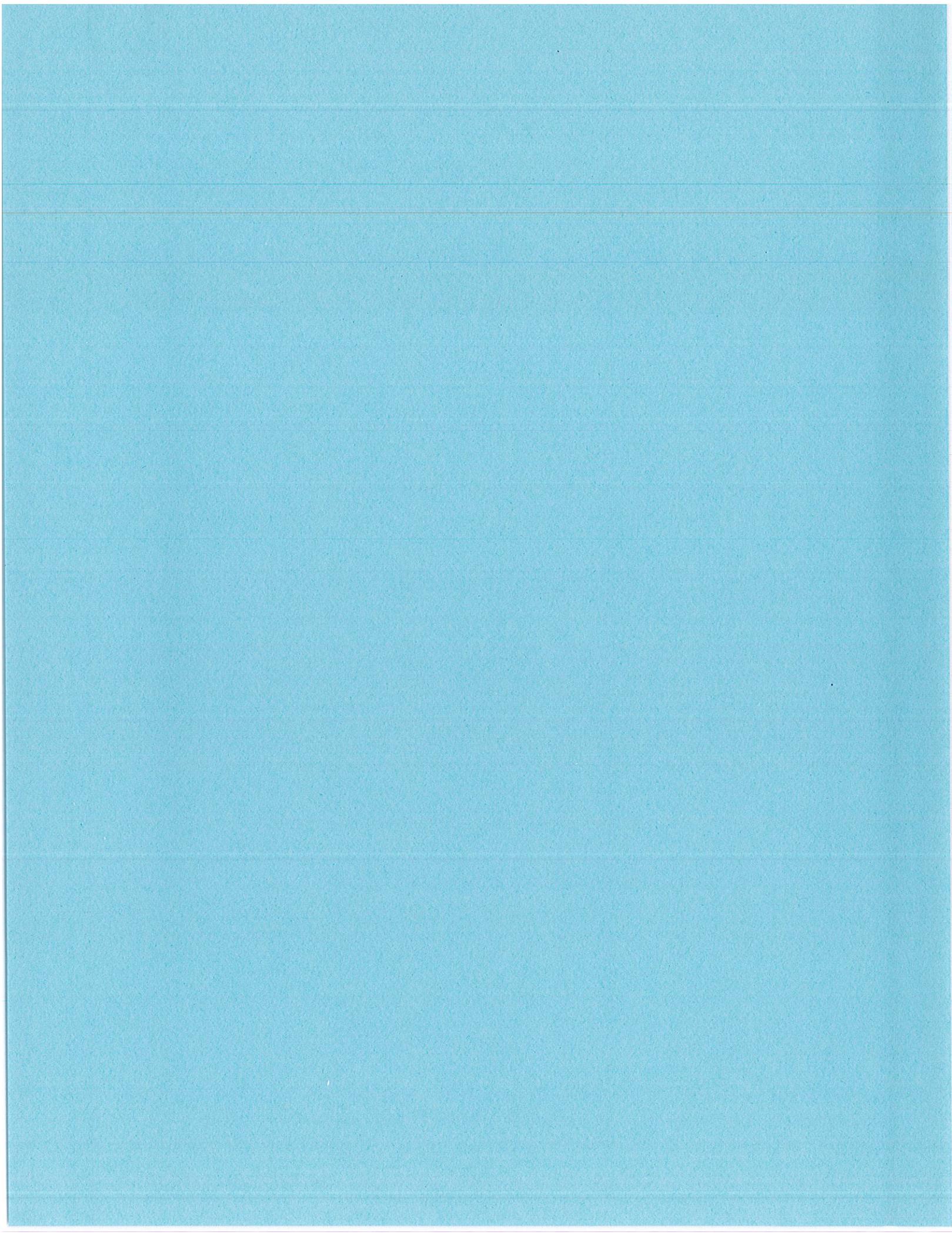


## **Weekly Management Report August 5, 2016**

1. **Memo** - Regulation of E-Cigarettes - Community Development Department
2. **Minutes** - Civil Service Board Meeting of July 6, 2016 - Management Services Department
3. **Synopsis** - Civil Service Board Meeting of August 3, 2016 - Management Services Department
4. **Synopsis** - Traffic Commission Meeting of July 28, 2016 - Public Works Department
5. **Minutes** - Burbank Water and Power Board Meeting of June 2, 2016 - Burbank Water and Power Department
6. **Staff Report** - June 2016 Operating Results - Burbank Water and Power Department



# memorandum

**DATE:** August 3, 2016

**TO:** Ron Davis, City Manager

**FROM:** Patrick Prescott, Community Development Director   
Via: Tom Sloan, Assistant Community Development Director   
By: Carol-Ann Coates, Building Administration Manager 

**SUBJECT: Regulation of E-Cigarettes**

At the request of City Council, Staff presented a report at the January 12, 2016, meeting on the regulation of e-cigarettes. Council directed staff to return with more information on what other cities are doing to regulate the use and sale of e-cigarettes. While staff was doing that research, the state passed three tobacco control bills that affect City ordinances. They went into effect on June 9 of this year:

- AB 7 (Stone) - Closes loopholes in smoke-free workplace laws
- SB 5 (Leno) - Add e-cigarettes to the definition of tobacco product
- SB 7 (Hernandez) - Increases age of sale for tobacco products to 21.

The City currently regulates smoking in public places through the Secondhand Smoke Control Ordinance and the sale of tobacco through a regulatory Business License. The changes in state law affect the City's ordinances in the following ways:

### Secondhand Smoke Control Ordinance

The existing definition of "smoking" in the Burbank Municipal Code (BMC) is broad enough to encompass the state's expanded definition of smoking, which now includes any electronic smoking device that creates an aerosol or vapor in any manner or form. The City's defines "smoking" as the "burning, carrying or holding of any lighted cigar, cigarette, pipe, weed, plant, or other equipment or combustible substance that is intended to be inhaled and/or exhaled. Furthermore, "Smoking includes emitting or exhaling the fumes from any equipment or substance listed herein."

In addition to the change in the state's definition of smoking, the state expanded the workplace smoking restrictions that were originally enacted in 1995. The state's recent amendments extend the ban to include all employers and eliminate most of the specified exemptions that allow smoking in certain work environments. Previously the restrictions did not apply to owner-operated businesses where the owner was the only person working at the location. Now, employer-designated smoking break rooms are prohibited and most exemptions for hotel lobbies, bars and taverns, banquets rooms

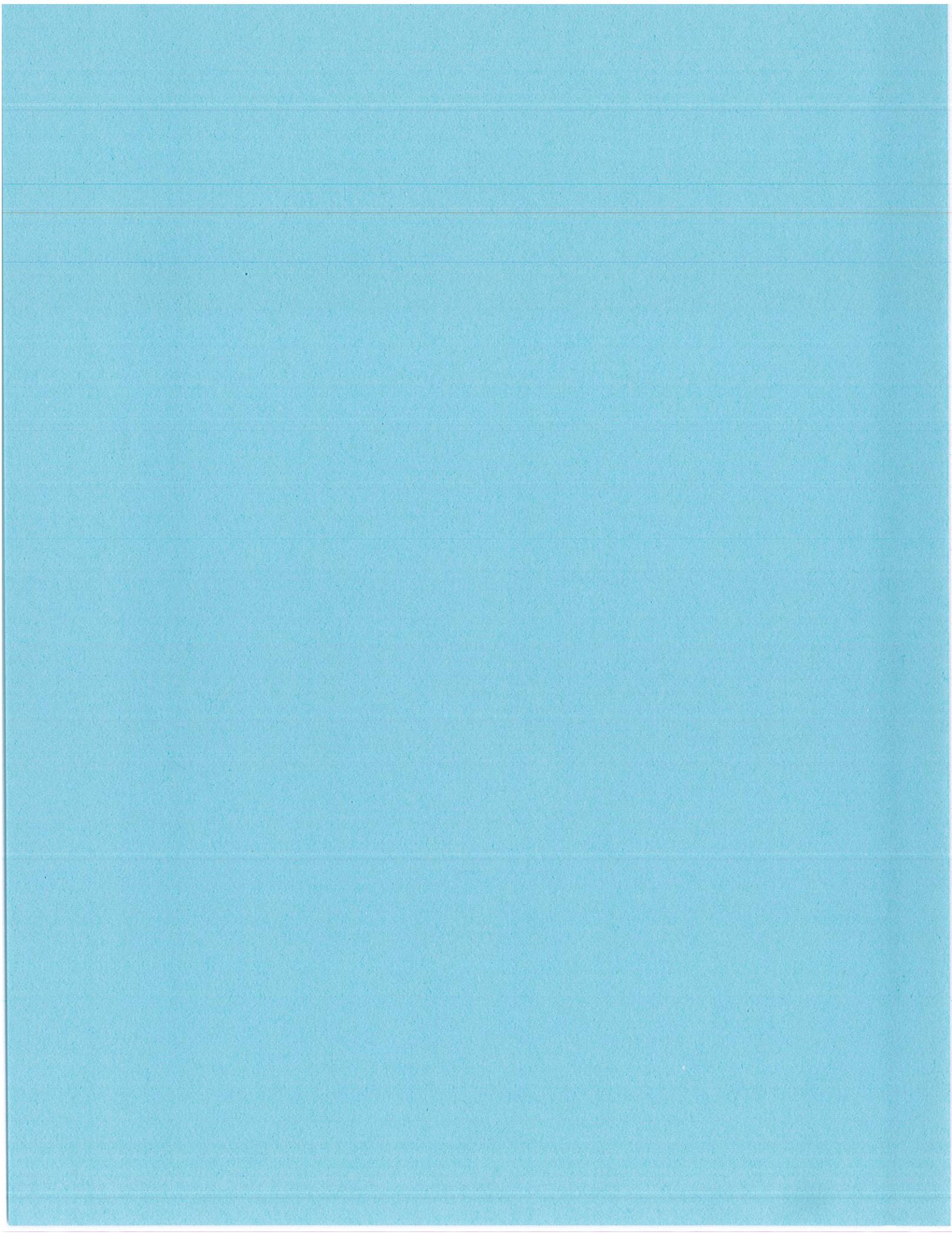
and warehouse facilities have been removed. The City's ordinance currently prohibits smoking where it is restricted by other applicable laws.

### Retail Tobacco Sales Ordinance

The new state law raised the age at which tobacco products, including e-cigarettes, may be sold or purchased from 18 years to 21 years of age. The California Tobacco Control Program of the California Department of Public Health created a number of resources to facilitate implementation of the Tobacco 21 law among retailers. To enforce this provision locally, the Police Department conducts random compliance checks to determine whether retailers are complying. Compliance checks may now enlist the assistance of persons under 21 years of age. Selling tobacco products to anyone under 21 years of age can result in a fine or penalty. Before selling any tobacco product, the state suggests retailers check the ID of anyone who appears to be under 27 years of age.

As the state amendments now consider e-cigarettes to be a tobacco product, any retailer that sells e-cigarettes will have to obtain a Cigarette and Tobacco Products Retailers' License from the California State Board of Equalization. Effective January 1, 2017, sellers not already in possession of the license will have to obtain one. Now that these retailers have to obtain a state tobacco retailer's license, they must also apply for the City's Retail Tobacco Sales License.

Staff from the City Attorney Office and Community Development Department recommend that no changes to the BMC are required to accommodate recent changes in state tobacco restrictions.



July 6, 2016  
4:30 p.m.

The regular meeting of the Civil Service Board was held in the City Council Chambers of City Hall.

**Roll Call**

Members present: Matthew Doyle, Chairperson  
David Nos, Vice-Chairperson  
Miguel Porras, Secretary  
Jacqueline Waltman  
Susan Widman

Also present: Pete Bova, BCEA President  
Krista Dietrich, Administrative Officer  
Betsy Dolan, Management Services Director  
Brady Griffin, Human Resources Manager  
Charmaine Jackson, Senior Assistant City Attorney  
Michael Kelley, Manager Electric Equipment  
Sherry Kelley, Acting Administrative Officer – BWP  
Tom Lenahan, Fire Chief  
April Moreno, Human Resources Manager  
Jessica Sandoval, Executive Assistant  
Julianne Venturo, Asst. Management Services Director

**Additional Agenda Items**

None

**Open Public Comment Period of Oral Communications**

None

**Approval of Minutes**

MOTION CARRIED: It was moved by Ms. Waltman, seconded by Mr. Porras and carried 4-0 to approve the minutes of the regular meeting of June 1, 2016.

**Proposed Amendments to Classification Plan**

- ESTABLISHMENT OF THE TITLE AND SPECIFICATION FOR THE CLASSIFICATIONS OF FIRE INSPECTOR I AND FIRE INSPECTION MANAGER AND THE REVISION OF THE TITLE AND SPECIFICATION FOR THE CLASSIFICATION OF FIRE PREVENTION INSPECTOR TO FIRE INSPECTOR II

MOTION CARRIED: It was moved by Mr. Doyle, seconded by Ms. Widman and carried 5-0 to approve the establishment of the title and specification for the classifications of Fire Inspector I and Fire Inspection Manager and the revision of the

title and specification for the classification of Fire Prevention Inspector to Fire Inspector II.

**Recruitment and Selection Report – June 2016**

RECOMMENDATION: Note and file.

**Expedited Recruitment Quarterly Report**

RECOMMENDATION: Note and file.

**Appointments and Assignments – July 2016**

For the month of July 2016, there was one provisional appointment and one temporary assignment extension needed. The extensions were sought on behalf of the Public Works Department and the Burbank Water and Power Department.

MOTION CARRIED: It was moved by Mr. Doyle, seconded by Mr. Porras and carried 5-0 to approve the Appointments and Assignments for the month of July 2016.

**Additional Leave Quarterly Report**

RECOMMENDATION: Note and file.

**Annual List of Professional Services Agreements with Sole Proprietors and Individuals**

RECOMMENDATION: Note and file.

**Adjournment**

The regular meeting of the Civil Service Board was adjourned at 5:20 p.m.

Julianne Venturo  
Assistant Management Services Director

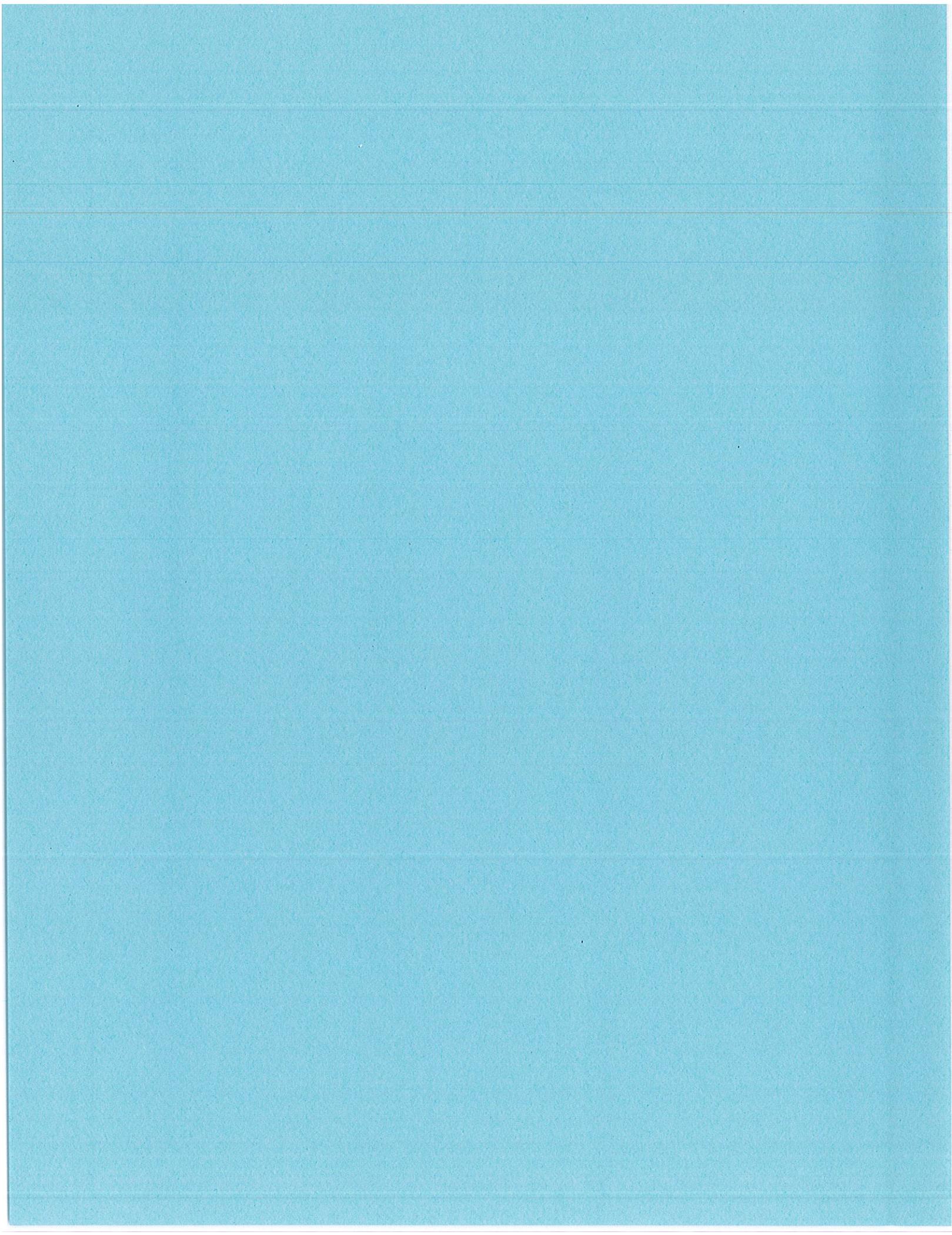
APPROVED:

\_\_\_\_\_  
David Nos, Chairperson

DATE \_\_\_\_\_

\_\_\_\_\_  
Jacqueline Waltman, Secretary

DATE \_\_\_\_\_





**CITY OF BURBANK  
CIVIL SERVICE BOARD**

**NOTICE**

The regular meeting of the Civil Service Board will be held on **August 3, 2016** at **4:30 p.m.** in the **City Hall Council Chambers – 275 East Olive Avenue**. Support documents of items on this Agenda may be obtained from the Management Services Department or by visiting the City’s website at [www.burbankca.gov](http://www.burbankca.gov). The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

**AGENDA**

**1. Roll Call**

**2. Additional Agenda Items**

None

**3. Open Public Comment Period of Oral Communications**

None

OVERVIEW: During this period of Oral Communications, the public may comment on any matter concerning Civil Service business, and/or any items on the agenda.

**4. Approval of Minutes**

Approved 3-0 as amended

OVERVIEW: Regular meeting of July 6, 2016.

RECOMMENDATION: Approve as submitted.

**5. Proposed Amendments to Classification and Pay Plan**

None

None

**6. Recruitment and Selection Report – July 2016**

Note and File

OVERVIEW: The Recruitment and Selection Report is submitted to the Board to reflect the activity occurring during a specified month in the Recruitment and Selection section of the Management Services Department–Human Resources Division.

RECOMMENDATION: Note and file.

8. **Appointments and Assignments**

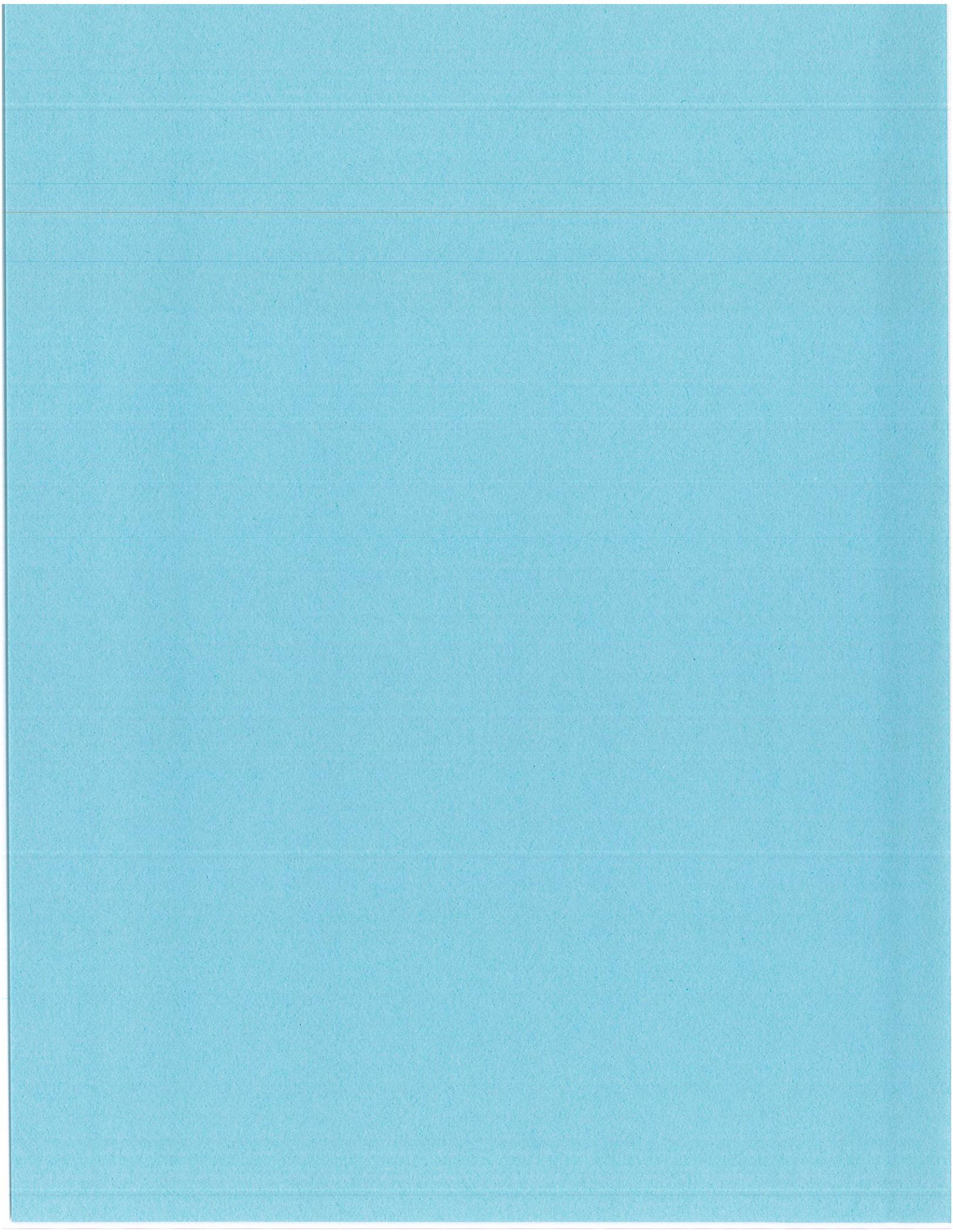
Approved 3-0

OVERVIEW: For the month of August 2016, there is one provisional appointment and three temporary assignment extensions needed. The extensions are being sought on behalf of the Public Works Department, the Police Department and the Burbank Water and Power Department.

RECOMMENDATION: Discuss and approve.

9. **Adjournment**

If you have any questions about any matter on the agenda, please call the Management Services Department at (818) 238-5026. This facility is disabled accessible. Auxiliary aids and services are available for individuals with speech, vision or hearing impairments (advanced notice is required). Please contact the ADA Coordinator at (818) 238-5424 voice or (818) 238-5035 TDD with questions or concerns.



**TRAFFIC COMMISSION**  
**July 28, 2016**

SYNOPSIS OF ITEMS ARE IN BOXES BELOW

Members Present:

Linda Barnes, Kevin Harrop, Rebecca Granite-Johnson, Michael Kiaman, Andre Krikorian, Brian Malone, Paul McKenna, Vanessa Rachal, and Joe Terranova

Members Absent:

None.

**III. ORAL COMMUNICATIONS**

**A. Public Communication**

7 residents spoke regarding making temporary street closures permanent for the Alameda North Neighborhood Protection Program.

**B. Commission Comments**

Mr. Brian Malone reminded the Commission Members of the upcoming election of the Chair and Vice Chair at next month's meeting.

**C. Staff Communication**

Staff provided the following updates: a) Update on Request to extend taxi service life; Council approved. b) Edison stop controls; installed stop signs this past week, and next week bicycle lanes and edge lines will be installed. c) Flashing yellow arrows; installed at Olive and First the last week of June; staff has been monitoring. d) IKEA street improvements; contractor is constructing offsite improvements, i.e. widening San Fernando at Alameda, modifying signal at San Fernando and Alameda, and installing new traffic signal at San Fernando and Elmwood. e) Verdugo Avenue traffic improvement project; started construction the first week of June. f) Alameda Avenue traffic improvement project; project commenced in July.

Mr. Kevin Harrop requested to agendaize signage proposal from IKEA.

**IV. APPROVAL OF MINUTES:**

Mr. Kevin Harrop moved to approve minutes from May meeting. Ms. Linda Barnes seconded. Motion passed unanimously with two abstentions, Michael Kiaman and Vanessa Rachal.

**V. PUBLIC HEARINGS:**

None.

**VI. REPORTS:**

**A. Alameda North Neighborhood Protection Program (NPP) Update**

David Kriske from the Community Development Department presented an update on Alameda North Neighborhood Protection Program.

After discussion, the Commission requested a copy of the next steps for the NPP.

**B. Evaluation of Speed Hump Criteria**

Staff presented a report on the evaluation of the City's existing speed hump criteria.

After discussion, Ms. Rebecca Granite-Johnson moved to recommend revising speed hump criteria as recommended by staff with the exception of: keeping 5% maximum street grade; only on streets with traffic volumes over 1,000 cars, and prevailing speeds of 35 mph or more; requiring application petitions to be signed by 80% impacted, with 75% in favor. Michael Kiaman seconded. Motion did not pass with 1 for (Ms. Granite-Johnson) and 8 against.

Mr. Kevin Harrop moved to table to this item for the next meeting in August; Mr. Joe Terranova seconded. Motion was passed unanimously.

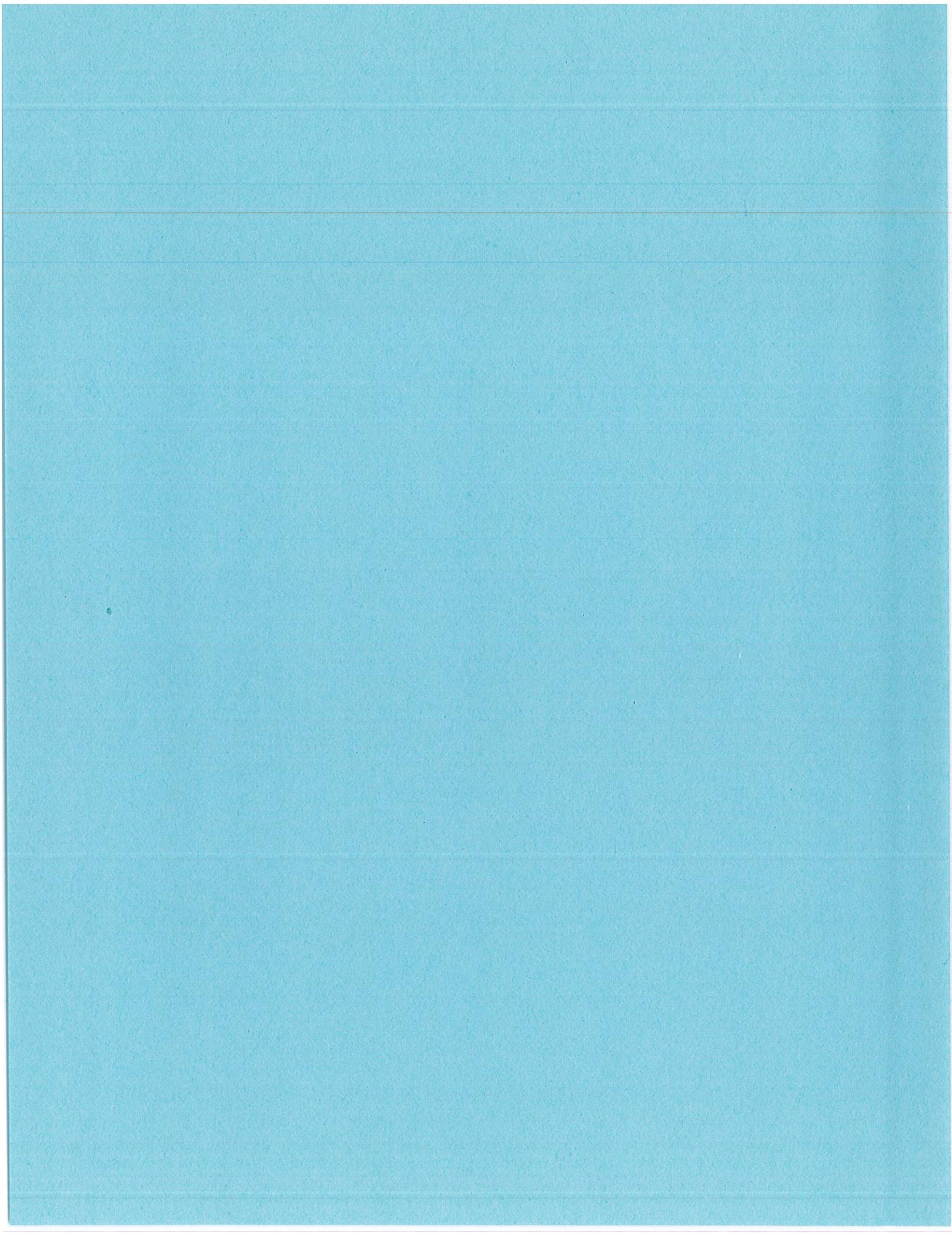
**C. Update on Transportation Network Company Regulations**

Mr. Kevin Harrop moved to postpone this item to next meeting in August; Joe Terranova seconded. Motion passed unanimously.

**VII. FUTURE AGENDA ITEMS:**

- 1) Discussion of speed hump criteria - August
- 2) Update on bike lanes on Edison Boulevard after installation and months of operation
- 3) Update on railroad Quiet Zones
- 4) Update on IKEA Area Signage and Freeway Exit Signage - August
- 5) Chair and Vice Chair selection – August
- 6) Update on Transportation Network Company Regulations - August

**VIII. ADJOURNMENT:** 6:35 pm



**UNAPPROVED**

**BURBANK WATER AND POWER BOARD  
MINUTES OF MEETING  
June 2, 2016**

Mr. Olson called the regular meeting of the Burbank Water and Power Board to order at 5:15 p.m. in the third floor Boardroom of the BWP Administration Building, 164 West Magnolia Boulevard, Burbank, California.

Mr. Eskandar called for the Pledge of Allegiance to the Flag.

**ROLL CALL**

**Board Present:** Mr. Olson, Mr. Smith, Mr. Eskandar, Mr. Herman, Mr. Ford, Mr. Leclair and Ms. Springer

**Staff Present:** Mr. Somoano, Acting General Manager, BWP; Mr. Liu, Chief Financial Officer; Mr. Compton, Assistant General Manager – Chief Technology Officer; Mr. Mace, Assistant General Manager, Water; Mr. Fletcher, Assistant General Manager, Power; Mr. Chwang, Sr. Asst. City Attorney; Mr. O. Hernandez, Acting Legislative Analyst; Ms. Fletcher, Assistant General Manager, Customer Service and Marketing; Mr. Bleveans, Power Resources Manager; Mr. Elsner, Principal Civil Engineer/BWP; Mr. Pandey, Principal Electrical Engineer; Mr. Olsen, Sr. Electrical Engineer; Mr. Sleiman, Sr. Electrical Engineer; Ms. Hickman, Recording Secretary.

**INTRODUCTION OF ADDITIONAL AGENDA ITEMS**

None requested.

**ORAL COMMUNICATIONS**

Mr. Olson called for oral communications at this time. No one asked to speak.

**CONSENT AGENDA****SELECTION OF BWP BOARD CHAIR AND VICE CHAIR**

According to the City of Burbank Municipal Code, members of each Board and Commission shall annually elect a Chair and Vice Chair at the first meeting after June 1 following the appointment of successors to fill expired terms of office.

**MOTION**

Mr. Leclair nominated Mr. Herman as BWP Board Chair, seconded by Mr. Smith, and the vote carried 6-0 (Mr. Ford had not yet arrived) to elect Mr. Herman as BWP Board Chair. Mr. Herman nominated Mr. Eskandar as BWP Board Vice Chair, seconded by Ms. Springer, and the vote carried 6-0 (Mr. Ford had not yet arrived) to elect Mr. Eskandar as BWP Board Vice Chair.

## **MINUTES**

It was moved by Mr. Eskandar, seconded by Mr. Smith and carried 5-0 to approve the minutes of the regular meeting of May 5, 2016. (Ms. Springer abstained due to her absence at the May meeting and Mr. Ford had not yet arrived.)

## **REPORTS TO THE BOARD**

### **BWP OPERATIONS AND FINANCIAL REPORTS**

Mr. Liu presented BWP's financial update for the month of April 2016. He noted that the utility retained 31% renewables at the fiscal year.

Mr. Somoano, Mr. Liu, Mr. Mace, Mr. Compton and Mr. Blevians responded to Board member questions.

This was an information only item. No action was taken.

Mr. Ford arrived at 5:28 p.m.

### **UPDATE ON RECYCLED WATER MASTER PLAN**

Mr. Elsner presented an update on the utility's Recycled Water Master Plan (RWMP). He explained that BWP has been recycling water since 1967. In 2007, staff summarized a phased expansion of the system to increase the use of recycled water in Burbank. In 2010, the RWMP was updated to include additional projects. Today the system includes over 27 miles of distribution pipelines.

Currently, over 80 sites in Burbank have been converted to recycled water including the Burbank Unified School District, Studios, Valhalla Memorial Park and Burbank's parks. The Los Angeles Department of Water and Power will also serve Burbank's recycled water to sites in the North Hollywood area.

Peak sales are increasing and staff is predicting future sales totaling 975 million gallons. Requests for potable water conservation will have an effect on recycled water sales.

Mr. Elsner responded to Board member questions.

## **MOTION**

This was an information only item. No action was taken.

### **HOOVER RENEWAL AGREEMENT**

Mr. Pandey presented a report on the proposed Electric Service Contract and the Amended and Restated Implementation Agreement for the purchase of energy and capacity from the Boulder Canyon Project (a.k.a. Hoover Dam). He stated that Burbank has received electric service from the Hoover Dam since the beginning of Hoover's commercial operation in 1937. Burbank was one of the original nine utilities that signed the first agreements for power deliveries from Hoover.

Mr. Pandey described Hoover Dam and its operations in detail, including the impact of the current drought. Mr. Pandey noted that BWP uses its Hoover rights for peaking and reserve needs, and expects to continue using this resource the same way under the new Agreements. The Los Angeles Department

of Water and Power (LADWP) and the City of Glendale also receive electric service from Hoover. LADWP manages this power and schedules the respective shares of Hoover energy and capacity to Glendale and Burbank. There is not yet any formal agreement with LADWP for this arrangement that has been underway for many years.

Hoover is expected to be a considerable benefit to Burbank as BWP looks to integrate higher levels of renewable power.

Mr. Pandey, Mr. Bleveans, and Mr. Mace responded to Board member questions.

#### **MOTION**

It was moved by Mr. Eskandar, seconded by Mr. Smith and carried 7-0 to request that the City Council approve and authorize the General Manager of Burbank Water and Power, or his designee, to execute two Agreements, along with any ancillary documents, related to the Boulder Canyon Project with the United States Department of Energy, Western Area Power Sales Administration and the United States Department of the Interior, Bureau of Reclamation.

#### **SUSTAINABLE BURBANK COMMISSION REPORT**

Ms. Springer reported that she attended the Sustainable Burbank Commission meeting on April 18. The Commission requested a recycled water presentation that will be taking place next Monday.

The following future agenda items were discussed:

- Stormwater planning
- Fieldtrip to Johnny Carson Park
- Update from CDD on the Bicycle Master Plan
- Exploring traffic impact and greenhouse gas reduction on redevelopment in Burbank
- High speed rail

#### **COMMENTS AND REQUESTS FROM BOARD MEMBERS**

Mr. Eskandar showed his gratitude to staff for incorporating Board suggestions on the staff report to Council regarding the conservation presentation. Mr. Eskandar also commented that BWP's new website looks cool. The website is not cluttered, has a new face, and is easy to navigate.

Mr. Leclair commented on the solar panel fire at Ivanpah and asked whether there were things we learned from that. Mr. Bleveans responded.

Mr. Olson asked whether the H2o to Go program was going to Council as a separate item. Ms. Fletcher responded.

#### **INFORMATION FROM STAFF**

**Legislative Update.** Mr. Hernandez handed out a report on legislative updates. He stated that at this time of year the Legislature slows down. The focus shifts from the legislation to the budget. The budget has to be approved by June 15, 2016.

The following items were discussed:

State:

- AB 2339 – net energy metering bill is dead for now
- AB 1800 – Utility Compensation Claim didn't make it out of the Committee and is effectively dead
- AB 1713 – Delta Peripheral Canal is effectively dead
- SB 814 – Excessive water use bill. Amendments will be forthcoming

Mr. Hernandez responded to Board member questions.

**Drought Update.** Mr. Mace reported that he is not expecting substantial rain or snow from this point. The following was discussed:

- State Water Project resources
- Colorado River resources
- Water use per capita under the Governor's executive order

BWP is scheduled to take the Sustainable Water Use Ordinance to Council on June 21 with a proposed recommendation to move to Stage 2 (three day/week watering).

Mr. Mace responded to Board member questions.

**Aliso Canyon Update.** Mr. Fletcher presented an update on the natural gas leak at Southern California Gas Company's (SoCalGas) Aliso Canyon storage facility. Los Angeles, Southern California Edison and the California ISO will seek to balance the electrical and gas needs to get us through the summer with no outages. They can use 10 BCF of storage at Aliso in an emergency. BWP staff met with Los Angeles and Glendale. It was agreed that if LADWP gets into a situation of an emergency they would contact us to shed load and notify us when we can put it back.

Mr. Fletcher responded to Board member questions.

**Airport Development Update.** Mr. Sleiman presented an update on the proposed airport terminal project. He reported that BWP submitted its comments to the Community Development Department (CDD). CDD will be presenting the City's comments to Council on June 7. June 28 is the date for the final EIR report.

BWP's comments were submitted on the following options:

- Building a terminal north of the existing terminal (adjacent property).
- Building a terminal at the southwest corner of the airport property
- Building a smaller terminal

Mr. Sleiman noted that if the second or third option was to be chosen, depending on the load, the existing substructure could be used.

**Compressed Air Energy Storage (CAES).** Mr. Bleveans reported on the CAES, how it works, and how a CAES project being developed at the Intermountain Power Project (IPP) site might benefit BWP by helping integrate large amounts of renewable energy for Burbank. Mr. Bleveans noted that in 2015 BWP entered into a Letter of Intent (LOI) with Pathfinder, the developer of the CAES project; that LOI is now expiring. He noted that BWP sees distinct roles for the two parties: Pathfinder focuses on project development and BWP focuses on due diligence, including economic and technical feasibility. In this connection, he

reviewed economic modeling results that have helped BWP both better understand CAES and better focus future due diligence. Mr. Bleveans emphasized that further due diligence will require participation by other utilities, such as LADWP.

Mr. Fletcher and Mr. Bleveans responded to Board member questions.

**Integrated Resource Plan Update.** Mr. Bleveans reported that the plan is progressing. Staff will be seeking City Manager input.

#### **ADJOURNMENT**

The meeting was adjourned at 8:49 p.m. The next meeting will be held on Thursday, August 4, 2016 at 5:00 p.m. in the third floor Boardroom at Burbank Water and Power.

---

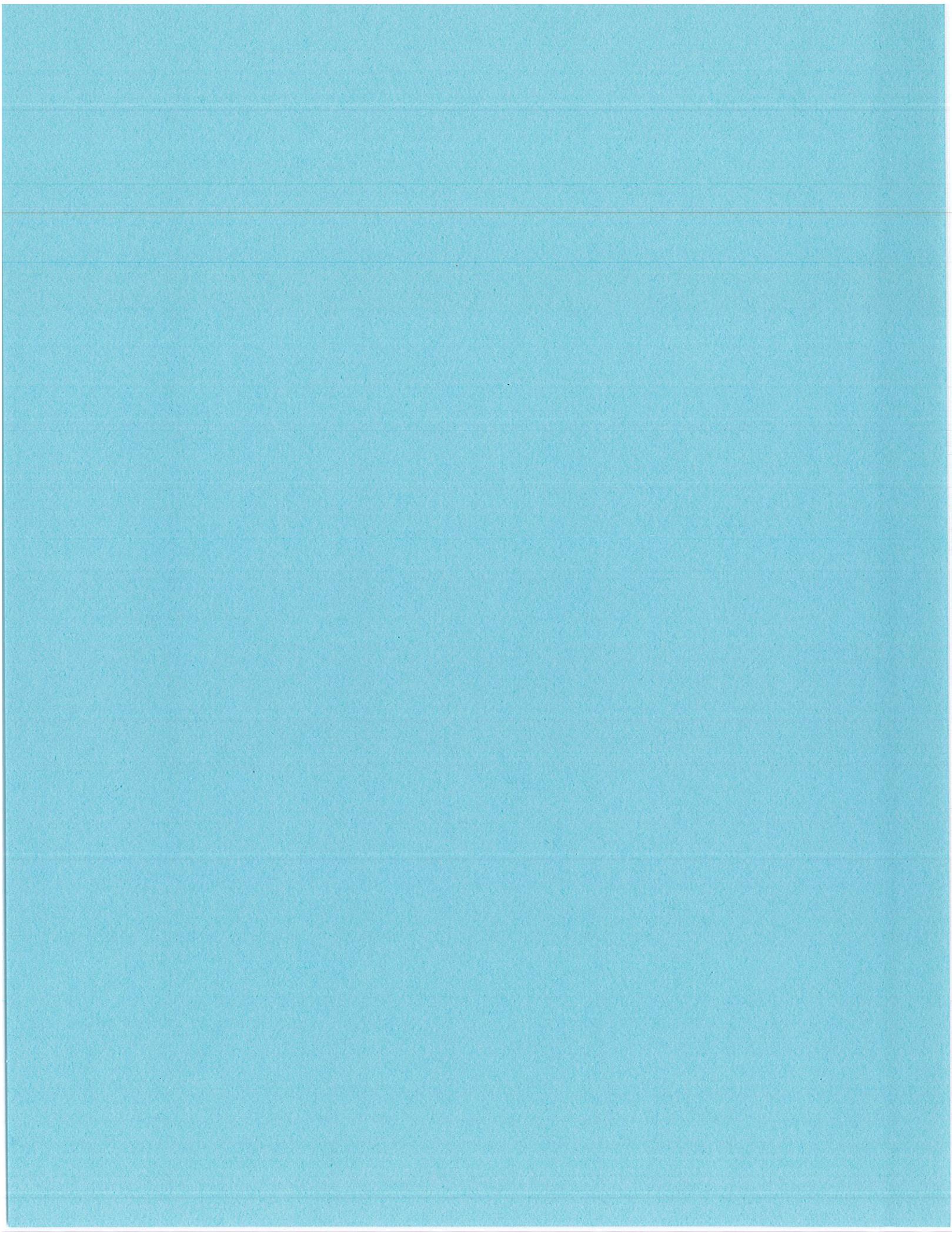
Pat Hickman  
Recording Secretary

---

Jorge Somoano  
Secretary to the Board

---

Bob Olson, Chair, BWP Board





8A.

**CITY OF BURBANK  
BURBANK WATER AND POWER  
STAFF REPORT**

**DATE:** August 4, 2016  
**TO:** BWP Board  
**FROM:** Jorge Somoano, Acting General Manager, BWP  
**SUBJECT:** June 2016 Operating Results

**SAFETY**

Burbank Water and Power had no new reportable lost time injuries during June 2016.

**Water Results of Operations**

For the month of June, water usage was 20% (100 million gallons) lower than budgeted due to conservation; and usage was approximately 28% below the June 2013 state standard. June Potable Water Revenues were \$314,000 worse than budgeted and Recycled Water Revenues were \$1,000 better than budgeted. June Water Supply Expenses were \$199,000 lower than budgeted. June's Gross Margin was \$157,000 worse than budgeted primarily due to lower demand. Net Income was \$319,000, which was \$157,000 worse than budgeted.

June fiscal-year-to-date (FYTD) water usage was 19% (1,062 million gallons) lower than budgeted due to conservation; and since June 1, 2015, Burbank has been meeting the overall volumetric reduction required to be in compliance with state mandated conservation. FYTD June Potable Water Revenues were \$3,347,000 worse than budgeted and Recycled Water Revenues were \$258,000 worse than budgeted primarily due to conservation and the Governor's water restriction order. FYTD Water Supply Expenses were \$2,138,000 better than budgeted, corresponding to lower demand and aided by optimizing use of the BOU. The FYTD Gross Margin was \$1,960,000 worse than budgeted. Operating Expenses were \$1,748,000 better than budgeted. Net Income was \$528,000, which was \$193,000 better than budgeted.

**Electric Results of Operations**

For the month of June, electric loads were 4.4% higher than budgeted due to warmer than normal temperatures; and Retail Sales were \$341,000 lower than budgeted due to the timing of customer bills. June Power Supply Expenses were \$821,000 better than budgeted primarily due to using less biomethane gas than planned and economic dispatch. June's Gross Margin was \$582,000 better than budgeted. Net Income was \$153,000 which was \$604,000 better than budgeted.

FYTD June electric loads were 2.7% lower than budgeted and reflect conservation efforts offset in part by warmer than normal months of September and October. Retail Sales were \$4,073,000 lower than budgeted. FYTD Power Supply Expenses were \$12,534,000 better than budgeted primarily due to using less biomethane gas than planned, prior period true up credits, economic dispatch, and lower load. FYTD Gross Margin was \$8,473,000 better than budgeted. June FYTD Operating Expenses were

\$3,736,000 better than budgeted. Net Income was \$11,451,000 which was \$12,601,000 better than budgeted.

## WATER DIVISION

### **State Water Projects and Burbank Operating Unit (BOU) Water Production**

The State Natural Resources Agency released the preliminary draft chapters of the Bay Delta Conservation Plan (BDCP) in 2013. The State Natural Resources Agency later released a revised plan/tunnel alignment for the BDCP that would reduce the impact of the project to private property both during and after construction. Governor Brown supports the approval of the BDCP. The State Agencies have received public comment and have recirculated the revised documents for further public comment. The final documents will then be ready for adoption and any proposed actions.

The State Department of Water Resources released the Environmental Impact Statement (EIS) for the revised/recirculated BDCP (CA Water Fix) on July 10, 2015. Public meetings were held on July 28 and 29. Public comments were due October 30, 2015. The final EIR/S is anticipated to be released in mid to late 2016. The release of the EIS has not changed anyone's mind as responses align with political and economic interests in the Delta and the water users outside of the Delta. The process will continue with governmental agency environmental reviews, possible opposition lawsuits and discussions among the potential users about project costs. The State Water Resources Control Board is holding hearings on the Petition to add points of diversion in the Sacramento River to put water in the proposed under delta tunnels. The Bureau of Reclamation (Central Valley Project) and the Department of Water Resourced (State Water Project) are the petitioners. Resolution, up or down, of the proposed California Water Fix will culminate in late 2016. A study session with Council on the California Water Fix has been scheduled for October.

Governor Brown issued an Executive Order on March 2, 2015 mandating a 25% reduction in urban water use statewide. The State Water Resources Control Board (SWRCB) finalized the regulations. The regulations were approved by the State Office of Administrative Law on May 18, 2015. Burbank was required to meet a 24% reduction in water use against water use in the same period of 2013.

Burbank implemented Stage II of the Sustainable Water Use Ordinance (Ordinance) on August 1, 2014; and Stage III was implemented effective June 1, 2015. Stage III limits outdoor watering to two days a week, April thru October, and one day a week November thru March. Pools are also required to be covered and hand watering is limited to early morning and evening. The table below shows the gallons per capita day (GPCD) goals before and after the Governor's orders.

Year	20% by 2020 (Baseline)	20% by 2020 (Goal)	2012 (Actual)	2014 (Actual)	2015 (Actual)	2016 (Gov.'s goal)
GPCD	193	155	149	162	139	125
Reduction of Baseline %	0%	20%	29%	16%	28%	35%

The measurement period dictated by the Governor's Executive order began June 1, 2015. **In the months of June through February of 2016, potable water use just met the 24% state mandated overall volumetric reduction for the nine month period.** The two day a week watering restriction played a large part in water use reduction in the warmer months. The heaviest water use months are through October. Outdoor watering was limited to one day a week November through March. Because watering limitations were not in effect in 2013, significant reduction in water use compared to 2013 enabled Burbank to meet the mandated reduction goal.

The SWP allocation for 2016 was set at 15% on January 26, 2016. It was increased to 30% on February 24, 2016 and then to 45% on March 18, 2016. The SWRCB decided in January to extend the Governor's Executive Order thru October of 2016 but would reconsider this decision in May in light of possible subsequent precipitation that still might occur. Burbank's Conservation Standard was revised to 22% at that time, giving some buffer but the extension from March thru October was still a billion gallon reduction compared to water use in the same period in 2013. Subsequent events overtook these actions. The SWP allocation for 2016 was increased to 60% on April 21. The Governor issued a new Executive Order on May 9 discussing making water conservation a California way of life while stating that the State Water Resource Control Board (SWRCB) would adjust emergency water conservation regulations as soon as practicable. The Executive Order made the prohibition of a number of water wasting practices permanent but these practices were already prohibited at all times in the Burbank Sustainable Water Use Ordinance. The SWRCB then issued new regulations on May 18, 2016 allowing water agencies to set their conservation targets based on local water supply conditions. These regulations became effective June 1, 2016. MWD as Burbank's water wholesaler has been able to certify no water supply shortage for the next three years, thus enabling Burbank to self-certify no supply shortage for the next three years and then setting Burbank's mandatory conservation standard at 0% on June 22, 2016. This will be effective until January 2017. The Governor's order also directed SWRCB to weigh additional conservation practices and develop new conservation regulations that go well beyond the 20% by 2020 requirement for consideration and possible implementation in January, 2017. Council implemented the Stage II Sustainable Water Use Ordinance on June 21, 2016 which allows for landscape watering 3 days a week, while approving modification of the ordinance to change watering to 3 days a week in Stage I. BWP will continue to report water usage to the SWRCB.

March, April, May and June, 2016 show a continued trend in lower water usage, 29.8%, 29.6%, 28.6% and 27.8% respectively compared to March, April, May and June of 2013. Water volumes of 142, 149, 159 and 161 million gallons, respectively, were conserved for a total volume of 611 million gallons for the four months. Results for each month will still be reported but the level of conservation achieved will be voluntary in respect to the reporting. BWP will continue to complete remaining recycled water (RW) conversions, inform the public of the relaxed three day a week watering limit and continue to educate and remind the public of the need to use water wisely and conserve.

It is not expected that one year of more than average precipitation will break the drought. MWD is planning to add 400,000 acre-feet of water to storage in 2016 to prepare for future demands in the coming years.

The BOU was 89.31% available for service in June. Three Liquid Phase Granulated Activated Carbon Filters were offline for 40 days for carbon change out. One filter was still offline at month's end. BOU well V-01 was not available for service and is down until the pump motor is replaced. The effects of the landscape watering restrictions have a significant impact on demand. This may change somewhat with the relaxed three day a week watering limit and summer weather. BWP is maximizing BOU production by optimizing the blend with MWD treated water.

<b>Availability</b>	<b>Production</b>	<b>Average Flow Rate (gallons per minute)</b>
89.31%	73.94%	6,655

**Project Updates:**

Work started on 650 l.f. of 8-inch ductile iron potable water main in Frederic Street from Clark Ave. to Verdugo Ave. Work, including final paving, was complete in June.

Work started on 500 l.f. of 8-inch ductile iron potable water main in Victory Court from Providencia Ave to Main St. in May. Service transfer work was complete in June. The old main abandonment was complete in July.

Work Started in 1,000 l.f. of 8-inch ductile iron potable water main in Beachwood Drive from the Lockheed Channel to Victory Blvd. in July. Work is expected to be complete by late September.

Two 10-inch valves were cut into the water system at Palm Ave. and San Fernando Blvd the third week of June. These will aid in system shutdowns and isolation.

Interior painting of the Via Montana #2 began the last week of April. Painting is complete and the tank was back in service in mid- July.

The vault and all valves necessary for the Burbank/LADWP intertie at Clark Ave and Hollywood Way were installed in June.

Council awarded the Seismic retrofit of the McClure Tank to Crosno Construction April 26, 2016. Design work started in May and construction is projected to be complete by April 2017.

The Joint Service Agreement (JSA) between BWP and the Los Angeles Department of Water and Power (LADWP) was executed by LADWP, (1/28/15). This agreement covers the construction of RW mains in the City of Los Angeles by Williams Brothers Contractors under contract to BWP with all costs for the work to be reimbursed to BWP from LADWP. The work under the agreement is three extensions into Los Angeles from points of metered connection to the BWP RW system for delivery of RW to end use

customers in Los Angeles. Once active, BWP will receive an equal volume of ground water pumping credits for the water delivered to Los Angeles. The estimated current value of this exchange is \$180,000 annually. Contract discussions are complete with Williams Brothers and the project cost has been accepted by LADWP. The BWP Board awarded the contract for the first two extensions at the June 2015 Board meeting. Construction on these two extensions began in October 2015 and were completed on March 21, 2016. Total construction time to complete all three extensions is 18-24 months. The Notice to Proceed for the first two phases was issued at the beginning of September 2015. Actual construction started in mid-October 2015. The first two phases along the Chandler Bikeway and the Whitnall Hwy. at Burbank Blvd. were completed in March and final reimbursement from LADWP has been received. Phase three, along Verdugo Ave (17,000 l.f. of pipe) began in June when the permits from L.A. were finally forthcoming. The BWP Board awarded the first portion of the Phase Three contract to Williams Brothers at the April Board meeting. LADWP is acquiring approval from their Board in July to increase the contract cost on phase three because of additional cost due to reduced work hours and street repairs required by the City of L.A. This will fully fund Phase Three.

A new Waste Discharge Requirements and Water Recycling Requirements Permit was granted to the City of Burbank on April 14, 2016. This brought the City into full compliance by recognizing the use of RW in cooling towers. A Waste Water Change Petition was submitted to amend Burbank's water rights to our RW account for our recent expansion of use and for our plans of additional use 10 years into the future. Work on the water rights petition is underway at the State Water Resources Control Board.

The irrigation system at the St. Joseph's Urgent Care center on Hollywood Way was converted to RW in June. The Disney Animation Building cooling tower, 2509 Naomi (Condos), 1928 Jewelry Co. parking lot irrigation, 2710 Winona irrigation and a small Disney Bldg. irrigation at Edison and Brighton were converted to RW in July.

3601 Olive (Business Arts Plaza cooling tower), 3500 Olive (Central Park cooling tower), 3300 Olive (The Pinnacle cooling tower), 3400 Olive (The Pinnacle cooling tower) and 1100 Olive Ave. (Senior Living) are scheduled for conversion to RW in August.





The 10-inch Burbank to LADWP interconnection will allow BWP to run the BOU near its rated capacity during the cooler seasonal period, thereby optimizing the plant operation, treating additional groundwater and accelerating contaminant removal from the San Fernando Groundwater Basin.





Two new 10-inch valves were added to a critical pipeline in the downtown area at San Fernando Rd/Palm Ave. The additional valves will increase system reliability and will minimize service interruption in case future shutdowns are necessary.





Recycled Water system expansion for irrigation and cooling tower usage to the Pinnacle Property on Olive Ave & Lima Street.

## DISTRIBUTION

### ELECTRIC RELIABILITY

#### **OUTAGES**

In June 2016, BWP experienced no sustained feeder outages. In the past twelve months, automatic reclosing has reduced customer outage time by approximately 1,302,637 customer minutes.

<b>Reliability Measurement</b>	<b>July 2014-June 2015</b>	<b>July 2015-June 2016</b>
Average Outages Per Year (SAIFI)	0.1728	0.4075
Average Outage Duration (CAIDI)	27.72 minutes	47.46 minutes
Average Service Availability	99.999%	99.996%
Average Momentary Outages Per Year (MAIFI)	0.3966	0.3111
No. of Sustained Feeder Outages	7	12
No. of Sustained Outages by Mylar Balloons	1	0
No. of Sustained Outages by Animals	1	1
No. of Sustained Outages by Palm Fronds	2	3

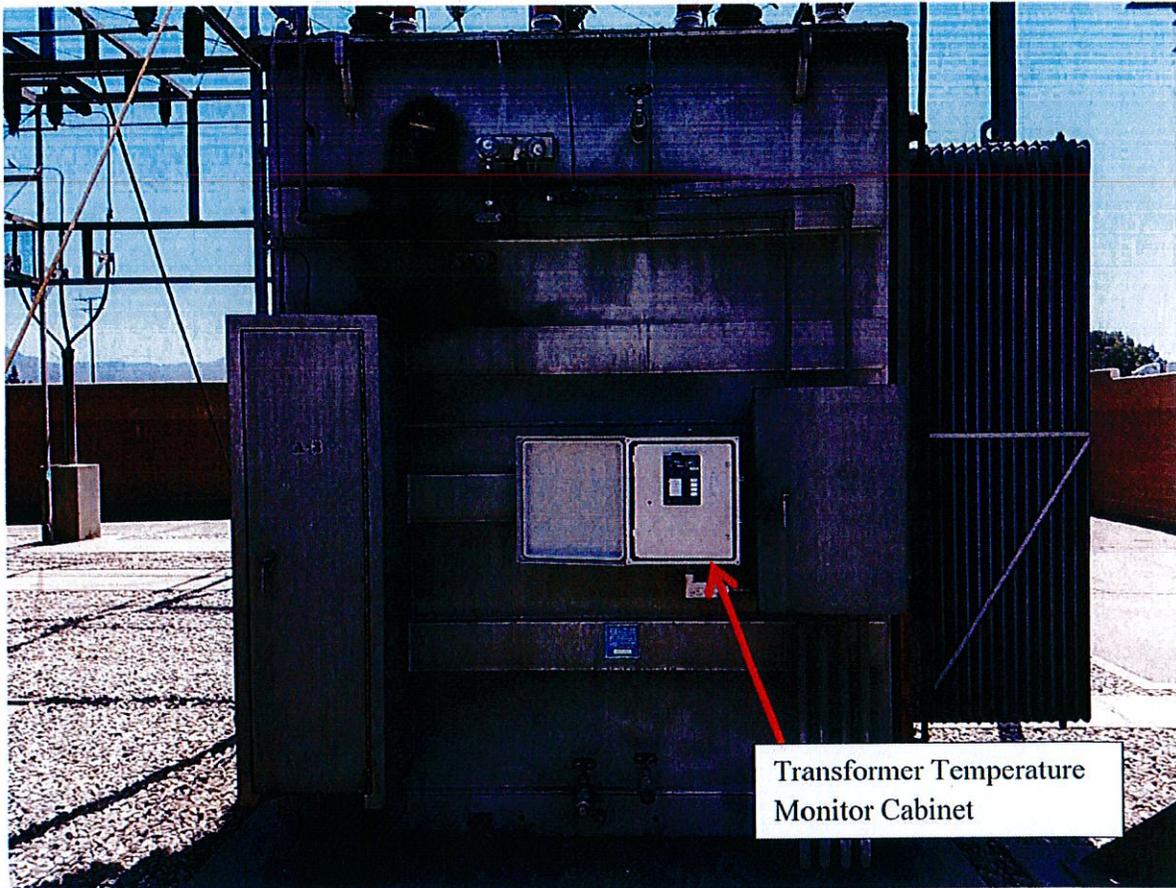
## **PROJECT UPDATES**

### **TRANSFORMER TEMPERATURE MONITORS AT FLOWER SUBSTATION**

BWP has a total of 56 substation transformers with an average age of 45 years. The life expectancy of substation transformers will vary with operating and maintenance conditions. BWP's practice has always been to age assets gracefully and we have historically operated the transformers at less than 50% of their capacity, which extends their life. Although approximately 60% of these substation transformers have exceeded their typical life expectancy of 40 years, our operating practice allows us to further prolong their life expectancy. With this in mind, and due to the long lead time and high cost associated with replacement of a substation transformer, BWP has increased its efforts to monitor the condition of its substation transformers. Knowledge of a transformer's insulating oil and winding temperature are key pieces of information for understanding its condition which allows us to better plan for any additional maintenance requirements or possible replacement.

BWP has been in the process of installing new temperature monitors for 38 of its 42 substation transformer banks (the remaining four transformer banks already have temperature monitors). In 2015, six temperature monitors were installed at McCambridge and Victory Substations since these stations have some of our oldest or most heavily loaded transformers. Last month, three temperature monitors were installed at Winona Substation. Pursuant to the Electric Distribution Master Plan, BWP has targeted to budget CIP funding for transformer temperature monitor installations for six transformer banks per year until Fiscal Year 2020-21.

In June, BWP installed three transformer temperature sensors and monitors at Flower Substation. The new monitors transmit transformer oil and winding temperatures to the Energy Control Center (ECC) and allow for automatic control, as well as remote control of transformer cooling fans from the ECC. System Operators and Engineers will use temperature information to quickly identify abnormal operating conditions and determine whether a substation transformer is loaded beyond its normal rating.



Transformer Temperature  
Monitor Cabinet

### **OVERLOADED PRIMARY LATERAL REPLACEMENT**

During the June heat wave, two overhead primary laterals blew fuses. BWP's new GRIDview analytics software analyzed conductor loading on these laterals using our AMI data, staff determined that these laterals were likely overloaded, causing the fuses to blow. Subsequently, the primary laterals were upgraded to higher capacity conductors. As part of piloting this newly enhanced conductor analytics software, Engineering checked nearby circuits which identified several other primary laterals that could possibly experience overloads leading to blown lateral fuses. Going forward, staff will continue monitoring and prioritizing replacement of these primary laterals. This work demonstrates how our customers are benefiting from BWP's AMI deployment with predictive analytics, enhancing BWP's preventive maintenance practices.

### **STREET LIGHTING**

#### **LED REPLACEMENT PROGRAM**

In accordance with the 2014 Street Lighting Master Plan, BWP began replacing 100W and 250W HPS streetlight luminaires with LED luminaires. Replacement is carried out on a maintenance basis and LEDs are installed daily as the HPS luminaires burn out. Currently, the CREE XSPR LED 42W has been selected to replace the 100W HPS luminaire and the CREE XSP2 LED 101W replaces the 250W HPS luminaire. To date, 24.00% of the total streetlight luminaires have been converted to LEDs and Table 1 below details the breakdown of the light in the City's street lighting system as a percentage of the total.

<b>TYPE OF LAMP</b>	<b># OF LIGHTS MAY 2014</b>	<b># OF LIGHTS TO DATE</b>	<b>UNIT CHANGE</b>	<b>% OF TOTAL # OF LIGHTS</b>
<b><u>HIGH PS SODIUM</u></b>				
70W	19	19	0	0.20
100W	3,664	2,369	-1,295	24.96
150W	17	17	0	0.18
200W	3	2	-1	0.02
250W	2,979	2,249	-730	23.70
360W	14	14	0	0.15
400W	2,157	1,992	-165	20.99
<b><u>LOW PS SODIUM</u></b>				
55W	137	137	0	1.44
<b><u>FLUORESCENT</u></b>				
85W	128	128	0	1.35
<b><u>INCANDESCENT</u></b>				
2500 LUMEN	10	10	0	0.11
4000 LUMEN	1	1	0	0.01
100W INC.	74	74	0	0.78
<b><u>METAL HALIDE</u></b>				
250W	190	190	0	2.00
400W	10	10	0	0.11
<b><u>LED</u></b>				
42W	1	1,318	1,317	13.89
101W	1	885	884	9.33
120W	63	63	0	0.66
150W	18	12	-6	0.13
<b>TOTAL # OF LAMPS</b>	<b>9,486</b>	<b>9,490</b>	<b>4</b>	<b>100.00</b>
<b><u>ENERGY</u></b>				
Annualized Mwh	9,268	8,052	-1,215	
Average Mwh/lamp	0.98	0.849	-0.128	

Table 1: Breakdown of streetlight luminaires in City of Burbank's Street Lighting System, June 2016.

## CUSTOMER SERVICE

### **Burbank Moves to 3 Day/Week Irrigation**

On June 21, the City Council voted 5-0 to make changes to the City's Sustainable Water Use Ordinance:

Effective June 22:

- Move from Stage III of the Ordinance to Stage II. Stage II allows irrigation on Tuesdays, Thursdays and Saturdays during April through October, and on Saturdays during November through March. (Under Stage III, irrigation was limited to 2 days/week during the warmer months.)
- Pools and spas are no longer required to be covered when not in use.
- Use of outdoor evaporative cooling devices, like misters, are allowed.
- Hand watering is now allowed any day of the week and during daylight hours.

Effective August 12:

- Burbank moves from Stage II to Stage I of the Ordinance.
- Stage I of the Ordinance will include a limit of 3 days/week irrigation, year-round. Short of any future Council action, no more than 3 days/week is Burbank's "new normal" for irrigation.

### **Free Recycled H2O to Go Pilot Starts**

BWP has worked with the City's RISE (Residents Inspiring Service and Empowerment) program to find volunteers who have committed to running the 2016 summer Free Recycled H2O to Go program. From 9-11a.m on the ten Saturdays from July 30 through October 29, RISE volunteers will manage the recycled water distribution at BWP's parking lot fronting Magnolia Blvd. Two fill stations will be set up with a third available if needed.

### **Plug-In Electric Vehicle (PEV) Charging Program.**

28 PEV charging stations are in service, including a DC Fast Charger and 16 curbside stations. As of July 1, 2015, Time of Use (TOU) pricing for public EV charging commenced with a rate of 17.44 cents per kilowatt hour (kWh) for Level 1 and Level 2 charging during off-peak hours. Between the hours of 4pm and 7pm during the summer, pricing increases to 30.53 cents per kWh. For the DC Fast Charger, the charging rate is 28.31 cents per kWh, increasing to 49.54 cents per kWh during peak hours. Staff is monitoring usage.

Month of usage	KWh	GHG savings in kilograms (kg)	Charging time (hours)
June 2016	17,278	7,257	3,861
May 2016 *	17,839	7,492	3,962
April 2016	15,212	6,389	3,617
March 2016	15,717	6,601	3,747
February 2016	13,595	5,710	3,371
January 2016	13,011	5,465	3,028
December 2015	12,378	5,199	2,959
November 2015	12,853	5,398	3,076
October 2015	13,058	5,485	3,509
September 2015	12,514	5,256	3,155
August 2015 **	11,045	4,639	2,715
July 2015	8,771	3,684	2,095
June 2015	8,500	3,570	2,022
May 2015	7,462	3,134	1,786
April 2015	7,136	2,997	1,587
March 2015	6,440	2,705	1,545
February 2015	4,411	1,852	1,115
January 2015	6,434	2,702	1,526

\* In May 2016, the number of public chargers increased from 27 to 28.

\*\* In August 2015, the number of public chargers increased from 11 to 27.

### **Rooftop Solar**

Not so many years ago, residential rooftop solar was priced beyond the reach of most households. Falling prices, rebates and tax incentives, and no-money-down leasing arrangements have created a new solar reality for many Californians. In a November 2014 survey, just under a third of Burbank homeowners said they plan to install solar energy at their home in the next two years. The following table will be updated monthly to report on Burbank's rooftop solar impact.

Month	Number of Solar Systems Installed This Month	Number of Solar Systems Installed FYTD	Total Solar Systems in Burbank	Total Solar Kilowatts
June 2016	7	173	466	4,436
May 2016	16	166	459	4,321
April 2016	5	150	443	4,178
March 2016	14	145	438	4,151
February 2016	20	131	424	4,053
January 2016	27	111	404	3,962
December 2015	16	84	377	3,829
November 2015	18	68	361	3,741
October 2015	14	50	343	3,667
September 2015	15	36	329	3,598
August 2015	11	21	314	3,525
July 2015	10	10	303	3,467
June 2015	11	91	293	3,431
May 2015	5	80	282	3,368
April 2015	14	75	277	3,341
March 2015	8	61	263	3,257
February 2015	14	53	255	3,215
January 2015	7	39	241	3,155

## TECHNOLOGY

### Broadband Services (ONE Burbank)

	June New Orders	Revenues for June 2016	FYTD 2015-16 Revenues	FYTD Budget
Lit	2	\$115,151	\$1,304,876	\$850,000
Dark	3	\$177,181	\$2,109,597	\$2,550,000
<b>Total</b>	<b>5</b>	<b>\$292,332</b>	<b>\$3,414,473</b>	<b>\$3,400,000</b>

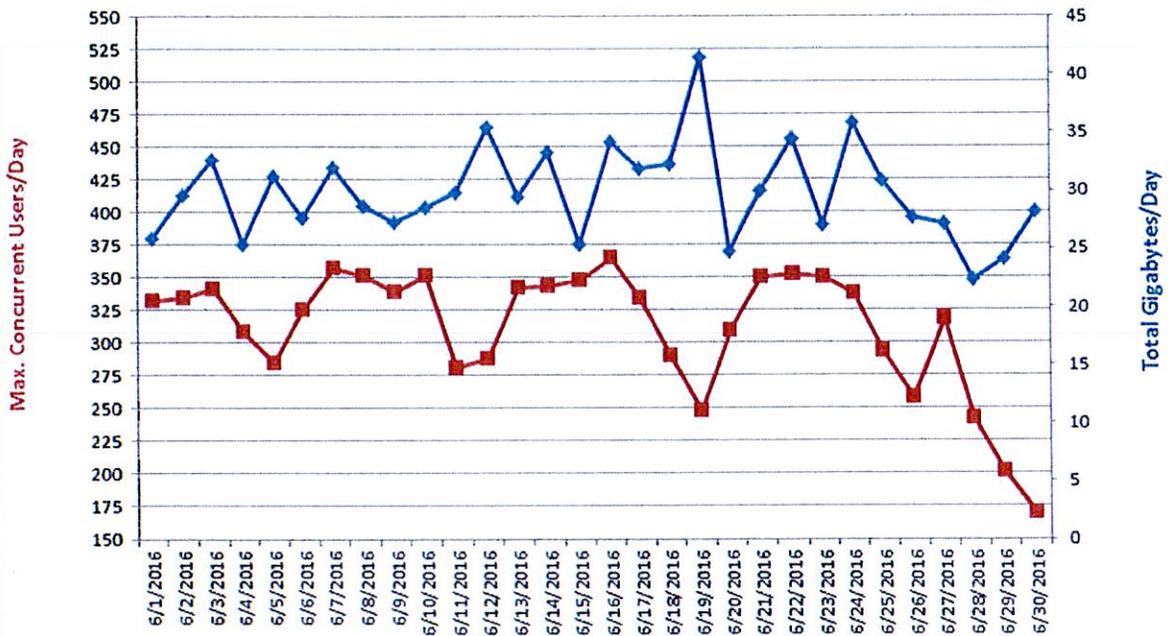
### BWP WiFi

On August 17, 2015, BWP WiFi launched throughout the City of Burbank as a free citywide wireless community broadband service.

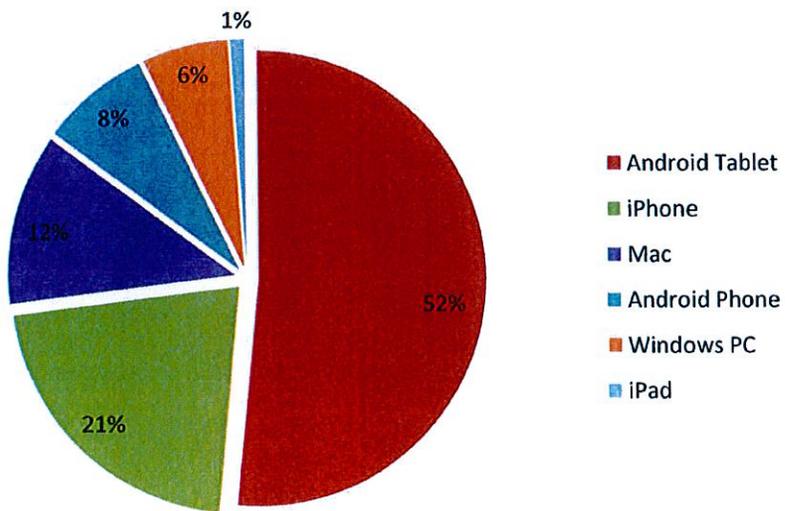
For the month of June 2016, staff reports the following metric highlights:

**Maximum Concurrent Users:** 365 users on 6/16/16  
**Maximum Bandwidth Consumed:** 41.49 GB on 6/19/16  
**Maximum Sessions by Device Type:** Android Tablets with 52% of all sessions

### BWP WiFi (6/1/16 - 6/30/16)



### BWP WiFi - Sessions by Device Type (6/1/16 - 6/30/16)



## **POWER SUPPLY**

### **Project Updates:**

#### **Aliso Canyon**

Southern California Gas Company (SoCal Gas) owns and operates the natural gas infrastructure in most of Southern California, including supply to natural gas-fired power plants operated by BWP, GWP, LADWP, and others in the LA Basin. For many years, SoCal Gas has used its Aliso Canyon natural gas storage facility, located near Porter Ranch, CA, to ensure reliable natural gas supply in the Basin, including to these generators. Aliso Canyon is the largest such facility in the Western US. On October 23, 2015, one of Aliso Canyon's 115 wells began to leak and the facility was shut down and mostly emptied. The leak was plugged on February 18, 2016 after significant leakage of natural gas into the atmosphere.

SoCal Gas, the California Governor's Office, the California legislature, numerous federal and state agencies, electric utilities (including BWP), and other stakeholders have been working since the leak was discovered to understand the leak's potential impact on electric reliability and develop mitigation plans. In this connection, an Action Plan was jointly developed by the California Public Utilities Commission, the California Energy Commission, the California Independent System Operator, SoCal Gas, and LADWP. The Action Plan proposes 18 steps that utilities can take to mitigate the risk of outages. The Action Plan anticipates, as a base case, 14 days of Aliso-related electric outages in this summer and an unknown number this winter (when natural gas demand is greater). On a parallel path, Governor Brown signed SB380 (Pavley) into law. SB380 dictates, among other things, the testing and certification required at Aliso Canyon before it may resume operations. At the same time, SoCal Gas is working with its generator-customers, including BWP. Finally, BWP is in detailed discussions with its balancing authority, LADWP, regarding BA-wide operations planning for Aliso Canyon-related risks.

Unfortunately, the full impact of the Aliso Canyon shut-down is not yet known and thus, while these steps are helpful, they fall short of a fully formed plan to maintain electric reliability in the LA Basin.

In light of these developments, a new BWP staff committee, the Electric Reliability Committee, is working to prudently and responsibly plan for and address the Aliso Canyon situation and any related issues as BWP seeks to maintain reliable electric service to its customers.

#### **Power Supply Engineering**

##### **Variable Frequency Drive Project**

This project has an approved budget to engineer, procure, and install a Variable Frequency Drive (VFD) system on the Fuel Gas Compressors (FGC) at the Magnolia Power Plant (MPP) to save energy and improve the system's reliability. The existing FGC equipment consists of two fully redundant reciprocating gas compressor skids that operate at a fixed motor speed and are configured with a gas recirculation control valve

to accommodate fluctuations in service demand. This recirculation loop normally transfers about one-third of the compressed fuel volume flow, which represents a significant amount of wasted energy that can effectively be mitigated through implementation of the proposed VFD system.

This project is 80% complete. The VFD was delivered in April 2015. The BWP Electricians are pulling control wiring through the newly installed conduits and cable trays, and the BWP Mechanics have constructed a cover over the equipment to protect it from fire sprinklers. B&V has developed installation details that are being implemented by BWP prior to the final tie-ins and commissioning of the VFD system that will coincide with the 5.5 week planned outage (hot gas path inspection) starting February 4, 2017. Project completion is anticipated in March 2017.

## **Power Resources**

### **Integrated Resource Planning**

BWP is working to finalize its 2015 Integrated Resource Plan (IRP), working through an iterative process of incorporating feedback from within BWP and from the City Manager's office. Staff expects to bring the 2015 IRP to Board and Council shortly.

At the same time, BWP is planning for its next IRP which, pursuant to new requirements embedded in AB350, is due January 1, 2019. This timeline is relatively tight for comprehensive integrated resource planning, and staff is exploring strategies to best meet this deadline. In this connection, BWP staff is providing input to the California Energy Commission as it prepares the AB350 implementing regulations relative to IRPs.

### **Intermountain Power Project (Delta, UT) Renewal Progress**

The Intermountain Power Project (IPP) participants, including BWP, have reached agreement on post-coal repowering (called "renewal") for IPP. At its June 4, 2015 meeting, the BWP Board recommended the renewal contracts for approval by the Burbank City Council; the Burbank City Council approved the contracts at its June 30, 2015 meeting.

At the same time, the other California participants in IPP – Anaheim, Glendale, Los Angeles, and Riverside – and IPP's Utah participants have completed their respective approval processes.

In light of these approvals, the IPP participants are holding the organizational meetings of the committee charged with recommending the definition of and implementation plan for the renewal (including potential upgrades to the Southern Transmission System), called the Renewal Generation & Transmission Sub-Committee. The Committee meets monthly.

### **Compressed Air Energy Storage Initiative**

BWP staff continues to work with project development firm Pathfinder to explore possible compressed air energy storage (CAES) project at the IPP site. While due diligence is ongoing, such a project has the potential to enable BWP to significantly increase its use of renewable energy while maintaining reliable electric service and

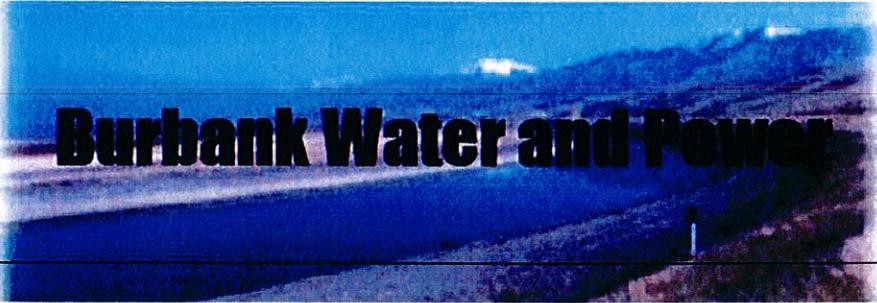
affordable rates for BWP's customers. In particular, CAES at the IPP site may be able to firm and shape cost-effective renewable energy, brought to IPP by a new transmission project and transmitted to Southern California by the existing Southern Transmission System, the transmission line that brings IPP's output to our area. Such a project might also absorb excess California solar generation during peak solar hours, helping to mitigate the anticipated "Duck Curve" of over-generation and fast-ramping requirements in California resulting from increased solar penetration.

In this connection, in March 2015, BWP, Pathfinder, and CAES equipment manufacturer Dresser-Rand submitted a non-binding, preliminary "Part One" loan guarantee application to the US Department of Energy for the financing of a 317 MW (gross) CAES pilot project at Delta. In August 2015, that Part One application was approved, allowing the project proponents to submit a much more detailed "Part Two" application later in the project development process. Pathfinder continues to develop the project in anticipation of that Part Two submission. That work includes front-end engineering and design, further defining the commercial structure for the project, siting issues, and further stakeholder development. For its part, BWP continues its due diligence on the project.

BWP and Pathfinder are actively working to bring LADWP, Intermountain Power Agency (the State of Utah instrumentality that owns IPP), and IPP participants into the effort, perhaps as a component of IPP renewal. BWP and Pathfinder are also discussing the project with the California Independent System Operator (the "CAISO") so that CAISO participants (such as fellow SCPPA members Riverside and Pasadena) could also participate in the project.

As a key component of its long-term planning, BWP is also assessing other energy storage opportunities and technologies to best serve its customers with reliable, affordable, and sustainable power.

Attachment:  
Electrical Distribution Asset Inspection Report-2015



**Estimated Financial Report  
June-16**

UNAUDITED



**Burbank Water and Power  
Electric Fund (496)  
Statement of Changes in Net Assets  
MTD and FYTD June 2016**

(\$ in 000's)

MTD FY 15-16	MTD Jun-16 Budget	\$ Variance	% Variance
\$ 1,280	\$ 598	\$ 582	83%
96	96	-	0%
130	130	-	0%
(406)	(406)	-	0%
(181)	(181)	-	0%
1,099	517	582	113%
735	752	17	2%
212	217	4	2%
947	968	22	2%
153	(451)	604	134%
355	355	-	0%
\$ 507	\$ (97)	\$ 604	626%

FYTD FY 15-16	FYTD Jun-16 Budget	\$ Variance	% Variance
\$ 24,767	\$ 12,558	\$ 12,209	97%
1,176	1,147	29	3%
1,620	1,554	66	4%
(4,876)	(4,875)	1	0%
(2,080)	(2,175)	94	4%
22,687	10,383	12,304	119%
8,720	8,954	234	3%
2,515	2,579	63	2%
11,236	11,533	298	3%
11,451	(1,150)	12,601	1095%
2,127	4,255	(2,128)	(50%)
\$ 13,578	\$ 3,105	\$ 10,474	337%

Operating Income/(Loss)

Other Income/(Expenses)

Interest Income

Other Income/(Expense)

Bond Interest/ (Expense)

Total Other Income/(Expenses)

Income before Contributions & Transfers

In Lieu

Street Lighting

Total Contributions & Transfers

Net Income

Capital Contributions (A/C)

Net Change in Net Assets (Net Income)

- ( ) = Unfavorable
- This report may not foot due to rounding.

**Burbank Water and Power  
Electric Fund (496)  
Statement of Changes in Net Assets - Footnotes  
FYTD June 2016  
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	1,142,789	1,174,532	(31,743)	- FYTD NEL is 2.7% below budget due to conservation offset in part by a warmer than normal September and October. FYTD CDD were 1,721 versus the 30 year average of 1,376.
B.	Retail Sales	175,014	179,087	(4,073)	- FYTD Retail Sales are below budget due to conservation offset in part by a warmer than normal September and October. FYTD CDD were 1,721 versus the 30 year average of 1,376.
C.	Other Revenues	5,509	6,133	(623)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate and are well under budget. Also included in other revenues are telecom and internet revenues which are near or on budget.
D.	Retail Power Supply & Transmission	106,536	119,070	12,534	- The favorable variance is primarily attributable to lower usage of biomethane gas than planned and savings from biomethane restructuring, prior period true up credits, economic dispatch, the managing and optimizing of resources by taking advantage of lower fuel and energy prices to meet system load, and lower O&M expenses than planned.
E.	Finance, Fleet, & Warehouse	2,413	2,791	378	- The favorable variance is attributable to lower than planned spending on professional services and property insurance, as well as, lower than planned charges on services of the City. The estimated savings for FY 2015-16 for these expenses is \$300k.
F.	Customer Service, Marketing & Conservation	3,706	4,527	821	- The favorable variance is partially attributable to lower than planned spending on professional services and maintenance. Also included in the variance, Customer Service estimates it will not spend at least \$300k of its budgeted PSAs for maintenance agreements.
G.	Telecom	971	1,189	218	- The favorable variance is primarily attributable to lower than planned costs for software, hardware, private contractual services, and professional services.
H.	Construction & Maintenance	1,770	2,090	320	- The favorable variance is primarily attributable to lower than planned costs for private contractual services.
I.	Capital Contributions (AIC)	2,127	4,255	(2,128)	- The unfavorable variance is attributable to the timing of the IKEA, Hilton Hotel, and Nickelodeon Aid in Construction projects.

**Burbank Water and Power  
Electric Fund (496)  
Statement of Changes in Net Assets - Footnotes  
MTD June 2016  
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	103,387	99,019	4,368 -	NEL is 4.4% above budget due to warmer than normal temperatures. MTD CDD were 258 versus the 30 year average of 161.
b.	Retail Power Supply & Transmission	9,621	10,442	821 -	The favorable variance is primarily attributable to lower usage of biomethane gas than planned and savings from biomethane restructuring, economic dispatch, the managing and optimizing of resources by taking advantage of lower fuel and energy prices to meet system load, and an IPP STS refinancing and refunding settlement from LADWP. These savings are partially offset by receiving more renewable energy than planned from Copper Mountain and Don Campbell.
c.	Total Operating Expenses	4,513	4,513	-	Expenses have not closed for June 2016 and are estimated at budgeted values.

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

	Jun-16	May-16	Mar-16	Dec-15	Sep-15	Jun-15	Recommended Reserves	Minimum Reserves
<b>Cash and Investments</b>								
General Operating Reserve	\$ 58,277	\$ 58,286	\$ 59,092	\$ 60,093	\$ 54,913	\$ 51,426	\$ 54,060	\$ 36,340
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	15,000	3,000
BWP Projects Reserve Deposits at SCPPA	15,482	15,509	15,872	15,837	15,814	15,778		
Sub-Total Cash and Investments	<u>83,759</u>	<u>83,794</u>	<u>84,964</u>	<u>85,929</u>	<u>80,727</u>	<u>77,204</u>	<u>69,060</u>	<u>39,340</u>
Capital Commitments	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)		
Public Benefits Obligation	(4,721)	(4,357)	(4,553)	(4,514)	(4,943)	(4,144)		
Biogas Commitment	(7,751)	(7,751)	(7,751)	(7,528)	(7,089)	(6,753)		
Cash and Investments (less Commitments)	<u>54,287</u>	<u>54,687</u>	<u>55,661</u>	<u>56,888</u>	<u>51,695</u>	<u>49,307</u>	<u>69,060</u>	<u>39,340</u>

• The Statement of Cash Balances may not add up due to rounding.

**Estimated - June 2016 Budget to Actual P&L Variance Highlights - Electric Fund**  
(in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<b><u>MTD NET INCOME - \$153</u></b>	\$ 604		\$ 604
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Retail Sales		(341)	(341)
Power Supply and Transmission			
- Lower usage of biomethane gas than planned	494		494
- Economic dispatch and lower energy prices	419		419
- IPP STS refinancing and refunding settlement from LADWP	195		195
- Received more renewable energy than planned from Copper Mountain and Don Campbell		(287)	(287)
Wholesale Margin	102		102
<b>Total</b>	<u>1,210</u>	<u>(628)</u>	<u>582</u>
<b><u>MTD EXPENSE AND OTHER VARIANCES</u></b>			
In-lieu and Street lighting	22		22
<b>Total</b>	<u>22</u>	<u>-</u>	<u>22</u>

**Estimated June 2016 Budget to Actual P&L Variance Highlights - Electric Fund**  
(in 000's)

	Variance Fiscal Year-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<b><u>FYTD NET INCOME - \$11,451</u></b>	12,601		12,601
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>			
Retail Sales		(4,073)	(4,073)
Power Supply and Transmission			
- Lower usage of biomethane gas than planned	3,571		3,571
- Prior period true up credits	3,094		3,094
- Economic dispatch and lower energy prices	2,955		2,955
- Lower O&M expenses than planned	1,014		1,014
- Rescheduling MPP hot gas path maintenance outage	778		778
- Lower load	654		654
- Lower transmission expenses than planned	273		273
- IPP STS refinancing and refunding settlement from LADWP	195		195
Wholesale Margin	635		635
Other Revenues		(623)	(623)
<b>Total</b>	<u>13,169</u>	<u>(4,696)</u>	<u>8,473</u>
<b><u>FYTD EXPENSE AND OTHER VARIANCES</u></b>			
Customer Service - savings on professional services	821		821
Distribution - savings on private contractual services	1,098		1,098
Finance, Fleet, and Warehouse - savings on professional services and property insurance	378		378
Construction & Maintenance (Facilities) - savings on private contractual services	320		320
In-lieu and street lighting	298		298
Lower than budgeted depreciation expense	334		334
All other	880		880
<b>Total</b>	<u>4,128</u>	<u>-</u>	<u>4,128</u>

**Burbank Water and Power  
Water Fund (497)  
Statement of Changes in Net Assets  
MTD and FYTD June 2016  
(\$ in 000's except Gallons)**

MTD FY 15-16	MTD Jun-16 Budget	\$ Variance	% Variance	FYTD FY 15-16	FYTD Jun-16 Budget	\$ Variance	% Variance
398	498	(100)	(20%) (a)	4,413	5,475	(1,062)	(19%) (A)
103	102	1	1%	879	946	(66)	(7%) (7%)
\$ 1,978	\$ 2,292	\$ (314)	(14%) (b)	\$ 21,969	\$ 25,315	\$ (3,347)	(13%) (B)
365	365	1	0%	3,123	3,381	(258)	(8%) (C)
71	114	(43)	(38%) (c)	872	1,366	(493)	(36%) (D)
2,414	2,770	(356)	(13%)	25,964	30,062	(4,098)	(14%)
906	1,106	199	18%	10,056	12,194	2,138	18% (E)
1,508	1,665	(157)	(9%)	15,908	17,868	(1,960)	(11%)
249	249	-	0%	5,347	6,285	938	15% (F)
155	155	-	0%	1,453	1,707	254	15% (G)
197	197	-	0%	2,508	2,487	(21)	(1%)
123	123	-	0%	1,476	1,470	(6)	(0%)
351	351	-	0%	3,633	4,215	582	14%
1,075	1,075	-	0%	14,416	16,164	1,748	11%
434	590	(157)	(27%)	1,491	1,704	(213)	(12%)
13	13	-	0%	165	159	6	3%
42	42	-	0%	909	509	400	79% (H)
(170)	(170)	-	0%	(2,036)	(2,037)	0	0%
-	-	-	0%	-	-	-	0%
(114)	(114)	-	0%	(963)	(1,368)	406	30%
319	476	(157)	(33%)	528	335	193	58%
31	31	-	0%	2,184	369	1,815	492% (I)
\$ 350	\$ 507	\$ (157)	(31%)	\$ 2,712	\$ 704	\$ 2,008	255%

• ( ) = Unfavorable  
• This report may not foot due to rounding.

Burbank Water and Power  
Water Fund (497)

Statement of Changes in Net Assets - Footnotes  
FYTD June 2016

(\$ 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	4,413	5,475	(1,062)	- YTD Potable water demand was lower than planned due to conservation and the Governor's Water Restriction Legislation effective June 1, 2015. The City was under the Stage III Burbank Sustainable Water Use Ordinance which limited irrigation to two days per week. FYTD CDD were 1,721 versus the 30 year average of 1,376.
B.	Potable Water Revenue	21,969	25,315	(3,347)	- The potable water revenues closely correspond to lower water put into the system. The WCAC adjustment was only \$52k YTD.
C.	Recycled Water Revenue	3,123	3,381	(258)	- Recycled water sales are lower than planned and likely impacted by conservation.
D.	Other Revenue	872	1,366	(493)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
E.	Water Supply Expense	10,056	12,194	2,138	- The favorable variance is attributable to lower demand and staff optimizing the blend of BOU groundwater with MWD treated water.
F.	Operations & Maintenance - Potable	5,347	6,285	938	- The favorable variance is attributable primarily to lower than planned costs for utilities, professional services, special department supplies, and lower than planned allocations from Electric.
G.	Operations & Maintenance - Recycled	1,453	1,707	254	- The favorable variance is attributable primarily to lower than planned costs for electricity for recycled water pumping due to lower sales.
H.	Other Income/(Expense)	909	509	400	- The favorable variance is attributable primarily to the recognition of grant revenue from Los Angeles County for conservation programs (Proposition 84).
I.	Aid in Construction	2,184	369	1,815	- The favorable variance is attributable primarily to the LADWP Recycled Water Pipeline projects.

**Burbank Water and Power  
 Water Fund (497)**  
**Statement of Changes in Net Assets - Footnotes**  
**MTD June 2016**  
**(\$ in 000's except Gallons)**

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Potable Water Usage in Millions of Gallons	398	498	(100)	- Potable water demand in June was lower than planned due to conservation, and the Governor's Water Restriction Legislation effective June 1, 2015. The City was under the Stage III Burbank Sustainable Water Use Ordinance which limited irrigation to two days per week. MTD CDD were 258 versus the 30 year average of 161
b.	Potable Water Revenue	1,978	2,292	(314)	- The potable water revenues closely correspond to lower water put into the system. The WCAC adjustment was only \$6k MTD.
c.	Other Revenue	71	114	(43)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
d.	Operating Expenses	155	155	-	- Expenses, other than water supply expense, have not closed for June 2016 and are estimated at budgeted values.

**Burbank Water and Power  
Water Fund (497)  
Estimated Statement of Cash Balances  
(\$ in 000's)**

	Jun-16	May-16	Apr-16	Mar-16	Dec-15	Jun-15	Recommended Reserves	Minimum Reserves
<b>Cash and Investments</b>								
General Operating Reserves	\$ 8,674	\$ 8,815	\$ 8,713	\$ 8,334	\$ 8,271	\$ 10,021	\$ 9,760	\$ 5,240
WCAC	873	873	865	974	1,183	890	2,000	1,000
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	4,000	1,000
Sub-Total Cash and Investments	<u>11,767</u>	<u>11,908</u>	<u>11,797</u>	<u>11,528</u>	<u>11,674</u>	<u>13,131</u>	<u>15,760</u>	<u>7,240</u>
Capital Commitments	(553)	(553)	(553)	(553)	(1,069)	(2,101)		
Public Benefits Obligation	0	0	0	0	0	0		
Cash and Investments (less commitments)	<u>11,213</u>	<u>11,355</u>	<u>11,244</u>	<u>10,974</u>	<u>10,605</u>	<u>11,030</u>	<u>15,760</u>	<u>7,240</u>

• The Statement of Cash Balances may not add up due to rounding.

**Estimated June 2016 Budget to Actual P&L Variance Highlights - Water Fund**  
(in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<b><u>MTD NET INCOME - \$319</u></b>		(157)	(157)
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Potable Revenues		(314)	(314)
Recycled Revenues	1		1
Other revenue		(43)	(43)
Water Supply Expense	199		199
<b>Total</b>	<b>200</b>	<b>(357)</b>	<b>(157)</b>

**Estimated June 2016 Budget to Actual P&L Variance Highlights - Water Fund**  
(in 000's)

	<b>Variance Fiscal Year-to-Date</b>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<b><u>FYTD NET INCOME - \$528</u></b>	193		193
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>			
Potable Revenues - lower than planned due to conservation		(3,347)	(3,347)
Recycled Revenues - lower than planned due to conservation		(258)	(258)
Water Supply - lower demand and optimizing BOU blending	2,138		2,138
Other		(493)	(493)
<b>Total</b>	<u>2,138</u>	<u>(4,098)</u>	<u>(1,960)</u>
<b><u>FYTD O&amp;M AND OTHER VARIANCES</u></b>			
Direct O&M - Utilities, Professional services, Special Department Supplies, and lower than planned allocations from Electric.	938		938
Lower than budgeted depreciation expense	582		582
All Other	654		654
Higher than planned allocations from Electric Fund		(21)	(21)
<b>Total</b>	<u>2,174</u>	<u>(21)</u>	<u>2,153</u>

# 2015

## ELECTRICAL DISTRIBUTION ASSET INSPECTION REPORT EXECUTIVE SUMMARY

In order to help ensure the safety of our personnel and the public, as well as maintain our renowned electric system reliability, BWP performs routine inspections of distribution assets to assess condition and repair/replacement requirements. The types and methods of these inspections are consistent with industry best practices. Although a majority of the asset analysis inspections are still paper-based, the utility is transitioning to eventually have all distribution asset inspections become computer-based which will streamline data management and simplify reporting.

The overall condition of assets was as expected; no “surprises” were discovered and needed repairs or replacement of assets were performed or scheduled.

### **INSPECTION RESULTS:**

- All required patrol inspections for calendar year 2015 were completed on schedule.
- Detailed inspections of underground substructures are on an 8-year cycle. Manhole and primary pull box inspections are bit behind schedule; an increased inspection rate has been scheduled for 2016 to recover and get back on track in meeting the cycle goal.
- Detailed inspections of padmounted equipment are on target to meet the 5-year cycle goal.
- Detailed overhead facilities inspections are in the development process and is planned for release to inspection crews for trial use and review by summer of 2016.
- As deteriorated wood poles are discovered, BWP prioritizes and schedules replacement on a regular basis. In 2015, a Price Agreement contract with Osmose Utilities Services, Inc. to perform wood pole intrusive inspections was ratified. A “pilot” inspection area was determined and program initiation is planned for early 2016.
- There were 1611 streetlight operational problems reported or discovered during patrols and all were corrected. BWP staff replaced 1040 High Pressure Sodium (HPS) streetlight luminaires with high efficiency LED luminaires.
- BWP implements an aggressive line clearance tree trimming program that minimizes vegetation caused outages.

# 2015

## ELECTRICAL DISTRIBUTION ASSET INSPECTION REPORT

### OVERVIEW

BWP conducts routine inspections of distribution assets to assess condition and repair/replacement needs. Some of the asset analysis inspections are currently computer-based, while others are still paper-based. It is a goal of BWP to have all distribution asset inspections become computer-based which will enable effective data management and report generation. The planned effective completion date for this goal is FY 16/17; final application development and complete records transfer will likely extend to FY 17/18. Inspection types, points, and methods are in line with industry practices.

Assets determined upon inspection to require repair or replacement are prioritized according to need and based on safety concern, reliability impact, and crew efficiency and availability factors. Assets are assigned a condition level based on several factors, including the previously mentioned elements, and are further evaluated accordingly. The assigned condition levels for distribution assets are:

Condition Level 1: Immediate repair or replacement required. Asset condition presents a current safety hazard or reliability problem. Corrective action shall be scheduled and performed within 90 days. Inspector shall immediately notify inspection crew supervisor of condition. Crew supervisor will coordinate repair/replacement with the Electrical Distribution Manager and Electrical Engineering. If needed, temporary repairs will be made immediately to mitigate safety and reliability risks.

Condition Level 2: Repair or replacement needed. Asset condition presents an impending safety or reliability concern. Inspector shall notify inspection crew supervisor of condition. Crew supervisor will coordinate repair/replacement with the Electrical Distribution Manager and Electrical Engineering. Repair/replacement shall be scheduled and performed after consultation with Engineering concerning criticality and priority.

Condition Level 3: Operationally effective repair or replacement needed. Asset condition presents no current or impending safety or reliability concern. Corrective efforts may be deferred and shall be scheduled when effective manpower and equipment scheduling allows.

Condition Level 4: Pass. Asset condition presents no discovered safety or reliability concerns. Asset is fully functional and serviceable. Okay until next scheduled inspection.

*Calendar year 2015:*

17 assets were assigned a Condition Level 1; 16 were repaired or replaced. The remaining asset was a deteriorated pole, which was replaced on 1/14/16.

29 assets were assigned a Condition Level 2; 13 were repaired or replaced.

3 of the remaining Condition Level 2 assets are underground substructures which are projects requiring significant planning and coordination. Where needed, reinforcement methods were utilized to prevent performance issues.

The balance, 13 Condition Level 2 assets, consists of deteriorated poles and padmounted transformers which require replacement. These assets have been prioritized for replacement by a field crew.

**INSPECTION RESULTS**

**Underground**

BWP performs detailed inspections of the utility's 760 manholes on an 8-year cycle. To remain on schedule, crews need to complete an average of 95 manhole inspections per year. In 2015, 54 detailed manhole inspections were completed. This places BWP a bit behind schedule. In early 2016, the pace of detailed manhole inspections was increased to enable "catch up."

BWP performs detailed inspections of the utility's 710 primary pull boxes on an 8-year cycle. To remain on schedule, crews need to complete an average of 89 inspections per year. In 2015, 51 detailed primary pull box inspections were completed. This places BWP a bit behind schedule. An increased rate of detailed primary pull box inspections is planned for 2016.

BWP has increased the frequency for performing detailed inspections of vaults (manholes containing transformers) and underground switches from a 5-year cycle to a 3-year cycle. All 31 of the vaults in the BWP system were inspected within the 5-year cycle ending in 2014. All 8 of the underground switches currently remaining in the BWP system were inspected within the 5-year cycle ending in 2014. In 2015, 1 vault and 3 underground switches were inspected. The detailed inspection of all vaults is planned for early 2016. The removal of 3 of the remaining underground switches was completed on 1/11/16.

In 2014, BWP utilized a structural engineering consultant, specializing in the assessment of underground manholes and vaults to further inspect high priority structures and determine the best means to repair or replace these structures. In 2015, BWP replaced 3 manholes identified in the 2014 assessment. BWP plans to perform another 34 of these structural assessments in early 2016.

Due to observed condition or system needs, BWP proactively replaced 4000 feet of high voltage cable in 2015. Additionally, 600 feet of high voltage cable was replaced due to failure of the existing cable or components.

### **Padmounted Equipment**

BWP performs annual patrol inspections of all of its 940 padmounted switches, transformers, and regulators, and detailed inspections on a 5-year cycle.

In 2015, patrol inspections of all padmounted equipment were completed.

To remain on schedule, crews need to complete an average of 188 padmounted equipment detailed inspections per year. Detailed inspections of all padmounted equipment were completed within the 5-year cycle ending in 2014. In 2015, 60 detailed inspections were completed. This places BWP a bit behind schedule. While the number of inspections completed in 2015 was low, previous years' rates were much higher and an increase in detailed inspections of padmounted equipment is planned for 2016.

### **Overhead Facilities**

The BWP overhead electrical distribution system consists of 11,519 poles, approx. 434 miles of conductor, 4745 transformers, 429 switches, and 53 capacitor banks. In 2015, BWP completed patrol inspections of all of its overhead facilities.

A computer-based Detailed Overhead Inspection is in the development process and is planned for release to inspection crews for trial use and review by summer of 2016.

### **Wood Poles**

As deteriorated poles are discovered, BWP prioritizes and schedules replacement on a regular basis. As part of an ongoing 4kV to 12kV rebuild and conversion effort, many older poles are replaced each year. In 2015, 27 deteriorated poles were replaced, and 181 poles were replaced as part of Capital Projects or customer-related projects.

An intrusive inspection is required for all wood poles which have been in service for 25 years and every 20 years thereafter. In 2015, a Price Agreement contract with Osmose Utilities Services, Inc. to perform wood pole intrusive inspections was ratified. Project development and a "partnership" were established in the desire to develop a process that would effectively communicate the impact to our affected customers and enable operational and budgetary efficiency. A "pilot" inspection area was determined and program initiation is planned for early 2016.

## **Street Lighting**

There are 6249 streetlight standards in BWP's street lighting system. In 2015, patrol inspections were performed on all the streetlight standards within each of the 19 BWP inspection zones.

BWP has a stated goal of addressing all streetlight complaints within one working day of notification received by Electrical Distribution staff. In 2015, BWP Electrical Distribution staff received 437 streetlight complaints and 100% were addressed in compliance with the stated goal. There are 9184 streetlight luminaires in the BWP street lighting system. Among those, 1611 streetlight operational problems were reported or discovered during patrols and all were corrected.

In 2015, BWP staff replaced 1040 HPS streetlight luminaires with high efficiency LED luminaires.

## **Vegetation Management**

BWP executes an aggressive line clearance tree trimming program. A line clearance tree trimming contractor, currently overseen by an Electrical Distribution Supervisor, performs trimming through the 19 zones on a cyclical basis. Reoccurring "problem" trees are removed when practical. To support emergency situations, capital construction projects, or found conditions, the contracted crews may be called upon to perform trimming or tree removals at specific locations that may be out of the current zone they are working in. Effective use of resources is consistently coordinated. The desired goal is to complete trimming in all 19 zones within a 2- to 3-year cycle rate. As of December 31, 2015, the crews had completed trimming in each of the 19 zones within the last 30 months. Additionally, in 2015, 29 "problem" trees were removed to eliminate future growth and repeated interference with power lines.