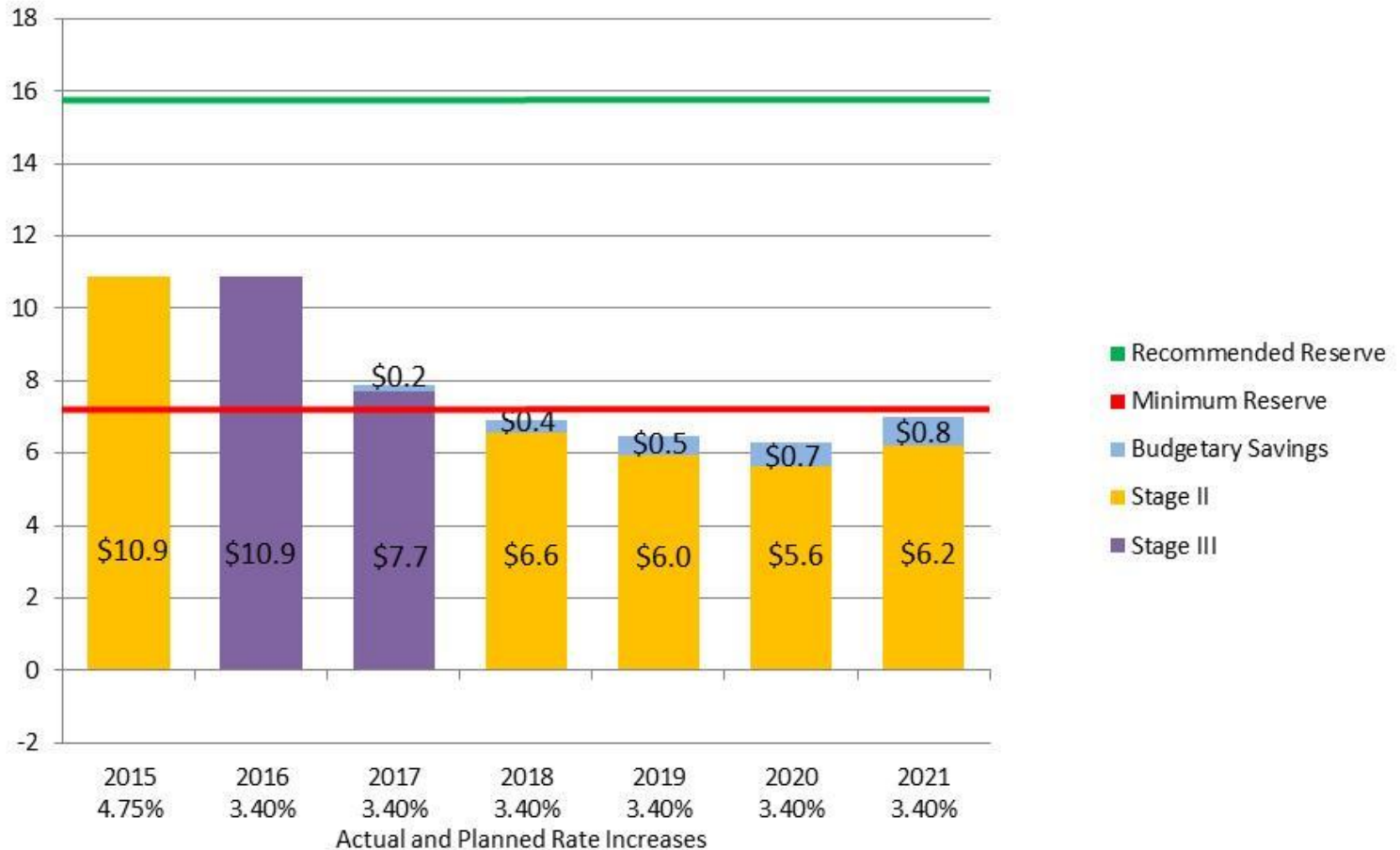
Water Budget Drivers

(\$ in 000's)

	<u>\$</u>	<u>Rate Impact</u>
Carryover and Budget Increases	\$4,057	18.01%
WCAC Exp. - Lower Demand	(\$1,942)	(8.95%)
Increased use of Groundwater	(\$260)	(1.18%)
2016-17 Requirements	\$1,855	8.41%
Proposed Rate Increase	(\$750)	(3.40%)
Carryover to FY 2017-18	\$1,105	5.01%

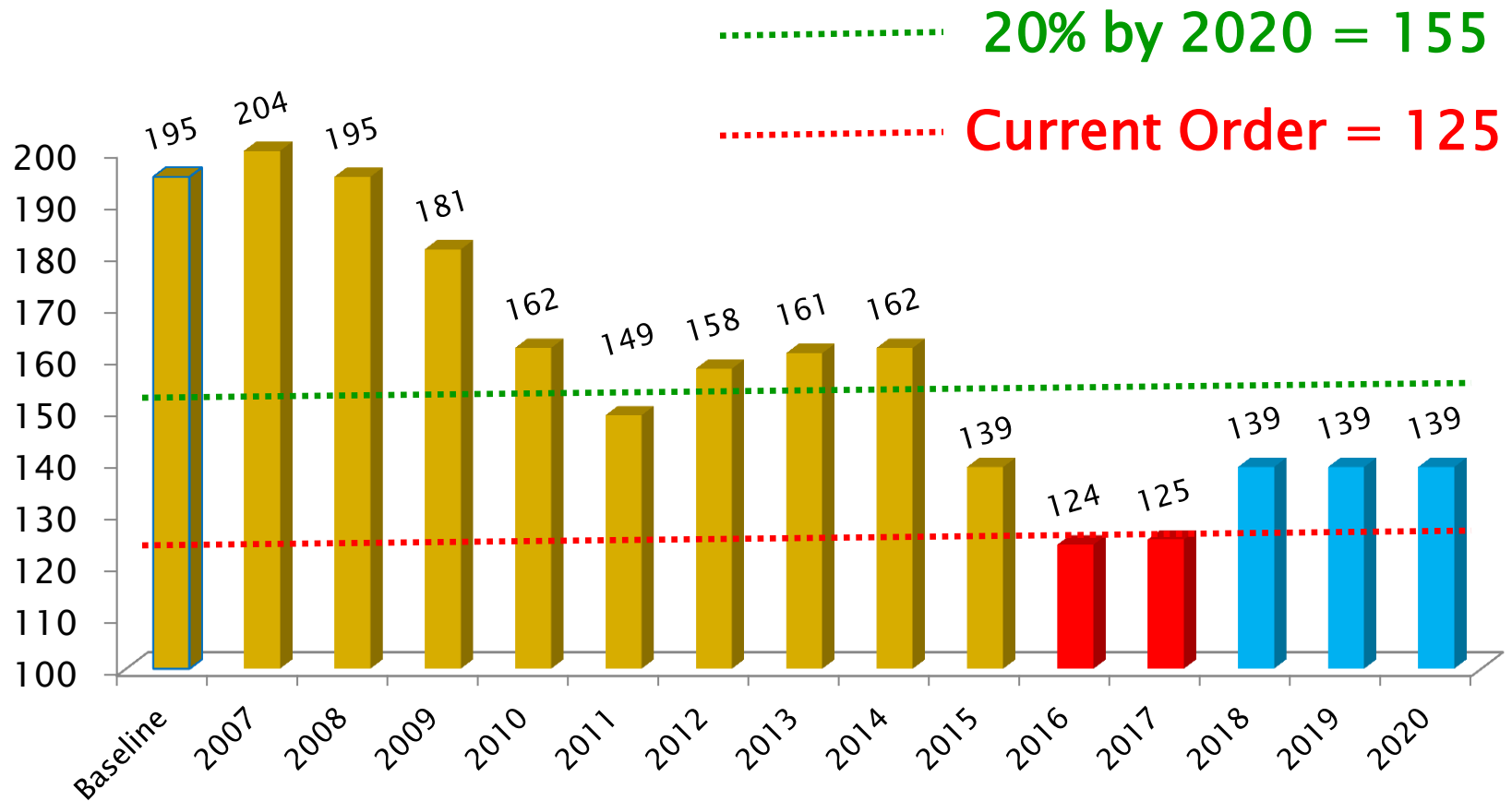


Water Cash Reserves

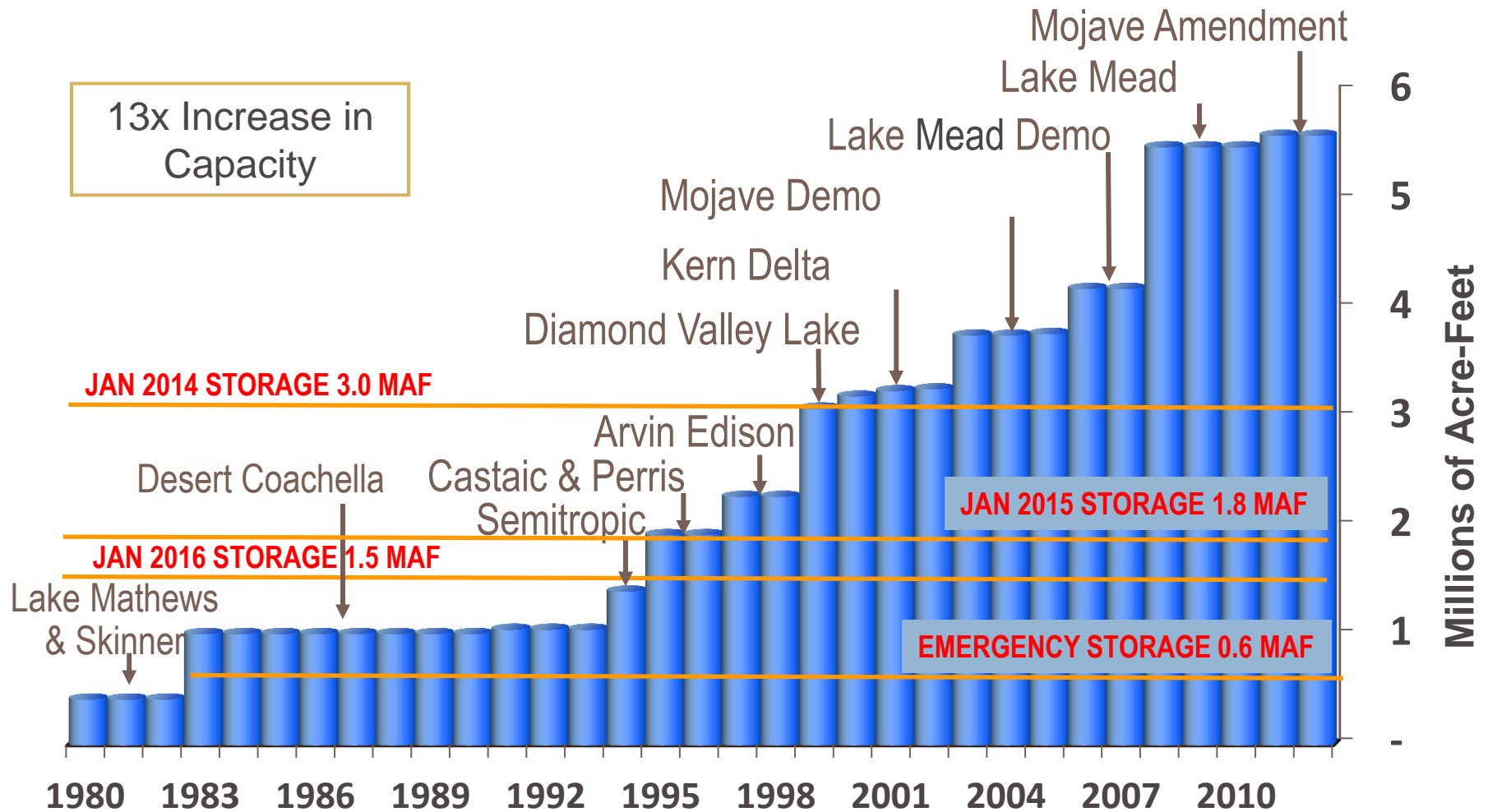


Water Use per Capita Under Order

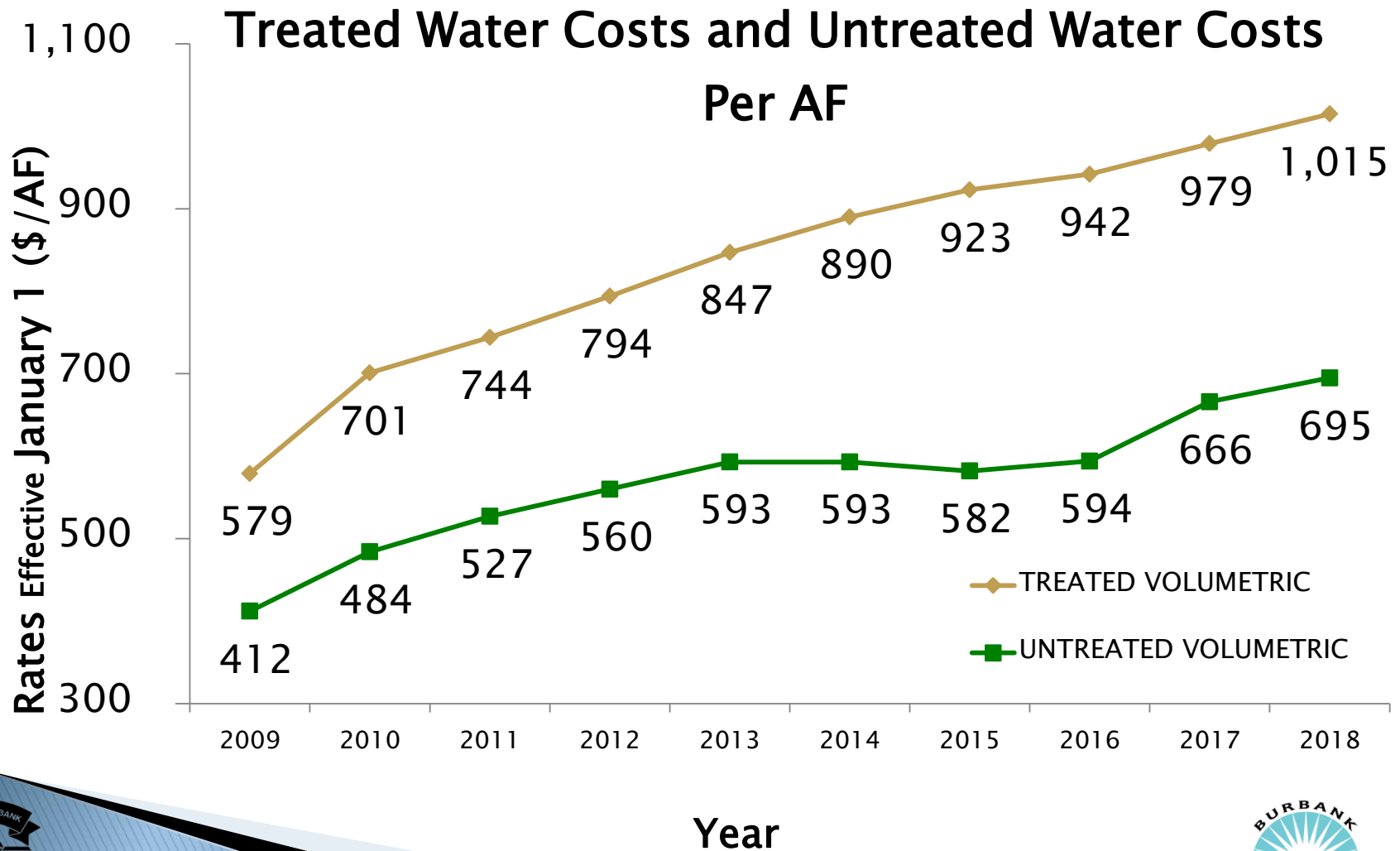
(gallons per day for fiscal years ending June 30th)



MWD's Water Supply Reliability



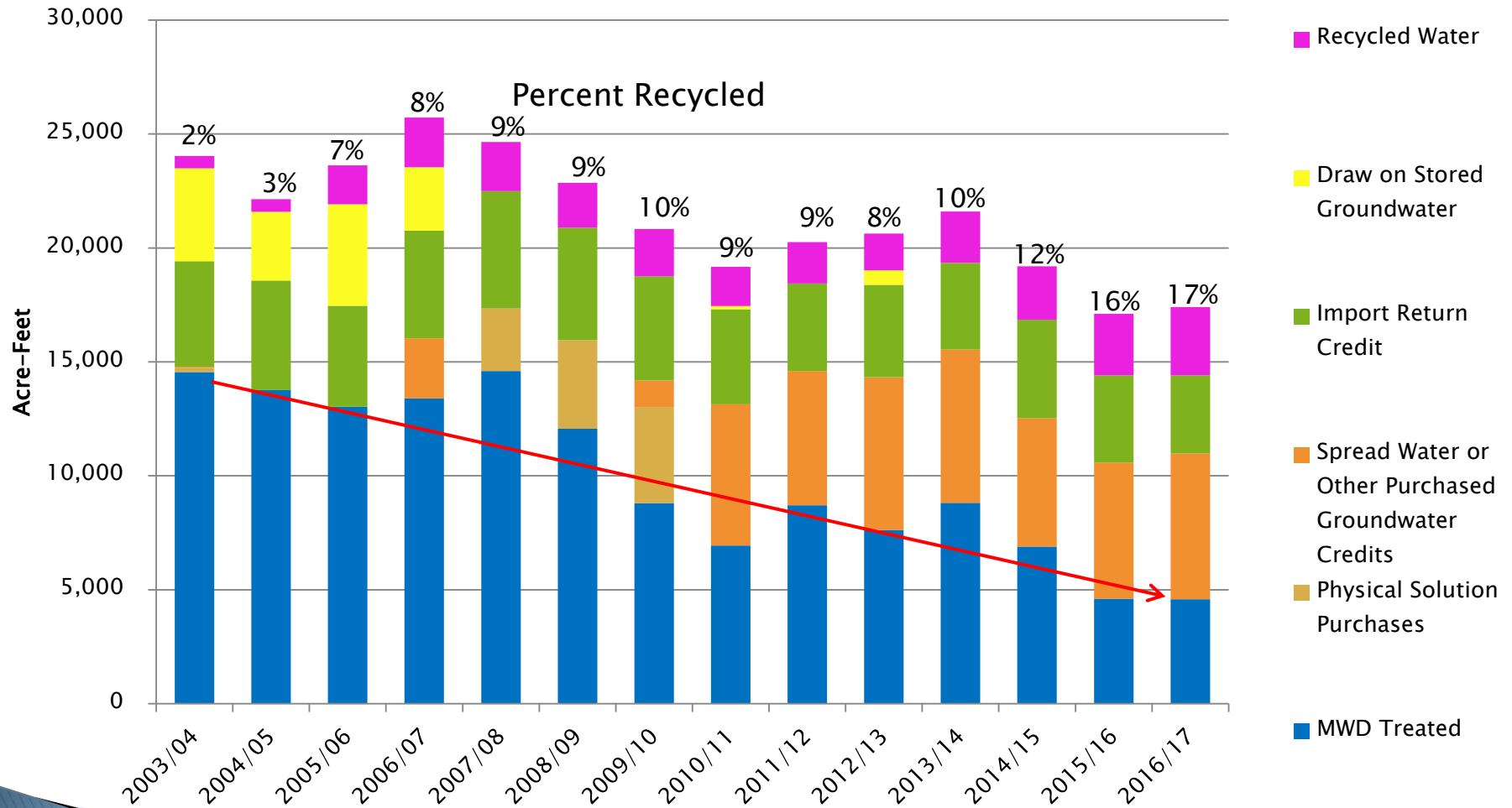
MWD Rate Outlook



Water Planning

Stage III Demand Estimate

BWP Projected Water Sources



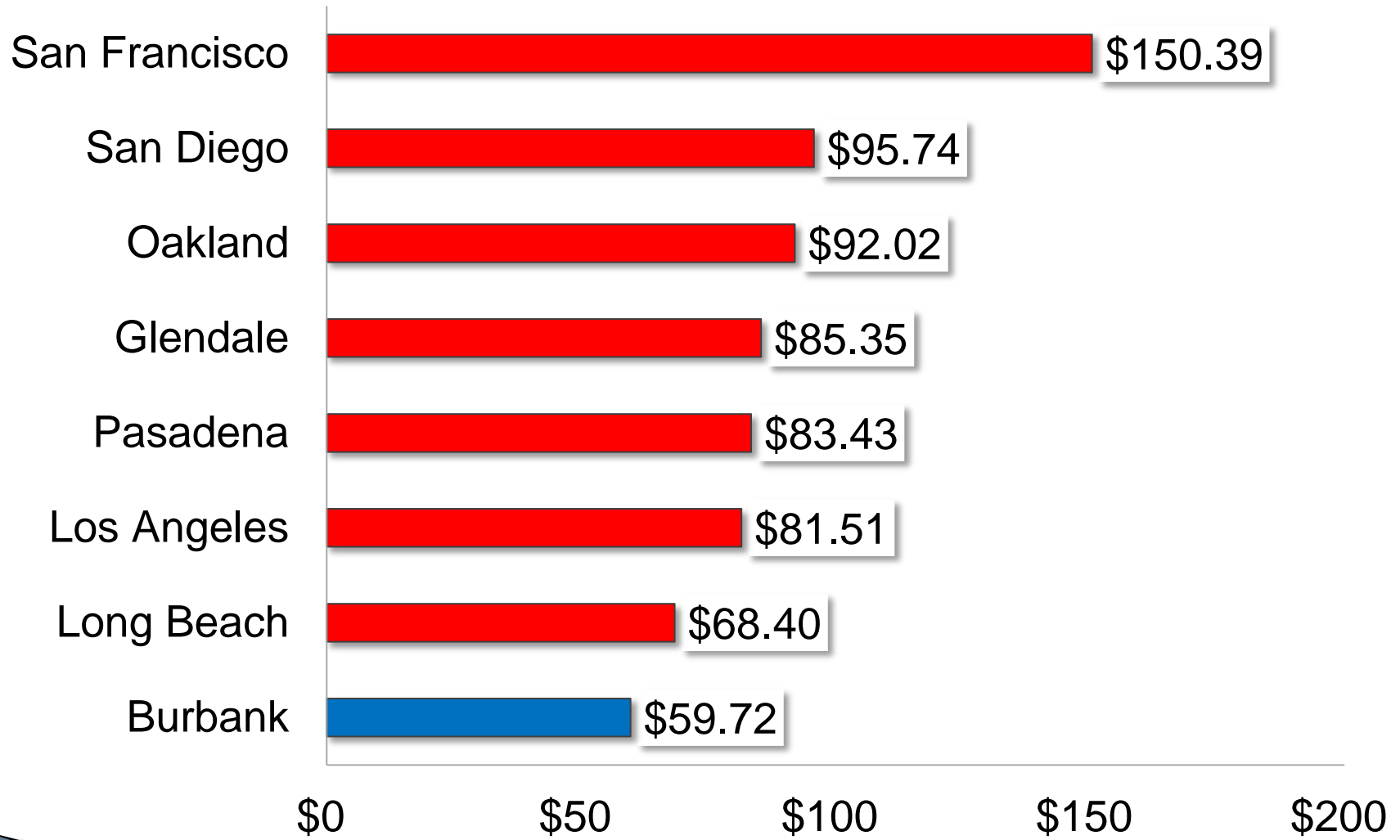
Recycled Water Goals

(in Millions of Gallons)

	Conversion Goal	Converted as of Early 2015	Now Converted	% of Conversion Goal Met
Parks and Recreation	80	80	80	100%
Commercial	58	20	58	100%
Other	22	7	7	33%
Studios	92	17	82	89%
BUSD	27	5	27	100%
Valhalla Memorial Park	130	8	130	100%
TOTAL	410	137	384	94%



Water Bill Comparison (12,000 gallons)



Estimated Impact of Proposed 3.4% Rate Increase on Residential Bills

(1" service below)

Change on a 6,000 Gallon Bill

2015

\$35.73

2016

\$35.86

Estimated Impact

\$0.13



Estimated Impact of Proposed 3.4% Rate Increase on Residential Bills

(1" service below)

Change on a 12,000 Gallon Bill

2015	\$59.59
-------------	----------------

2016	\$59.72
-------------	----------------

Estimated Impact	<hr/> \$0.13
-------------------------	---------------------



Water Income Statement – Stage III

(\$ in thousands)

**Approved Budget
FY 15-16**

**Proposed Budget
FY 16-17**

Potable Sales in Billions of Gallons	5.475	4.581
Recycled Sales in Billions of Gallons	0.946	0.975
Total Operating Revenues	\$ 30,062	\$ 27,683
WCAC Expense	\$ 12,194	\$ 10,291
Gross Margin	\$ 17,868	\$ 17,392
Total Operating Expenses before Depreciation	\$ 11,949	\$ 12,349
Depreciation Expense	\$ 4,215	\$ 3,833
Operating Income/(Loss)	\$ 1,704	\$ 1,210



Water Income Statement (cont.)

(\$ in thousands)

	Approved Budget FY 15-16	Proposed Budget FY 16-17
Operating Income/(Loss)	<u>\$ 1,704</u>	<u>\$ 1,210</u>
Other Income / (Expenses)	\$ (1,368)	\$ (1,286)
In Lieu	\$ -	\$ -
Net Income	<u>\$ 335</u>	<u>\$ (76)</u>
Capital Contributions (AIC)	\$ 369	\$ 319
Change in Net Position	<u>\$ 704</u>	<u>\$ 243</u>



Water Conservation Programs

	Approved FY 2015-16	Proposed FY 2016-17
Programs		
Landscape water consulting, classes & rebates	271,750	4,750
Home Improvement Program	245,000	115,000
Home Water Reports	140,000	136,500
Recycled Water Conversion Assistance	75,000	15,000
Community Demonstration Garden Grants	30,000	-
Rain Barrel	10,000	-
Study of Best Practices: Water Sustainability	7,500	7,500
Water Leak Assistance	5,000	5,000
Sub-Total Residential Programs	784,250	283,750



Water Conservation Programs (cont.)

Events/Environmental Initiatives

Water Festival & Other Events

5,000 -

Sub-Total Events

and Environmental Initiatives

5,000 -

Administration & Accrued Obligation

New Programs to be Developed

25,000 -

Program Administration

283,448 173,409

Total Water Conservation Expenditures 1,097,698 457,159

Accrued Spending Obligation

(614,176)

Water Conservation Expense

483,522 457,159



Water Fund 5 Year Capital Plan

	2016-17	2017-18	2018-19	2019-20	2020-21	
	Proposed	Forecast	Forecast	Forecast	Forecast	
Potable CIP						
Small Water Mains	3,072,187	2,781,063	2,266,063	2,061,063	2,071,063	
Large Water Mains	200,000	350,000	450,000	1,275,000	650,000	
Plant Replacement	35,000	35,000	35,000	35,000	35,000	
Automation and Control	20,000	20,000	20,000	170,000	120,000	
Boosters	-	185,000	375,000	100,000	-	
Production Facilities	-	-	-	90,000	75,000	
Miscellaneous Facilities	175,000	25,000	25,000	25,000	25,000	
Storage - Reservoirs and Tanks	20,000	640,000	500,000	130,000	-	
New Customer Projects/AIC	308,762	408,762	333,762	333,762	333,762	
Water Fund's share of common projects	255,553	11,443	292,928	215,050	42,550	(A)
Total Potable CIP	\$ 4,086,502	\$ 4,456,268	\$ 4,297,753	\$ 4,434,875	\$ 3,352,375	
Recycled CIP						
Recycled Water	866,843	494,105	204,105	159,105	454,105	
New Customer Projects/AIC	10,140	10,000	10,000	10,000	10,000	
Total Recycled CIP	\$ 876,983	\$ 504,105	\$ 214,105	\$ 169,105	\$ 464,105	
Total CIP	\$ 4,963,485	\$ 4,960,373	\$ 4,511,858	\$ 4,603,980	\$ 3,816,480	

Note:

(A) Includes 15% for Safety, 12.5% for Customer Service, and 11.5% for Operations Technology, Facilities, and Finance when applicable.



Potable Capital Improvements

(\$ in 000's)

Meter Replacements	\$ 1,439
Frederick St. Main, Clark to Magnolia	275
Hollywood Way Main, Burbank to Allan	275
System Expansion Services	225
Beachwood Drive Main, Victory to 1333 Beachwood	200
Walnut St. Main, Sixth to Kenneth	200
Replace Transmission Main Valve	200
Other Remaining Projects	1,273
Total	<u>\$ 4,087</u>



Recycled Capital Improvements

(\$ in 000's)

Seismic Retrofit of Steel Tanks	\$ 440
Recycled Transmission Main Across I-5	269
Distribution Main Expansion	100
Hydrants	24
Other Remaining Projects	44
Total	\$ 877



Water Fund 5 Year Capital Outlay

	2016-17	2017-18	2018-19	2019-20	2020-21
	Proposed	Forecast	Forecast	Forecast	Forecast
Capital Outlay	90,000	71,400	72,828	74,285	75,770
Information Technology	30,730	43,607	44,966	35,236	53,043
Master Fleet Plan	90,000	761,873	558,963	451,685	140,000
Subtotal Capital Outlay	\$210,730	\$876,879	\$676,757	\$561,206	\$268,813



MPP Joint Power Authority Budget

(\$ in 000's)			
	Description	FY 15-16 Approved Budget	FY 16-17 Proposed Budget
	Est. Net Generation in MWh	1,472,864	1,518,984
	Operating and Maintenance Expenses	\$27,453	23,270
	Capital Expenditures	\$2,942 (a)	\$274
	Operating Agent Budget (Fund 483)	\$30,395	\$23,545

(a) Includes \$2.0m for Turn-down Capability



Tieton Joint Power Authority Budget

(\$ in 000's)	FY 15-16	FY 16-17
Description	Approved Budget	Proposed Budget
Est. Generation in MWh	50,650	52,000
Operating and Maintenance Expenses	\$1,592	\$2,077
Transmission Expenses	\$90	\$95
Capital Expenditures	\$525	\$200
Operating Agent Budget (Fund 133)	<u>\$2,207</u>	<u>\$2,372</u>



Street Lighting (Fund 129)

(\$ in 000's)

	Approved FY 15-16	Proposed FY 16-17
Operating Revenues		
Transfers In-Lieu	\$ 2,651	\$ 2,636
Operating Expenses		
Utilities	\$ 1,362	\$ 1,291
Maintenance	\$ 491	\$ 419
Other Operating Expenses	\$ 157	\$ 187
Total Operating Expenses	\$ 2,010	\$ 1,897
Net Income	\$ 641	\$ 739
Other Income		
Interest Income and Other Income	\$ 1	\$ 2
Aid in Construction	\$ 375	\$ 200
Total Other Income	\$ 376	\$ 202
Net Change in Net Assets	\$ 1,017	\$ 941
Capital Expenditures	\$ 1,278	\$ 1,207
Repay Capital Advance from Electric Fund	\$ 80	\$ 80
Cash Balance at June 30	\$ 136	\$ 143



Communications (Fund 535)

(\$ in 000's)

	Approved Budget FY 15-16	Proposed Budget FY 16-17
Revenues		
Charges for Services	\$ 2,781	\$ 2,820
Total Operating Revenues	\$ 2,781	\$ 2,820
Operating Expenses		
Operations and Maintenance	\$ 2,134	\$ 2,251
Depreciation	\$ 462	\$ 452
Total Operating Expenses	\$ 2,596	\$ 2,702
Net Income	\$ 184	\$ 116
Interest & Other Income	\$ 55	\$ 55
Total Indirect Income/(Expense)	\$ 55	\$ 55
Net Change in Net Assets (Net Income)	\$ 239	\$ 171
Capital Expenditures	\$ 6	\$ -



RATE DESIGN

May 10, 2016

Burbank Water & Power

Agenda

1. Rate Design Overview
2. Water Cost of Service Study
3. Water Rate Design
4. Residential Electric Rates
5. Commercial Time of Use Electric Rates
6. Questions & Answers

Rate Design Overview

- All proposed changes are cost-based
- Proposed rate design changes can be made with or without rate increases
- Rate increases shown reflect
 - 2.1% for Electric Service
 - 3.4% for Water Service

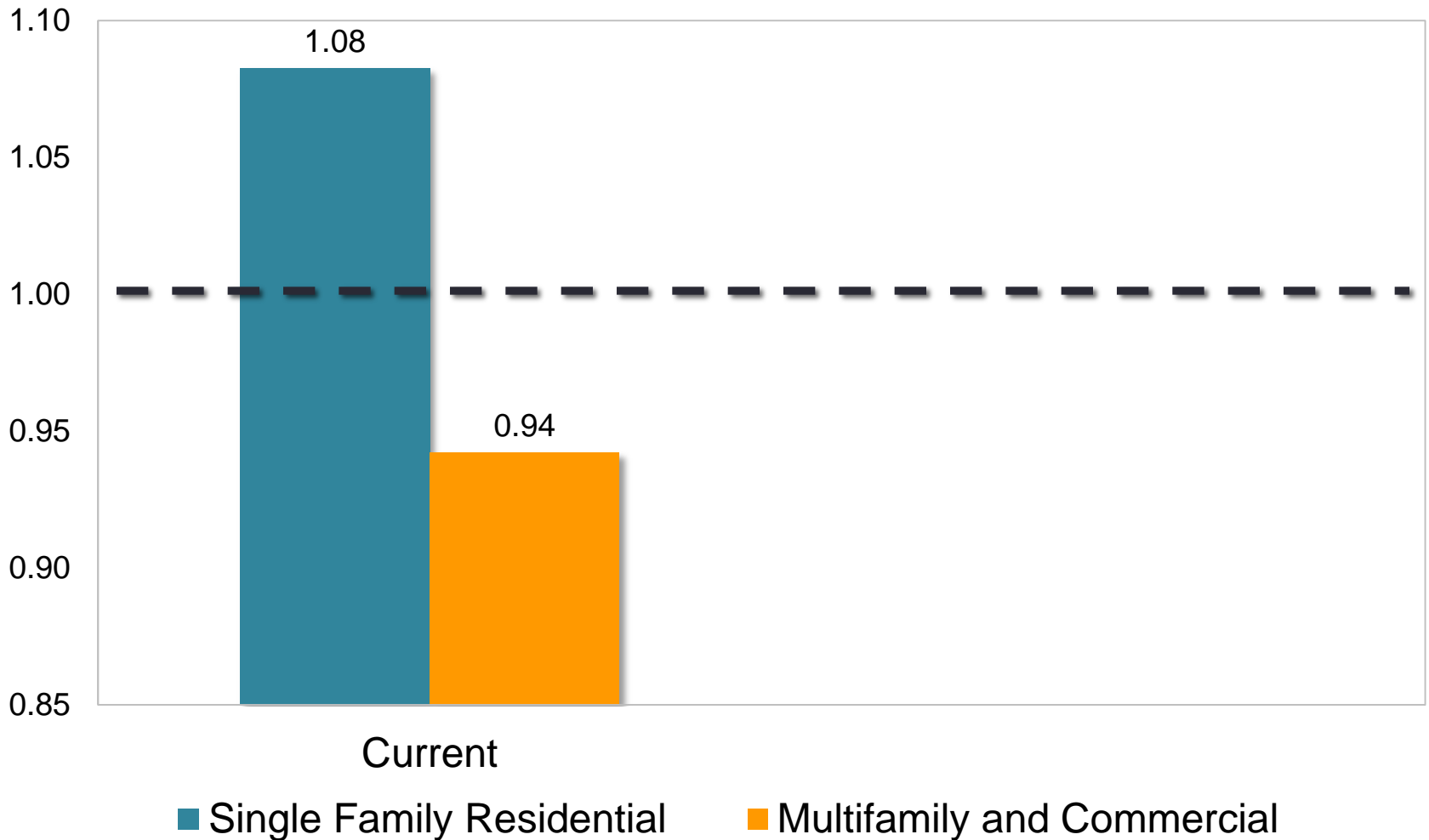
Water Cost of Service

- Cost to serve each customer class
 - Single Family Residential
 - Multifamily and Commercial
- Identify imbalances between classes
- Inform rate design
 - Costs recovered from monthly charge versus \$/unit rates

Water Cost of Service

- AWWA Guidelines
- “Base-Extra Capacity” Method
- Test Year = 2013-14

Water Cost of Service Findings



Current Water Rates

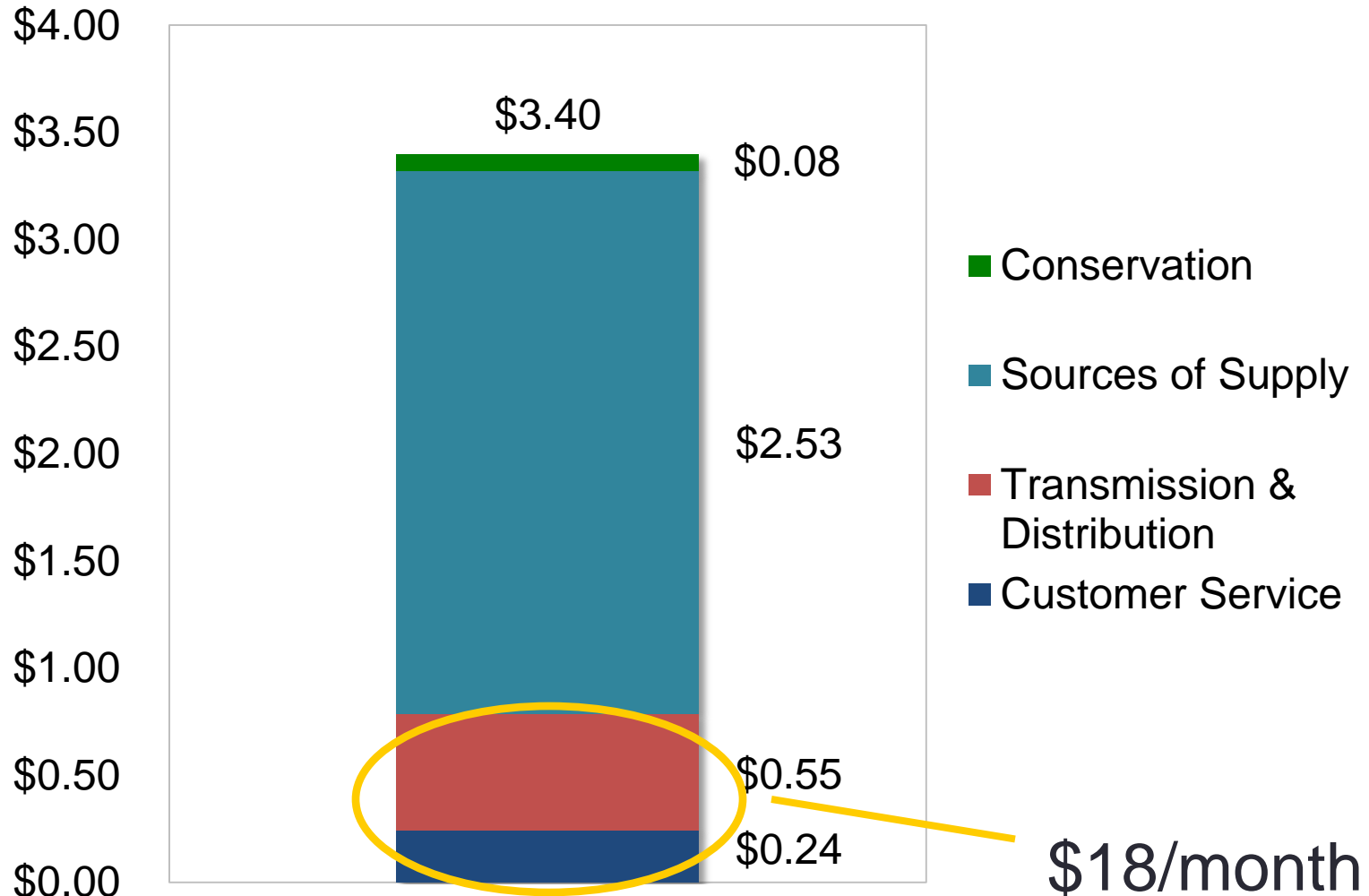
Single Family Residential

- \$2.95 first 15 units
- \$3.24 next 15 units
- \$3.64 over 30 units
- \$12.16 per month

Multi-Family Residential and Commercial

- \$3.47 per unit in Summer
- \$2.52 per unit other months
- \$12.16 per month

Average Water Rate by Costs



Meter Charge Basis

Meter Size	Gallons per Minute Rating	Ratio
1"	50	1.0
1.5"	100	2.0
2"	160	3.2
3"	320	6.4
4"	500	10.0
6"	1000	20.0
8"	1600	32.0
10"	2300	46.0
12"	4300	86.0

Proposed Monthly Meter Charges

Meter Size	Current Meter Charges	Proposed Meter Charges	Difference
1" & Below	\$12.16	\$12.29	\$0.13
1.5"	12.16	24.58	12.42
2"	12.16	39.33	27.17
3"	12.16	78.66	66.50
4"	12.16	122.90	110.74
6"	12.16	245.80	233.64
8"	12.16	393.28	381.12
10"	12.16	565.34	553.18
Larger than 10"	12.16	1,056.94	1,044.78

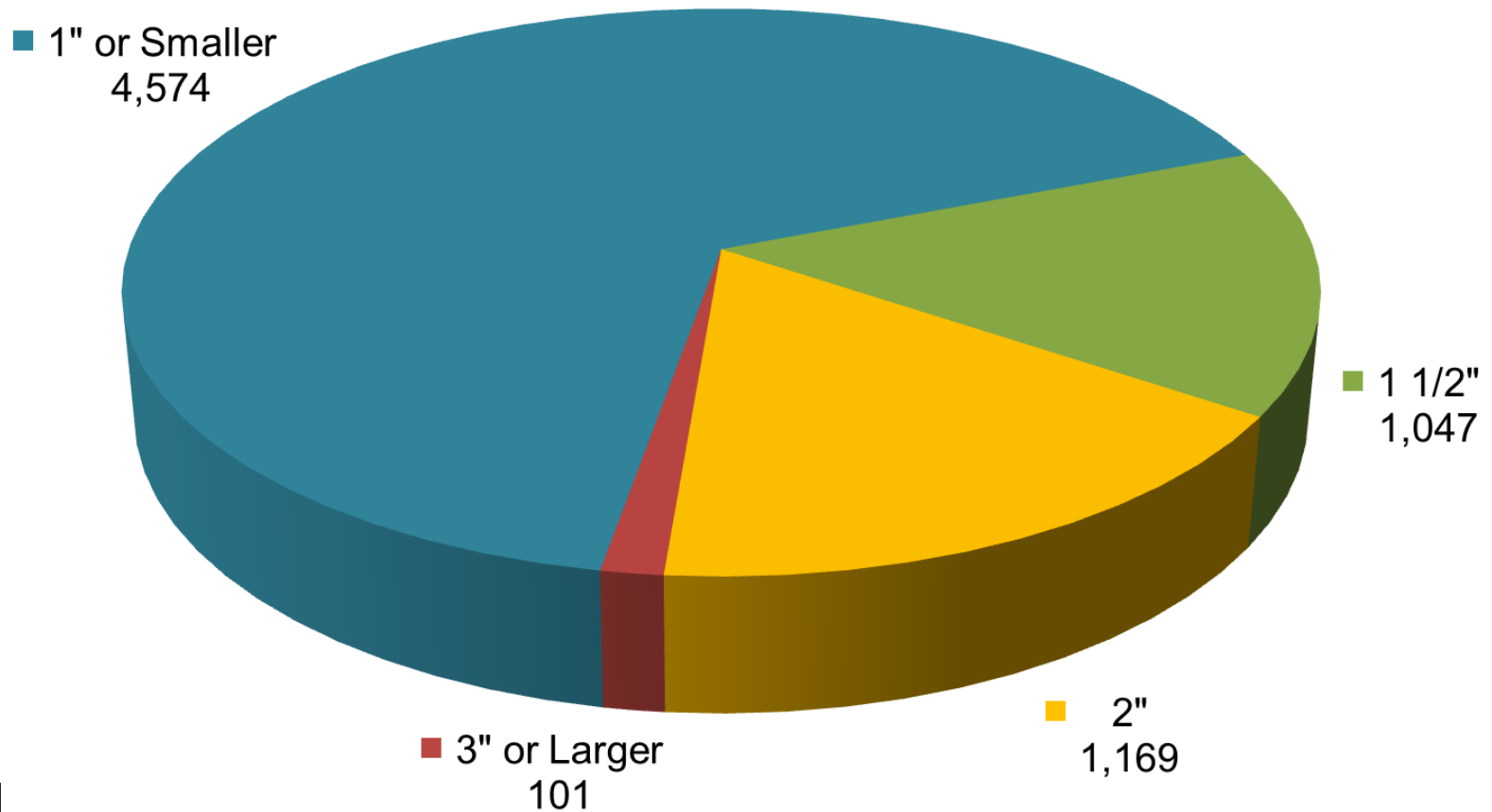
Potable meters larger than 6 inches belong to BWP or City of Burbank

Weighted Average: \$14.61

Customer Bill Impact

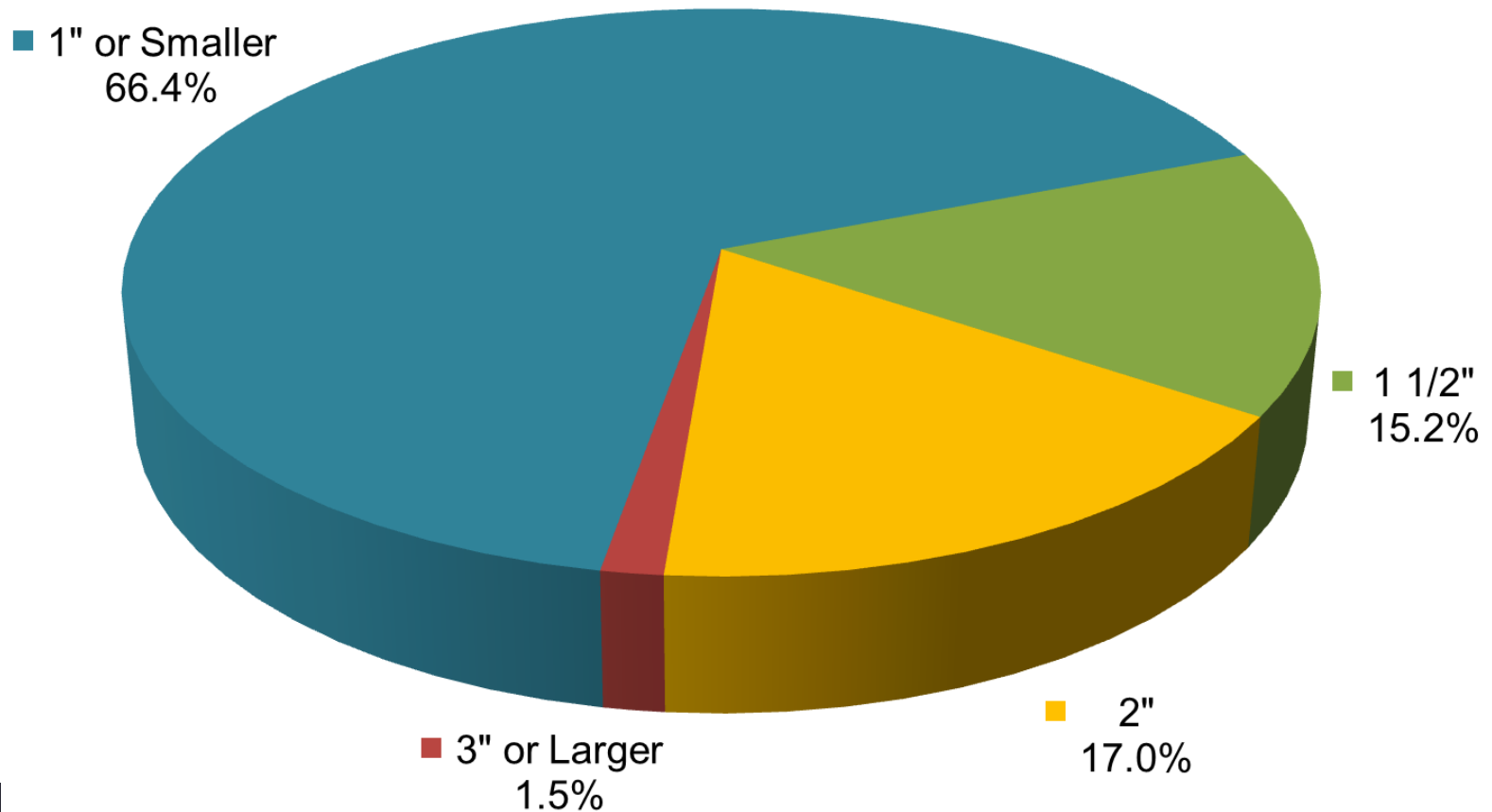
- Single Family Residential
 - 99.3% of Single Family Homes w/ 1" or smaller meter and will see a \$0.13 monthly increase
 - Some larger homes with 1½" or 2" meters
- Multi-family and Commercial
 - Ranges from 5/8" meter up to 12"

Multi-Family & Commercial Water Meters



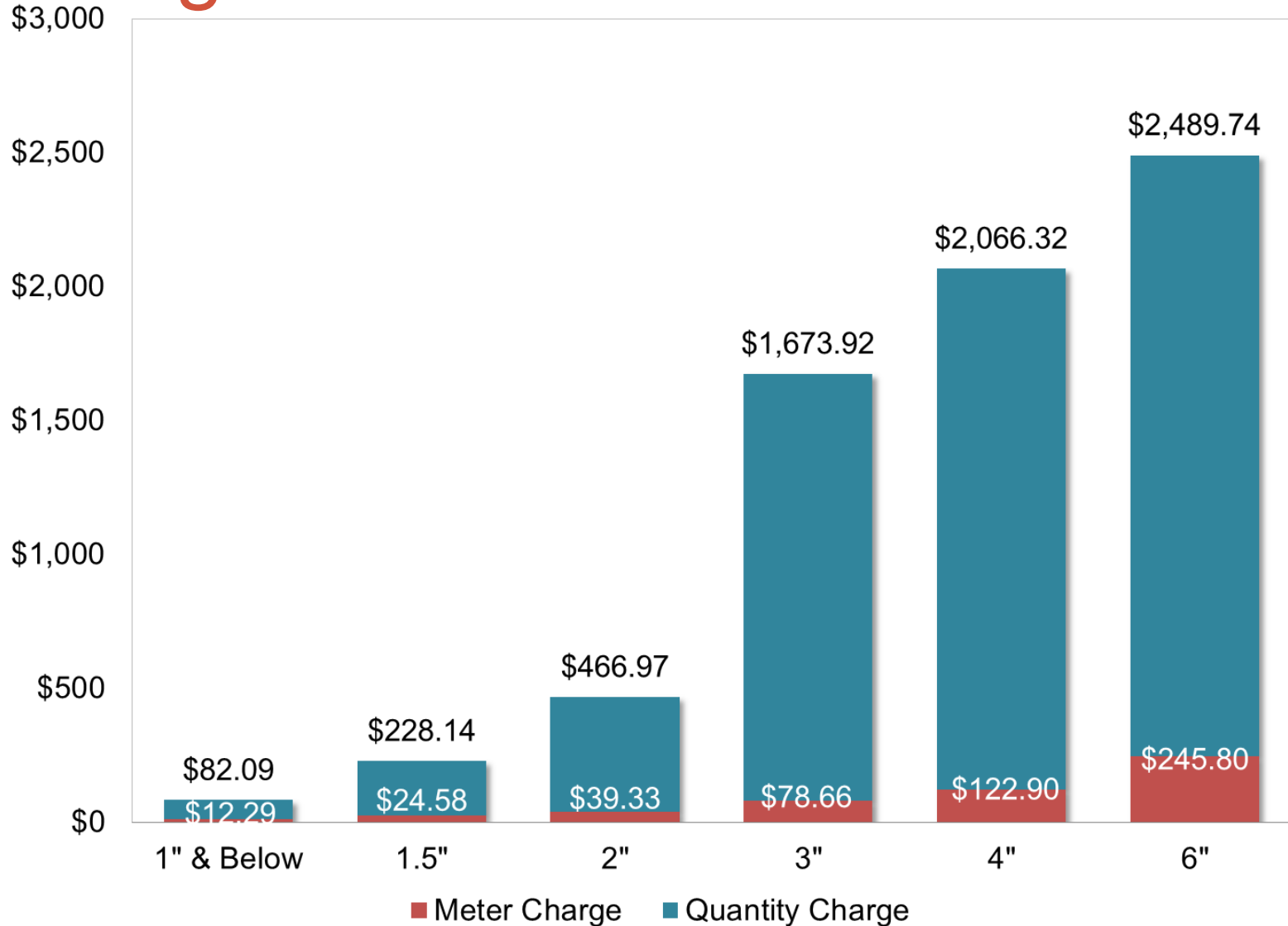
Total
6,891 Meters

Multi-Family & Commercial Water Meters



Total
6,891 Meters

Average Summer Bill



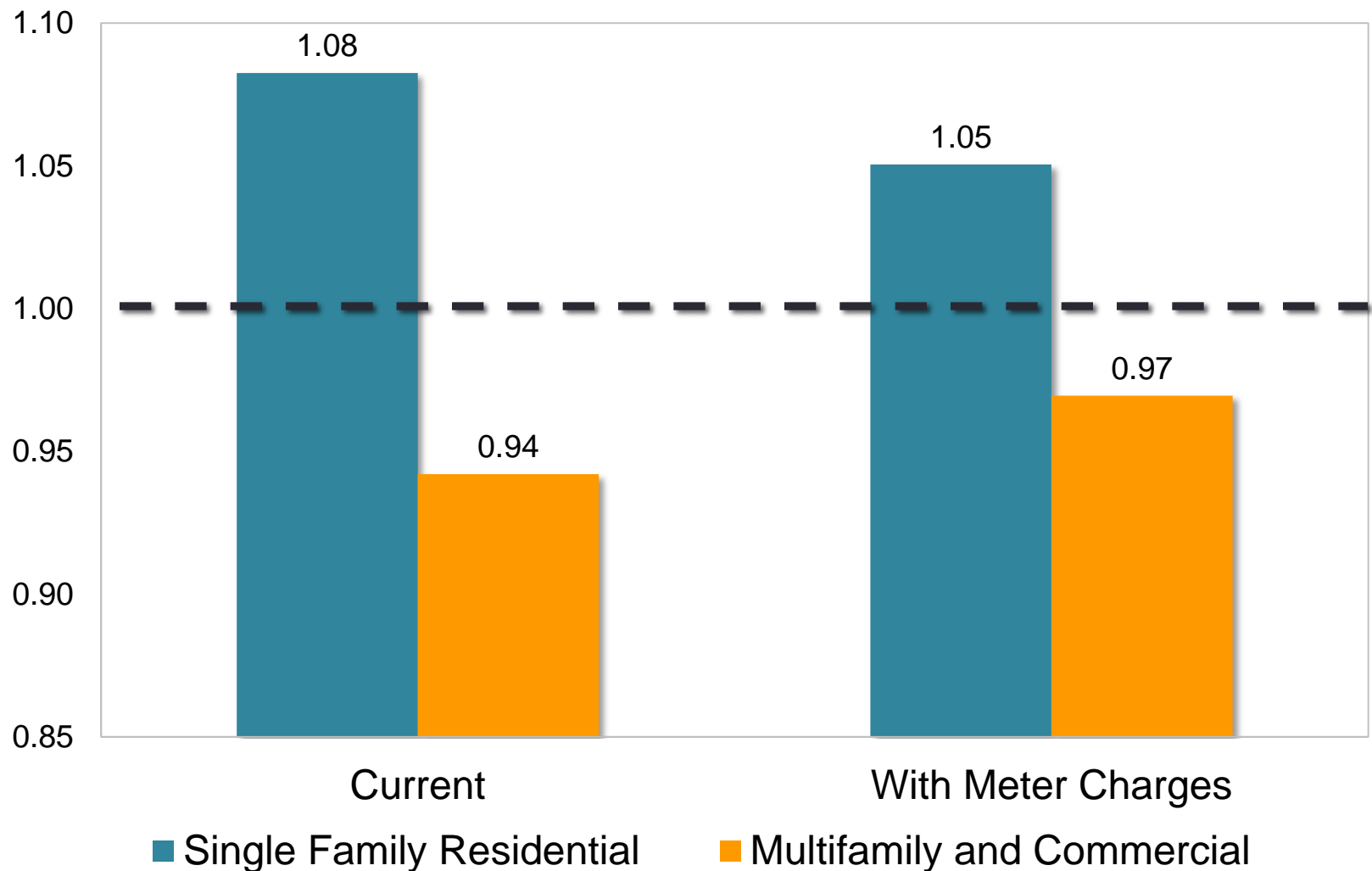
Average Winter Bill



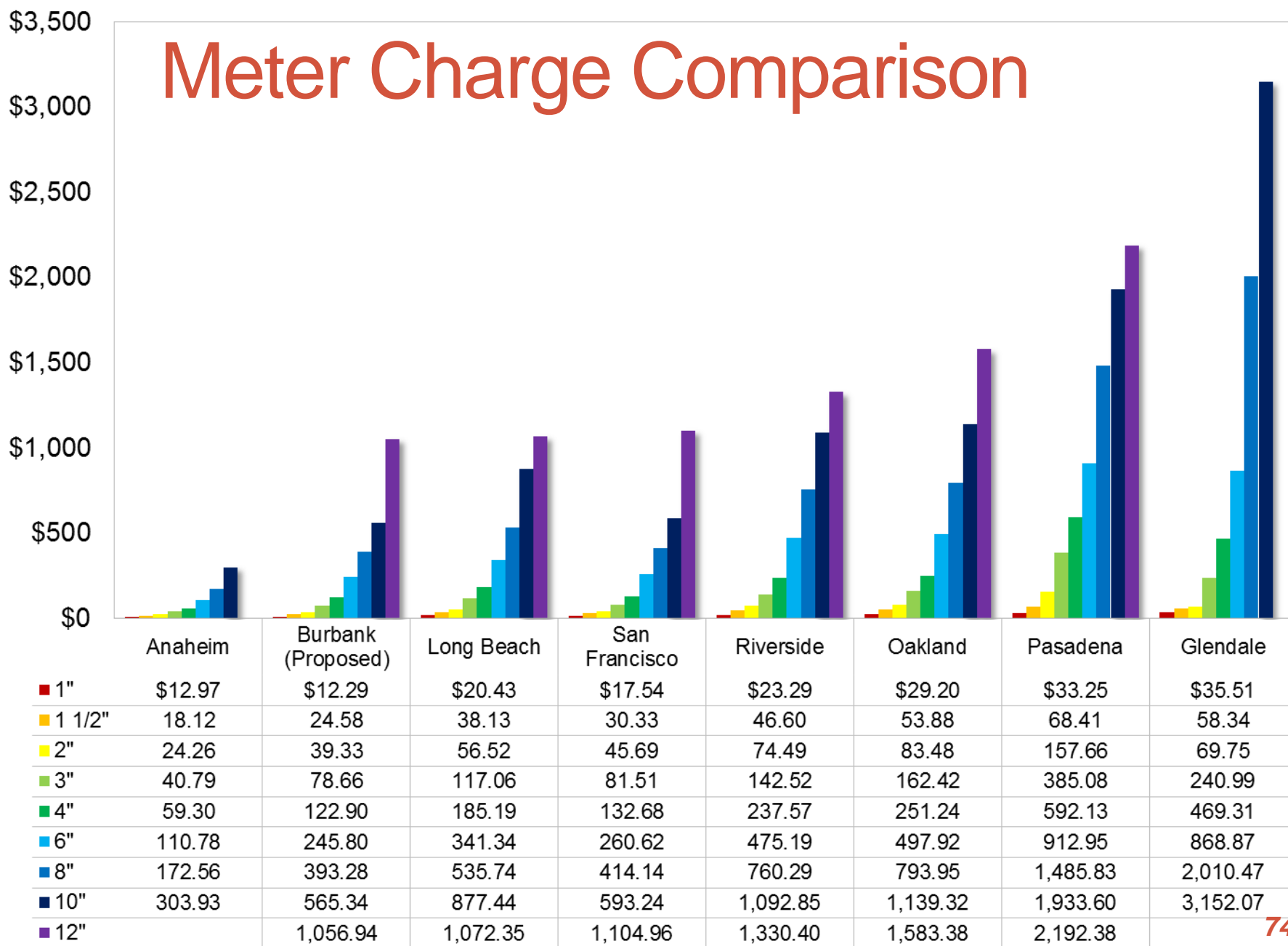
Average Commercial and Multifamily Bill Impact by Meter Size

	Summer	Non-Summer
1" & Below	0.2%	0.2%
1.5"	5.8%	8.3%
2"	6.2%	9.7%
3"	4.1%	7.4%
4"	5.7%	10.5%
6"	10.4%	19.0%

Cost of Service Findings



Meter Charge Comparison



RESIDENTIAL ELECTRIC RATES

Residential Electric Rates

Energy & ECAC (\$/kWh)

Tier 1 – First 300 kWh	\$0.1153
------------------------	----------

Tier 2 – Each additional kWh	0.1672
------------------------------	--------

Service Size Charge (\$/Month)

Small	\$1.40
-------	--------

Medium	2.80
--------	------

Large	8.40
-------	------

Customer Service Charge (\$/Month)	\$7.11
------------------------------------	---------------

Customer Service Charge Timeline

- 2000 Cost of Service Study established customer service charge at \$4.33

Customer Service Charge

Since then...

- Accounting for customer-related costs has been standardized by FERC and is now more accurate
- Metering & billing systems have been modernized

Customer Service Charge Timeline

- **2000** Cost of Service Study established customer service charge at \$4.33
- **2013** Cost of Service identified actual customer-related costs at \$9.22
 - Increased charge to \$6.96
- **2015** Increased charge to \$7.11
- **2016** Proposed: Increase charge to **\$8.83**

Customer Bill Impact

- No changes to Energy, ECAC, or Service Size Charges
- No customer will see a monthly increase of more than \$1.93 including surcharges
- Lifeline customers do not pay Customer Service Charge but energy charges will increase by 2.1%

Residential Electric Rates

Energy & ECAC (\$/kWh)	Current	Proposed
Tier 1 – First 300 kWh	\$0.1153	\$0.1153
Tier 2 – Each additional kWh	0.1672	0.1672
Service Size Charge (\$/Month)		
Small	\$1.40	\$1.40
Medium	2.80	2.80
Large	8.40	8.40
Customer Service Charge (\$/Month)	\$7.11	\$8.83

Customer Bill Impact

Single Family Home 550 kWh

Current Bill: \$96.51

Proposed: \$98.44

Change: \$1.93
(2.0%)

Apartment or Condo 350 kWh

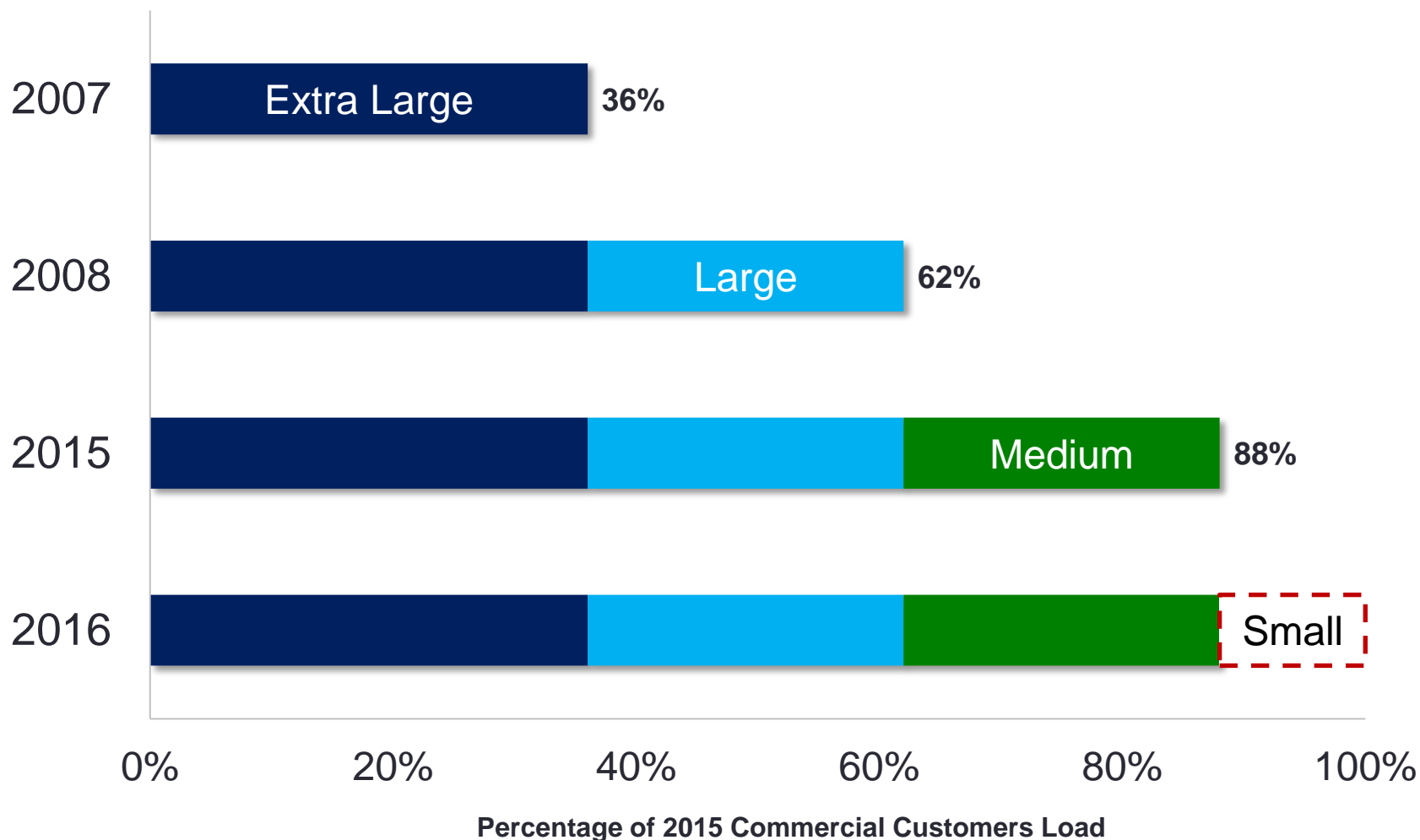
Current Bill: \$57.56

Proposed: \$59.49

Change: \$1.93
(3.2%)

SMALL COMMERCIAL ELECTRIC RATES

Commercial Conversion to TOU Rates



Small Commercial Time of Use Rates

Current

Energy & ECAC Rates (\$/kWh):

- **\$0.1512** all kWh

Customer Service Charge (\$/Month):

- 1-Phase: \$9.82
- 3-Phase: \$12.27

Proposed*

Time of Use Rates (\$/kWh)

- **\$0.2600** On-Peak hours
- **\$0.1625** Mid-Peak hours
- **\$0.1300** Off-Peak hours

Customer Service Charge (\$/Month):

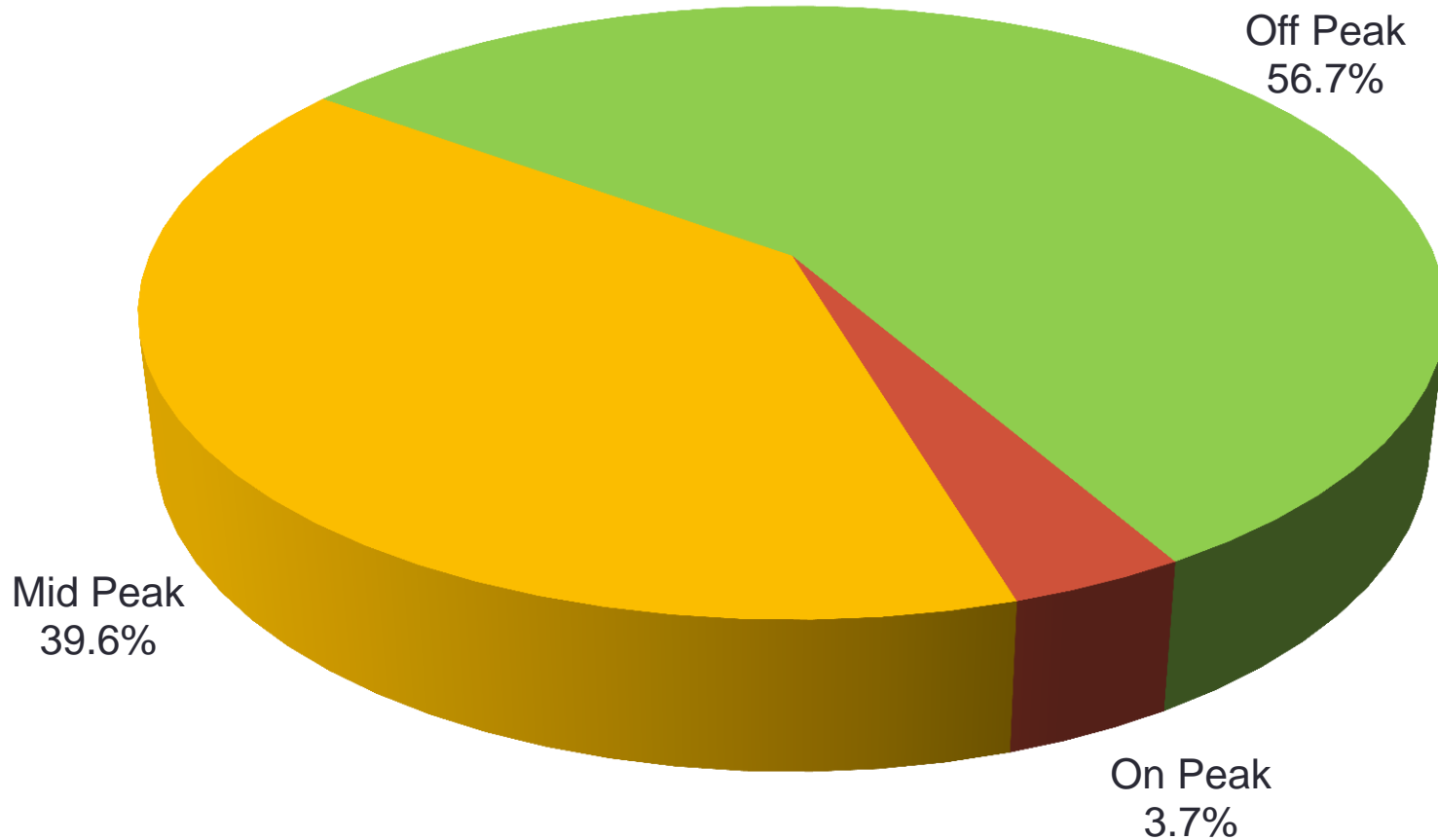
- 1-Phase: \$10.03
- 3-Phase: \$12.53

**Includes 2.1% rate increase effective 1/1/17*

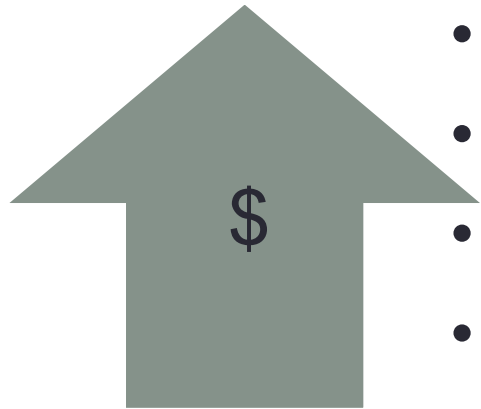
Time of Use Schedule

	Summer		Non-Summer	
Time	Weekdays	Weekends & Holidays	Weekdays	Weekends & Holidays
Midnight to 8am	Off	Off	Off	Off
8am to 4pm	Mid	Off	Mid	Off
4pm to 7pm	On	Off	Mid	Off
7pm to 11pm	Mid	Off	Mid	Off
11pm to Midnight	Off	Off	Off	Off

TOU Hours in Year



Small Commercial TOU Bill Impact



- Office Buildings (+3.8%)
- Schools (+3.3%)
- Salons (+2.1%)
- Auto Repair (+0.5%)



- Churches (-0.1%)
- Retail (-1.0%)
- Film/TV (-1.0%)
- Restaurants (-1.5%)

QUESTIONS & ANSWERS

Fiscal Year 2016–17 Proposed Budget Burbank Water & Power May 10, 2016



End of Water In-Lieu

(\$ in 000's)

	<u>14-15</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>
Estimated In-Lieu (uncollected)	\$1,213	\$1,102	\$1,145	\$1,283	\$1,326
Settlement Payments to BWP	\$100	\$375	\$375	\$375	\$0
Supplemental Cost Allocations	(\$608)	(\$608)	(\$725)	(\$789)	(\$971)
Reduction of BWP Payments	\$705	\$869	\$795	\$869	\$355

