



Weekly Management Report

February 24, 2023

- 1. Minutes** Burbank Water and Power Board Meeting
on February 2, 2023
Water & Power Department
- 2. Report** January 2023 Monthly Operating Results
Water & Power Department

**BURBANK WATER AND POWER BOARD
MINUTES OF MEETING
FEBRUARY 2, 2023**

Mr. Eskandar called the regular meeting of the Burbank Water and Power Board to order at 5:02 p.m. in the third-floor board room of the BWP Ron E. Davis Administration Building, 164 West Magnolia Boulevard, Burbank, California.

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

ROLL CALL

BOARD PRESENT: Mr. Cherry; Mr. Eskandar; Ms. LaCamera; Mr. LeMasters; Mr. Luddy; Mr. Malotte; Ms. Tenenbaum

BOARD ABSENT: None.

STAFF PRESENT: Ms. Lindell, General Manager – BWP; Mr. Chwang, Senior Assistant City Attorney; Mr. Wilson, Assistant General Manager – Water Systems; Mr. Aquino, Assistant General Manager – Customer Service Operations; Ms. Kalomian, acting Chief Financial Officer; Mr. Compton, Assistant General Manager – Chief Technology Officer; Ms. Edwards, Assistant General Manager – Sustainability, Marketing & Strategy; Mr. Sleiman, Assistant General Manager – Electric Services; Ms. Samra, Assistant General Manager – Power Supply; Ms. Ohan, acting Administrative Officer – BWP; Ms. Sarkissian, Manager Customer Service Operations; Mr. Nahhas, acting Manager Water Engineer/Planning; Mr. D'Aquila, Power Resources Manager; Mr. Kidd, Marketing Associate; Ms. Landry, Senior Planner; Mr. Pangilinan, Assistant Planner; Ms. Meza, Senior Secretary; Mr. Casillas, Senior Administrative Analyst

ORAL COMMUNICATIONS

Mr. Eskandar called for oral communications at this time.

Mr. Donahue addressed the board regarding his concerns on the presentation made to council on the electric revenue bonds presented on Tuesday, January 24, 2023. Mr. Donahue requested clarification on the rates that may or may not be associated with the electric revenue bonds.

BOARD AND STAFF RESPONSE TO ORAL COMMUNICATIONS

Ms. Lindell addressed the public commenter and the possible confusion that may have been from social media commentators. Ms. Lindell noted that the full staff report for the electric revenue bonds is published online, available to the public, and will provide a copy to Mr. Donahue.

GENERAL MANAGER REPORT

Ms. Lindell updated the board on positive COVID-19 cases at BWP, noting 261 positive cases since March 2020 with 2 positive cases happening in January 2023.

Ms. Lindell announced to the board that the Burbank Fire Department and the city of Burbank have transitioned from petroleum diesel fuel to renewable diesel fuel. Ms. Lindell continued to

inform the board that BWP is responsible for fuel procurement for the city and has been able to add renewable diesel fuel in the contract.

Next, Ms. Lindell updated the board on an upcoming tour of the Hoover Dam on March 21st. Ms. Lindell informed the board that BWP has an opportunity to invite two board members.

Lastly, Ms. Lindell updated the board on another upcoming event from May 9 through May 11 with the Association of California Water Agencies for their 2023 Spring Conference & Expo in Monterey, California. Ms. Lindell informed the board that BWP has an opportunity to invite two board members to this conference, too.

CONSENT CALENDAR

MINUTES

It was moved by Mr. Luddy, seconded by Mr. Cherry, carried 6 – 0 (Ms. LaCamera abstained) to approve the meeting minutes of the regular meeting of January 19, 2023.

PRESENTATIONS

RALPH M. BROWN ACT OVERVIEW

Mr. Chwang from the City Attorney's Office presented an overview of the Ralph M. Brown Act (California Open Meeting Law).

UPDATE ON THE MEDIA DISTRICT SPECIFIC PLAN (MDSP)

Ms. Landry from the Community Development Department presented an update on Burbank's Media District Specific Plan.

Ms. Landry, Ms. Lindell, and Mr. Sleiman responded to board member questions.

REPORTS TO THE BOARD

BWP OPERATIONS AND FINANCIAL REPORTS

Ms. Kalomian presented BWP's financial update for the month of November 2022.

Ms. Kalomian, Ms. Lindell, and Ms. Samra responded to board member questions.

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

COVID-19 CUSTOMER IMPACT UPDATE

Ms. Sarkissian presented an update on the number of customers in arrears and the status of associated debt. Staff continues to work with customers impacted by COVID-19 through payment arrangements.

Ms. Lindell responded to board member questions.

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

BURBANK WATER AND POWER 2023 FINANCIAL RESERVES POLICY

Ms. Waloejo presented the 2023 Burbank Water and Power Financial Reserves Policy.

Ms. Waloejo and Ms. Lindell responded to board member questions.

It was moved by Mr. Malotte, seconded by Ms. LaCamera, carried 6 – 0 (Ms. Tenenbaum absent) to endorse the 2023 Burbank Water and Power Financial Reserves Policy, and that it recommends that the Burbank City Council approve the Burbank Water and Power Financial Reserve Policy, including the electric fund minimum financial reserves of 105 days cash on hand (DCOH) and a recommended range between 160 and 240 DCOH; the water fund minimum financial reserves of 120 DCOH and a recommended range between 200 and 300 DCOH.

UPDATE ON ELECTRIC TRANSPORTATION PROGRAMS

Mr. Kidd and Mr. Johnstone presented on Burbank Water and Power's electric transportation programs.

Mr. Kidd, Mr. Johnstone, and Mr. Sleiman responded to board member questions.

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

RECOMMEND TO CITY COUNCIL TO ADOPT A RESOLUTION TO AUTHORIZE THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR A POTABLE REUSE PLANNING AND ENVIRONMENTAL COMPLIANCE STUDY AS PART OF THE U.S. DEPARTMENT OF INTERIOR'S WATERSMART GRANT PROGRAM

Mr. Nahhas presented a resolution authorizing the grant application, acceptance, and execution of a potable reuse planning and environmental compliance study as part of the U.S. Department of the Interior's WaterSMART program.

It was moved by Mr. LeMasters, seconded by Mr. Luddy, carried 6 – 0 (Ms. Tenenbaum absent) to recommend that the City Council adopt a resolution to authorize the grant application, acceptance, and execution for a potable reuse planning and environmental compliance study as part of the U.S. Department of the Interior's WaterSMART program.

INFORMATION FROM STAFF

UPDATE ON CITY COUNCIL AGENDA ITEMS

Mr. Casillas provided an update on recent items that BWP has taken to the City Council, the voting outcomes of those items, and future items that BWP has scheduled on the City Council agenda forecast.

LEGISLATIVE UPDATE

Mr. Johnstone provided a federal and state legislative update. Mr. Johnstone highlighted legislation that BWP is monitoring.

WATER DIVISION UPDATE

Mr. Wilson updated the board on the Metropolitan Water District's regional drought emergency and the water supply allocation plan. Mr. Wilson also informed the board on water use monitoring data and current drought conditions based on the current rainfall levels.

Mr. Wilson and Ms. Lindell responded to board member questions.

POWER SUPPLY UPDATE

Ms. Samra updated the board on the 2024 integrated resources plan efforts, highlighting the stakeholder engagement aspect of the efforts as well as the timeline. Ms. Samra then updated the board on the Intermountain Power Project.

Ms. Samra responded to board member questions.

ELECTRIC SERVICES UPDATE

Mr. Sleiman updated the board on the regional intermodal transportation center (RITC) project. Mr. Sleiman informed the board on a study with Burbank Unified School District on possible solar projects on their property. Lastly, Mr. Sleiman updated the board on the Willow Substation project.

COMMENTS AND REQUESTS FROM BOARD MEMBERS

None.

ADJOURNMENT

The meeting was adjourned at 8:45 p.m. The next regular board meeting is scheduled for March 2, 2023, and will be held in the third-floor board room at Burbank Water and Power Ron E. Davis Administration Building.

Armando Casillas
Recording Secretary

Dawn Roth Lindell
Secretary to the Board

Philippe Eskandar, BWP Board Chair



CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

DATE: March 2, 2023
TO: Burbank Water and Power Board
FROM: Dawn Roth Lindell, General Manager, BWP *Dawn Roth Lindell*
SUBJECT: January 2023 Operating Results

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

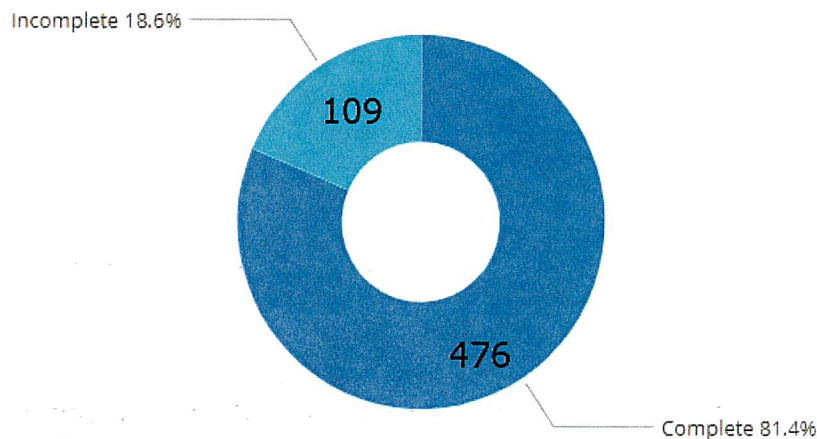
SAFETY

As a progressive and proactive utility, BWP tracks all environmental, health, and safety (EHS) related events, such as observations, near misses, and incidents. Staff tracks action items for these events from start to closure to avoid injury or damage to the city or public property. BWP continues to exceed its goal of closing 80% of action items. For this reporting period, BWP has closed 81.4% of corrective and preventative action items.

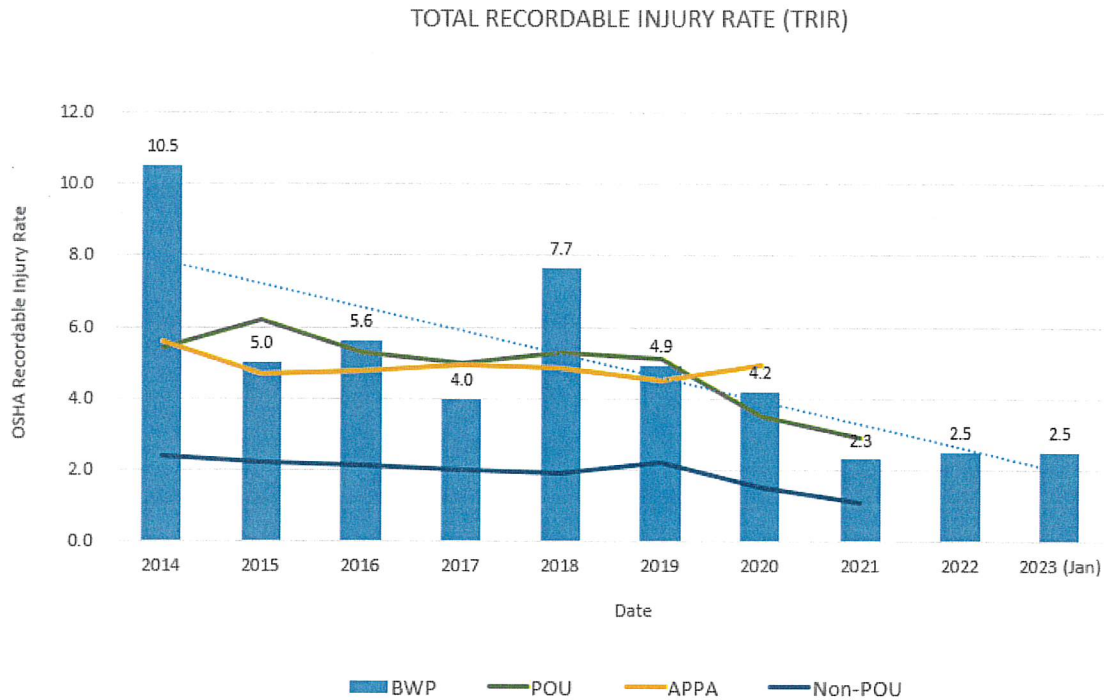
BWP continues to make progress in its efforts to improve employee engagement, as measured by incident, near miss, and observation reporting. By reporting these events, we create opportunities to learn and prevent harm to people, the environment, and property. For this reporting period, BWP has received 17 EHS-related reports for 2023 to count towards the annual goal of 250.

For January 2023, BWP experienced zero OSHA recordable injuries. BWP's 12-month rolling average OSHA total recordable incident rate is 2.5.

Corrective & Preventative Action Items (80% Goal):



OSHA Total Recordable Incident Rate:



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees. Current year expressed as 12 month rolling average
 POU - Publicly Owned Utilities - Bureau of Labor Statistics
 APPA - American Public Power Association - Average recordable injury rate for similar sized organization
 Non-POU - Bureau of Labor Statistics, all non-governmental utility services

Electric Financial Results

In **December**, the energy demand was **3%** below budget, primarily driven by conservation and slightly lower than average temperatures. Net **loss** was **\$2,823,000**, which was **\$939,000 worse** than budgeted. The **unfavorable** variance was primarily attributed to **higher** than planned retail power supply and transmission expenses and lower than planned operating revenue, offset by lower than planned **operating expenses**.

Fiscal-year-to-date (FYTD) energy demand was **on** budget. For FYTD **December**, net income was **\$2,781,000**, which was **\$7,172,000 better** than budgeted. The favorable result was primarily attributed to lower than planned operating expenses and a favorable wholesale margin.

For additional details, please see the attached financial statements.

Water Financial Results

In **December**, potable water demand was **11%** lower than budget due primarily to the ongoing response to the Governor's 15% water reduction request and Burbank being in Stage III of the Sustainable Water Use Ordinance. **Stage III limits outdoor watering to**

one day a week on Saturday from November to March. Net loss was \$233,000, which was \$4,000 better than budgeted.

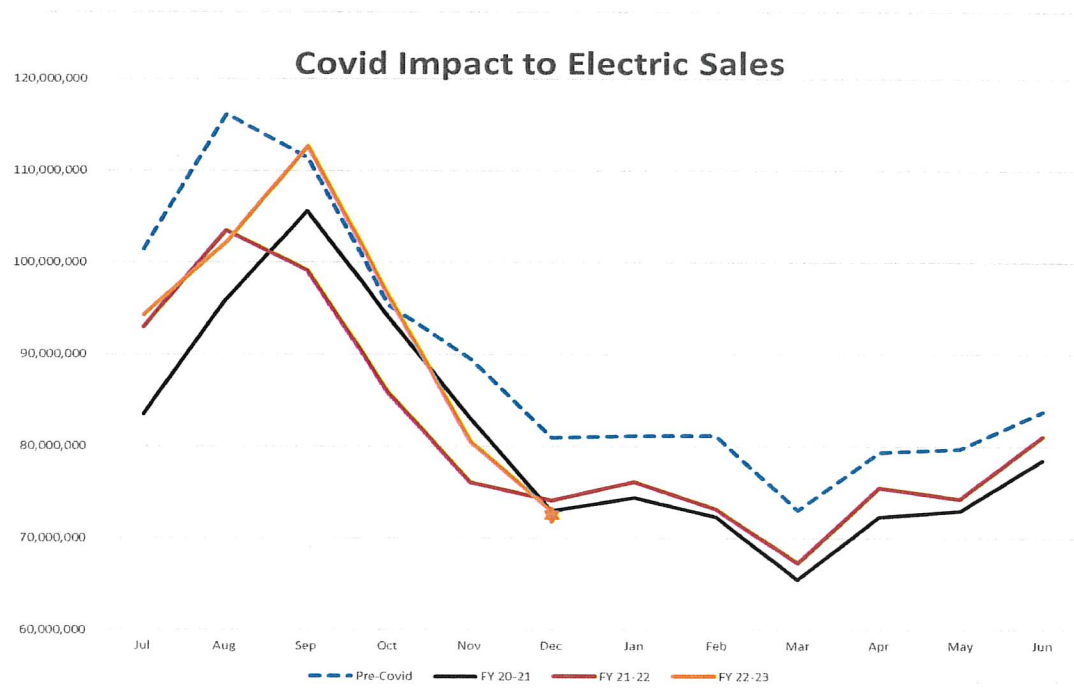
FYTD potable water demand was 7% lower than budget. For FYTD December, net income was \$2,716,000, which was \$2,119,000 better than budgeted. The favorable variance was attributed to lower than planned operating expenses and water supply expenses, higher than planned recycled water revenues, interest income, and other revenues offset by lower than planned potable water revenues.

For additional details, please see the attached financial statements.

COVID-19 and Drought Impacts

On March 19, 2020, the COVID-19 pandemic impacted commercial demand for energy in Burbank and has resulted in a continuous reduction of electric demand.

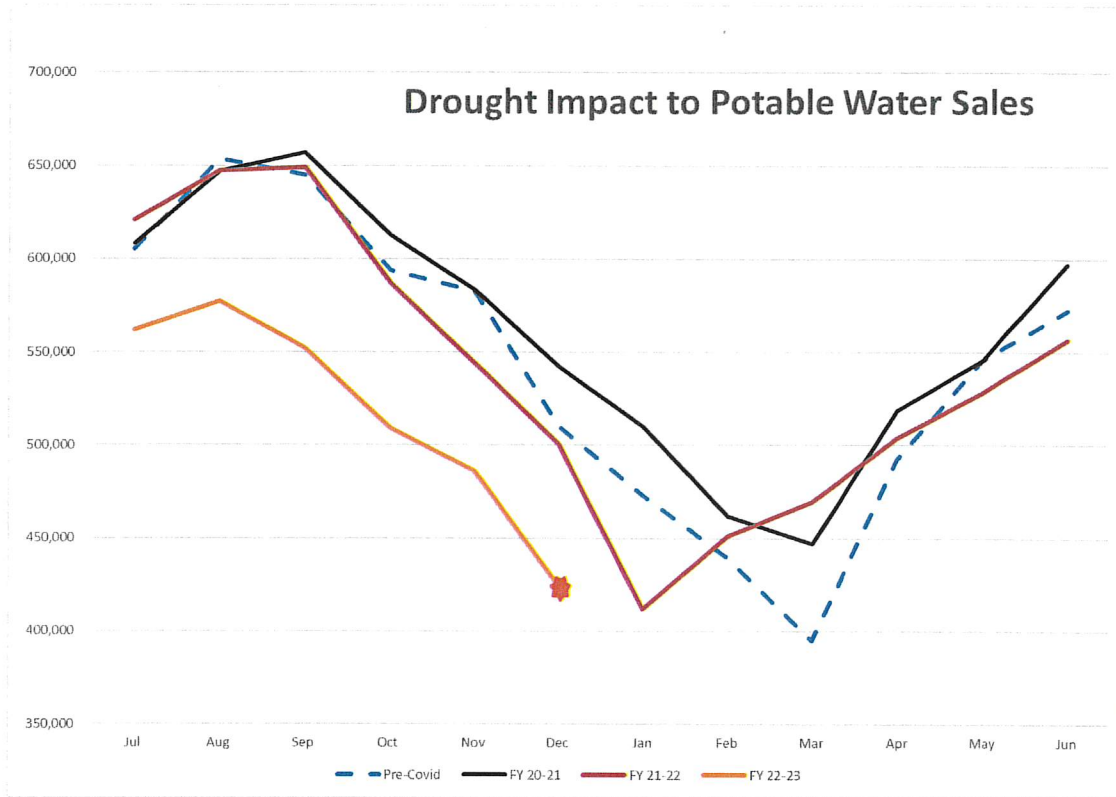
The chart below for the electric fund shows current fiscal year sales compared to prior fiscal years and pre-COVID. December sales were 10% lower compared to December pre-COVID. However, the decrease was primarily driven by cooler weather. Fiscal year-to-date sales were 10% lower compared to the same period pre-COVID.



The Governor called for all Californians to voluntarily reduce water use by 15% from 2020 levels. December sales were 17% lower compared to December pre-COVID. This is attributable to the ongoing drought response – not due to COVID. Fiscal year-to-date sales were 13% lower compared to the same period pre-COVID.

Water sales, in general, have been minimally impacted by the pandemic, where the decrease in commercial sales was offset by an increase in residential demand.

The chart below shows current fiscal year potable water sales compared to prior fiscal years and pre-COVID.



Inflation

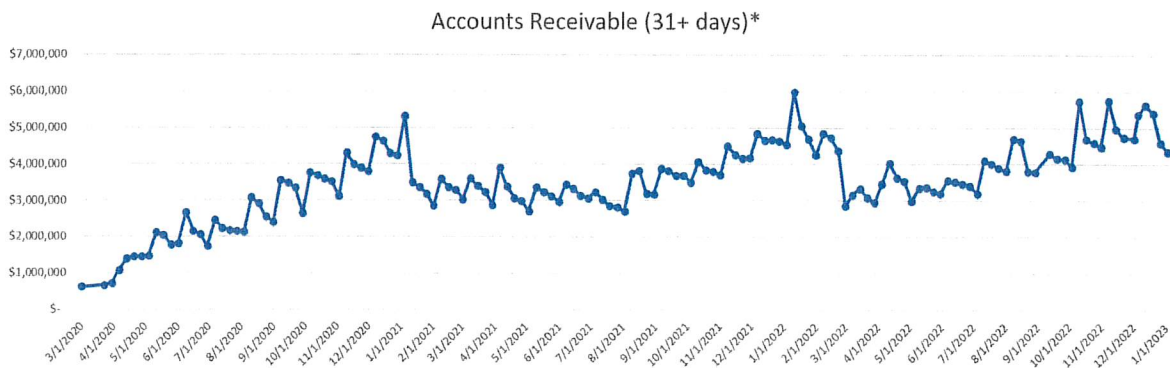
In the last year, BWP’s net income has been heavily impacted by increasing inflation. U.S. inflation has climbed as high as 9.1%. In many cases, we are seeing expenses for utility-grade items much higher than 9.1%. Below are examples of utility items impacted by inflation:

- Emissions control system upgrade for the Lake One Unit – an increase of 25% from \$2 million to \$2.5 million
- A renewable solar, plus energy storage project – an increase of 71%, from \$35/MWh to \$60/MWh
- New substation buildout – an increase of 47% from ~\$17M to ~\$25M
- Rebuild substation - an increase of 67% from ~\$9M to ~\$15M
- Transformers – an increase of 100%, and lead time is 1-3 years
- Network core upgrade – an increase of 24% from ~\$1.25M to ~\$1.56M
- Fiber optic cable – an increase of 20%

- Copper coils for 1-inch service lines – an increase of 100% from \$4.33 to \$8.65 per foot
- 8-inch ductile iron pipe – an increase of 52% from \$17.12 to \$26.10 per foot
- 12-inch ductile iron pipe – an increase of 79% from \$25.10 to \$44.84 per foot
- Fire hydrant – an increase of 41% from \$3,151 to \$4,457
- Water meter boxes 45%
- Other increases in materials:
 - Plastic conduit 125%
 - Chlorine gas 300%
 - Ammonia gas 100%
 - Plastic 57.7%
 - Metals 35.5%
 - Precast concrete products 12.8%
 - Concrete 9.9%
 - Paving materials: 14%
 - Bleach 72% increase from \$1.15 to \$1.98 per gallon
 - Aqueous ammonia 123% increase from \$930 to \$2,073 per ton
 - Liquid Caustic 23% increase from \$735 to \$907 per ton
 - Sulfuric Acid 83% increase from \$.112 to \$.206 per pound
 - CEMs gases 12%
 - Oil/Lubrication 40-50%

Accounts Receivables

The chart below shows the change in receivables over 30 days old for BWP's electric and water funds.



*Excludes in-lieu and utility users' tax.

Vacancies

The table below shows the number of vacant positions throughout the Utility. As of January 2023, 12.1% of the budgeted positions were vacant.

Total Budgeted Positions	352.5
Total Positions Filled	310.0
Total Positions Vacant	42.5

WATER DIVISION

Burbank's Water Use

The table below shows water use in Burbank during **January 2023** compared to **January 2020**, measured in gallons per capita per day (gpcd). The baseline year of 2020 is used to measure the governor's call for a 15% reduction in monthly water use.

	Average Monthly Use
January 2020	125 gpcd
January 2023	89 gpcd

	<u>Feb</u> <u>2022</u>	<u>Mar</u> <u>2022</u>	<u>Apr</u> <u>2022</u>	<u>May</u> <u>2022</u>	<u>Jun</u> <u>2022</u>	<u>Jul</u> <u>2022</u>	<u>Aug</u> <u>2022</u>	<u>Sep</u> <u>2022</u>	<u>Oct</u> <u>2022</u>	<u>Nov</u> <u>2022</u>	<u>Dec</u> <u>2022</u>	<u>Jan</u> <u>2023</u>
2020	126	104	112	141	149	157	162	159	153	136	132	125
Goal	107	88	95	119	127	134	138	135	130	116	112	106
Actual	128	127	131	133	145	148	146	123	126	112	96	89
% Diff.	1.6%	22.1%	17.0%	-5.7%	-2.7%	-5.7%	-9.9%	-22.6%	-17.6%	-17.6%	-27.3%	-28.8%

Water use, in terms of gpcd, during **January 2023** was **28.8%** less than the **January 2020** baseline. However, we also look at **total cumulative water use** since July 2021, which looks at the long-term trend and ignores monthly variations. Our cumulative water use through **January 2023** is **7.7%** less than baseline. Monthly water use will be tracked and reported versus 2020 values, and continue to monitor the response to the Governor's order to reduce water consumption by 15%. All values are compared with the standard of 2020 water consumption.

Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the months of **February 2022** through **January 2023**.

Month	BOU Capacity Factor	BOU Average Flow Rate	Total System Blend % MWD/BOU
22-Feb	82.55%	7,429 gpm	20% / 80%
22-Mar	84.87%	7,638 gpm	20% / 80%
22-Apr	93.03%	8,373 gpm	12% / 88%
22-May	91.64%	8,247 gpm	15% / 85%
22-Jun	88.89%	8,000 gpm	22% / 78%
22-Jul	89.21%	8,029 gpm	26% / 74%
22-Aug	87.83%	7,199 gpm	24% / 76%
22-Sep	79.99%	7,905 gpm	20% / 80%
22-Oct	88.00%	7,920 gpm	14% / 86%
22-Nov	78.24%	7,042 gpm	14% / 86%
22-Dec	64.60%	5,814 gpm	17% / 83%
23-Jan	60.62%	5,456 gpm	17% / 83%
<i>Ave Blend %-last 12 months</i>			18% / 82%

The total system blend percentage represents the total amount of water purchased from the Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with the capacity factor, is an important measure of efficiency. The capacity factor may fluctuate based on demand and plant production; the blend percentage measures how much of the total system's demand is made of purchased or produced water. The amount of MWD water needed is determined by demand, availability of BOU water, and O&M outages.

Key Performance Indicators

The graphs below illustrate the progress the water division has made on key performance measures through **January**. Note that the values provided need to be viewed with respect to where we are in the fiscal year. Pipeline installation is **48%** complete, and we are **58%** through the fiscal year.

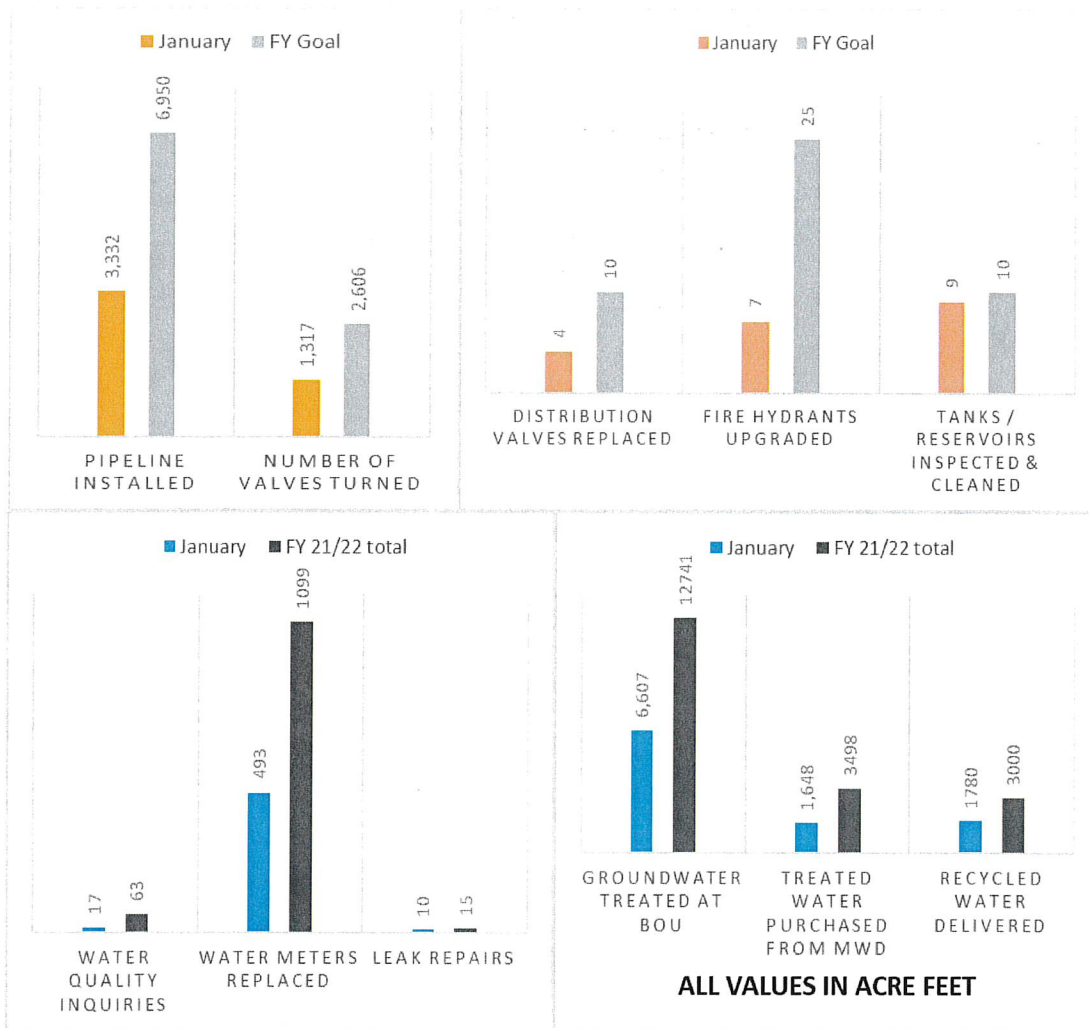
Since the beginning of this fiscal year, the maintenance and construction section has continuously had three vacancies, which is 16 percent of the crew. We should have 15 journey-level workers and four apprentices. However, we have lost our experienced, journey-level staff to higher paying utility jobs. We have been unable to attract journey-level workers and instead have continued to hire unskilled apprentices. As a result, we have seven journey-level workers and 12 apprentices. This reduction in skilled workforce:

- (1) Reduces our ability to efficiently perform work without compromising safety; and**
- (2) Requires us to shift personnel on a daily basis between the mainline, meter shop and service crews in order to balance tasks and priorities.**

Additionally, we have essential customer/field engagement work that must be performed that we track, but are not KPI's. For example, during January 2023, we completed 241 field activities that include water service turn/turn offs, meter testing/verification, pressure tests, etc. This fiscal year we have made 1,385 customer/field engagements.

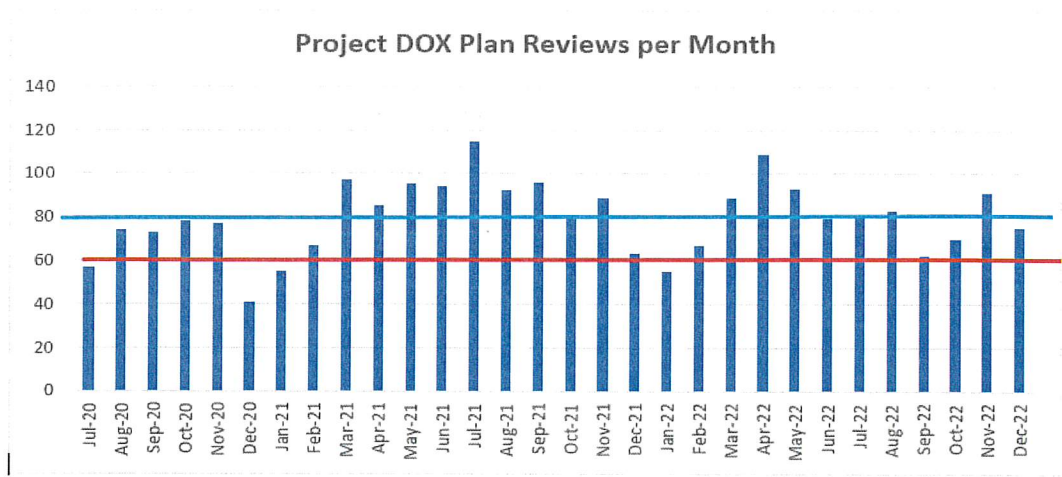
We also spent additional staff time for the H2O to Go recycled water program and to water the city hall lawn with recycled water. Because we are no longer performing this additional work and due to variations in the amount of customer/field engagements, as of this writing – February 22, 2023 – pipeline installation is 60% complete, and we are 66% through the fiscal year.

Chlorine gas deliveries have improved, but the main issue is the availability of truck drivers. To provide a backup to our chlorine gas supplies, staff installed a sodium hypochlorite tank and related equipment so that we now have two forms of chlorine to use (sodium hypochlorite is liquid chlorine – essentially bleach). This spreads the shortage risk across two forms of chlorine instead of relying on just one. Although the availability has slightly improved, the price of the chemical remains volatile. Since June 2021, the cost of chlorine has increased by 300%. For this fiscal year, it increased by 29.25%. We closely monitor chlorine gas supplies and track them daily.

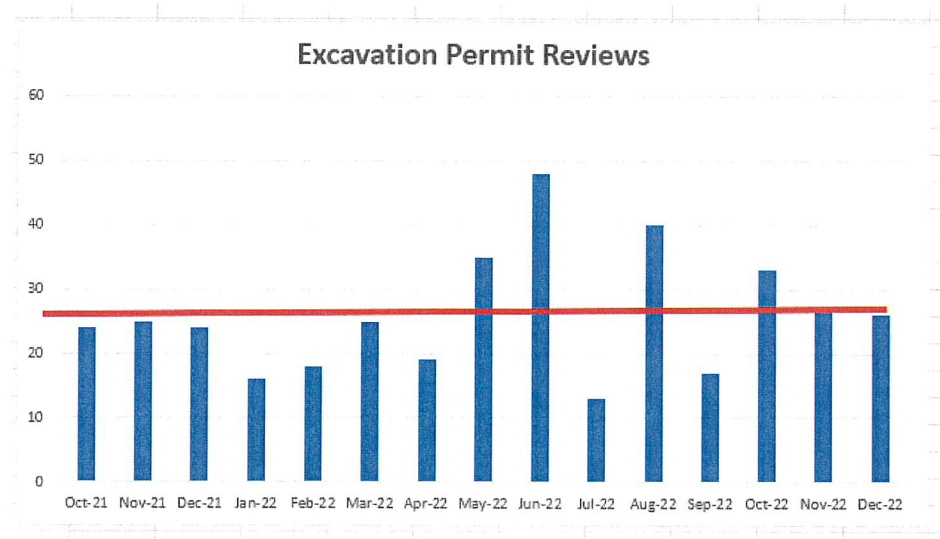


Plan Reviews

The Water Division has seen a significant increase in plan reviews starting with the onset of the COVID-19 pandemic, and we began tracking them in July 2020. Most of the plan reviews are ADUs (accessory dwelling units).



*Blue line is the average *Red line is the production capacity of an experienced planner



Leak Alert Notifications

In 2009, BWP began installing an automated metering infrastructure (AMI) system by Itron. Full deployment of the system (approximately 26,000 endpoints for water) was completed in 2011.

The benefits of AMI technology allow data to be collected rapidly and frequently and can be analyzed to find higher than normal usage and alert customers of leaks. BWP began providing leak alert service to residents who registered to receive notifications. This service, called Water Smart, works by receiving hourly water usage from the meter and analyzing this data to determine if a leak might be present based on continuous usage. In

January 2023, WaterSmart sent out **667** notifications to customers, including **549** email leak alerts, **111** print leak alerts, **5** text message leak alerts, and **2** voice alerts.

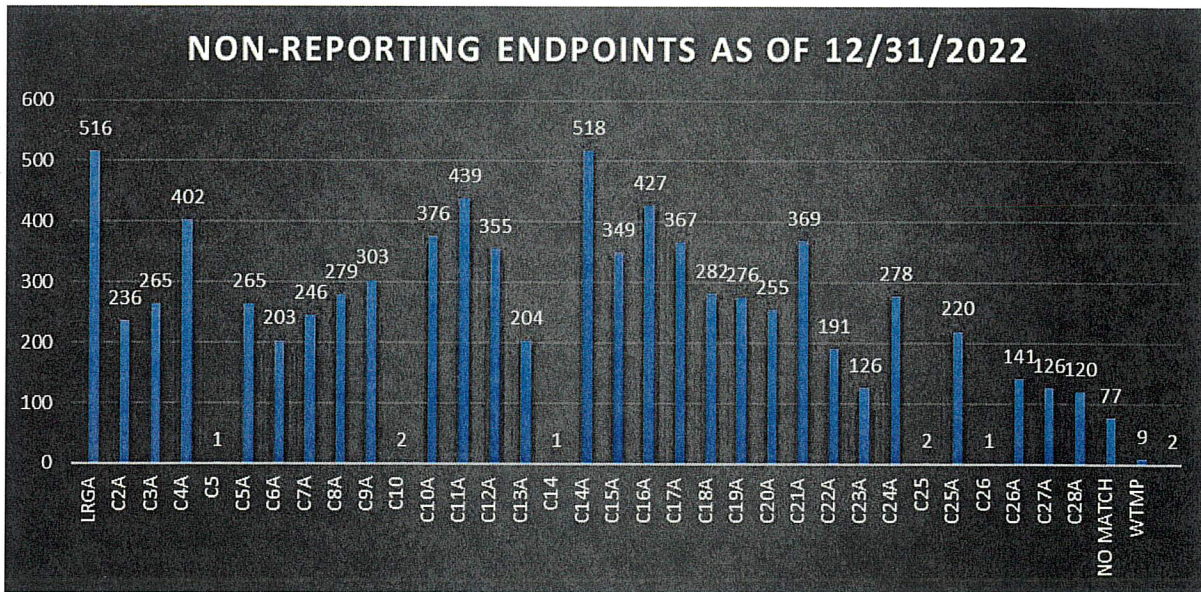
Unfortunately, a high number of water meter communication modules are not working reliably, and replacement units are no longer manufactured. As of **January 31, 2023**, BWP was unable to receive remote reads for **8,229** water meters out of 27,090 (**30%** of the total) due to failing communication modules, and they had to be read manually. In March 2021, staff deployed an interim automatic meter reading (AMR) system to read meters with failed communication modules. However, we cannot receive the continuous communication that enables us to notify these customers of leaks.

BWP notified customers who participate in the leak alert program that the failure of these communication modules prevents the sending of leak alert notifications. Due to the continuing failures, BWP continually notifies the affected customers. The AMR system does not enable BWP to notify customers of leaks at all. This will leave customers vulnerable to unnoticed leaks causing water damage, bills that could reach thousands of dollars as well as unnecessary and significant water waste.

The schedule for the AMI project is provided below:

- September 15, 2022 - Release of Request for Proposals (RFP)
- September 30, 2022 - Pre-proposal meeting (virtual)
- October 3, 2022 - Due date for RFP questions
- October 21, 2022 - Due date for response to RFP 2:00 PM
- November 7, 2022 - Interview/negotiation dates
- January 30, 2023 – Notice of award
- **March 13, 2023** – Notice to proceed (NTP)
- **September 1, 2023** – Network Installation, Software Integration, Field Testing
- **September 2023 to September 2024** – Full Deployment
- **January 31 – 2025** – Project Completion

BWP issued an Intent to Award notice to the selected AMI vendor on November 28, 2022 and requested sample contract documents. We received draft contract documents on December 14, 2022. The AMI project consists of three separate contracts – a Master Services Agreement (MSA), Annual Services Agreement (ASA), and a Software as a Service (SaaS) and Spectrum Licensing Agreement. Due to holidays and scheduled time off, BWP staff and City Attorney's Office finalized the review of the contract documents on February 1, 2023. BWP is undergoing negotiations for all three contracts with the AMI vendor.



Burbank’s Path to Sustainable Water Use

Burbank Water and Power is committed to facilitating a sustainable community. Our state is currently facing severe drought conditions. The drought makes our water-saving efforts more critical, and BWP wants to ensure our efforts drive lasting change. We have adopted the ADKAR change management model to help us deliver on this transformation and have been planning efforts to help our community make lasting change. The ADKAR change model describes the steps that need to be taken, starting with awareness, desire, knowledge, ability, and re-enforcement. The table below describes these steps and the actions BWP has completed and plans on completing.

	Completed	Planned
Increasing drought and water conservation awareness	<ul style="list-style-type: none"> • Digital Currents (2023: January. 2022: January, March, April, May, June, July, August, September, October, November. 2021: August, September, October, November, December) • Print Currents (April 2022, November 2021, July 2022) • BWP drought webpages • BWP Online Account Manager banners • Social media (Facebook, Twitter, Instagram) 	<ul style="list-style-type: none"> • Highlight how BWP employees are saving water in their own daily activities to promote water conservation in Digital Currents in Q1 2023. • Continue to provide drought updates and water-saving resources to customers through digital and print <i>Currents</i> newsletters.

	<ul style="list-style-type: none"> • Flyers with watering schedule and conservation programs information • Bill inserts • Bill graphics • Graphic on bill envelope • MyBurbank advertisement • Burbank Channel advertisement • Educational videos (Burbank's water story, drought and conservation programs, and Stage II rules) • Press release – Stage III • Parks & Recreation newsletter advertisement • Burbank Channel advertisement • Educational video for stage III • Water city hall turf with recycled water • Email and letter to commercial, industrial, and institutional (CII) customers about Emergency Water Regulation • Burbank Bus shelter advertising • HeyBurbank feature – July 2022 https://youtu.be/v6Z2aBQVMCU • Burbank Recycle Center advertisement • Doorhangers for water waste violations • Magnolia Blvd banner • Enforcement notifications via letter for watering violations: Education letter number 1, Education letter number 2, fine of \$100, fine of \$200, fine of \$500 • Outreach efforts to notify customers of the MWD pipeline repair that resulted in no outdoor watering from September 6-20, 2022 • Launched temporary Recycled H2O to Go Program 	<ul style="list-style-type: none"> • Drought update and water conservation programs will be included in the Q1 2023 Print Currents, scheduled to go out to customers in February 2023.
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	<ul style="list-style-type: none"> • Updating community of November 1st water schedule change to one day per week, on Saturday from November to March • Print advertisements placed at ~540 Burbank retail locations for one month starting 01/23/2023 and running until 02/19/2023 • Advertisement placed in Burbank Bulletin advertisement in January 2023 and will run in February 2023 • Magnets with Burbank's watering schedule are offered at the BWP conservation counter in the BWP lobby 	
<p>Increasing the community's desire to make change</p>	<ul style="list-style-type: none"> • Automated leak alerts to customers • Report water waste online form – Stage II • Report water waste online form – stage III • Targeted communications on irrigation schedule compliance and high-volume users to customers based on WaterSmart AMI information. • BWP participated in the 2022 National Night Out event in August 2022 and promoted water conservation. • BWP sponsored one of the Starlight Bowl summer concert series and promoted water conservation at the event. • Home Improvement Program door-to-door outreach • Participated in a rain barrel distribution event with other cities in September 2022, resulting in 17 residents signing up to receive rain barrels 	<ul style="list-style-type: none"> • Continue exploring options for service-based events, and local community events to promote water conservation.

	<ul style="list-style-type: none"> • Updated website and began promoting Turf Removal Rebate Increase to \$3 sq. Ft, including video testimonials from BWP customers who participated in the program. • Launched Demonstration Gardens grant program for drought-tolerant landscaping and local gardens. BWP has received ~30 inquiries from customers who reached out to learn more about the program. • Launched a campaign promoting commercial water-saving rebate programs in November 2022. The campaign will be promoted until the end of December 2022. • Table tents for restaurants launching in January 2023. 	
<p>Customer knowledge on how to make change</p>	<ul style="list-style-type: none"> • Signage and pool cover rebate applications for local shops • Drought flyer with water conservation programs information • Lobby signage with water conservation programs information • Portable signage with water conservation programs information for local events (National Night Out, Starlight Bowl) • Customers' testimonials and resource recommendations on turf replacement • Promote water conservation and turf replacement classes offered by MWD/Green Gardens Group in BWP newsletters and on social media. 	

	<ul style="list-style-type: none"> • Developed a virtual water educational course to educate customers who have received a citation for a Water Waste Violation. The course launched in December 2022. 	
<p>Ability to make change</p>	<ul style="list-style-type: none"> • Increased rebate amounts for: <ul style="list-style-type: none"> ○ Flow monitoring device - \$150 ○ High-efficiency clothes washer - \$150 ○ Rotating sprinkler nozzle - \$5 ○ Weather-based irrigation controller - \$100 ○ Soil moisture sensor system - \$100 ○ Premium high-efficiency toilet - \$100 ○ Turf Removal Rebate increased from \$2 sq/ft to \$3 sq/ft. • Home Improvement Program additions for sprinkler check and controller programming for common areas of multi-family unit buildings • Provide no-cost showerheads and kitchen and bathroom aerators to customers in the BWP lobby • Provide no-cost toilet dye tablets to help customers detect toilet leaks • Leak assistance grant for income-qualified households • Conducted social media giveaway that provided collapsible buckets to capture sink water for use on outdoor plants. • Provided soil moisture sensors daily to the first two Recycled H2O to Go participants. • Innovative Conservation Program (ICP) pilot project 	<p>Reducing the cost for customers to make change:</p> <ul style="list-style-type: none"> • Continue offering water conservation giveaway items (buckets, soil moisture sensors, adjustable nozzles for hose, etc.) to encourage water use efficiency • Adjustable water nozzles will be available to community members at no cost starting in February 2023.

	<p>enables water usage monitoring and leak detection services for multi-family property owners and tenants</p> <ul style="list-style-type: none"> • Reducing the cost for customers to make change: <ul style="list-style-type: none"> ○ Reinitiate Demonstration Garden Grants Program. ○ Added additional funding for water efficiency rebates; Turf Removal Rebate increased from \$2 per sq ft to \$3 per sq ft. ○ Partnered with neighboring cities to have a “Rain Barrel Distribution Event” on January 8, 2023. ○ Partnered with neighboring cities to have a second “Rain Barrel Distribution Event” on March 19, 2023. 	
<p>Reinforcement, including progress updates and recognition</p>	<ul style="list-style-type: none"> • Fill the “Burbank Tank” graphic that staff will update monthly on the BWP website and in Digital Currents. • Lawn signs will be distributed to homes who complete their home audit starting January 30th 	<ul style="list-style-type: none"> • Develop a customer recognition program for customers saving water and launch the rewards program by February 2023.

PROJECT UPDATES

Water Service Upgrade

Seen here are BWP water crews upgrading this water service. Most of the residential services in Burbank have a 5/8” water meter with a 3/4” service lateral (this allows an approximate flow rate of 20-25 GPM). This homeowner is building an “ADU” (additional dwelling unit). This upgraded service line will allow for more water volume for the additional water fixtures at this location (Installing a 1” service line and meter will increase the flow rate to approximately 50-60 GPM).





ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In **January 2023**, BWP experienced three sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately **1,006,126** customer minutes.

Reliability Measurement	February 2021 – January 2022	February 2022 – January 2023
Average Outages Per Customer Per Year (SAIFI)	0.3054	0.2786
Average Outage Time Experienced Per Year (SAIDI)	15.92 minutes	8.11 minutes
Average Restoration Time (CAIDI)	52.13 minutes	29.12 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Customer Per Year (MAIFI)	0.3149	0.2403
No. of Sustained Feeder Outages	13	9
No. of Sustained Outages by Mylar Balloons	1	2
No. of Sustained Outages by Animals	0	0
No. of Sustained Outages by Palm Fronds	2	2

The predictive-analytics-driven equipment replacement program has been on hold since 2021 due to scarcity of equipment, longer than usual lead times, and low staffing levels. This action will drive reliability numbers slightly lower over time; however, staff believes this is an acceptable impact as maintaining the program would deplete our existing equipment stock and exposes the utility to the risk of not having equipment available if a major disaster occurs. Staff will re-assess commencing with the replacement program once equipment levels are sufficient and lead times are normalized.

Supply Chain

The electric utility industry has been heavily impacted by the pandemic over the last several years. Pricing and lead times for equipment have increased at an accelerated pace. Below is a list of lead times for the most common distribution equipment:

Equipment	Typical Lead Time	Current Lead Time
Transformers	12-16 weeks	150+ weeks
Meters	4-6 weeks	38+ weeks
Cable	12-16 weeks	50+ weeks
Poles	6-8 weeks	30+ weeks

PROJECT UPDATES

Residential and Commercial Service Planning Activities

BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing services. In order for a customer to obtain a building permit for their construction, BWP service planners must visit the customer's facility and fill out an electric service confirmation form which details what type of service is required and how it will be served. After reviewing and approving a customer's electrical plans, BWP service planners issue service orders to our field crews to carry out the inspections and electrical service work. The graph below summarizes the monthly activity for our residential and commercial service planning group within the T&D engineering section.

The electrical engineering section is seeing an unprecedented amount of development requests, including large site developments, major housing developments, and accessory dwelling units. In the last decade, BWP has energized about 400 new residential units. Based on the current proposed development, BWP is on the path to energizing more than 2,000 new residential units in the next three to four years. This is a tenfold increase in the amount of development. If this level of work is to continue, the electrical engineering section will need to staff accordingly to be able to keep up with the maintenance work that is currently being placed on hold to accommodate the development work and resulting capital projects.

Substation Safety Eye Wash/Shower Upgrades

To meet the latest updated industry safety standards, substation eyewash/safety showers, which are used to address accidental contact with battery acid from substation batteries, are being upgraded. The new eyewash/safety showers provide additional safety features for BWP personnel, including:

- hands-free operation of the safety showers once it is activated
- simultaneous use of the safety shower and the eyewash
- compliance with current water flow rate standards

This program started fiscal year 20-21, where four substation safety showers were upgraded, and continued through fiscal year 21-22, where another four were upgraded. For fiscal year 22-23, Capon and Hollywood substations were completed. In total, 10 stations have been completed for this program, and the rest of the upgrades at the remaining substations will be tackled within the next several years.

Below are pictures of the work and upgrades at the Hollywood Way substation.



Conduit Trench to Safety Shower



New Safety Shower @ Hollywood Way

Breaker Fail Addition at San Jose Substation for all 34.5 kV Breakers (352-1, 352-2, 352-11, 352-12)

In the fiscal year 2021-2022, BWP started a capital program to implement “breaker fail” schemes on several 34.5 & 69 kV circuit breakers. A breaker fail scheme detects if a circuit breaker fails to open, then it attempts to open additional circuit breakers to isolate an electrical fault, significantly reducing the risk of damage to the affected electrical equipment.

Before implementing the capital program, BWP performed a study on its 34.5 kV & 69 kV system to identify where installing a breaker fail scheme would ensure the timely isolation of an electrical fault even when a circuit breaker fails to open. San Jose substation 34 kV breakers were selected for implementation for the fiscal year 2022-2023.

In January, BWP’s electric equipment section completed the installation and testing of the breaker fail addition for circuit breakers 352-1, 352-2, 352-11, & 352-12 at the San Jose substation. The picture below displays the protective relay devices involved in the implementation.

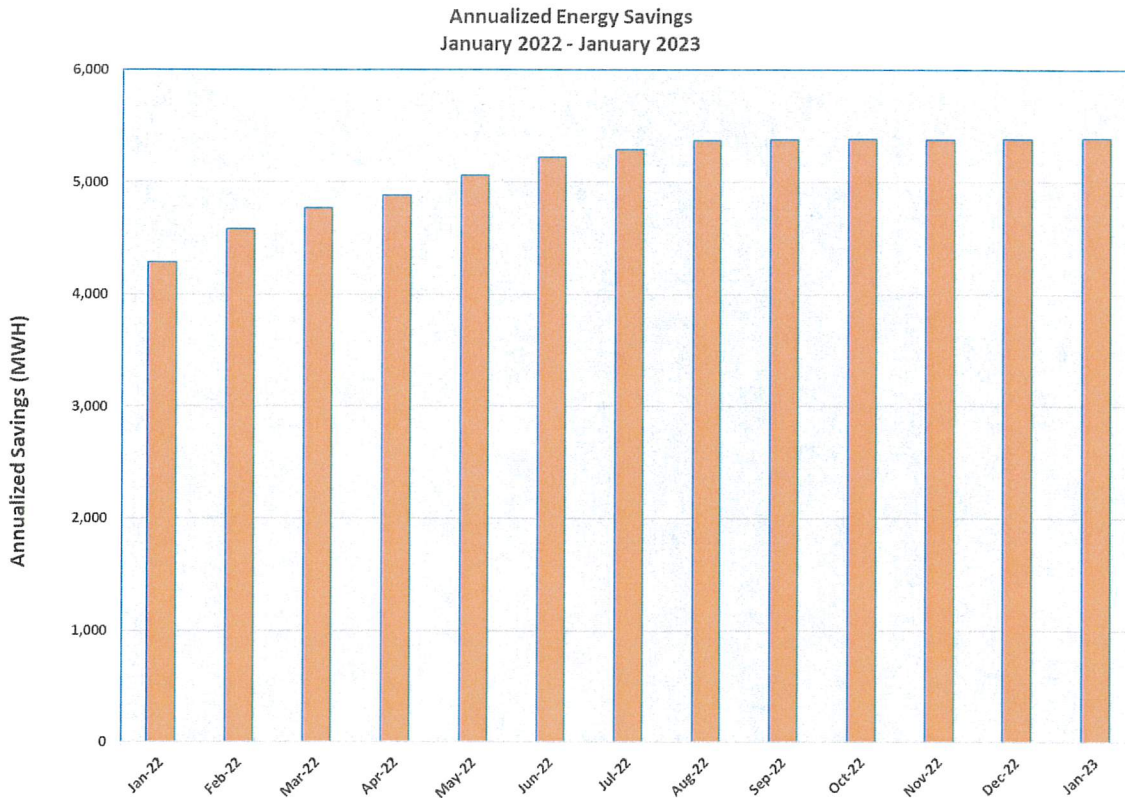


Breaker Fail Master Lockout at San Jose Substation

STREET LIGHTING

LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) street light luminaires with light-emitting diodes (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. LED replacements consume approximately 60% less energy. To date, **91.74%** of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of **5,387 MWh** or a **58.13%** reduction in energy consumption. LED conversions have also reduced the evening load by 1,248 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs. The graph below shows the annualized energy savings in MWh for the past 13 months.



Wireless Telecom Attachments

BWP has entered into four master license agreements to allow communication carriers to attach, install, operate, and maintain communication facilities on street light poles with the public right-of-way.

For the communication carriers to build a new location for a wireless telecom attachment, BWP must first provide an electric service confirmation, which details how the location will be served. Each design must meet the city’s aesthetic requirements as well as BWP’s design guidelines. Once BWP approves the plans and a Public Works permit is issued, BWP issues work orders to our field crews to carry out inspection as well as the electrical and street lighting work. The table below summarizes the activity that has taken place to date:

	Confirmations in Progress	Written Confirmations	Plan Signoffs	WTA Work Orders Issued	WTA Sites Energized
Total	0	257	12	27	44

CUSTOMER SERVICE OPERATIONS

BWP continues to assist customers through the COVID-19 pandemic. Customer Service Representatives (CSR) assist customers by making payment arrangements to reduce the amount in arrears and provide additional resources to help customers manage their finances related to their utility bills. BWP staff continue to proactively engage customers to reduce their arrears by encouraging payment arrangements to any customer they interact with that has a 60-day or greater past due balance. We currently have **241** customers who have an active payment arrangement, resulting in a reduction of arrears by **\$767,713**. BWP will continue to encourage payment arrangements to assist our customers in managing their outstanding arrears.

On October 27, 2020, the Burbank City Council approved resuming non-payment disconnections of medium, large, and extra-large commercial customers. Disconnections were discontinued once California Arrearage Payment Program (CAPP) was announced due to the prohibition of disconnections for 90 days after applying CAPP funds to customer accounts in May 2022. Thereafter, BWP began notifying medium, large, and extra-large commercial customers via letter and personal phone calls that disconnection for non-payment would resume as of July 6, 2022 and encouraged payment arrangements. In addition, several communications were sent to customers subject to disconnection including letters, e-mails, and automated phone calls. Since the beginning of disconnections, a total of **six** medium, large, or extra-large commercial customers have been disconnected for non-payment, resulting in a reduction in arrears by **\$36,198.39**. Customers are making their payments and/or entering into a payment arrangement.

In late June 2022, we received notification that the legislature and Governor had approved a new round of funding for unpaid electric bills resulting from the COVID-19 pandemic. There is \$239.4 million available for publicly owned utility (POU) accounts. This new program, known informally as CAPP 2.0, will operate similarly as CAPP 1.0 with a few key differences. CAPP 2.0 will have a longer COVID-19 pandemic relief period that extends from June 16, 2021, through December 31, 2021, and will only benefit active residential customers. On October 25, 2022, BWP submitted an application to apply for the CAPP 2.0 program. BWP received \$637,838.06, which was applied to the accounts of 1,393 active residential customers on December 28, 2022. **609 customers who received assistance in 2021 have received assistance again.**

Since CAPP 2.0 will not be applied to commercial customers, on August 4, 2022, the BWP Board reviewed and passed the proposal to resume disconnections for small commercial customers beginning September 1, 2022, with a 7-0 vote. On August 23, 2022, City Council voted 3-1 to approve resuming power disconnections and late fees for small commercial customers effective September 1, 2022. After receiving approval from City Council, BWP immediately began notifying all small commercial customers via letter, e-mail, and automated phone calls. Small commercial customers eligible for disconnection, began receiving an official notice as of September 6, 2022. **Unfortunately, due to a process error, staff did not begin charging small commercial customers for late fees until January 26, 2023. This has prompted an in-depth quality**

assurance assessment of our business processes and procedures to proactively confirm the steps staff is taking to assure accurate and timely billing and distribution of customer bills.

BWP began disconnecting small commercial customers for non-payment effective September 29, 2022. From September 29, 2022, through January 30, 2023, 150 small commercial customers have been disconnected for non-payment, resulting in a reduction in arrears of \$208,059, and 80 customers established payment arrangements totaling \$424,337. The 80 small commercial customers on payment arrangement are no longer eligible for disconnection as long as they continue to meet the terms of the arrangement.

As of November 2, 2022, 159 small commercial customers had arrears over 60 days and were eligible for disconnection. As of January 30, 2023, that number is at 108. This indicates that small commercial customers are continuing to make payments or enrolling in payment arrangements to avoid disconnections.

As of January 30, 2023, there are 4,473 residential customers with at least 60 plus days of arrears. Currently, the 61-90 day arrears is \$639,640, and the 91 plus days arrears is \$4,575,525, totaling \$5,215,165. Of the 4,473 residential customers, 168 receive the Lifeline rate for low-income seniors over the age of 62 and disabled customers, and 99 customers receive the Burbank Utility Service Subsidy (BUSS). 994 customers with 60-plus days of arrears received assistance from the state's California Arrearage Assistance Program in 2021.

Since the outset of COVID-19, all residential customers in arrears have been receiving letters monthly in lieu of traditional urgent and termination notices advising them that disconnections have been suspended but also that there are a variety of assistance programs and payment arrangement options available to them.

Staff is increasing efforts to reach these customers by promoting payment assistance programs via our social media communication channels. BWP's January issue of Digital Currents featured bill assistance programs. It was emailed to 30,933 customers and had a 74% open rate.

On January 31, 2023, City Council approved (4-1) to resume normal operations by restarting disconnections on residential customers, effective April 3, 2023. As of January 30, 2023, BWP has \$5.071,239 million dollars in total residential arrears, beyond 60 days. Electric represents \$3,060,471 million dollars and water represents \$507,090 of the total arrears beyond 60 days. Re-establishing power disconnections for residential customers will reduce financial exposure to losses and cost-shifting to all customers.

Residential Customer Communication Plan

With BWP reinstating late fees and restarting residential disconnections effective April 3, 2023, staff has sent out communications to all 48,900 residential customers via bill inserts, emails, printed letters, auto-dialer messages, and social media channels: Twitter/Facebook/Instagram, and Digital Currents.

Customers will begin to receive bill inserts along with their February bills. Over 30,000 customers who receive notifications online will receive an email between February 7-9; 18,000 customers who receive bills in the mail will receive letters on February 10. Autodialed messages are being sent to the 4,473 customers with 60 days or more in arrears between February 14-23. Staff will also call every Lifeline/BUSS customer with 60 days or more in arrears to offer assistance programs and payment arrangements through the month of February. Social media and digital Currents newsletter communications will be released throughout the month of February.

Outstanding Debt

As of January 30, 2023, the following is the current outstanding debt by commodity:

Aging By Service Type					
Service Type	31-60	61-90	91+	Total	% of Total
ELECTRIC	\$ 155,443	\$ 395,508	\$ 2,848,213	\$ 3,399,164	54%
WATER	\$ 173,170	\$ 97,546	\$ 604,408	\$ 875,124	14%
SEWER	\$ 165,854	\$ 102,418	\$ 587,030	\$ 855,303	14%
SOLID WASTE	\$ 174,611	\$ 110,480	\$ 769,772	\$ 1,054,863	17%
FIBER OPTIC	\$ -	\$ 37,114	\$ 39,125	\$ 76,239	1%
GENERAL SERVICE	\$ 1,330	\$ 653	\$ 4,287	\$ 6,269	0%
MISCELLANEOUS	\$ -	\$ -	\$ 18	\$ 18	0%
Grand Total	\$670,407	\$743,719	\$4,852,853	\$6,266,979	100%

BWP Call Center Call Types & Volume

CUSTOMER CONTACT TYPES	% OF CALLS
BALANCE	15%
UPDATE CUST ACCOUNT INFO	15%
PAYMENT ISSUES	3%
HIGH BILL/USAGE REVIEW	3%
DUPLICATE BILL REQUEST	3%

Customer Contact Types	% of Calls
Update Customer Account Info	19%
Balance	16%
Auto Pay	4%
High Bill / Usage Review	4%
Conservation Programs & Rebates	4%

	Nov - 21	Dec - 21	Jan - 22	Feb - 22	Mar - 22	Apr - 22	May - 22	Jun - 22	Jul - 22	Aug - 22	Sep - 22	Oct - 22	Nov - 22	% Inc/Aug
Call Volume	2,845	3,102	3,234	2,833	3,340	3,148	3,314	3,311	3,220	4,001	4,436	3,983	3,010	-24.4%
	Jan - 22	Feb - 22	Mar - 22	Apr - 22	May - 22	Jun - 22	Jul - 22	Aug - 22	Sep - 22	Oct - 22	Nov-22	Dec - 22	Jan - 23	% Inc/Aug
Call Volume	3,234	2,833	3,340	3,148	3,314	3,311	3,220	4,001	4,436	3,983	3,010	3,037	3,277	8%

Call volume increased by 8% in January. The majority of the calls received were related to customers requesting to update account information and balance inquiries. The total number of calls is consistent with the same call volume for January 2022.

Online Account Manager

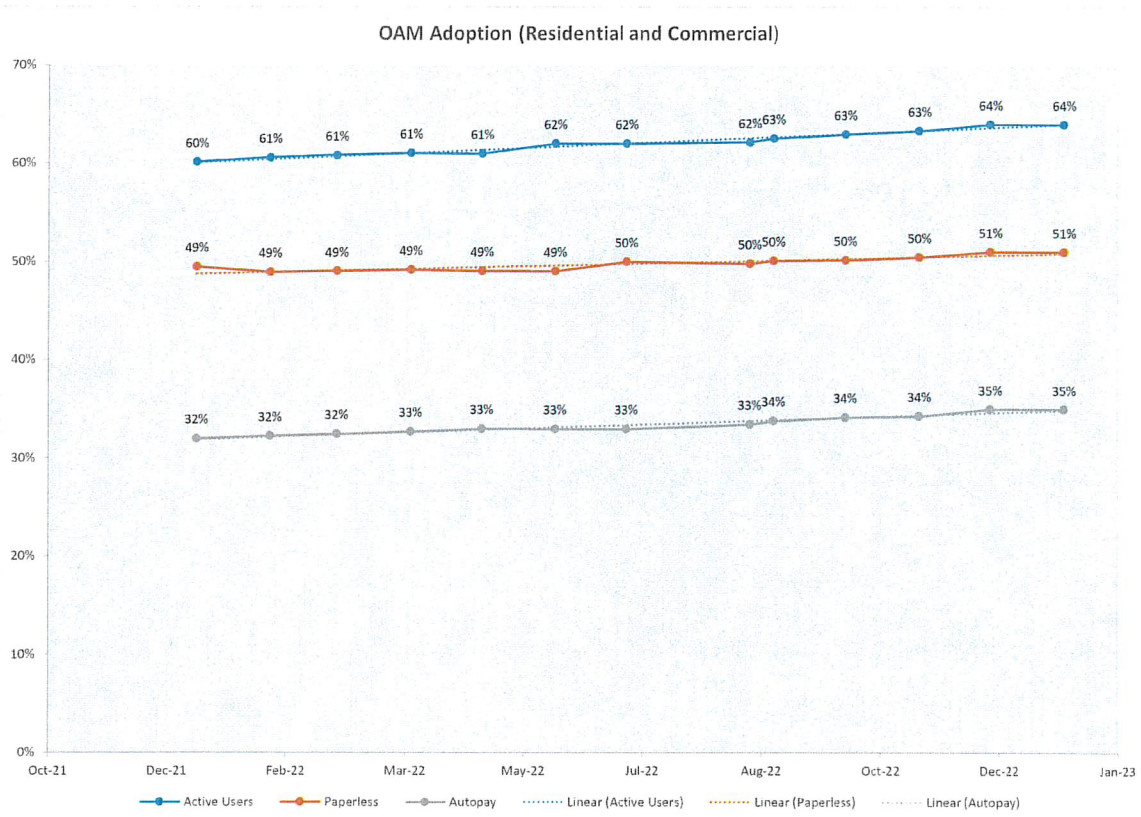
The Online Account Manager (OAM) is BWP's online customer portal. Customers can view their utility bills, make payments, change addresses, and enroll in automated bill and payment notifications. The enrollment in the online account manager (OAM) is currently **at 64% of all active accounts**; increases in enrollments have been on the rise since the COVID-19 pandemic. Of the 37% of customers who are not currently enrolled in OAM, 86% of those customers are residential. Of all registered OAM accounts, about 82% are paperless customers helping BWP reduce costs, save trees and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and autopay. These initiatives will continue to drive down costs.

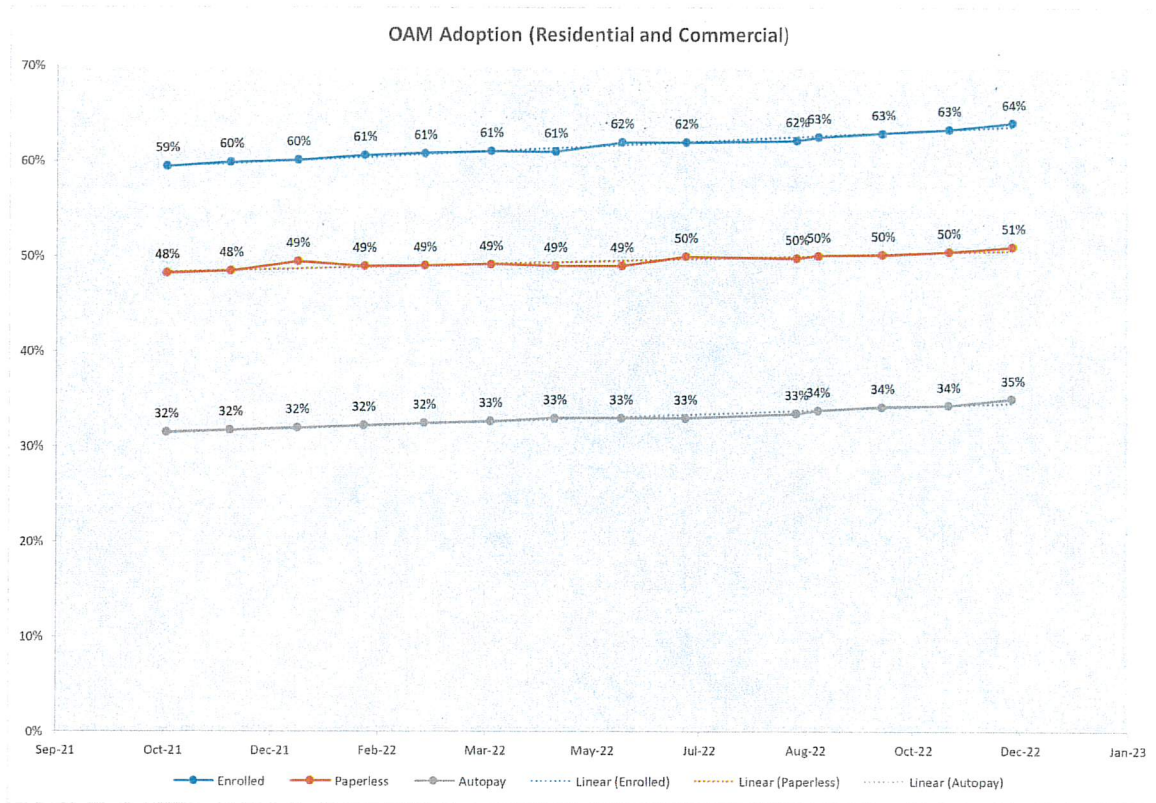
In October 2022, 2,330 specific accounts/email addresses began to no longer receive their online notifications from BWP's Online Account Manager (OAM). The email addresses provided by these customers contained an email address domain that was being blocked by an email service provider. Emails sent from BWP's OAM server were not delivered to the email provider's server and were being returned as 'undeliverable'. These emails included monthly notifications that the bill was ready to be viewed and/or a payment has been posted on the customer account. This issue was resolved on January 26, 2023, as the email service provider had blocked all emails from BWP's OAM server address.

While the issue was ongoing, staff notified all customers affected via letter so they could reset their email addresses in the interim and log on to view their bills and payments. BWP instituted a new process to confirm that all bounced emails are reviewed, and customers are notified within 48 hours.

BWP continues to market and promote general OAM outreach campaign utilizing every owned channel, including on-bill messaging, *Currents* (digital and print), social media, and BWP's website. Last fiscal year BWP set a target to reach 66% OAM adoption. This last 3% has proven to be challenging. In Q4 for FY 22/23, BWP will again try a targeted marketing campaign to increase enrollment.

Below is the chart outlining activity for the OAM:





	Active	% of Total Active Accounts
Active Users	33,543	64%
Paperless	26,653	51%
Autopay	18,237	35%

SUSTAINABILITY, MARKETING, AND STRATEGY

BWP’S Energy Efficiency and Water Savings – Fiscal Year to January 31, 2022

BWP manages a comprehensive portfolio of resource efficiency programs for residential and commercial customers focusing on energy efficiency, peak load reduction, water conservation, transportation electrification, and greenhouse gas savings.

BWP is currently at 8% of our demand energy efficiency and 7% of our energy efficiency savings target. We have established plans to make up ground by the end of the fiscal year. The strategies include filling vacant positions which will help us in driving program enrollment, including a key accounts manager to promote commercial rebates, and an enhancement of the Home Improvement Program’s

scope of services with direct outreach to the Burbank Housing Corporation to retrofit and electrify multiple housing units.

BWP's Refrigerator Exchange Program offers income-qualified customers a new Energy Star-certified refrigerator in exchange for their old, inefficient refrigerator. The Refrigerator Exchange Program has had **43 refrigerators exchanged** since the beginning of the fiscal year.

BWP's Shade Tree Program provides an arborist visit and delivers shade trees to help customers shade their properties, reduce A/C usage, and clean the air. The program has **delivered 111 trees** since the beginning of the fiscal year.

In addition, the *Home Improvement Program (HIP)* offers energy-water surveys and efficiency measure installations to all Burbank single-family residential, multi-family residential, and multi-family common area customers. Some of the HIP's services include direct installation services of weather-based irrigation controllers, high-efficiency sprinkler heads, soil moisture sensors for low-income single-family and multi-family common area customers, and properties within the disadvantaged community areas of Burbank. Furthermore, the program offers energy-water surveys and the installation of efficiency measures for multi-family common area customers. **This month, 41 households participated in HIP, and a total of 318 customers have participated in the HIP since the beginning of the fiscal year.**

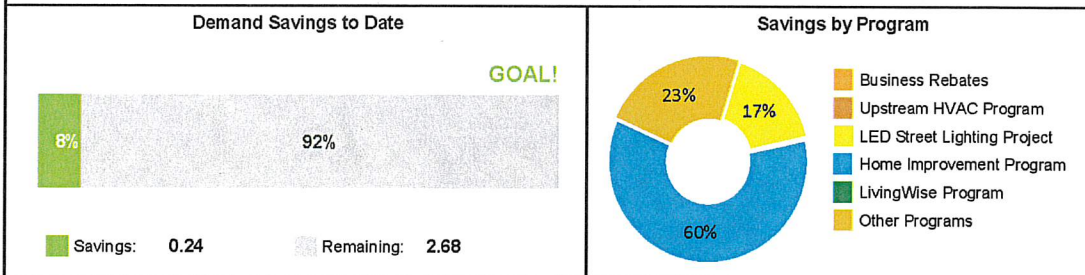
Some additional energy efficiency programs include residential and commercial rebates for the purchase and installation of high-efficiency measures, AC Replace Before It Breaks, and LivingWise.

BWP continues to offer various water conservation programs and incentives to the community. In addition to giveaways of low-flow showerheads and aerators, at no cost, and direct installation of water efficiency measures delivered through the HIP, Burbank residents and businesses are eligible for various water-saving technology rebates funded and administered by the Metropolitan Water District's (MWD) Regional Incentive Program. Starting in August, BWP used its water public benefits charge fund this fiscal year to establish additional incentive levels to help its residential and commercial customers reduce their water use during the ongoing drought. BWP increased turf replacement rebates by 50%. Residential customers have been particularly responsive about the program and within two and a half months the rebates have been fully subscribed. BWP has shifted funds into the residential turf replacement program to support 100,000 square feet of turf to be replaced in Burbank.

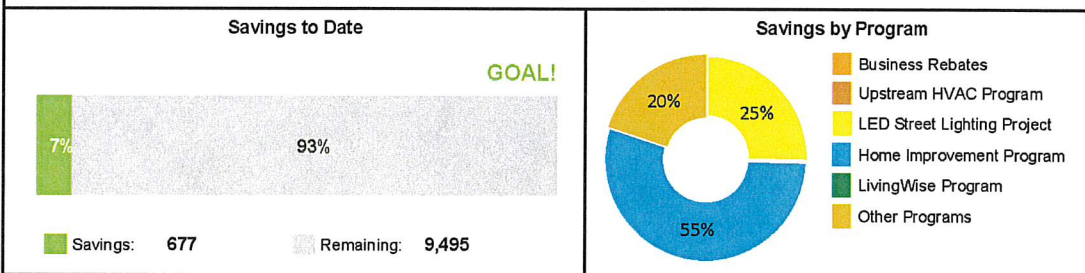
BWP recently **relaunched** the Hydration Station Program for commercial customers. The program offers rebates for water filling stations to provide the community with access to safe and reliable tap water while also helping reduce plastic bottle waste. MWD funds the Hydration Station Program.

Energy Efficiency Savings FYTD 2022-2023 Period ending on 1/31/2023

1% Demand Goal = 2.92 MW

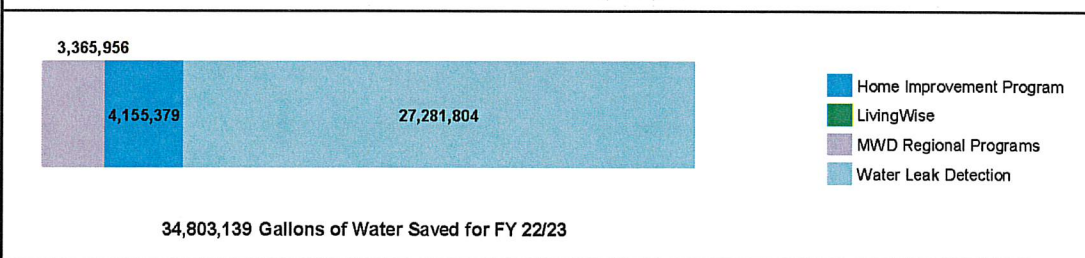


1% Consumption Savings Goal = 10,172 MWh

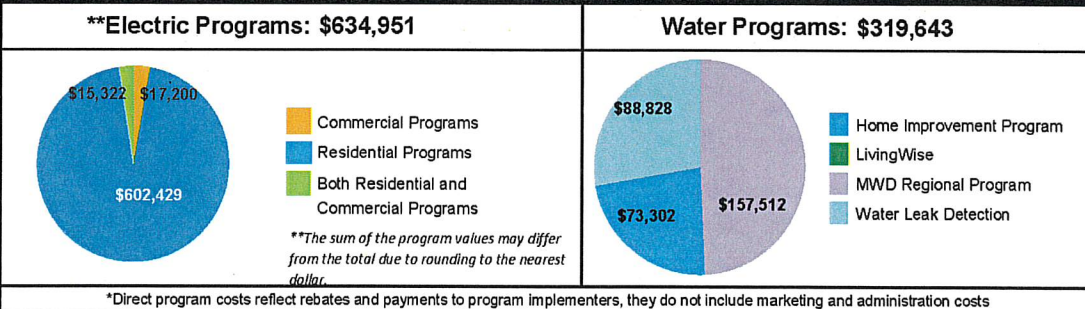


Water Efficiency Program Savings

Gallons of Potable Water



Efficiency Direct Program Costs* FYTD 2022-2023



Electric Vehicle (EV) Charging Program

BWP plays a key role in facilitating the adoption of transportation electrification through education and the development of programs and initiatives.

The city now has seventy-three public EV charging ports, including two DC fast chargers and 24 curbside ports. As of **November 1**, the public charging rate is **\$0.18** per kWh for all hours at a level two charge. The public charging rate is **\$0.29** per kWh for DC fast chargers for all hours.

Public Charging Energy Delivery

In **January**, the per-port average revenue was **\$132**.

Period	Average Usage	Average Total Revenue	Average Per Port Revenue	Notes
Dec 2019 - Feb 2020	28,047 kWh	\$4,779	\$101	Pre-COVID, all units operational
March 2020 - Feb 2021	14,211 kWh	\$2,724	\$60	COVID downturn
March 2021 - May 2021	23,889 kWh	\$4,299	\$91	COVID recovery period
June 2021 December 2022	46,993kWh	\$8,525	\$117	Post-installation of new ports
January 2023	46,993kWh	\$9,767	\$132	Most recent month

New Public EV Charging Station Construction

Due to supply chain issues for electric metering cabinets, the energization of all charging ports has been delayed. In the current fiscal year, BWP will be able to energize at least two projects: stations near John Burroughs High School and Theodore Roosevelt Elementary School. These are the first of 8 projects that were delayed to fiscal year 2022/2023 from fiscal year 2021/2022 due to supply chain issues. These 8 projects were planned to install 31 new level 2 ports and one new DC fast charging station. **Construction for the final curbside site, Verdugo and Lake, started in November. Meter service cabinets arrived in November to energize the projects currently in construction. The stations were planned for energization during December but Building and Safety Inspection availability has delayed energization until February 2023. Inspections were performed 2/16, and the stations will be energized the week of 2/27.**

Commercial Rebate Program

BWP currently has reservations for 18 commercial EV charging ports.

A rebate was issued to IKEA for the 21 ports installed to support their local electric delivery fleet. A rebate was issued for 2 ports installed at Signature Post in November. A rebate for 40 ports installed at Netflix's parking was issued in December 2022.

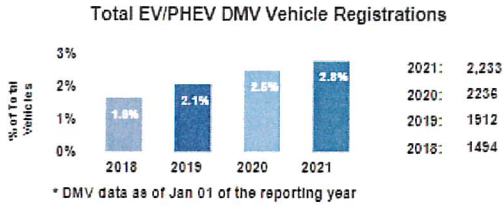
No commercial rebates were issued in January 2023.

Residential Rebate Program

Five residential rebates were distributed in January 2023.

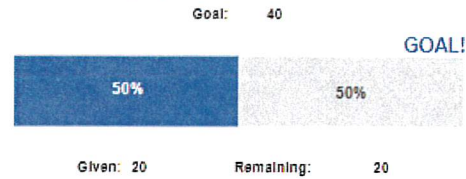
Transportation Electrification 2022-2023 Period ending on 1/31/2023

EV Growth in Burbank*



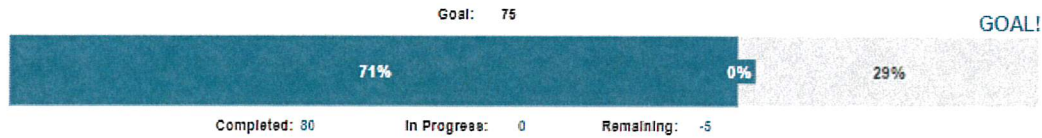
Vehicle Rebates

Residential Used EV Rebate

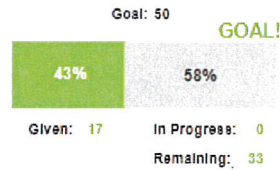


Transportation Electrification Initiatives for FY 2022-2023

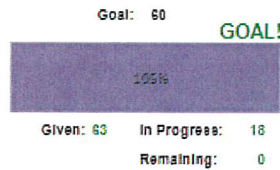
Facilitate the Installation of 75 EV Charging Ports to Electrify the Transportation Sector in Burbank



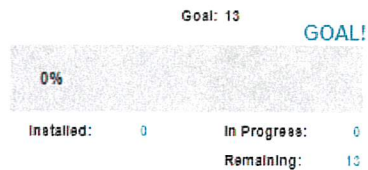
Residential Charging Station Rebates



Commercial Charging Station Rebates



Public Charging Ports

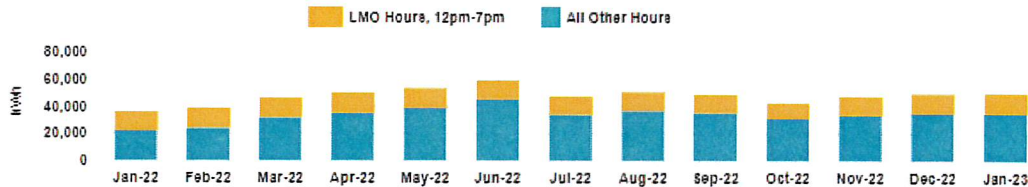


Public Charging Port Statistics

	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG *Reduced	Charging Sessions at ¹ Peak	² Charging Occupancy
	Total Ports	Total Available						
January:	73	73	4,275	51,482	\$9,767	29,655	21%	19%
Average:	73	73	4,968	56,825	\$11,047	32,733	18%	21%
FY Total:	73	73	34,779	397,777	\$77,328	229,133	18%	21%

* Source: U.S. Dept. of Energy Alternative Fuels Data Center (AFDC) values used to calculate GHG savings. GHG values revised using AFDC data as of 06/09/2020.

Load Management Opportunity (LMO) Hours

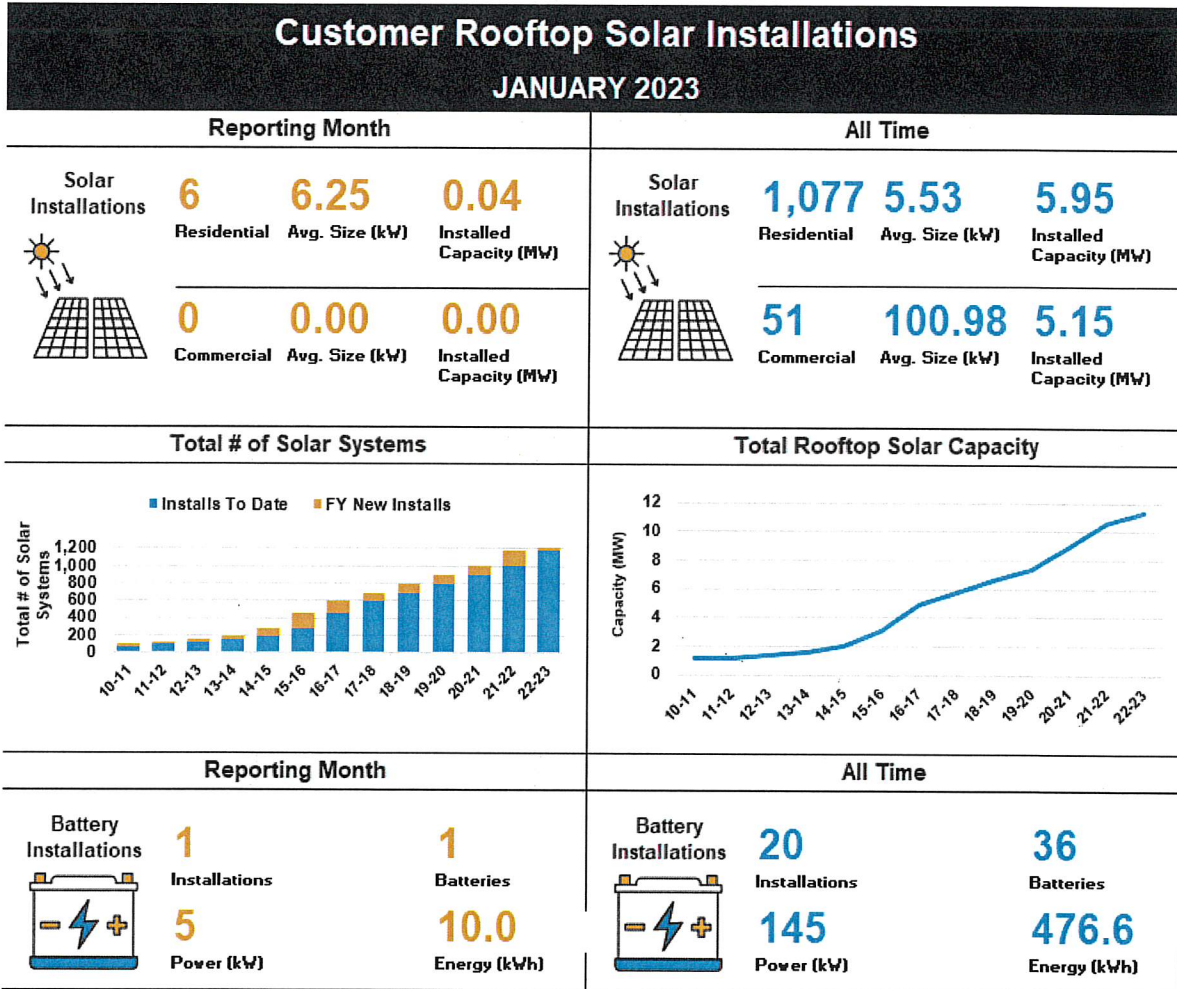


¹Peak is defined as 4 – 7 PM, as is reflected in the Public EV Charging Station rate

²Charging Occupancy is defined as the percentage of time EV's are charging at stations for all available hours in a given month across all charging stations

Rooftop Solar and Battery Installations

Customer-owned rooftop solar system installations continue to grow. BWP does not provide rebates for installing these systems. However, the 30% Federal Investment Tax Credit makes purchasing solar and/or battery systems more accessible.



TECHNOLOGY

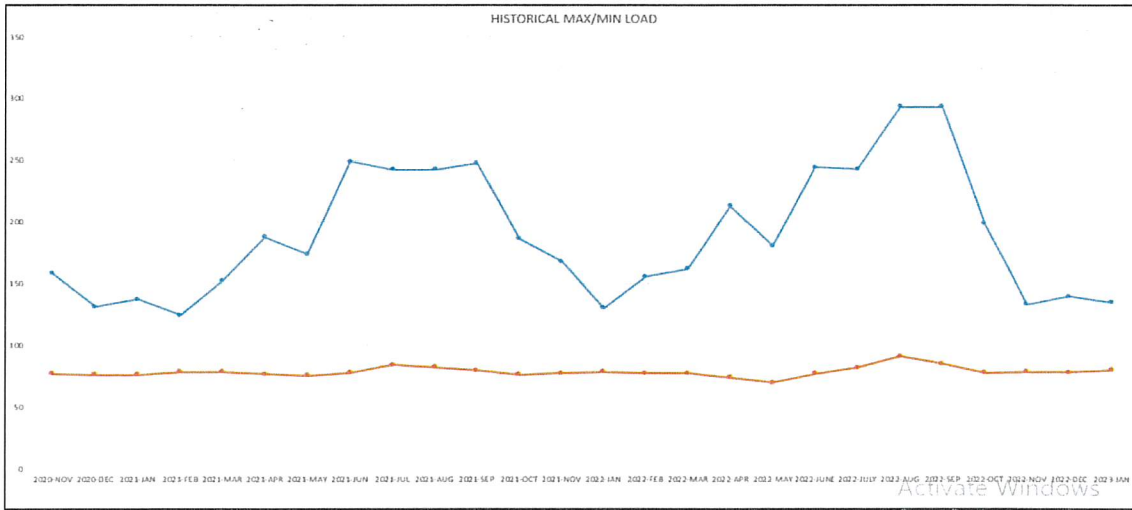
Broadband Services (ONEBurbank)

	January 2023 New Orders	Revenues for January 2023	FYTD 2022-23 Revenues	FYTD Budget
Lit	3	\$165,025	\$1,151,311	\$933,333
Dark	1	\$189,166	\$1,317,481	\$1,400,000
Total	4	\$354,191	\$2,468,792	\$2,333,333

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for **January 2023** was **134.0 MW** at **5:36 PM** on **January 9, 2023**, and the minimum load was **79.5 MW** at **3:56 AM** on **January 29, 2023**.



YEAR	MAX LOAD	MAX DATE
2023	134.0 MW	09-Jan-23 17:36
2022	292.8 MW	06-September-22 15:58
2021	248.5 MW	15-June-21 14:57
2020	292.3 MW	18-Aug-20 15:22
2019	282.66 MW	04-Sep-19 15:31
2018	306.3 MW	06-Jul-18 16:41

Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCalGas' system capacity and supply are primarily a function of two components: (1) transmission pipelines, which bring gas into and then transport it throughout the system; and (2) underground natural gas storage connected to transmission pipelines near system load. While one component of the system's limited supply is the transmission pipeline reductions and outages, the other critical component is storage operating constraints from the CPUC restricting the use of the Aliso Canyon Storage Facility. The current effective withdrawal protocol is restrictive but is less restrictive than the previous protocol, in that Aliso Canyon was only allowed to be withdrawn from if curtailment was imminent, but now can occur under less acute circumstances. As a result, BWP has not had issues with obtaining adequate gas supplies to operate its natural gas-fired generators; however, the supplies have been at a much higher price than normal due to national and global issues and increases in demand. **Limited supply, coupled with high demand, has caused natural gas prices to increase significantly.**

Following the Russia and Ukraine conflict, Russia implemented sharp reductions in exports of natural gas to Europe. According to the Energy Information Administration (EIA) report, U.S. liquefied natural gas exports to Europe exceeded Russia's exports in the third quarter. This is the first time this has occurred in history. For the first eight months of 2022, U.S. gas exports were 14% higher than in 2021. For the first 8 months of 2022, power generation, residential and commercial sectors demand caused U.S. demand to increase by 4%. U.S. storage levels were well below the 5-year average at the end of September 2022. U.S. natural gas prices reached their highest level since the summer of 2008 due to tight supply-demand balance and low storage levels. LNG exports are expected to increase another 4% next year, adding to the current U.S. supply/demand issue.

From the Federal Energy Regulatory Commission (FERC) October 2022 West Natural Gas Market Report, the table (below) shows that natural gas prices in 2022 are about three times higher than in 2019 and 2020. The price of natural gas jumped due to extreme winter (2021) weather followed by the Russia-Ukraine conflict, and these higher prices are expected to continue into 2023 and will continue to have a negative impact on BWP's budget. BWP continues to hedge (procure natural gas at fixed prices for future delivery) to minimize the risk and exposure to extreme pricing; however, the higher prices increase BWP's cost of generation, impact market prices for power, and have negative impacts on the budget.

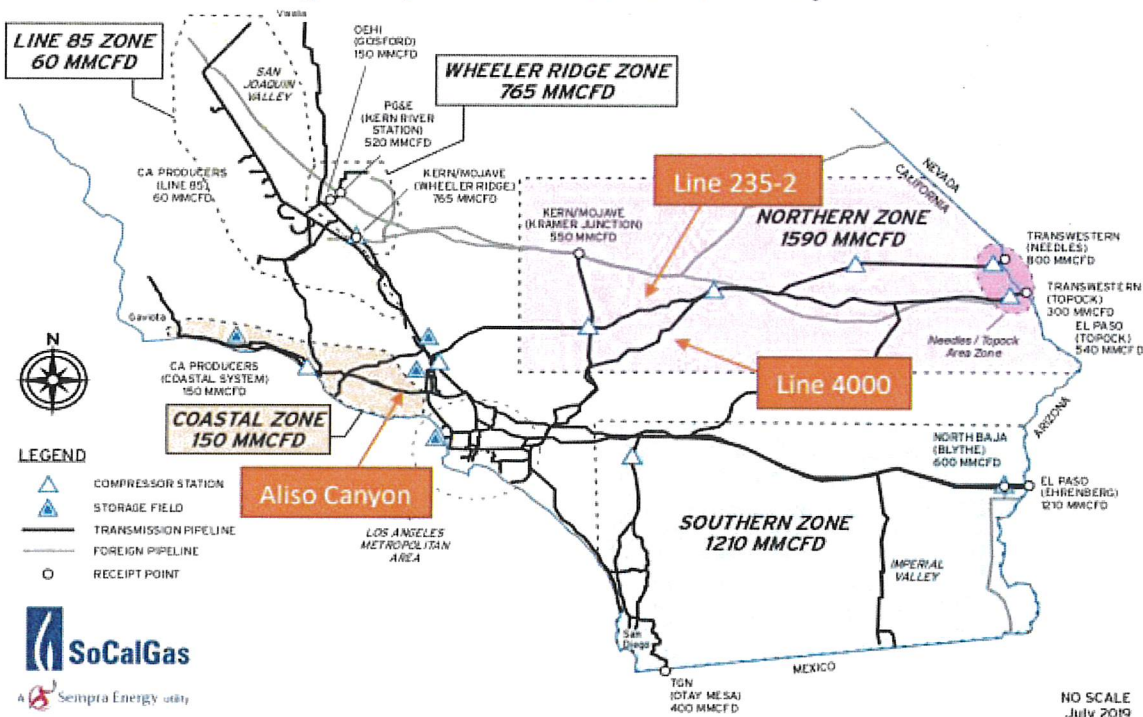
**West Day-Ahead Natural Gas Prices
Averaged Annually/Seasonally**

Federal Energy Regulatory Commission Market Assessments						
	Average Day Ahead Prices (\$/MMBtu)	SoCal CG	Opal Wyoming Plant	El Paso Permian	PG&E CG	Henry Hub
2020	Annual	3.05	2.05	1.34	3.01	2.00
	Summer	2.69	1.83	1.27	2.93	1.89
	Winter 2020/2021	6.39	6.12	6.67	3.83	3.15
2021	Annual	6.25	5.12	5.13	5.01	3.87
	Summer	5.55	3.84	3.58	5.19	3.86
	Winter 2021/2022	5.62	4.87	4.09	5.56	4.51
2022	Annual	7.43	6.47	5.54	7.74	6.48
	Summer	8.24	6.98	6.34	8.53	7.44
	Winter 2022/2023	8.95	8.34	4.09	9.48	5.35

We are keeping a close eye on labor issues and inflationary pressures and will provide an update as we get more information. We are also monitoring Senate Bill 1486, which would limit operations at Aliso Canyon post-2027. BWP is a member of the Southern California Generation Coalition (SCGC), which continues to follow and participate in the CPUC's efforts to evaluate alternatives that would minimize or eliminate the use of Aliso

Canyon. SCGC (including Burbank) continues to express concerns about reliability and the need to maintain the Aliso Canyon storage facility unless or until an alternative is identified that can supply the product and services that it provides.

Image 1: Receipt Points & Transmission Zone Firm Capacities



ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	Net Heat Rate (Btu/kWh)	Number of Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	100%	11	407	11,139	1
MPP	99%	738	137,630	7,444	1

Olive 1 and 2 remained in dry storage, with a 274-day notice required to restart one unit and a 365-day notice required to restart both units. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively.

Lake 1 was placed online one time during the month of **January**.

Magnolia Power Project (MPP)

	January	FYTD	YTD
Availability	99%	97%	99%
Unit Capacity Factor (240 MW)	77%	78%	77%

MPP tripped offline on January 23, 2023 due to a failed hazardous gas sensor. Repairs were made and the plant was restarted the same day.

Tieton Hydropower Project (Tieton)

Maintenance work is complete, and the generators are ready for operation. It is estimated water flow will become available in March.

ENVIRONMENTAL

Air Quality

No air quality updates.

Storm Water

The State Water Resources Control Board Industrial General Permit requires industrial facilities to collect, at a minimum, four stormwater samples per reporting year and compare them to statewide regulatory limits. On December 27, 2022, January 4, 2023, and January 9, 2023, additional stormwater samples were collected for the current reporting year of July 1, 2022, to June 30, 2023. Although **the sample results** continue to indicate ongoing compliance issues with the Industrial General Permit metals effluent limitations, specifically iron, zinc, and copper, the results are below the Time Schedule Order interim effluent limitations. Samples were also collected from the offsite influent that commingles with BWP's stormwater discharge. The offsite samples also exceeded the limits for metals.

In order to address the stormwater compliance issues, BWP is in the process of implementing a campus stormwater improvement project. BWP initially completed the proposed project's California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration in 2019. However, recent amendments to the CEQA guidelines now require an update to the CEQA Initial Study/Mitigated Negative Declaration. The updated Initial Study/Mitigated Negative Declaration CEQA public review period ended on July 22, 2022, and responses to comments on the document are being prepared. The environmental review was expected to be finalized when the project was approved by the Burbank City Council. However, the engineering design and permitting phase have taken longer than originally expected due to the complexity of the project as well as other factors, including the onset of a pandemic. MNS-Engineers was contracted to prepare the final design plans, as well as provide engineering support and permitting support for the project. The project's final design is complete, permitting is ongoing, bid specifications will

be prepared, and a request for proposals (RFP) will be issued for the construction activities. As an interim measure, BWP has also applied for time schedule orders (TSOs) that include interim limits, which are achievable for this site. The final TSOs were approved by the Los Angeles Regional Water Quality Control Board (LAWQCB) on June 7, 2021. These TSOs and interim limits will apply until the improvement project is complete. Milestone achievements are required, and project completion must be achieved by **March 28, 2025, as required by the amended TSO**. BWP submitted a TSO amendment request to the LAWQCB. The amendment consists of consolidating the BWP and MPP facilities into one TSO, requesting coverage for copper, and updating the project schedule. The TSO amendment public review process ended on July 21, 2022, and no comments were received. The amended TSO was finalized on July 31, 2022 and was received in August.

BWP has been utilizing engineers' estimates which are revised annually to establish the appropriate budgets for the campus stormwater improvement project. Based on the most recent project cost estimate an additional \$3.2 million is being proposed to the BWP budgets for FY 23/24 and FY 24/25. The project scope has not changed, and the increase is entirely attributable to significant market increases. The total BWP budget for the project is proposed to increase from \$3.2 million to \$6.4 million. BWP also verified the accuracy of the latest engineers' estimates by reviewing recent bids other entities who are currently approaching construction of similar projects received.

PROJECT UPDATES

Power Resources

Renewable Portfolio Standard (RPS) Compliance

BWP continues to be on track to meet RPS compliance requirements for the calendar year 2022. The calendar year 2022 goal is 38.5% RPS, and **BWP has met the goal**. BWP staff continues to evaluate renewable resources to meet future compliance requirements. Staff updated the RPS Procurement Plan and Enforcement Program in December 2021, which shows BWP's path forward with RPS compliance. Staff recently purchased Portfolio Content Category (PCC) 3 RPS products and PCC 2 RPS products to meet CY2022 regulatory compliance at least cost. Staff is currently working on additional renewable contracts to maintain RPS compliance for future years. Prices for long-term renewables has increased approximately 50-60% due to supply chain issues as well as an increase in demand as load serving entities try to procure renewable resources to meet the state's RPS targets which are increasing by approximately 3% annually. We continue to experience challenges with negotiations for new long-term contract for renewables. In the last 5 months, negotiations for three of four future projects terminated, but we continue to look for other projects to meet future RPS obligations.

Integrated Resource Plan (IRP) Update

BWP has selected a vendor for the IRP and a stakeholder team **has been selected**. **Two IRP stakeholder meetings have taken place since the IRP kick-off**. **These meetings provided background on BWP's resources, operations, and resource planning, to set the foundation for future IRP-related discussions**. The IRP is due to the CEC in 2024. Stakeholder engagement efforts, compliance, and costs will be some of the major factors in the 2024 IRP. The IRP development and stakeholder engagement process is expected to take 6-12 months to complete.

BWP plans to hold six stakeholder meetings from December – June and three community meetings in 2023. The first meeting took place on December 15, 2022. BWP is soliciting feedback on the IRP, and the IRP survey is posted here: <https://www.burbankwaterandpower.com/2024-irp>

Transmission Update

BWP is partnering with LADWP on additional renewable contracts and opportunities. BWP will continue to meet with LADWP monthly to discuss transmission needs. BWP is working with LADWP on the update to the Open Access Transmission Tariff (OATT) process. LADWP has delayed the implementation of new rates by 2-3 months, with an implementation date in late calendar year 2023. The rates are expected to increase significantly, and final numbers will not be known until Q3 or Q4 2023. **Staff plans to attend all LADWP transmission stakeholder meetings, to represent BWP's concerns.**

Intermountain Power Project (Delta, UT) Renewal Progress

LADWP, BWP, and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production and power generation at IPP. In the medium term, the IPA is targeting 30% green hydrogen combustion by July 2025, when the IPP repower project is scheduled to come online. On a monthly basis, IPP participants continue to meet to discuss the IPP renewal, including concerns about facilities development and potential additional resources at the site.

Staff continues to actively work with Intermountain Power Agency (IPA) on cost increases due to the Hydrogen Betterments Project and coal supply issues. The cost of the IPP renewal project has increased significantly, from \$2.5 billion in 2019 to \$3.6 billion in August 2022. BWP's share was \$86.5 million in 2019 and is now \$141 million (this does not include interest). Staff will continue to track costs and report on them, as new data becomes available.

Regarding the coal supply concerns, IPP participants agreed to limit the output of the IPP units, to maintain a minimum megawatt supply sufficient to preserve the integrity of the Southern Transmission System direct current lines and meet the participants' minimal needs during the less critical times of the year. **For the foreseeable future, we will**

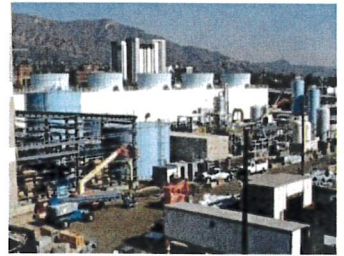
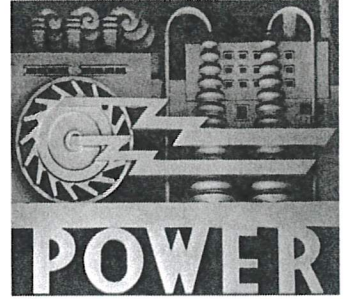
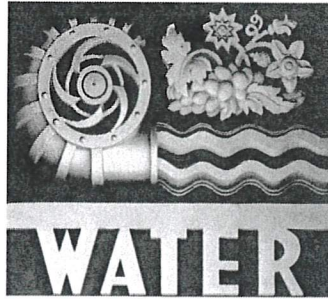
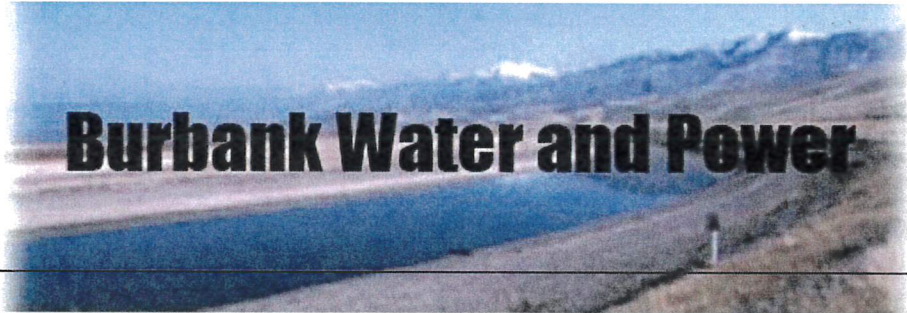
continue to see limitations with the IPP coal supply. Per discussions with IPA, IPP will only run on one unit from now through June 2023 (unless there is a critical market event), allowing the coal pile to grow. In December, due to high natural gas prices and spot market prices, unit 2 for IPP was made available for IPP participants. BWP was able to utilize both IPP units for December and January. This allowed BWP to save \$2.36 million dollars between December 14, 2022, and January 12, 2023, by avoiding buying power at extreme market pricing. BWP was able to utilize both units due to conserving its share of coal for critical weather and pricing events. Based on current coal supply projections, IPA plans to run two units from July 2023 – September 2023, during the critical summer peak months.

Power Production

Lake One Power Plant Emissions Retrofit Project

Engineering work is ongoing, and the final design will be completed shortly. The South Coast Air Quality Management District permit for the project is expected to be received during the second quarter of 2023. Major procurement items have been ordered and are on schedule to be delivered before the construction outage. Substantial completion of the project is expected on or before January 1, 2024.

The new emissions control system will allow Lake One to remain in compliance with upcoming air quality requirements. The project consists of designing, engineering, permitting, constructing/installing, commissioning, and testing the new emissions system. This project is planned to conclude in the first half of 2023.



**Financial Report
December-22**

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD December 2022
(\$ in 000's except MWh Sales)**

MTD Actual FY 22-23	MTD Budget FY 22-23	\$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	\$ Variance	% Variance
79,307	81,819	(2,512)	(3%) ^(a)	NEL MWh	570,326	572,726	(2,400)	(0%) ^(A)
				Retail				
\$ 12,467	\$ 13,052	\$ (585)	(4%)	Retail Sales	\$ 94,027	\$ 93,428	\$ 599	1%
409	573	(163)	(29%) ^(b)	Other Revenues (3)	2,467	3,437	(970)	(28%) ^(B)
11,339	9,758	(1,581)	(16%) ^(c)	Retail Power Supply & Transmission	66,017	64,924	(1,093)	(2%) ^(C)
1,537	3,867	(2,330)	(60%)	Retail Margin	30,477	31,941	(1,463)	(5%)
				Wholesale				
3,112	1,377	1,735	126%	Wholesale Sales	17,660	24,533	(6,874)	(28%)
2,907	1,349	(1,557)	(115%)	Wholesale Power Supply	15,394	24,043	8,649	36%
206	28	178	647%	Wholesale Margin	2,266	491	1,775	362%
1,742	3,894	(2,152)	(55%)	Gross Margin	32,743	32,431	312	1%
				Operating Expenses				
910	1,072	162	15% ^(d)	Distribution	5,309	6,522	1,213	19% ^(D)
236	132	(104)	(79%) ^(e)	Administration/Safety	795	829	34	4%
434	348	(86)	(25%) ^(f)	Finance, Fleet, & Warehouse	1,823	2,114	292	14% ^(E)
538	538	-	0%	Transfer to General Fund for Cost Allocation	3,230	3,230	0	0%
190	581	392	67% ^(g)	Customer Service	1,845	3,095	1,251	40% ^(F)
113	219	107	49% ^(h)	Marketing & Sustainability	642	1,315	673	51% ^(G)
192	398	206	52% ⁽ⁱ⁾	Public Benefits	594	2,386	1,792	75% ^(H)
194	123	(70)	(57%) ^(j)	Security/Oper Technology	1,559	829	(730)	(88%) ^(I)
91	130	39	30% ^(k)	Telecom	693	807	114	14% ^(J)
201	225	24	11%	Construction & Maintenance	1,027	1,353	326	24% ^(K)
1,638	1,831	194	11%	Depreciation	9,796	10,988	1,192	11%
4,735	5,598	863	15%	Total Operating Expenses	27,313	33,469	6,156	18%
\$ (2,992)	\$ (1,704)	\$ (1,289)	(76%)	Operating Income/(Loss)	\$ 5,431	\$ (1,038)	\$ 6,468	623%

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD December 2022**

(\$ in 000's)

MTD Actual FY 22-23	MTD Budget FY 22-23	\$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	\$ Variance	% Variance
\$ (2,992)	\$ (1,704)	\$ (1,289)	(76%)	Operating Income/(Loss)	\$ 5,431	\$ (1,038)	\$ 6,468	623%
				Other Income/(Expenses)				
219	87	132	152% ^(k)	Interest Income	774	521	253	49% ^(L)
230	138	92	67% ^(l)	Other Income/(Expense) ⁽⁴⁾	(1,748)	(1,833)	85	5%
(279)	(406)	126	31% ^(m)	Bond Interest/ (Expense)	(1,676)	(2,042)	365	18% ^(M)
169	(181)	350	194%	Total Other Income/(Expense)	(2,650)	(3,353)	703	21%
(2,823)	(1,885)	(939)	(50%)	Net Income	2,781	(4,391)	7,172	163%
111	601	(490)	(81%) ⁽ⁿ⁾	Capital Contributions (AIC)	201	3,607	(3,406)	(94%) ^(N)
<u>\$ (2,712)</u>	<u>\$ (1,283)</u>	<u>\$ (1,429)</u>	<u>(111%)</u>	Net Change in Net Assets	<u>\$ 2,982</u>	<u>\$ (784)</u>	<u>\$ 3,766</u>	<u>480%</u>

1. This report may not foot due to rounding.

2. () = Unfavorable.

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

4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension), revenues and expenses related to Low Carbon Fuel Standard credits, and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
MTD December 2022
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(a)	Electric Usage in MWh	79,307	81,819	(2,512)	- NEL is 3% lower than budget due primarily to conservation. The average high temperature in December was 66°F, compared to the 15-year average high temperature of 68°F. The average low temperature was 41°F, compared to the 15-year average low temperature of 42°F. MTD CDD were 0 versus the 15-year average of 2.
(b)	Other Revenues	409	573	(163)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate. The unfavorable variance is also attributable to the moratorium on fees in light of the COVID-19 pandemic.
(c)	Retail Power Supply & Transmission	11,339	9,758	(1,581)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
(d)	Distribution	910	1,072	162	The favorable variance is primarily attributable to higher than planned capital work and work for others.
(e)	Administration/Safety	236	132	(104)	- The unfavorable variance is primarily attributable to the timing of memberships and dues payments.
(f)	Finance, Fleet, & Warehouse	434	348	(86)	- The unfavorable variance is primarily attributable to higher leave expense and the timing of professional services.
(g)	Customer Service	190	581	392	The favorable variance is primarily attributable to vacancies and the timing of professional services and software & hardware support.
(h)	Marketing & Sustainability	113	219	107	The favorable variance is primarily attributable to the timing of private contractual services and vacancies, offset by the timing of professional services and office supplies.
(i)	Public Benefits	192	398	206	- The favorable variance is attributable to vacancies and lower than planned programs spending.
(j)	Security/Oper Technology	194	123	(70)	- The unfavorable variance is primarily attributable to lower than planned capital work and work for others, offset by the timing of software & hardware support and professional services.
(j)	Telecom	91	130	39	- The favorable variance is primarily attributable to the timing of private contractual services.
(k)	Interest Income	219	87	132	- The favorable variance is primarily attributable to timing.
(l)	Other Income/(Expense)	230	138	92	- The favorable variance is primarily attributable to the reversal of BWP deferred charges.
(m)	Bond Interest Expense	(279)	(406)	126	- The favorable variance to budget is attributable to the timing of the bond issuance which was budgeted in October 2022
(n)	Capital Contributions (AIC)	111	601	(490)	- The unfavorable variance is attributable to the timing of AIC projects.

**Burbank Water and Power
Electric Fund (496)
Statement of Changes in Net Assets - Footnotes
FYTD December 2022
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(A)	Electric Usage in MWh	570,326	572,726	(2,400)	- NEL is on budget. The YTD average high temperature was 82°F, compared to the 15-year average high temperature of 82°F. The YTD average low temperature was 55°F, compared to the 15-year average low temperature of 55°F. YTD CDD were 1,281 versus the 15-year average of 1,116.
(B)	Other Revenues	2,467	3,437	(970)	- Other revenues include transmission, telecom and Internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate. The unfavorable variance is also attributable to the moratorium on fees in light of the COVID-19 pandemic.
(C)	Retail Power Supply & Transmission	66,017	64,824	(1,093)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
(D)	Distribution	5,309	6,522	1,213	- The favorable variance is primarily attributable to vacancies, the timing of private contractual services and professional services.
(E)	Finance, Fleet, & Warehouse	1,823	2,114	292	- The favorable variance is primarily attributable to vacancies, work for others and the timing of software & hardware support.
(F)	Customer Service	1,845	3,095	1,251	- The favorable variance is primarily attributable to vacancies, work for others and the timing of professional services, offset by software & hardware support and maintenance.
(G)	Marketing & Sustainability	642	1,315	672	- The favorable variance is primarily attributable to vacancies and the timing of private contractual services, professional services and office supplies.
(H)	Public Benefits	594	2,386	1,792	- The favorable variance is attributable to vacancies and lower than planned programs spending.
(I)	Security/Oper Technology	1,559	829	(730)	- The unfavorable variance is primarily attributable to lower than planned capital work, work for others and the timing of software and hardware spending, offset by the timing of spending in professional services.
(J)	Telecom	693	807	114	- The favorable variance is primarily attributable to the timing of private contractual services and professional services.
(K)	Construction & Maintenance	1,027	1,353	326	- The favorable variance is primarily attributable to the timing of custodial services and building grounds maintenance & repair.
(L)	Interest Income	774	521	253	The favorable variance is primarily attributable to timing.
(M)	Bond Interest Expense	(1,676)	(2,042)	365	- The favorable variance to budget is attributable to the timing of the bond issuance which was budgeted in October 2022
(N)	Capital Contributions (AIC)	201	3,607	(3,406)	- The unfavorable variance is attributable to the timing of AIC projects.

December 2022 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>MTD NET INCOME/(LOSS): \$(2,823)</u>	\$ -	\$ (939)	\$ (939)
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales	-	(585)	(585)
Power Supply and Transmission:			
- Lower retail load	422	-	422
- Higher than planned renewables cost and other	-	(97)	(97)
- Higher transmission	-	(157)	(157)
- Higher energy prices	-	(2,089)	(2,089)
- New minimum for IPP and Hydrogen Betterment	-	(398)	(398)
- Lower O&M	692	-	692
- Retail load management and economic dispatch	393	-	393
- Timing True-up and prior period adjustments	-	(347)	(347)
Other Revenues	-	(163)	(163)
Wholesale Margin	178	-	178
Total	1,685	(3,837)	(2,152)
<u>MTD O&M AND OTHER VARIANCES</u>			
Distribution	162	-	162
Administration/Safety	-	(104)	(104)
Finance, Fleet, & Warehouse	-	(86)	(86)
Customer Service	392	-	392
Marketing & Sustainability	107	-	107
Public Benefits	206	-	206
Security/Oper Technology	-	(70)	(70)
Telecom	39	-	39
Construction & Maintenance	24	-	24
Depreciation expense	194	-	194
All other	350	-	350
Total	1,473	(260)	1,213

December 2022 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	<u>Variance Fiscal Year-to-Date</u>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>FYTD NET INCOME/(LOSS): \$2,781</u>	\$ 7,172	-	\$ 7,172
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	599	-	599
Power Supply and Transmission			
- Higher retail load	-	(473)	(473)
- Lower than planned renewables cost and other	236	-	236
- Higher transmission	-	(210)	(210)
- Higher energy prices	-	(7,711)	(7,711)
- New minimum for IPP and Hydrogen Betterment	-	(1,383)	(1,383)
- Lower O&M	3,567	-	3,567
- Retail load management and economic dispatch	1,204	-	1,204
- SCPPA True-up and prior period adjustments	3,677	-	3,677
Other Revenues	-	(970)	(970)
Wholesale Margin	1,775	-	1,775
Total	<u>\$ 11,058</u>	<u>\$ (10,747)</u>	<u>\$ 312</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution	1,213	-	1,213
Administration/Safety	34	-	34
Finance, Fleet, & Warehouse	292	-	292
Customer Service	1,251	-	1,251
Marketing & Sustainability	672	-	672
Public Benefits	1,792	-	1,792
Security/Oper Technology	-	(730)	(730)
Telecom	114	-	114
Construction & Maintenance	326	-	326
Depreciation expense	1,192	-	1,192
All other	703	-	703
Total	<u>\$ 7,590</u>	<u>\$ (730)</u>	<u>\$ 6,860</u>

Electric Fund (496)
Statement of Changes in Cash and Investment Balances ^(a)
(\$ in 000's)

	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	Jun-21	Recommended Reserves	Minimum Reserves
Cash and Investments										
General Operating Reserve	\$ 60,650	\$ 62,803	\$ 58,528	\$ 57,746	\$ 59,132 ^{(b),(d)}	\$ 55,407	\$ 69,212	\$ 73,156	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	4,480	4,480	4,478	4,459	4,456	4,452	3,794	3,740		
Sub-Total Cash and Investments	75,130	77,289	73,007	72,205	73,588	69,859	83,007	86,896	73,010	42,770
Customer Deposits	(10,432)	(10,892)	(9,633)	(9,906)	(10,003)	(9,867)	(9,939)	(4,245)		
Public Benefits Obligation	(11,013)	(10,910)	(10,839)	(10,258)	(9,965)	(9,211)	(9,315)	(8,128)		
Low Carbon Fuel Standard ^(b)	(3,184)	(3,199)	(3,429)	(3,451)	(3,454)	(3,460)	(3,464)	(2,999)		
IPP Decommission	-	-	-	- ^(c)	(2,000)	(2,000)	(2,000)	(2,000)		
Cash and Investments (less Commitments)	50,610	52,287	49,305	48,590	48,165	45,320	58,288	69,523	73,010	42,770

^(a) The Statement of Cash Balances may not add up due to rounding.

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

^(c) Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of \$2.75M.

^(d) Includes an annual payment to CalPERS of \$6.69M to paydown the Electric unfunded liability.

^(e) Reversal of IPP decommission reserve.

**Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets ^{(1) (2)}
MTD and FYTD December 2022
(\$ in 000's except Gallons)**

MTD Actual FY 22-23	MTD Budget FY 22-23	\$ Variance	% Variance		YTD Actual FY 22-23	YTD Budget FY 22-23	\$ Variance	% Variance
313	350	(38)	(11%) ^(a)	Water put into the system in Millions of Gallons	2,427	2,605	(177)	(7%) ^(A)
50	71	(21)	(30%) ^(b)	Metered Recycled Water in Millions of Gallons	530	563	(33)	(6%) ^(B)
Operating Revenues								
\$ 1,918	\$ 2,300	\$ (382)	(17%)	Potable Water	\$ 15,430	\$ 16,900	\$ (1,471)	(9%)
246	341	(95)	(28%)	Recycled Water	2,839	2,645	194	7% ^(C)
159	113	47	41% ^(c)	Other Revenue ⁽³⁾	990	675	315	47% ^(D)
<u>2,323</u>	<u>2,754</u>	<u>(430)</u>	<u>(16%)</u>	Total Operating Revenues	<u>19,259</u>	<u>20,221</u>	<u>(962)</u>	<u>(5%)</u>
768	994	227	23%	Water Supply Expense	5,860	7,098	1,238	17%
<u>1,556</u>	<u>1,759</u>	<u>(204)</u>	<u>(12%)</u>	Gross Margin	<u>13,399</u>	<u>13,123</u>	<u>276</u>	<u>2%</u>
Operating Expenses								
803	841	38	5%	Operations & Maintenance - Potable	4,199	5,044	844	17% ^(E)
120	146	26	18% ^(d)	Operations & Maintenance - Recycled	862	873	11	1%
305	334	29	9%	Operations & Maintenance - Shared Services	1,477	2,027	549	27% ^(F)
148	148	-	0%	Transfer to General Fund for Cost Allocation	887	887	-	0%
368	370	3	1%	Depreciation	2,193	2,222	29	1%
<u>1,743</u>	<u>1,839</u>	<u>97</u>	<u>5%</u>	Total Operating Expenses	<u>9,619</u>	<u>11,052</u>	<u>1,433</u>	<u>13%</u>
<u>(187)</u>	<u>(80)</u>	<u>(107)</u>	<u>(134%)</u>	Operating Income/(Loss)	<u>3,780</u>	<u>2,070</u>	<u>1,709</u>	<u>83%</u>
Other Income/(Expenses)								
112	13	99	733% ^(a)	Interest Income	406	81	326	404% ^(G)
57	45	12	27% ^(f)	Other Income/(Expense) ⁽⁴⁾	(176)	(260)	85	33% ^(H)
(216)	(216)	0	0%	Bond Interest/(Expense)	(1,294)	(1,294)	0	0%
<u>(46)</u>	<u>(157)</u>	<u>111</u>	<u>70%</u>	Total Other Income/(Expenses)	<u>(1,063)</u>	<u>(1,473)</u>	<u>410</u>	<u>28%</u>
<u>(233)</u>	<u>(237)</u>	<u>4</u>	<u>2%</u>	Net Income/(Loss)	<u>2,716</u>	<u>597</u>	<u>2,119</u>	<u>355%</u>
0	57	(57)	(100%) ^(a)	Capital Contributions (AIC)	23	342	(319)	(93%) ^(I)
<u>\$ (233)</u>	<u>\$ (180)</u>	<u>\$ (53)</u>	<u>(30%)</u>	Net Change in Net Assets	<u>\$ 2,739</u>	<u>\$ 939</u>	<u>\$ 1,800</u>	<u>192%</u>

1. This report may not foot due to rounding.

2. () = Unfavorable

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

4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets.

Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
MTD December 2022
(\$ 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	313	350	(38)	- Water use during December 2022 was 11% lower due to Burbank being in Stage III of the Sustainable Water Use Ordinance. Stage III limits outdoor watering to one day a week on Saturday from November to March.
(b)	Recycled Water Usage in Millions of Gallons	50	71	(21)	- Recycled water usage was lower than planned due to lower demand as a result of higher than average rainfall. In December, Burbank received 2.68 inches of rainfall compared to the monthly normal of 2.02 inches for an increase in rainfall of 0.66 inches.
(c)	Other Revenue	159	113	47	- Other revenues include items such as fire protection services, damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(d)	Operations & Maintenance - Recycled	120	146	26	- The favorable variance is primarily attributable to the timing of professional services.
(e)	Interest Income	112	13	99	- The favorable variance is attributable to 2021 Water Bond Project Fund Interest, based on higher than planned balances related to the timing of bond drawdowns.
(f)	Other Income/(Expense)	57	45	12	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate.
(g)	Capital Contributions (AIC)	-	57	(57)	- The unfavorable variance is attributable to the timing of AIC projects.

**Burbank Water and Power
Water Fund (497)
Statement of Changes in Net Assets - Footnotes
FYTD December 2022
(\$ 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	2,427	2,605	(177)	- The unfavorable variance is attributable to the two-week moratorium on all outdoor watering in September 2022 related to a shutdown for repair of MWD's Colorado River pipeline. Additionally, Burbank is currently in Stage III of the Sustainable Water Use Ordinance. Stage III limits outdoor watering to one day a week on Saturday from November to March.
(B)	Recycled Water Usage in Millions of Gallons	530	563	(33)	- Recycled water usage was lower than planned due to lower demand as a result of higher than average rainfall. FYTD Burbank received 4.37 inches of rainfall compared to the FYTD normal of 3.44 inches for an increase in rainfall of 0.93 inches.
(C)	Recycled Water Revenue	2,839	2,645	194	- Recycled water revenues were lower than planned due to lower demand as a result of higher than average rainfall; however, there is a favorable variance in revenue due to the recognition of previously unrecorded Granular Activated Carbon (GAC) Water Revenue.
(D)	Other Revenue	990	675	315	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(E)	Operations & Maintenance - Potable	4,199	5,044	844	- The favorable variance is primarily attributable to vacancies and the timing of professional services.
(F)	Operations & Maintenance - Shared	1,477	2,027	549	- The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the Electric Fund.
(G)	Interest Income	406	81	326	- The favorable variance is attributable to 2021 Water Bond Project Fund Interest, based on higher than planned balances related to the timing of bond drawdowns.
(H)	Other Income/(Expense)	(176)	(260)	85	- Other Income/(Expense) include miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate.
(I)	Capital Contributions (AIC)	23	342	(319)	- The unfavorable variance is attributable to the timing of AIC projects.

December 2022 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	<u>Variance Month-to-Date</u>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME (LOSS): \$(233)</u>	\$ 4	\$ -	\$ 4
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	-	(382)	(382)
Recycled Revenues	-	(95)	(95)
Other Revenue	47	-	47
Water Supply Expense	227	-	227
Total	<u>273</u>	<u>\$ (477)</u>	<u>\$ (204)</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	38	-	38
Recycled Water O&M	26	-	26
Allocated O&M	29	-	29
Depreciation Expense	3	-	3
All Other	111	-	111
Total	<u>\$ 207</u>	<u>\$ -</u>	<u>\$ 207</u>

December 2022 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	<u>Variance Fiscal Year-to-Date</u>		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>FYTD NET INCOME: \$2,716</u>	\$ 2,119	\$ -	\$ 2,119
 <u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	-	(1,471)	(1,471)
Recycled Revenues	194	-	194
Other Revenue	315	-	315
Water Supply Expense	1,238	-	1,238
Total	<u>\$ 1,747</u>	<u>\$ (1,471)</u>	<u>\$ 276</u>
 <u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	844	-	844
Recycled Water O&M	11	-	11
Allocated O&M	549	-	549
Depreciation Expense	29	-	29
All Other	410	-	410
Total	<u>\$ 1,843</u>	<u>\$ -</u>	<u>\$ 1,843</u>

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

	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	Jun-21	Recommended Reserves	Minimum Reserves
Cash and Investments										
General Operating Reserves	\$ 17,959	\$ 17,099	\$ 15,453	\$ 13,889	\$ 13,449 ^{(b), (c)}	\$ 11,568	\$ 12,759	\$ 12,181	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	20,179	19,319	17,673	16,109	15,669	13,788	14,979	14,401	17,830	9,370
Customer Deposits	(389)	(389)	(304)	(397)	(397)	(477)	(1,052)	(1,125)		
Cash and Investments (less commitments)	\$ 19,790	\$ 18,930	\$ 17,279	\$ 15,712	\$ 15,271	\$ 13,311	\$ 13,927	\$ 13,276	\$ 17,830	\$ 9,370

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of \$440k.

^(c) Includes an annual payment to CalPERS of \$1.12M to paydown the Water unfunded liability.