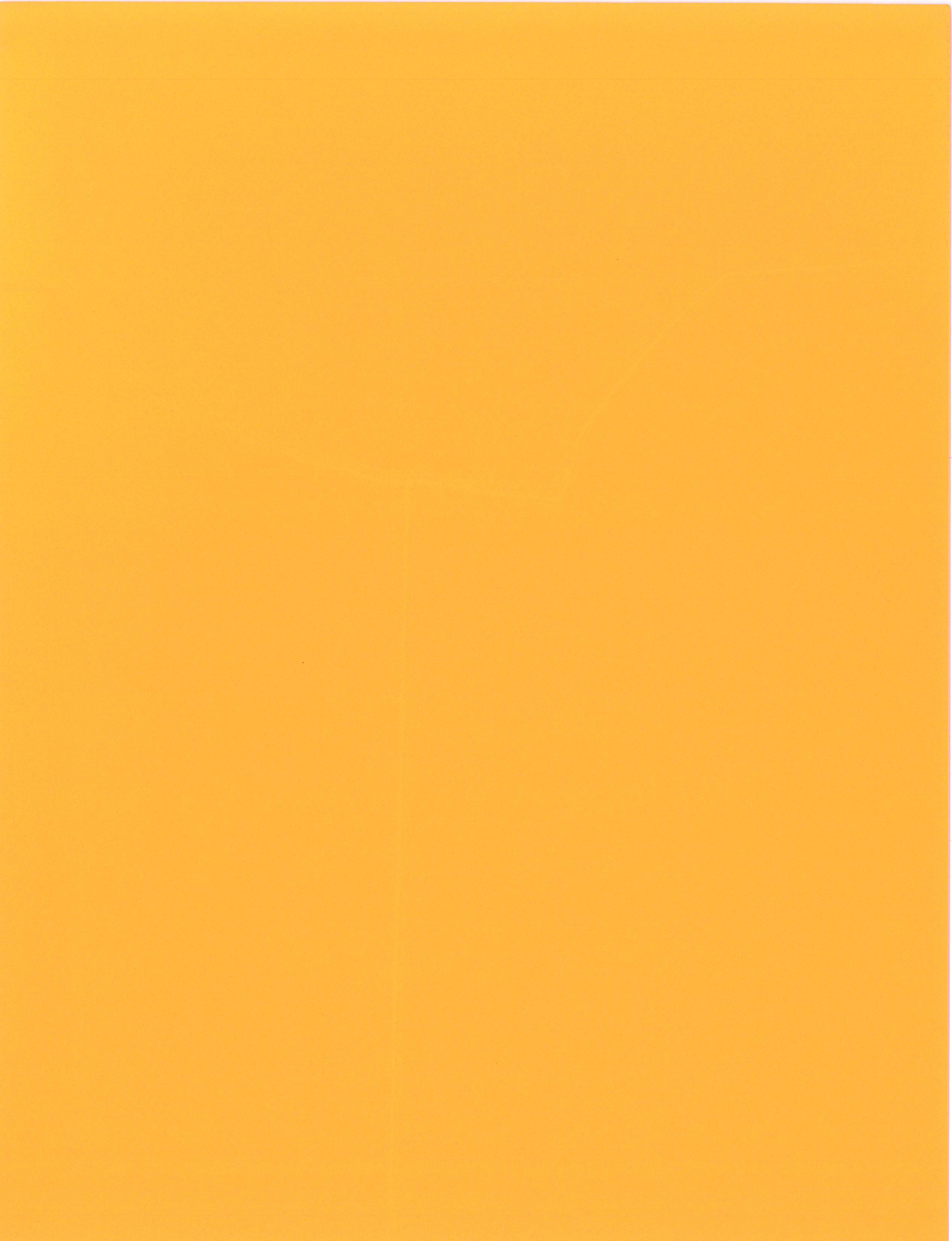




# Weekly Management Report

## March 31, 2023

- 1. Minutes**      Civil Service Board Meeting  
on March 1, 2023  
**Management Services Department**
- 2. Notice**      Burbank-Glendale-Pasadena Airport Authority  
Meeting on April 3, 2023  
**Burbank-Glendale-Pasadena Airport Authority**
- 3. Minutes**      Burbank Water and Power Board  
Meeting on March 2, 2023  
**Water & Power Department**
- 4. Report**      February 2023 Operating Results  
**Water & Power Department**



March 1, 2023  
4:30 p.m.

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

**Roll Call**

Members present: Richard Ramos, Vice-Chairperson  
Matthew Doyle, Secretary  
Linda Barnes  
Iveta Ovsepyan

Members not present: Jacqueline Waltman, Chairperson

Also present: Daniel Amaya, Administrative Analyst I  
Adam Cornils, Police Captain  
Grace Coronado-Cervantes, Administrative Officer  
Mike Keeler, Acting Environmental Health & Safety Officer  
David Lasher, Administrative Analyst II  
Betsy McClinton, Management Services Director  
Cheryl Mendez, Police Communication Manager  
Jina Oh, Chief Assistant City Attorney  
Courtney Padgett, Police Administrator  
Melissa Potter, Assistant Library Services Director  
JJ Puglisi, Police Captain  
April Rios, Human Resources Manager  
Rene Sanchez, Acting Human Resources Manager  
Jessica Sandoval, Executive Assistant  
Mihran Sarkisian, Assistant PW Director-Fleet & Building  
Julianne Venturo, Ast Management Services Director  
Craig Wood, Financial Systems Manager

**Future Agenda Items**

None.

**Open Public Comment Period of Oral Communications**

None.

**Approval of Minutes**

MOTION CARRIED: It was moved by Ms. Ovsepyan, seconded by Ms. Barnes and carried 4-0 to approve the minutes of the regular meeting of January 4, 2023.

**Proposed Amendments to Classification Plan**

- a. **Establishment of the Title and Specification for the Classification of Community Services Officer.**

MOTION CARRIED: It was moved by Mr. Doyle, seconded by Ms. Ovsepyan and carried 4-0 to approve the establishment of the title and specification for the classification of Community Services Officer as amended.

- b. **Revision of the Specifications for the Classifications of Custodian, Custodial Leadworker, and Custodial Supervisor.**

MOTION CARRIED: It was moved by Ms. Barnes, seconded by Ms. Ovsepyan, and carried 4-0 to approve the revision of the specifications for the classifications of Custodian, Custodial Leadworker, and Custodial Supervisor.

- c. **Revision of the Specifications for the Classifications of Communications Operator and Communications Supervisor.**

MOTION CARRIED: It was moved by Ms. Ovsepyan, seconded by Mr. Doyle and carried 4-0 to approve the revision of the specifications for the classifications of Communications Operator and Communications Supervisor.

**Recruitment and Selection Report – January and February 2023**

RECOMMENDATION: Note and file.

**Appointments and Assignments**

There was a retroactive extension needed due to the cancellation of the regularly scheduled Board meeting on February 1, 2023. The retroactive extension was for one temporary appointment extension. The extension was being sought on behalf of the Management Services Department.

For the month of March 2023, there was one temporary appointment extension and two temporary assignment extensions. The extensions were being sought on behalf of the Library Services Department, Financial Services Department, and the Parks and Recreation Department.

MOTION CARRIED: It was moved by Ms. Barnes, seconded by Ms. Ovsepyan and carried 3-0 to approve the Appointments and Assignments for the month of February and March 2023.

**Brown Act and Public Records Act Training**

Presentation and discussion on the Brown Act (Government Code Section 54950, et al.) and the Public Records Act (Government Code Section 7931.000 et al., formerly

Government Code Section 6254 et al.).

INFORMATIONAL.

**Adjournment**

The regular meeting of the Civil Service Board was adjourned at 6:15 p.m.



Julianne Venturo  
Assistant Management Services Director

APPROVED:

\_\_\_\_\_  
DATE \_\_\_\_\_  
Jacqueline Waltman, Chairperson

\_\_\_\_\_  
DATE \_\_\_\_\_  
Matthew Doyle, Secretary





March 30, 2023

CALL AND NOTICE OF A REGULAR MEETING  
OF THE  
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held on Monday, April 3, 2023, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, CA 91505.

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

*Dial In: (818) 862-3332*

Terri Williams, Board Secretary  
Burbank-Glendale-Pasadena Airport Authority

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Airport Skyroom

Regular Meeting of Monday, April 3, 2023

9:00 A.M.

*The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.*



*When in-person attendance or participation at meetings of the Commission is allowed, members of the public are requested to observe the following rules of decorum:*

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Commission during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Commission's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*



*The following activities are prohibited:*

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



*Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.*



*In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.*



## AGENDA

Monday, April 3, 2023

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT (Public comment will be limited to a total of 20 minutes at the beginning of the meeting and will continue at the conclusion of the meeting, if necessary. Comments are limited to 3 minutes each, and the Authority President may limit this time if reasonable under the circumstances.)
5. CONSENT CALENDAR (Includes Minutes. Items on the Consent Calendar are generally routine in nature and may be acted upon by one motion unless removed for separate consideration.)
  - a. Committee Minutes  
(For Note and File)
    - 1) Executive Committee
      - (i) March 1, 2023 **[See page 1]**
    - 2) Finance and Administration Committee
      - (i) February 21, 2023 **[See page 3]**
    - 3) Legal, Government and Environmental Affairs Committee
      - (i) February 6, 2023 **[See page 5]**
  - b. Commission Minutes  
(For Approval)
    - 1) March 6, 2023 **[See page 7]**
  - c. Annual Review and Adjustment of Noise Violation Fines **[See page 12]**
  - d. Fourth Amendment to Ground Lease  
MV Transportation, Inc. **[See page 14]**
  - e. Core Network Switches - Replacement and Installation Services  
for Primary & DVSS Networks **[See page 20]**
  - f. Award of Construction Contract for Parking Lot Reconfiguration,  
Civil Work and Approval of Associated Vendor Work and CEQA  
Exemption Determination - Project Number (E22-13) **[See page 25]**

- g. Award of Purchase Order – Portable Radio Replacement Motorola Solutions, Inc. **[See page 31]**
- h. Treasurer’s Report
  - 1) December 2022 **[See page 35]**
- 6. ITEMS FOR COMMISSION APPROVAL
  - a. Amendment No. 5 to Amended and Restated Employment Agreement With Director of Public Safety/Chief of Police **[See page 63]**
- 7. ITEMS FOR COMMISSION DISCUSSION
  - a. Replacement Passenger Terminal Design Concept Presentation
- 8. ITEMS FOR COMMISSION INFORMATION
  - a. January 2023 Passenger and Air Cargo Statistics **[See page 68]**
  - b. January 2023 Ground Transportation Statistics
  - c. January 2023 Parking Revenue Statistics
- 9. CLOSED SESSION
  - a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code Section 54956.9(d)(1))  
  
Name of Case: City of Los Angeles v. FAA et al. (Case No. 21-71170)
- 10. ITEMS PULLED FROM CONSENT CALENDAR
- 11. EXECUTIVE DIRECTOR COMMENTS
- 12. COMMISSIONER COMMENTS  
(Commissioners may make a brief announcement, make a brief report on their activities, and request an agenda item for a future meeting.)
- 13. PUBLIC COMMENT
- 14. ADJOURNMENT

## COMMISSION NEWSLETTER

Monday, April 3, 2023

*[Regarding agenda items]*

### 5. CONSENT CALENDAR

*(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)*

- a. COMMITTEE MINUTES. Approved minutes of the Executive Committee meeting of March 1, 2023; approved minutes of the February 21, 2023, special meeting of the Finance and Administration Committee; and approved minutes of the February 6, 2023, Legal, Government and Environmental Affairs Committee are included in the agenda packet for information purposes.
- b. COMMISSION MINUTES. A draft copy of the March 6, 2023, Commission special meeting minutes is attached for the Commission's review and approval.
- c. ANNUAL REVIEW AND ADJUSTMENT OF NOISE VIOLATION FINES. A staff report is included in the agenda packet. At its special meeting on March 6, 2023, the Legal, Government and Environmental Affairs Committee voted (2-0, 1 absent) to recommend that the Commission authorize an increase to the noise fines associated with certain restricted operations as detailed in Airport Noise Rules 8 and 9 as described below, in accordance with the annual adjustment of noise violation fines required by Resolution No. 382.
- d. FOURTH AMENDMENT TO GROUND LEASE – MV TRANSPORTATION, INC. A staff report is included in the agenda packet. At its special meeting on March 24, 2023, the Finance and Administration Committee voted unanimously (3-0) to recommend that the Commission approve a proposed Fourth Amendment to Ground Lease ("Fourth Amendment") with MV Transportation Inc. ("MV"). The proposed Fourth Amendment will accommodate logistics associated with the Replacement Passenger Terminal Project by relocating MV from its current location on the northeast corner of the Airport to the south end of Lot A next to the FAA Air Traffic Control Tower.
- e. CORE NETWORK SWITCHES – REPLACEMENT AND INSTALLATION SERVICES FOR PRIMARY & DVSS NETWORKS. A staff report is included in the agenda packet. Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks Commission approval to purchase and install two model C9500 Cisco Catalyst Network Switches and two model C9300 Cisco Catalyst Network Switches, which will replace four current Cisco Catalyst 4500 Series switches that have reached their end of life and are no longer supported by the manufacturer. The proposed cost for the acquisition and installation of these network switches is \$136,145.85 plus an additional 10% project contingency amount of \$15,000 for a total of \$151,145.85.

- f. AWARD OF CONSTRUCTION CONTRACT FOR PARKING LOT RECONFIGURATION, CIVIL WORK AND APPROVAL OF ASSOCIATED VENDOR WORK AND CEQA EXEMPTION DETERMINATION - PROJECT NUMBER (E22-13). A staff report is included in the agenda packet. Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks Commission approval to: (i) award a construction contract in the amount of \$226,190 to Geronimo Concrete, Inc.; (ii) approve a project budget for Parking and Revenue Control Equipment, DVSS Cameras, Access Control Equipment, and Networking Cable Installation in the amount of \$173,627; (iii) authorize a project budget for Construction Management, Field Oversight, and Contract Administration for a not-to-exceed amount of 35,000; (iv) authorize a project contingency of \$60,000; and, (v) approve the CEQA exemption determination.
- g. AWARD OF PURCHASE ORDER – PORTABLE RADIO REPLACEMENT MOTOROLA SOLUTIONS, INC. A staff report is included in the agenda packet. Subject to the recommendation of the Operations and Development Committee at its meeting immediately preceding the Commission meeting, Staff seeks Commission to approve the acquisition of replacement portable radio equipment from Motorola Solutions, Inc. ("Motorola"). The proposed acquisition is for the replacement of handheld Motorola portable radios, which currently are used by the Airport Maintenance Department and have reached the end of their useful life, with thirty-eight Motorola APX 900 series radios. The total cost for the replacement radios, programming, and ancillary accessories is \$136,961.16.
- h. TREASURER'S REPORT. The Treasurer's Report for December 2022 is included in the agenda packet. At its special meeting on March 24, 2023, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission note and file this report.

#### 6. ITEMS FOR COMMISSION APPROVAL

- a. AMENDMENT NO. 5 TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT WITH DIRECTOR OF PUBLIC SAFETY/CHIEF OF POLICE. A staff report is included in the agenda packet. This item seeks Commission authorization to execute Amendment No. 5 to the Authority's amended and restated employment agreement, copy attached, with the Director of Public Safety/Chief of Police. The amendment is for a two-year extension with a salary and benefits increase. The base salary (retroactive to April 1, 2023) in the first extension year will be \$250,000, and will be \$275,000 in the second extension year. Additionally, a retention bonus of \$25,000 will be paid in each extension year. Finally, the amendment also provides for POST Executive Level Certificate pay of \$24,000 in the first extension year and \$30,000 in the second extension year.

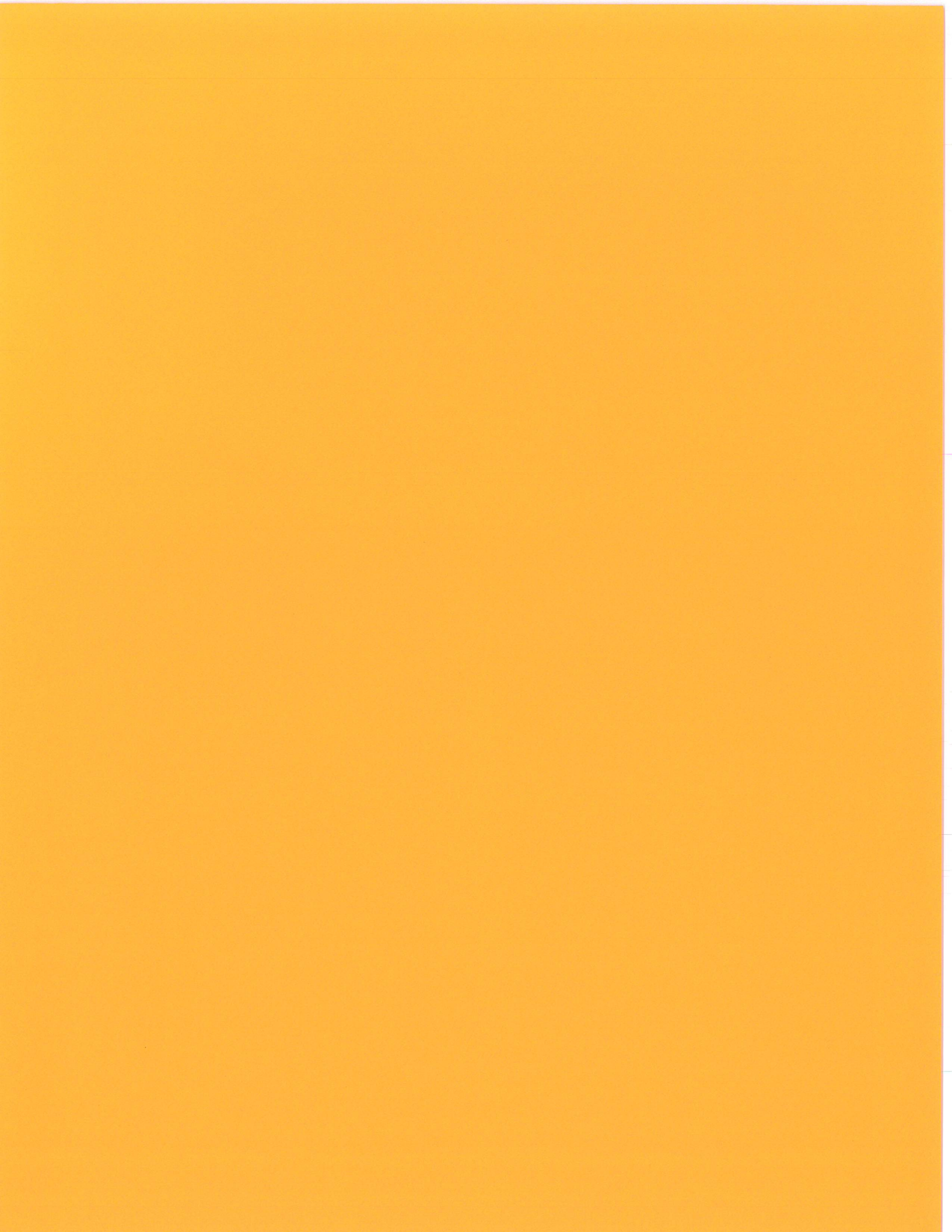
#### 7. ITEMS FOR COMMISSION DISCUSSION

- a. REPLACEMENT PASSENGER TERMINAL CONCEPT PRESENTATION. No staff report attached. At the special meeting of the Commission on March 6, 2023, three preliminary design concepts for the Replacement Passenger Terminal were revealed. Detailed drawings of these three concepts will be presented to the

Commission by representatives of Corgan and Jacobs Project Management Co. These drawings were also presented at the special Executive Committee meeting on March 29, 2023.

8. ITEMS FOR COMMISSION INFORMATION

- a. JANUARY 2023 PASSENGER AND AIR CARGO STATISTICS. No staff report attached. The January 2023 passenger count of 405,743 was down 16% compared to January 2020's passenger count. Also compared to January 2020, air carrier aircraft operations in January 2023 were down 5%, while cargo volume was down 33% at 5.9 million pounds.
- b. JANUARY 2023 GROUND TRANSPORTATION STATISTICS. No staff report attached. Staff will update the Commission on Ground Transportation activities for the month of January 2023.
- c. JANUARY 2023 PARKING REVENUE STATISTICS. No staff report attached. Staff will present parking revenue data for the month of January 2023.



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

Mr. Eskandar called the regular meeting of the Burbank Water and Power Board to order at 5:01 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. Luddy; Mr. Malotte; Ms. Tenenbaum

**BOARD ABSENT:** Mr. LeMasters

**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; Mr. Collins, Energy Services & Utility Rates Manager; Mr. Beckett, Superintendent of Water Construction/Maintenance; Mr. Martinez, Manager of Water Production/Operations; Ms. Waloejo, Financial Planning & Risk Manager; Ms. Osbourne, acting Financial Accounting Manager; Ms. Meza, Senior Secretary; Mr. Casillas, Senior Administrative Analyst

**ORAL COMMUNICATIONS**

Mr. Eskandar called for oral communications at this time.

Mr. Schlossman addressed the board regarding his last visit to the BWP Board meeting and informed the board of the public record request he submitted to see all travel records, credit card statements, and salaries. Mr. Schlossman also addressed the board regarding his recent observation of the BWP employee parking lot charging stations, noting his desire to know whether the rate payers are paying for the charging when employees use the charging stations. Lastly, Mr. Schlossman expressed his concerns regarding the salaries of BWP employees, noting that one employee made over \$500,000 this past year.

**BOARD AND STAFF RESPONSE TO ORAL COMMUNICATIONS**

Ms. Tenenbaum addressed the public commenter by noting that the comments make it feel as if the board members lack integrity.

Ms. Lindell addressed the public commenter on the comment regarding employee overtime. Ms. Lindell noted that the city had been in a hiring freeze during COVID, which resulted in being 30% short of full staffing. Therefore, many personnel have had to work overtime to keep up with the workload. Ms. Lindell also highlighted the mutual aid assistance we have provided and how that

contributes to the overtime for the employees but the cost is covered by the utility requesting the aid.

Mr. Eskandar added to Ms. Lindell's response by noting that many different city departments participate in mutual aid assistance that results in overtime being worked. Mr. Eskandar noted that he encourages the public to attend and ask questions in a respectful manner.

### **GENERAL MANAGER REPORT**

Ms. Lindell informed the board that she was in Washington, DC advocating for a \$50 million grant from the Department of Energy, an \$810,000 grant for our radio system across the city, a \$3 million waterSMART grant to pay for our AMI system, and advocating against the potential impacts of sequestration on the Build America Bonds.

Ms. Lindell reminded the board of the upcoming Hoover Dam tour taking place on March 21, 2023. Ms. Lindell noted that there is room for one more board member to attend and mentioned that they must be a U.S. citizen to be eligible to participate.

Ms. Lindell also reminded the board of the upcoming ACWA 2023 Spring Conference in Monterey, California. Ms. Lindell noted that there is room for one more board member to attend.

### **CONSENT CALENDAR**

#### **MINUTES**

It was moved by Mr. Luddy, seconded by Mr. Malotte, carried 6 – 0 (Mr. LeMasters was absent) to approve the meeting minutes of the regular meeting of February 2, 2023.

### **REPORTS TO THE BOARD**

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

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

Ms. Kalomian responded to board member questions.

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

#### **PROPOSED FISCAL YEAR 2023-2024 AND FISCAL YEAR 2024-2025 BIENNIAL BUDGET**

Ms. Lindell, Mr. Sleiman, Mr. Johnstone, Ms. Samra, Mr. Compton, and Mr. Wilson presented a draft of BWP's proposed fiscal year 2023-2024 and fiscal year 2024-2025 biennial budget.

Mr. Wilson, Ms. Kalomian, Ms. Edwards, Ms. Lindell, Mr. Collins, and Mr. Sleiman responded to board member questions.

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

**The Chair called for a recess at 8:35 p.m.**

**The Chair called the meeting back to order at 8:50 p.m.**



**PROPOSED FISCAL YEAR 2023-2024 AND FISCAL YEAR 2024-2025 ELECTRIC RATES, WATER RATES, AND ELECTRIC COST ADJUSTMENT CHARGE**

Mr. Collins presented a draft of BWP's proposed fiscal year 2023-2024 and fiscal year 2024-2025 rates and electric cost adjustment charge (ECAC).

Mr. Collins, Ms. Edwards, Ms. Lindell, and Ms. Samra responded to board member questions.

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

**PRESENTATIONS**

**CUSTOMER RATE COMMUNICATION PLAN**

Ms. Edwards presented the customer rate communication plan.

Ms. Edwards responded to board member questions.

**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.

Mr. Casillas and Mr. Aquino responded to board member questions.

**LEGISLATIVE UPDATE**

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

Mr. Johnstone responded to board member questions.

**CUSTOMER SERVICE UPDATE**

Mr. Aquino provided an update on BWP's customer service operations noting current arrears, available assistance programs, disconnections, customer outreach, quality assurance, and project schedule.

Mr. Aquino responded to board member questions.

**WATER DIVISION UPDATE**

Mr. Wilson updated the board on BWP's water use monitoring data and current drought conditions based on the current rainfall levels.

**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 current energy and natural gas prices.

Ms. Samra responded to board member questions.

**ELECTRIC SERVICES UPDATE**

Mr. Sleiman updated the board on the current supply chain issues impacting lead time on electric equipment. Mr. Sleiman informed the board of an explosion that took place at an underground vault caused by aging cable. Lastly, Mr. Sleiman informed the board of BWP's recent participation in mutual aid to the Imperial Irrigation District.

**COMMENTS AND REQUESTS FROM BOARD MEMBERS**

None.

**ADJOURNMENT**

The meeting was adjourned at 11:01 p.m. The next regular board meeting is scheduled for April 6, 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



# STAFF REPORT

7A.



## WATER AND POWER

---

**DATE:** April 6, 2023

**TO:** Burbank Water and Power Board

**FROM:** Dawn Roth Lindell, General Manager, Burbank Water and Power *Dawn Roth Lindell*

**SUBJECT:** February 2023 Operating Results

---

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

### SAFETY

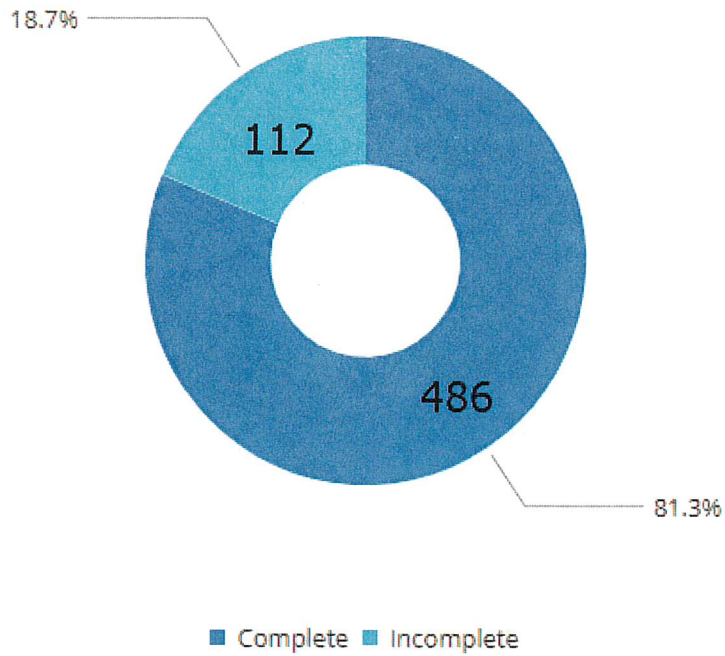
As a progressive and proactive utility, BWP tracks all environmental, health, and safety (EHS) related events, such as observations, near misses, and incidents. Staff tracks action items for these events from start to closure to avoid injury or damage to the city or public property. BWP continues to exceed its goal of closing 80% of action items. For this reporting period, BWP has closed 81.3% of corrective and preventative action items.

BWP continues to make progress in its efforts to improve employee engagement, as measured by the 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 34 EHS-related reports for 2023 to count towards the annual goal of 250.

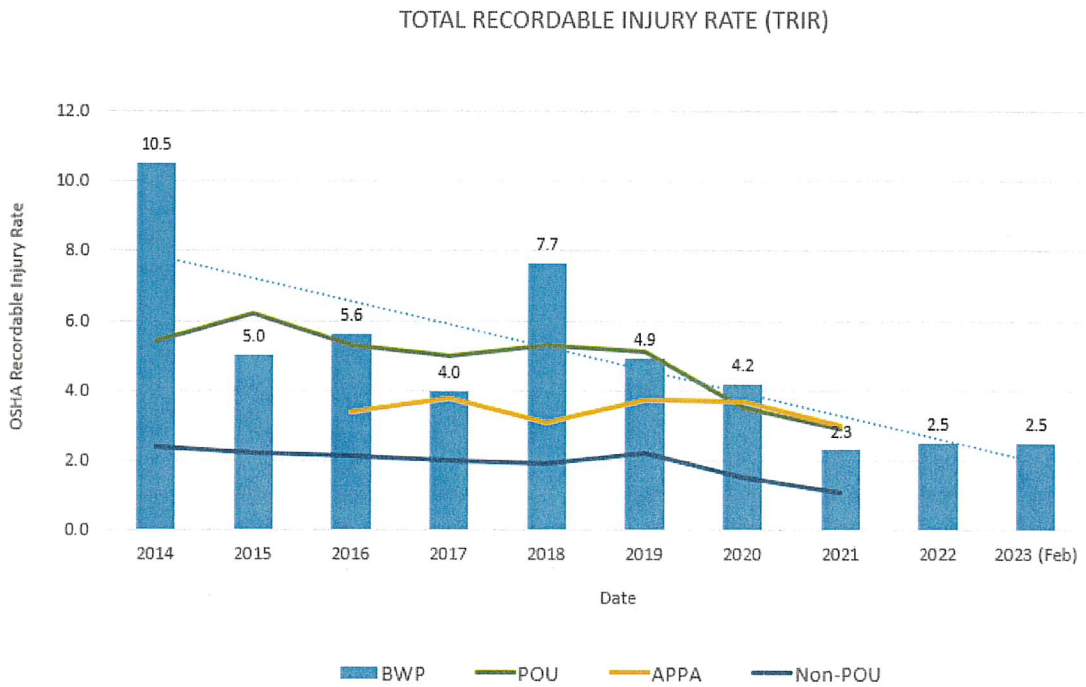
For this reporting period, BWP experienced one OSHA recordable injury. BWP's 12-month rolling average OSHA total recordable incident rate is 2.5.

- IE-2302-0002-1 – Pipefitter Apprentice received a laceration to their lip, requiring stitches when traffic cones slipped out of his hand, bounced back, then struck him in the mouth

**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 **January**, energy demand was on budget. Net loss was **\$5,175,000**, which was **\$3,093,000** worse than budgeted. The **unfavorable** variance was primarily attributed to **higher** than planned retail power supply and transmission expenses.

Fiscal-year-to-date (FYTD) energy demand was on budget. For FYTD **January**, net loss was **\$2,394,000** which was **\$4,078,000** better than budgeted. The favorable result was primarily attributed to lower than planned operating expenses and a favorable wholesale margin, **offset by higher than planned retail power supply and transmission expenses.**

For additional details, please see the attached financial statements.

### Water Financial Results

In **January**, 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 **\$174,000**, which was **\$410,000** better than budgeted. **The favorable variance was attributed to lower than planned operating expenses and water supply expenses.**

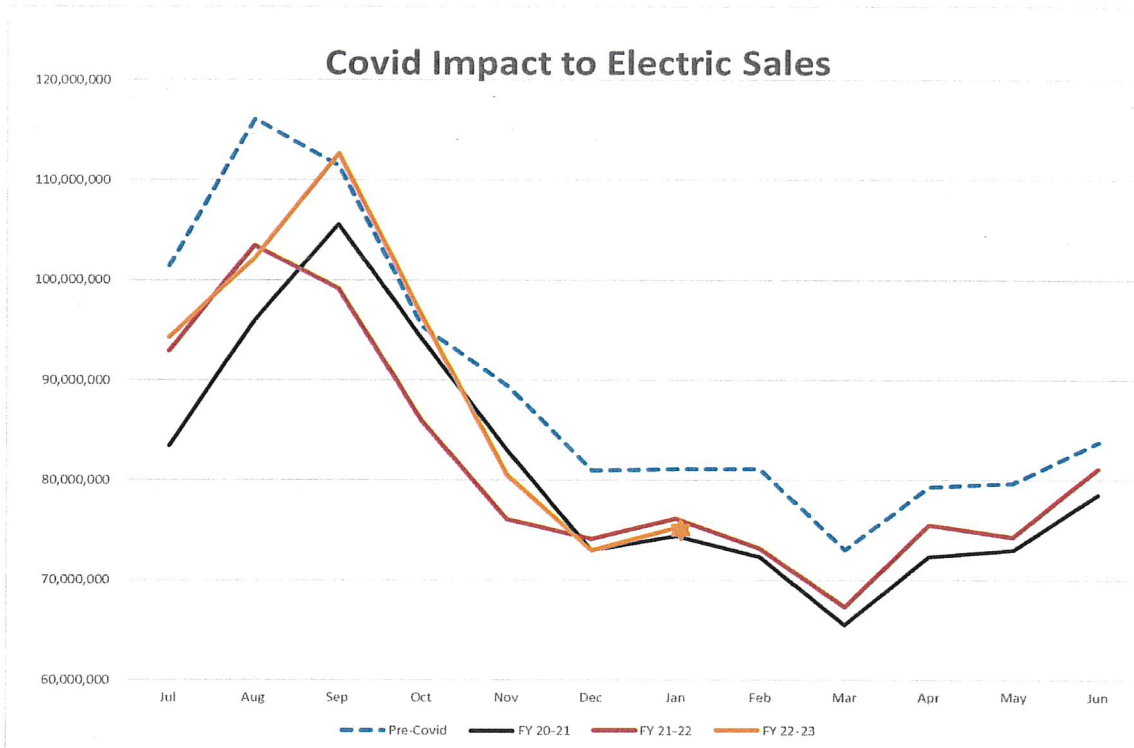
FYTD potable water demand was **7%** lower than budget. For FYTD **January**, net income was **\$2,542,000**, which was **\$2,529,000** better than budgeted. The favorable variance was attributed to lower than planned operating expenses and water supply expenses, higher than planned recycled water revenues, 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.

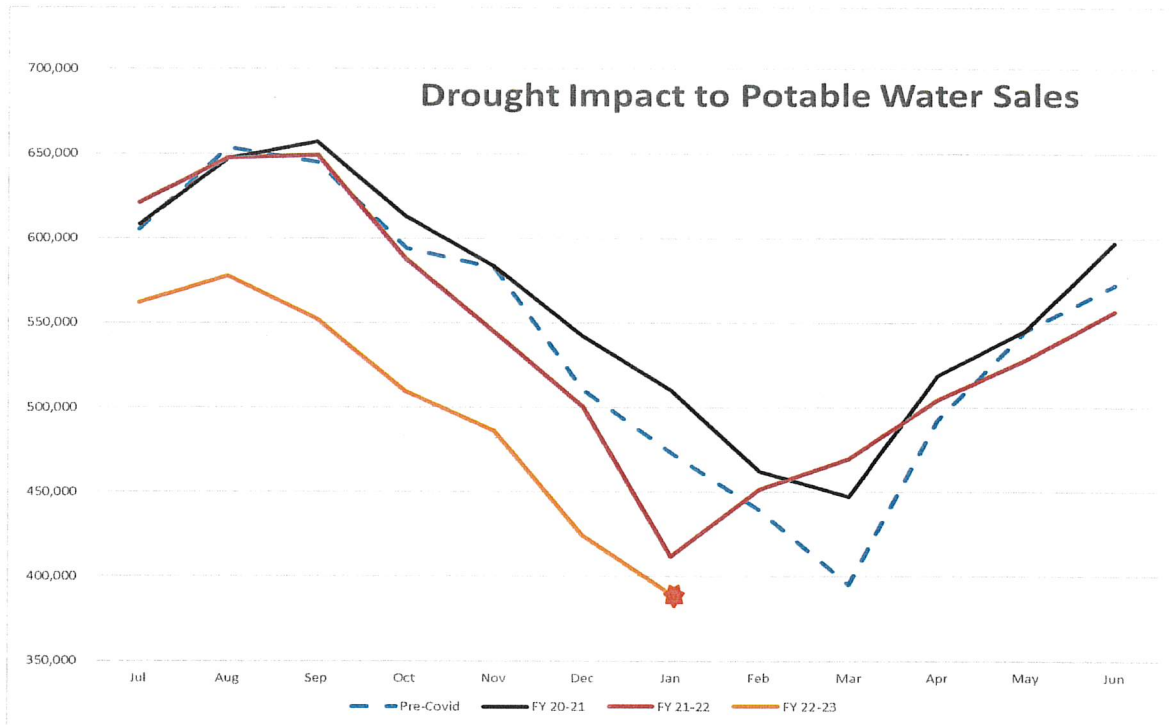
The chart below for the electric fund shows current fiscal year sales compared to prior fiscal years and pre-COVID. **January** sales were **7% lower** compared to **January** pre-COVID. **However, the decrease was primarily driven by cooler weather.** Fiscal year-to-date sales were **9% lower** compared to the same period pre-COVID.



The Governor called for all Californians to voluntarily reduce water use by 15% from 2020 levels. **January sales were 18% lower** compared to **January pre-COVID**. This is attributable to **the ongoing drought response and due to wetter weather** – not due to COVID. Fiscal year-to-date sales were **14% 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:

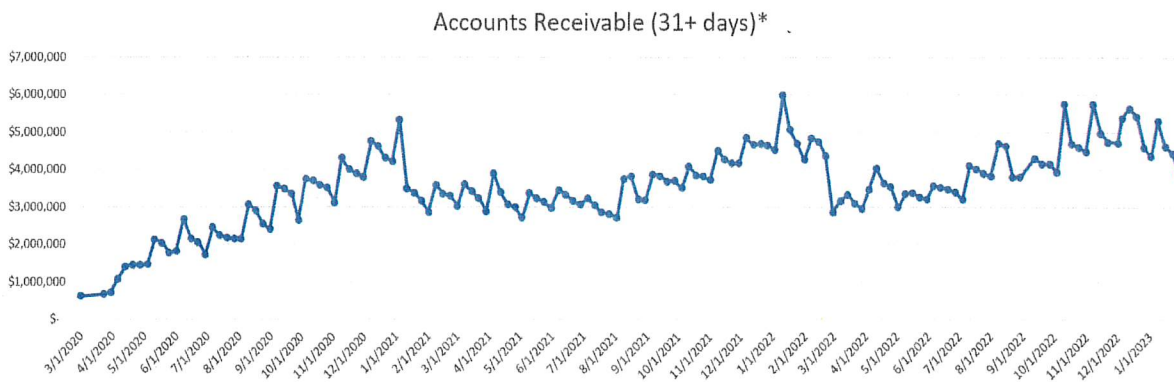
- Emissions control system upgrade for the Lake One Unit – an increase of 25% from \$2 million to \$2.5 million
- A renewable solar, plus energy storage project – an increase of 71%, from \$35/MWh to \$60/MWh
- New substation buildout – an increase of 47% from ~\$17M to ~\$25M
- Rebuild substation - 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 **59%**
- Other increases in materials:
  - Plastic conduit 125%
  - Chlorine gas 200%



- 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 **February 2023**, **10.6%** of the budgeted positions were vacant.

Total Budgeted Positions	352.5
Total Positions Filled	<b>315.0</b>
Total Positions Vacant	<b>37.5</b>

## WATER DIVISION

### Burbank's Water Use

The table below shows water use in Burbank during **February 2023** compared to **February 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.

	<b>Average Monthly Use</b>
<b>February 2020</b>	<b>126 gpcd</b>
<b>February 2023</b>	<b>102 gpcd</b>

	<u>Mar 2022</u>	<u>Apr 2022</u>	<u>May 2022</u>	<u>Jun 2022</u>	<u>Jul 2022</u>	<u>Aug 2022</u>	<u>Sep 2022</u>	<u>Oct 2022</u>	<u>Nov 2022</u>	<u>Dec 2022</u>	<u>Jan 2023</u>	<u>Feb 2023</u>
<b>2020</b>	104	112	141	149	157	162	159	153	136	132	125	<b>126</b>
<b>Goal</b>	88	95	119	127	134	138	135	130	116	112	106	<b>107</b>
<b>Actual</b>	127	131	133	145	148	146	123	126	112	96	89	<b>102</b>
<b>% Diff.</b>	22.1%	17.0%	-5.7%	-2.7%	-5.7%	-9.9%	-22.6%	-17.6%	-17.6%	-27.3%	-28.8%	<b>-19.1%</b>

Water use, in terms of gpcd, during **February 2023** was **19.1%** less than the **February 2020** baseline. However, we also look at **total cumulative water use since July 2021**, which reduces the influence of monthly comparisons that can be affected by the weather. Our cumulative water use through **February 2023** is **8.2%** less than the 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 **March 2022** through **February 2023**.

Month	BOU	BOU	Total System
	Capacity Factor	Ave. Flow Rate	Blend % MWD/BOU
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%
23-Feb	65.47%	5,892 gpm	18%/82%
<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 February.

Since the beginning of this fiscal year, the maintenance and construction section has continuously had three vacancies, which is 16% of the crew. We should have 15 journey-level workers and 4 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 7 journey-level workers and 12 apprentices. This reduction in skilled workforce:

- (1) Reduces our ability to efficiently perform work without compromising safety; and

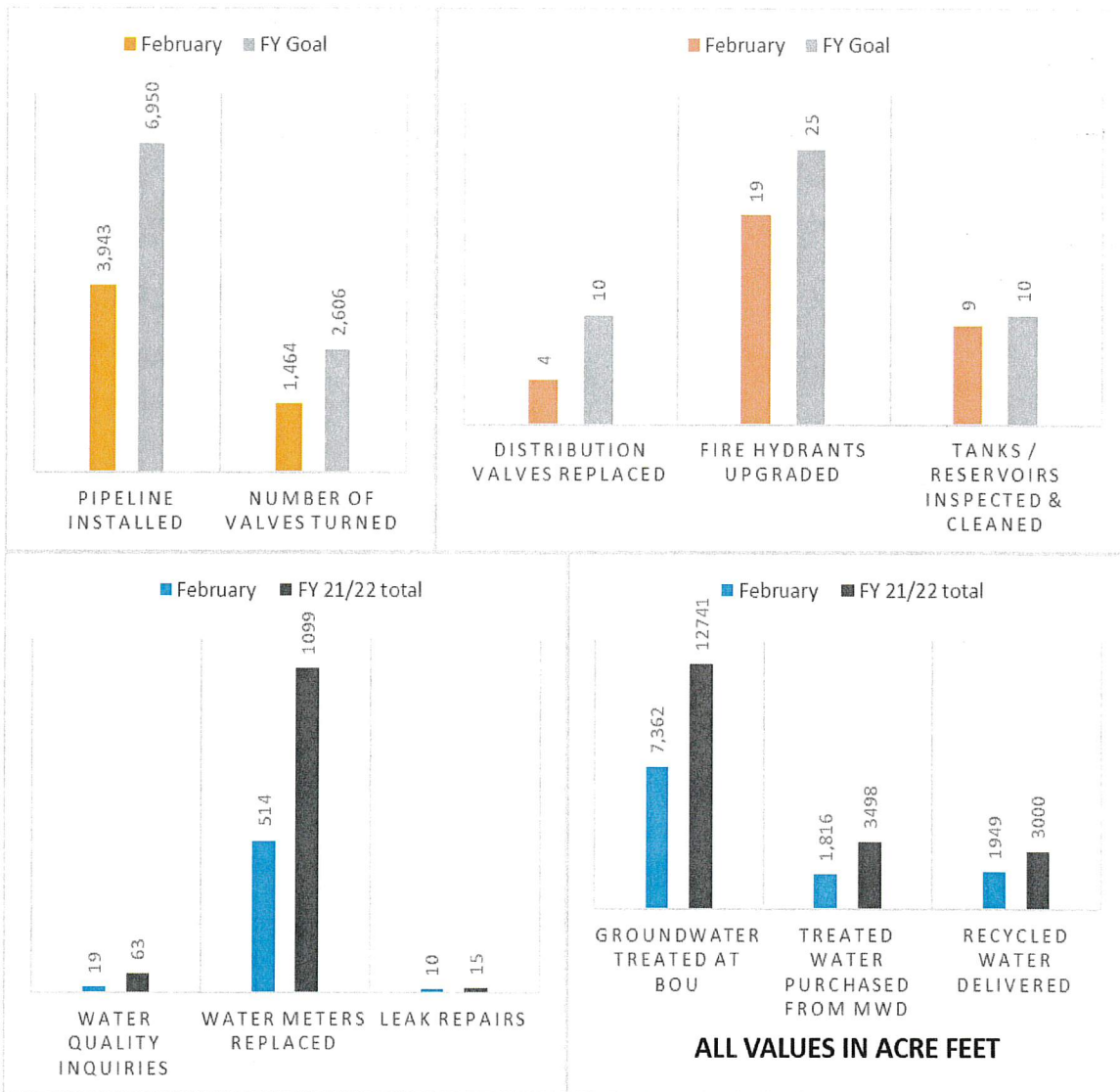
(2) Requires us to shift personnel daily between the mainline, meter shop, and service crews in order to balance tasks and priorities.

Additionally, we have essential customer/field engagement work that must be performed. We track this work but are not reported as KPIs. For example, during **February 2023**, we completed **155** field activities, including water service turn/turn-offs, meter testing/verifications, pressure tests, etc. This fiscal year we have made **1,540** 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 **February 2023** – pipeline installation is **68%** complete, and we are **71%** through the fiscal year.

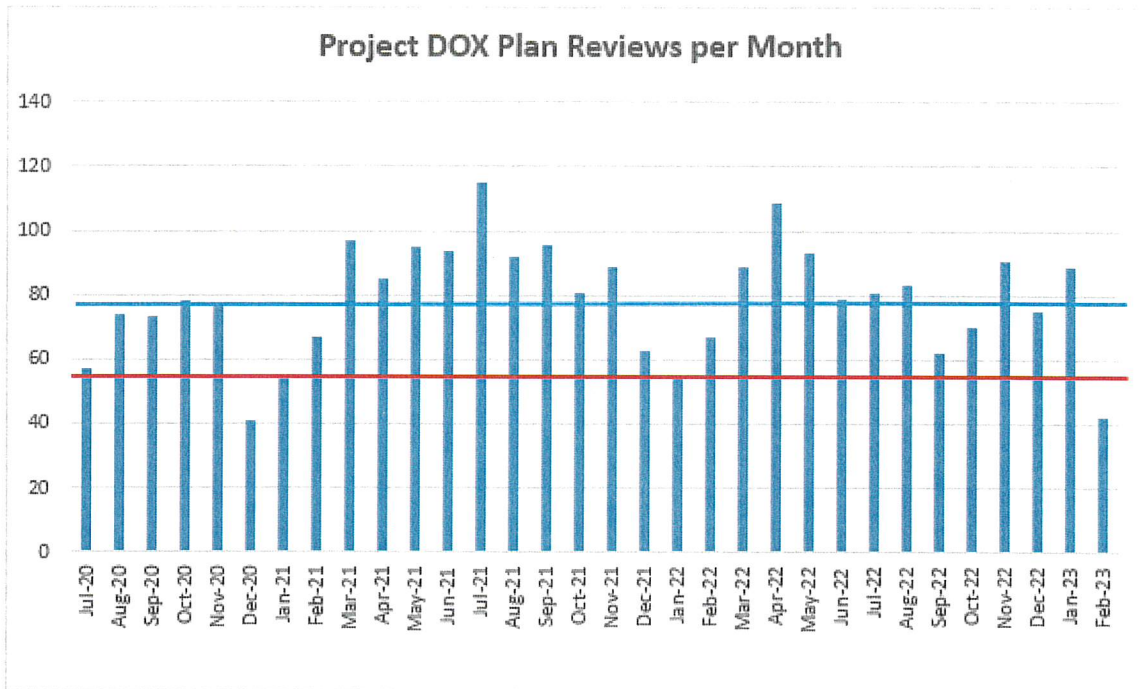
Chlorine gas deliveries have improved, but the main issue is the availability of truck drivers. To provide a backup to our chlorine gas supplies, staff installed a sodium hypochlorite tank and related equipment so that we now have two forms of chlorine to use (sodium hypochlorite is liquid chlorine – 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 **200%**. For this fiscal year, it increased by **20%**. We closely monitor chlorine gas supplies and track them daily.

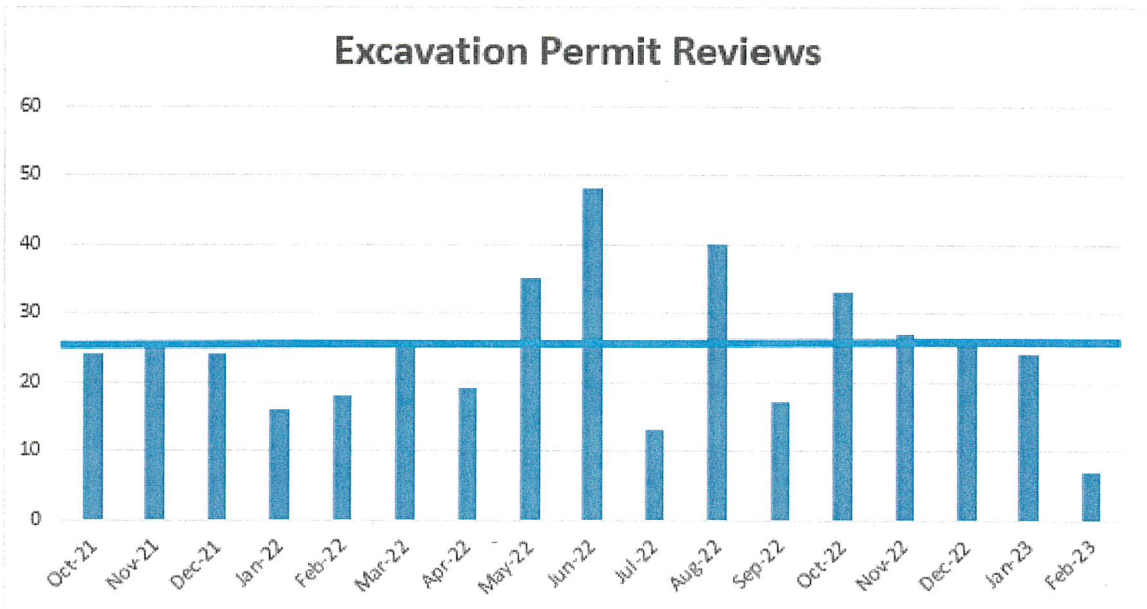


## Plan Reviews

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). **The number of plan reviews has dropped, likely due to higher interest rates and the number of excavation permits also dropped, possibly due to the recent rain storms.**



\*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 **February 2023**, WaterSmart sent out **554** notifications to customers, including **455** email leak alerts, **94** print leak alerts, **3** 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 **February 28, 2023**, BWP was unable to receive remote reads for **8,217** 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.

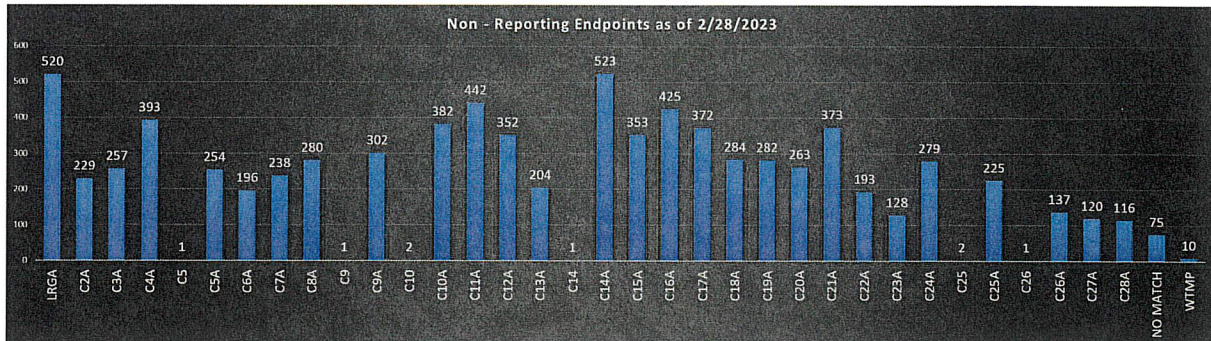
The schedule for the AMI project is provided below:

- 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
- **April 13, 2023** – Notice to proceed (NTP)
- **October 1, 2023** – Network Installation, Software Integration, Field Testing
- **October 2023 to September 2024** – Full Deployment
- **February 28 – 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. BWP and City Attorney’s Office have met multiple times with legal representatives from the AMI vendor and distributor with the most recent meeting on March 9. The AMI vendor and distributor are currently in the process of aligning their responsibilities in response to BWP’s comments and clarifications on their proposed contracts. In addition, BWP is also conducting additional due diligence on its cybersecurity certifications.

### Non-Reporting AMI Endpoints



BWP meters are assigned to cycles, which are used for billing purposes. Each cycle typically corresponds to the day of the month it is read. The “A” at the end of a cycle indicates it is assigned to be read automatically and if a cycle does not have an “A” attached then it is assigned to be read manually. LPGA is a cycle for reading the large commercial meters, WTMP is a cycle for reading temporary water meters, and “no match” indicates that these meters were not tied to a specific cycle.

### 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 changes. 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.

Step	Completed	Planned
Increasing drought and water conservation awareness	<ul style="list-style-type: none"> <li>Digital Currents (2023: January. 2022: January, March, April, May, June, July, August, September, October, November. 2021: August, September, October, November, December)</li> <li>Print Currents (April 2022, November 2021; July 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Highlight how BWP employees are saving water in their own daily activities to promote water conservation in</li> </ul>



	<ul style="list-style-type: none"> <li>• BWP drought webpages</li> <li>• BWP Online Account Manager banners</li> <li>• Social media (Facebook, Twitter, Instagram)</li> <li>• Flyers with watering schedule and conservation programs information</li> <li>• Bill inserts</li> <li>• Bill graphics</li> <li>• Graphic on bill envelope</li> <li>• MyBurbank advertisement</li> <li>• Burbank Channel advertisement</li> <li>• Educational videos (Burbank’s water story, drought and conservation programs, and Stage II rules)</li> <li>• Press release – Stage III</li> <li>• Parks &amp; Recreation newsletter advertisement</li> <li>• Burbank Channel advertisement</li> <li>• Educational video for stage III</li> <li>• Water city hall turf with recycled water</li> <li>• Email and letter to commercial, industrial, and institutional (CII) customers about Emergency Water Regulation</li> <li>• Burbank Bus shelter advertising</li> <li>• HeyBurbank feature – July 2022 <a href="https://youtu.be/v6Z2aBQVMCU">https://youtu.be/v6Z2aBQVMCU</a></li> <li>• Burbank Recycle Center advertisement</li> <li>• Doorhangers for water waste violations</li> <li>• Magnolia Blvd banner</li> <li>• Enforcement notifications via letter for watering violations: Education letter number 1, Education letter number 2, fine of \$100, fine of \$200, fine of \$500</li> <li>• Outreach efforts to notify customers of the MWD pipeline repair that resulted in no outdoor watering from September 6-20, 2022</li> <li>• Launched temporary Recycled H2O to Go Program</li> <li>• Updating community of November 1<sup>st</sup> water schedule change to one day per week, on Saturday from November to March</li> </ul>	<p>Digital Currents in Q1 2023.</p> <ul style="list-style-type: none"> <li>• Continue to provide drought updates and water-saving resources to customers through digital and print <i>Currents</i> newsletters.</li> <li>• <b>Drought update and water conservation programs were included in the Q1 2023 Print Currents, that went out to customers in February 2023.</b></li> </ul>
--	--	---

	<ul style="list-style-type: none"> <li>• <b>Print advertisements were placed at ~540 Burbank retail locations for one month starting 01/23/2023 and ended on 02/19/2023</b></li> <li>• <b>Advertisement placed in Burbank Bulletin advertisement from January 2023 to February 2023</b></li> <li>• <b>Magnets with Burbank's watering schedule are offered at the BWP conservation counter in the BWP lobby</b></li> </ul>	
<p><b>Increasing the community's desire to make change</b></p>	<ul style="list-style-type: none"> <li>• Automated leak alerts to customers</li> <li>• Report water waste online form – Stage II</li> <li>• Report water waste online form – stage III</li> <li>• Targeted communications on irrigation schedule compliance and high-volume users to customers based on WaterSmart AMI information.</li> <li>• BWP participated in the 2022 National Night Out event in August 2022 and promoted water conservation.</li> <li>• BWP sponsored one of the Starlight Bowl summer concert series and promoted water conservation at the event.</li> <li>• Home Improvement Program door-to-door outreach</li> <li>• Participated in a rain barrel distribution event with other cities in September 2022, resulting in 17 residents signing up to receive rain barrels</li> <li>• Updated website and began promoting Turf Removal Rebate Increase to \$3 sq. Ft, including video testimonials from BWP customers who participated in the program.</li> <li>• <b>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.</b></li> <li>• <b>Launched a campaign promoting commercial water-saving rebate</b></li> </ul>	<ul style="list-style-type: none"> <li>• Continue exploring options for service-based events, and local community events to promote water conservation.</li> </ul>

	<p><b>programs in November 2022. The campaign was promoted until the end of December 2022.</b></p> <ul style="list-style-type: none"> <li>• <b>Table tents for restaurants launched in January 2023.</b></li> </ul>	
<p><b>Customer knowledge on how to make change</b></p>	<ul style="list-style-type: none"> <li>• Signage and pool cover rebate applications for local shops</li> <li>• Drought flyer with water conservation programs information</li> <li>• Lobby signage with water conservation programs information</li> <li>• Portable signage with water conservation programs information for local events (National Night Out, Starlight Bowl)</li> <li>• Customers' testimonials and resource recommendations on turf replacement</li> <li>• <b>Promote water conservation and turf replacement classes offered by MWD/Green Gardens Group in BWP newsletters and on social media.</b></li> <li>• <b>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.</b></li> </ul>	
<p><b>Ability to make change</b></p>	<ul style="list-style-type: none"> <li>• Increased rebate amounts for: <ul style="list-style-type: none"> <li>○ Flow monitoring device - \$150</li> <li>○ High-efficiency clothes washer - \$150</li> <li>○ Rotating sprinkler nozzle - \$5</li> <li>○ Weather-based irrigation controller - \$100</li> <li>○ Soil moisture sensor system - \$100</li> <li>○ Premium high-efficiency toilet - \$100</li> <li>○ Turf Removal Rebate increased from \$2 sq/ft to \$3 sq/ft.</li> </ul> </li> <li>• Home Improvement Program additions for sprinkler check and controller programming for common areas of multi-family unit buildings</li> </ul>	<p>Reducing the cost for customers to make change:</p> <ul style="list-style-type: none"> <li>• Continue offering water conservation giveaway items (buckets, soil moisture sensors, adjustable nozzles for hose, etc.) to encourage water use efficiency</li> <li>• <b>Adjustable water nozzles were made available to</b></li> </ul>

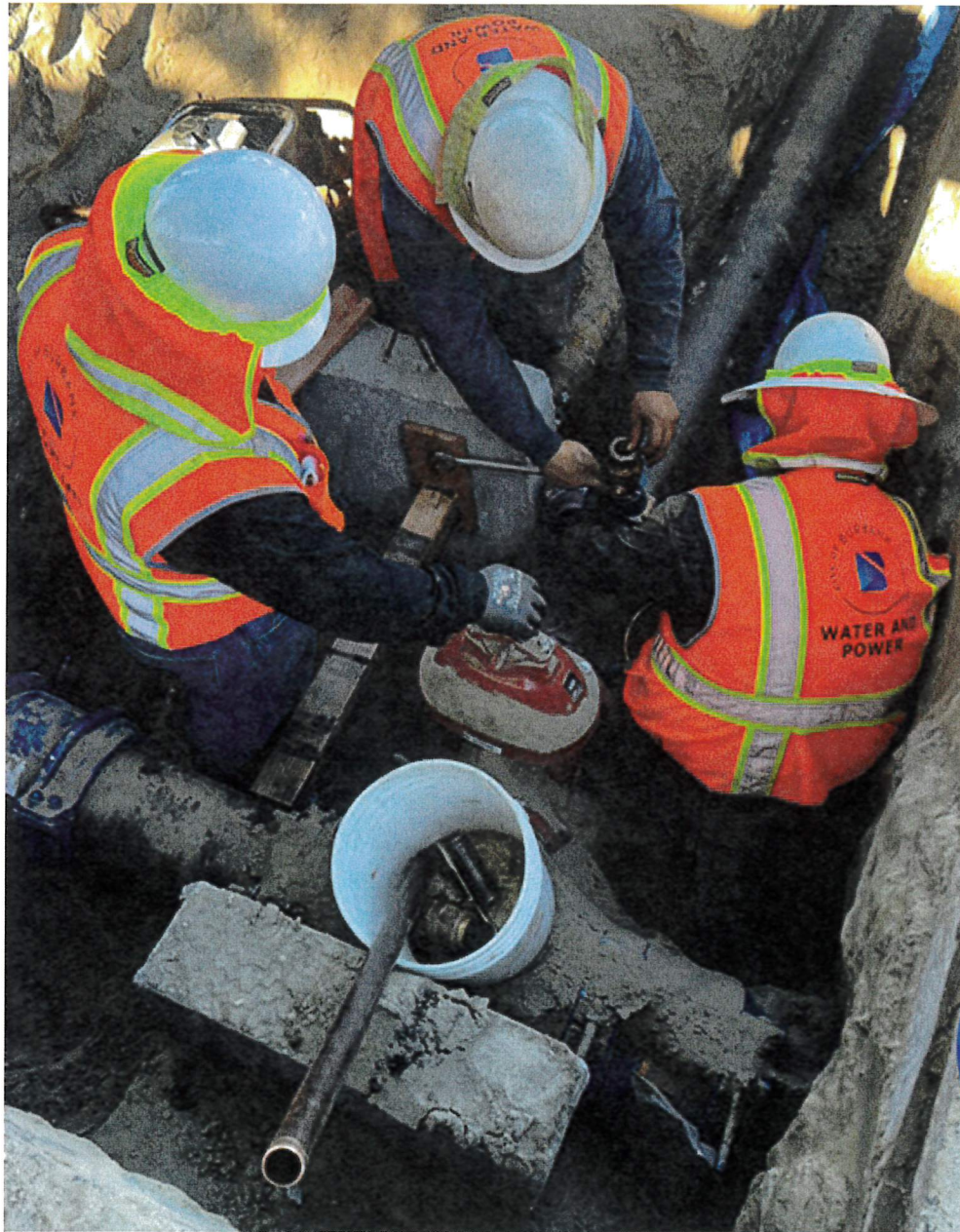
	<ul style="list-style-type: none"> <li>• Provide no-cost showerheads and kitchen and bathroom aerators to customers in the BWP lobby</li> <li>• Provide no-cost toilet dye tablets to help customers detect toilet leaks</li> <li>• Leak assistance grant for income-qualified households</li> <li>• Conducted social media giveaway that provided collapsible buckets to capture sink water for use on outdoor plants.</li> <li>• Provided soil moisture sensors daily to the first two Recycled H2O to Go participants.</li> <li>• Innovative Conservation Program (ICP) pilot project enables water usage monitoring and leak detection services for multi-family property owners and tenants</li> <li>• <b>Reducing the cost for customers to make change:</b> <ul style="list-style-type: none"> <li>○ Reinitiate Demonstration Garden Grants Program.</li> <li>○ Added additional funding for water efficiency rebates; Turf Removal Rebate increased from \$2 per sq ft to \$3 per sq ft.</li> <li>○ Partnered with neighboring cities to have a “Rain Barrel Distribution Event” on January 8, 2023.</li> <li>○ Partnered with neighboring cities to have a second “Rain Barrel Distribution Event” on March 19, 2023.</li> </ul> </li> </ul>	<p><b>community members at no cost in February 2023.</b></p>
<p><b>Reinforcement, including progress updates and recognition</b></p>	<ul style="list-style-type: none"> <li>• Fill the “Burbank Tank” graphic that staff will update monthly on the BWP website and in Digital Currents.</li> <li>• <b>Lawn signs were distributed to homes that completed their home audit beginning January 30<sup>th</sup></b></li> </ul>	<ul style="list-style-type: none"> <li>• Developed a customer recognition program for customers saving water and launched the rewards program by February 2023.</li> </ul>

## PROJECT UPDATES

### Catalina St. – Burbank Blvd to Wyoming:

This capital improvement project (CIP) is an essential part of the water master plan that outlines what needs to be done to improve the reliability of our water distribution system. Our construction crew is installing this 575-foot section of 8" ductile iron water main that will replace the existing 4" cast iron water main that was installed in the late 1930s. The master plan targets the removal of these smaller pipes to be replaced with our standard 8" pipes in residential zones to improve fire flow.





## ELECTRIC DISTRIBUTION

### ELECTRIC RELIABILITY

In **February 2023**, BWP experienced five sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately **881,557** customer minutes.

<b>Reliability Measurement</b>	<b>March 2021 – February 2022</b>	<b>March 2022 – February 2023</b>
Average Outages Per Customer Per Year (SAIFI)	0.2834	0.3251
Average Outage Time Experienced Per Year (SAIDI)	15.84 minutes	10.93 minutes
Average Restoration Time (CAIDI)	55.91 minutes	33.62 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Customer Per Year (MAIFI)	0.3136	0.2106
No. of Sustained Feeder Outages	15	12
No. of Sustained Outages by Mylar Balloons	3	0
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:

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

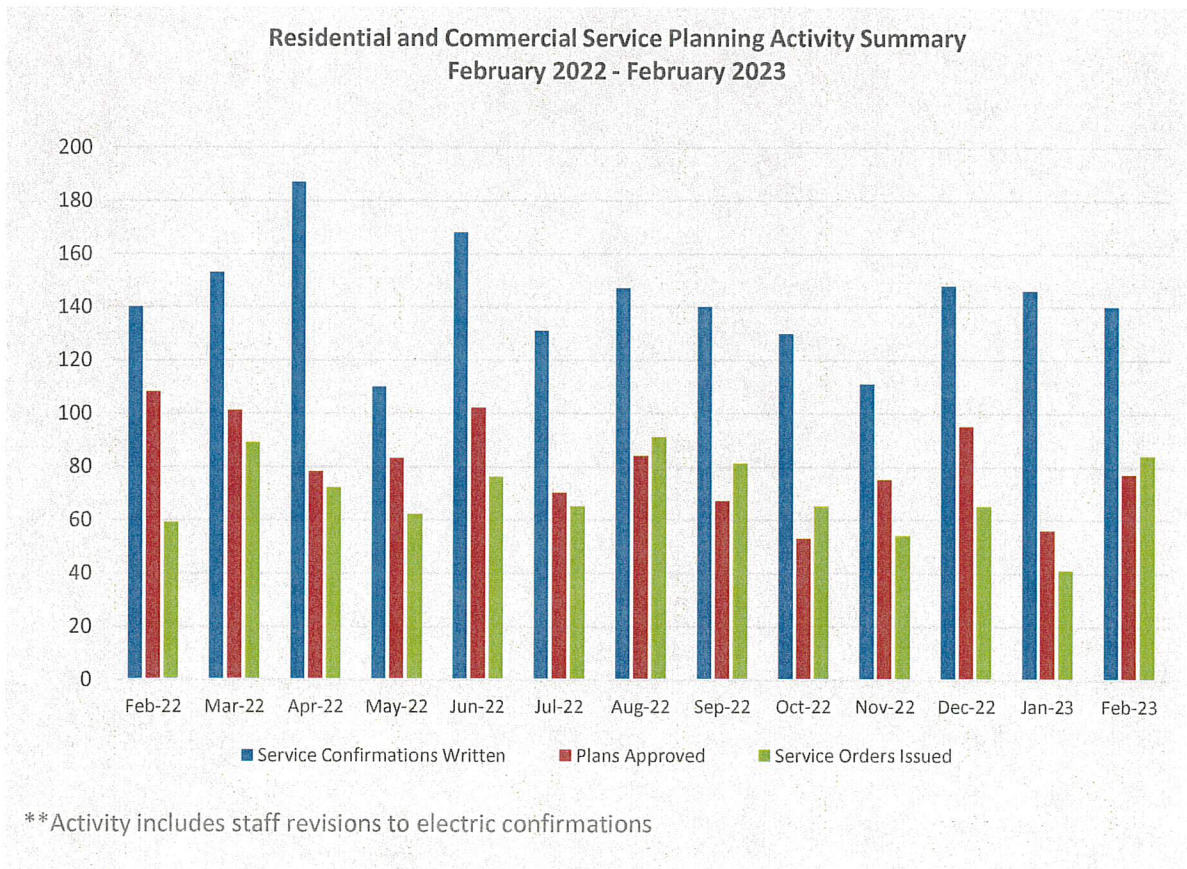
### **PROJECT UPDATES**

#### **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.



**Golden State Substation Rebuild Project Update**

**BWP is currently in the design phase of the project and part of the construction has begun. In February, BWP decommissioned the Golden State Substation,**



completely isolating the station from the BWP electric system in preparation for the substation demolition and construction. Aubrey Silvey, BWP's design-build contractor, mobilized their equipment to the site and began the demolition process. As it stands, shown in the pictures below, most of the equipment has been removed.

The construction and testing of the Golden State Substation Rebuild is scheduled for completion by the 2<sup>nd</sup> quarter of 2024.



Golden State Substation prior to the demolition



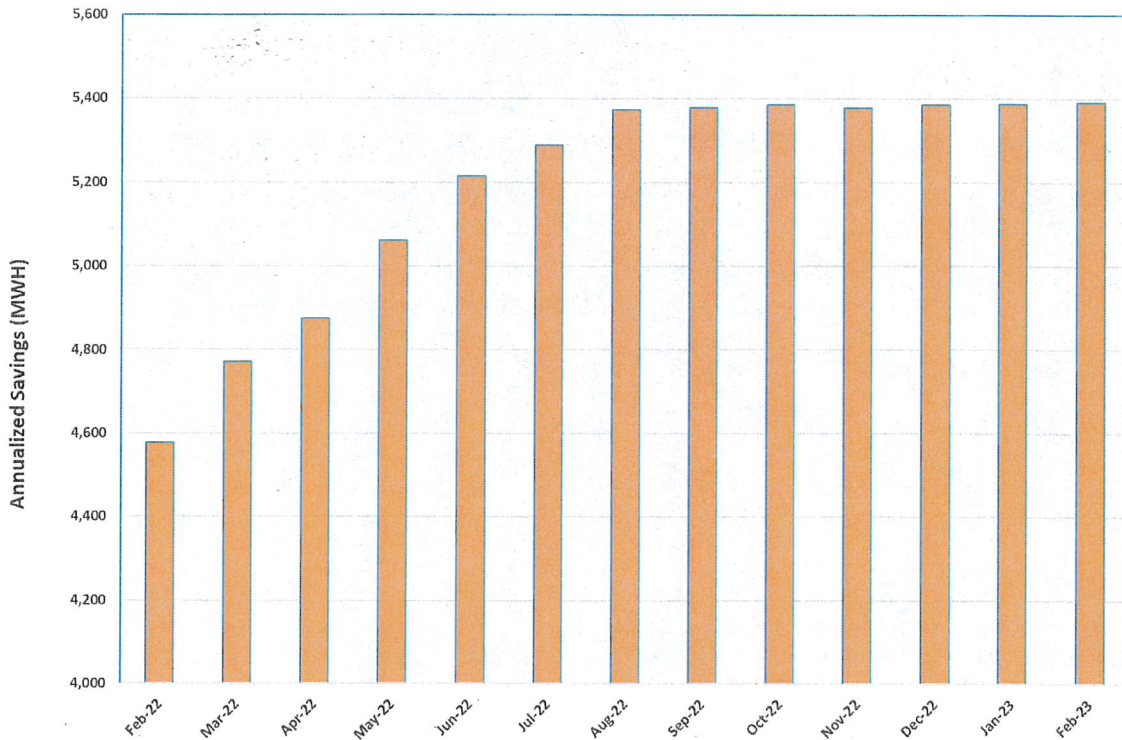
Golden State Substation with most equipment removed

## 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, **91.75%** of the total street light luminaires have been converted to LEDs, which translates to an annualized energy savings of **5,391 MWh** or a **58.17%** reduction in energy consumption. LED conversions have also reduced the evening load by **1,249 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.

Annualized Energy Savings  
February 2022 - February 2023



**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
<b>Total</b>	0	257	12	30	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. **As of March 21, 2023, we have 460 customers who have an active payment arrangement, resulting in a reduction of arrears by \$1,268,308. 401 arrangements are for residential customers totaling \$843,680 and 59 arrangements are for commercial customers totaling \$358,312.** BWP will continue to encourage payment arrangements to assist our customers in managing their outstanding arrears. **This is an increase from last month where there were 241 payment arrangements as of January 30, 2023.**

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.

**When City Council approved restarting late fees and disconnections for medium, large and extra-large accounts in October 2020, effective December 1, 2020, staff turned late fees back on in January 2021. Staff then paused power disconnections for these customers in August 2021 as we applied for CAPP 1.0 funds. Unfortunately, we did not discontinue charging late fees for these customers, as required.**

**CAPP required customers who received CAPP credits to have their late fees waived for the period they received support, which was between March 4, 2020 and December 31, 2021, as well as 90 days after the credits were applied. The credits were applied on February 17, 2022 and the 90 day protection period ended on May 17, 2022.**

**Therefore, staff has waived all electric-related late fees charged to medium, large and extra-large customers who received CAPP funding for the period between January 2021 and May 17, 2022. This amounts to 213 customers and \$26,404.77.**

**Staff has analyzed this oversight and has implemented a business change work breakdown structure which now requires AGM approval to document and ensure all steps of these important changes have multiple levels of review and approval.**

In late June 2022, **staff** 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 was \$239.4 million available for publicly owned utility (POU) accounts. The new CAPP program, known informally as CAPP 2.0, **operated** similarly as CAPP 1.0 with a few key differences. CAPP 2.0 had a longer COVID-19 pandemic relief period that extended from June 16, 2021, through December 31, 2021, and was only for active residential customers. 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 was not 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.

BWP began disconnecting small commercial customers for non-payment effective September 29, 2022. From September 29, 2022, through **March 1, 2023, 187** small commercial customers have been disconnected for non-payment, resulting in a reduction in arrears of **\$234,868. As of March 21, 2023 51 customers established payment arrangements totaling \$260,060. The 51 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 March 20, 2023, that number has fallen to 114.** This indicates that small commercial customers are continuing to make payments or enrolling in payment arrangements to avoid disconnections.

**As of March 13, 2023, there are 3,934 residential customers with at least 60 plus days of arrears. Currently, the 61 plus day arrears totals \$4,332,841. Of the 3,934 residential customers, 114 receive the Lifeline rate for low-income seniors over the age of 62 and disabled customers, and 74 customers receive the Burbank Utility Service Subsidy (BUSS).**

**Between March 2020 through February 2023, in response to 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.

On January 31, 2023, City Council approved (4-1) to resume normal operations by restarting disconnections for residential customers with past due balances beyond 60 days, effective April 3, 2023

Staff has increased 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. In March, 31,042 issues of digital Currents were sent out and had a 66% open rate.

### **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.

All 48,900 residential customers received bill inserts along with their February bills. Over 30,000 customers received online notifications in February, and 18,000 customers who received bills in the mail received letters in February. Autodialed messages were sent to all 4,473 customers with 60 days or more in mid-February. Staff called every Lifeline/BUSS customer with 60 days or more in arrears to offer assistance programs and payment arrangements through the month of February. Staff called 168 Lifeline customers and 99 BUSS customers.

After this outreach, there were only 74 Lifeline customers and 39 BUSS customers still in arrears beyond 60 days, as of March 2, 2023. Of the 267 calls made in February, staff entered 25 customers into a payment arrangement for a total reduction in arrears of \$57,434.52. Of the 25 customers who entered a payment arrangement, 12 were enrolled in BUSS and 13 were Lifeline customers.

As of March 21, 2023, the number of Lifeline and BUSS customers in arrears over 60 days or more has increased up to 114 Lifeline and 74 BUSS customers, which would indicate these customers fell off their arrangements or made a minimal payment to move out of the 60 days arrears range for a temporary period of time.

Staff will be making outbound calls to these customers 7 days before any potential disconnection for service and will work with them closely.

**Outstanding Debt**

As of **March 20, 2023**, the following is the current outstanding debt by commodity for all customer classes:

<b>Aging By Service Type</b>					
<b>Service Type</b>	<b>31-60</b>	<b>61-90</b>	<b>91+</b>	<b>Total</b>	<b>% of Total</b>
<b>ELECTRIC</b>	<b>\$ 1,050,025</b>	<b>\$ (88,291)</b>	<b>\$ 2,610,290</b>	<b>\$ 3,572,024</b>	<b>58%</b>
<b>WATER</b>	<b>\$ 145,016</b>	<b>\$ 72,219</b>	<b>\$ 523,109</b>	<b>\$ 740,344</b>	<b>12%</b>
SEWER	\$ 156,268	\$ 88,397	\$ 552,240	\$ 796,905	13%
SOLID WASTE	\$ 158,030	\$ 97,043	\$ 707,056	\$ 962,129	16%
FIBER OPTIC	\$ 60,290	\$ 15,053	\$ 7,250	\$ 82,593	1%
GENERAL SERVICE	\$ 1,106	\$ 483	\$ 3,288	\$ 4,878	0%
MISCELLANEOUS	\$ -	\$ -	\$ 18	\$ 18	0%
<b>Grand Total</b>	<b>\$1,570,735</b>	<b>\$184,904</b>	<b>\$4,403,251</b>	<b>\$6,158,890</b>	<b>100%</b>

The 61-90 day aging bucket for the electric service type is currently reflected as a credit of \$88,291. This credit is a result of the 2022 CAPP credits being applied to customer accounts in December 2022. Since these credits were applied as an adjustment in our billing system, it will move through the aging buckets similar to a charge. If the credits were not applied in December, the arrears for electric services in the 61-90 day bucket would have been \$289,558.77.

**BWP Call Center Call Types & Volume**

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

<b>Customer Contact Types</b>	<b>% of Calls</b>
Balance	<b>14%</b>
Update Cust Account Info	<b>13%</b>
Payment Arrangement	<b>11%</b>
Start / Stop / Clean & Show	<b>4%</b>
Electric Trouble Call/Field Activity	<b>3%</b>

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%
Feb - 22	Mar - 22	Apr - 22	May - 22	Jun - 22	Jul - 22	Aug - 22	Sep - 22	Oct - 22	Nov - 22	Dec - 22	Jan - 23	Feb - 23	% Inc/Aug	
Call Volume	2,833	3,340	3,148	3,314	3,311	3,220	4,001	4,436	3,983	3,010	3,037	3,277	3,507	7.0%

Call volume increased by 7% in February compared to the previous month. We received approximately 20% more calls in February 2023 compared to February 2022, resulting from sending notifications to customers regarding restarting the collection process for residential customers effective April 3, 2023. These emails and letters were sent out in February and customers called and made payment arrangements.

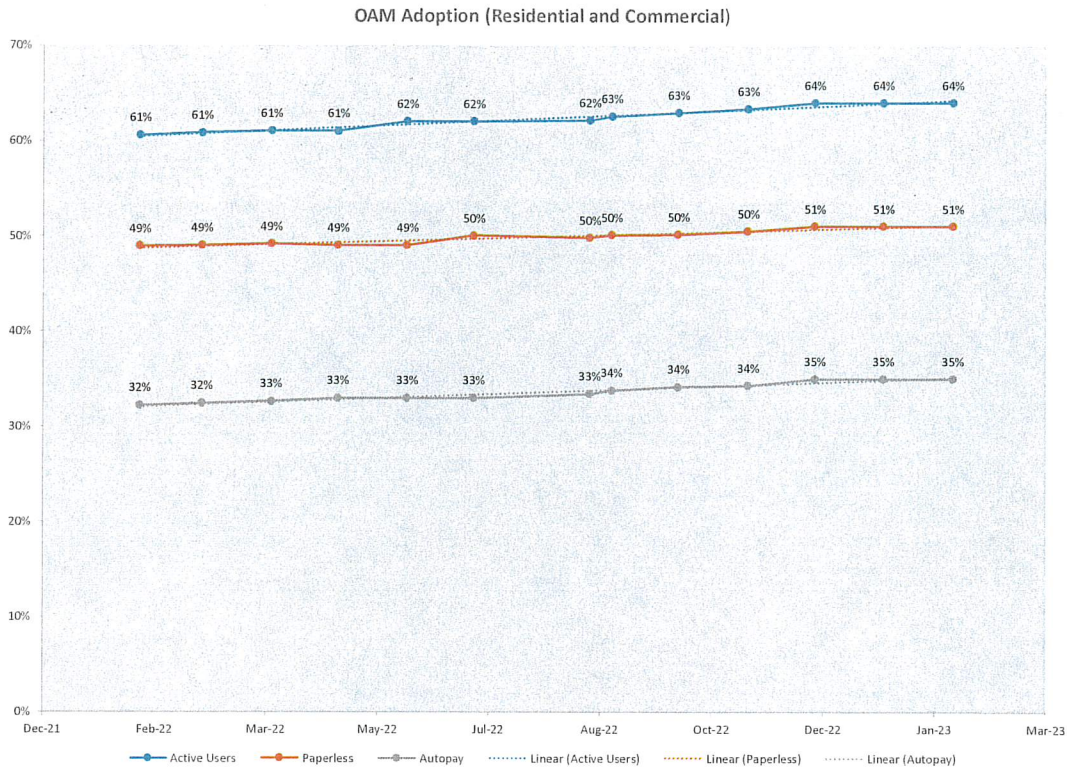
### Online Account Manager

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.

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	33,773	64%
Paperless	26,808	51%
Autopay	18,420	35%

**Quality Assurance**

Between the dates of January 24, 2023, and January 31, 2023, 4,685 customers who typically receive a bill in the mail did not receive their monthly bills, until February 1, 2023. BWP’s bill print vendor made this error due to a supply chain issue with envelopes. Unfortunately, BWP staff did not catch this oversight until a residential customer called in to report that they have not received their bill yet. There is a daily task that required staff to confirm the bill print vendor has sent out all bills via mail. This task was not performed during that month.

This did not impact customers who receive email notifications that their bills are ready to view. Staff has retrained all employees responsible for ensuring that all bills have been mailed out by our bill print vendor. BWP has also evaluated all other bill print related processes to ensure all staff is aware of the steps required to ensure bills are sent out via email or postal delivery.

## SUSTAINABILITY, MARKETING, AND STRATEGY

### BWP'S Energy Efficiency and Water Savings – Fiscal Year to February 28, 2023

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 10% of our demand savings and 8% of our energy efficiency savings targets. We do not expect to meet our targets by the end of the fiscal year, but are working to make up ground. Due to staff turnover and third-party delays, vendor agreements expired during the fiscal year, resulting in the following programs being put on hold: AC Replace it Before it Breaks, Refrigerator Exchange, and Business Bucks. Staff is working diligently to re-establish these vendor agreements and we have developed a new tracking tool to help avoid unnecessary contracting delays in the future. BWP is also filling vacant positions, including a senior administrative analyst to help us with contracting and program uptime and a key accounts manager to promote commercial rebates and drive program enrollment.**

*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, 47 households participated in HIP, and a total of 365 customers have participated in the HIP since the beginning of the fiscal year.**



Lawn signs were distributed to participants of the Home Improvement Program.

*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.

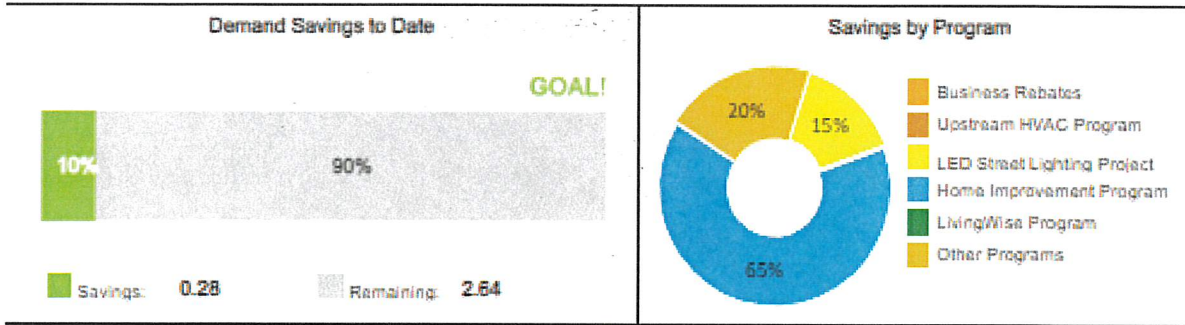
Some additional energy efficiency programs include residential and commercial rebates for the purchase and installation of high-efficiency measures, LivingWise, and AC Replace Before It Breaks.

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.

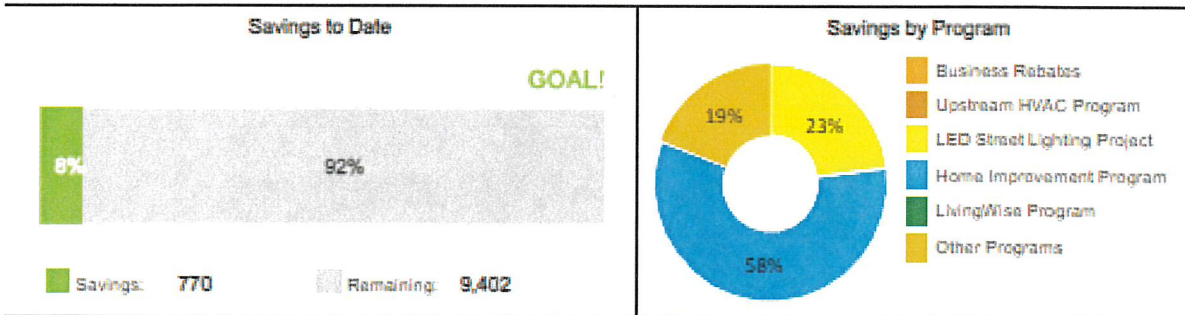
BWP administers the Hydration Station Program for commercial customers. The program offers rebates for water bottle filling stations to provide the community with access to safe and reliable tap water while also helping reduce plastic bottle waste. MWD funds the Hydration Station Program.

# Energy Efficiency Savings FYTD 2022-2023 Period ending on 2/28/2023

1% Demand Goal = 2.92 MW

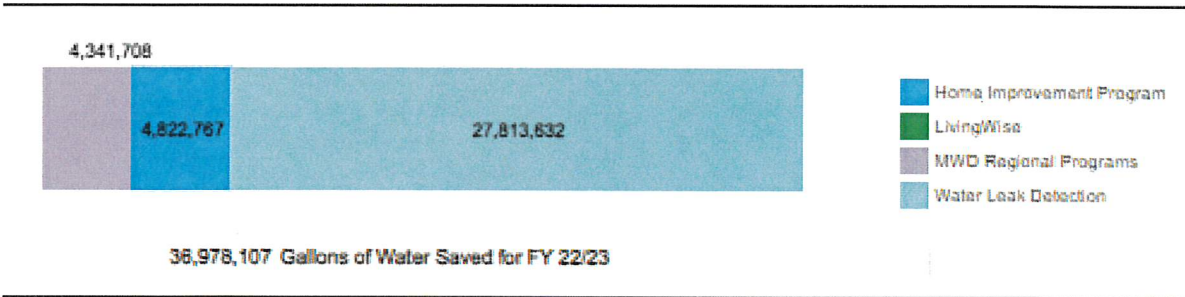


1% Consumption Savings Goal = 10,172 MWh



## Water Efficiency Program Savings

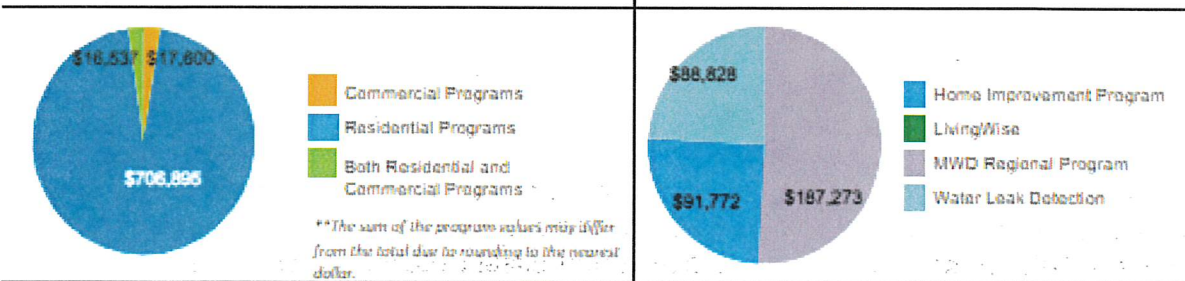
Gallons of Potable Water



## Efficiency Direct Program Costs\* FYTD 2022-2023

\*\*Electric Programs: \$741,032

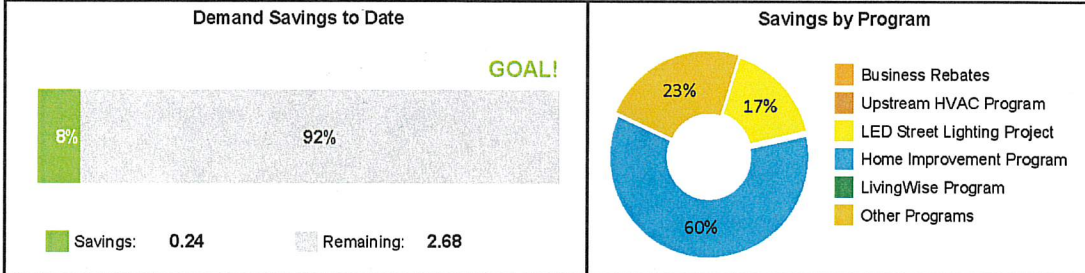
Water Programs: \$367,873



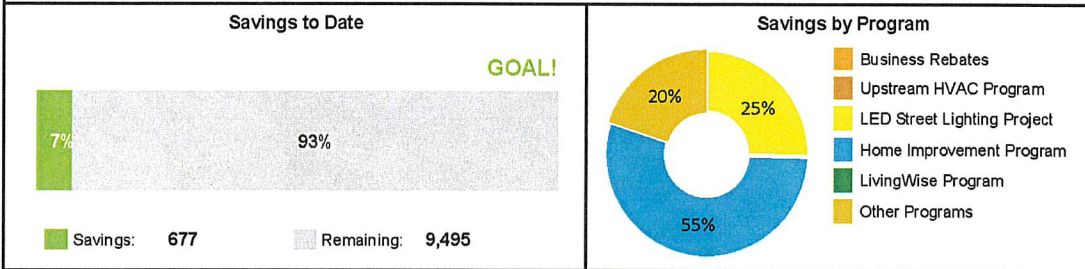
\*Direct program costs reflect rebates and payments to program implementers, they do not include marketing and administration costs

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

1% Demand Goal = 2.92 MW

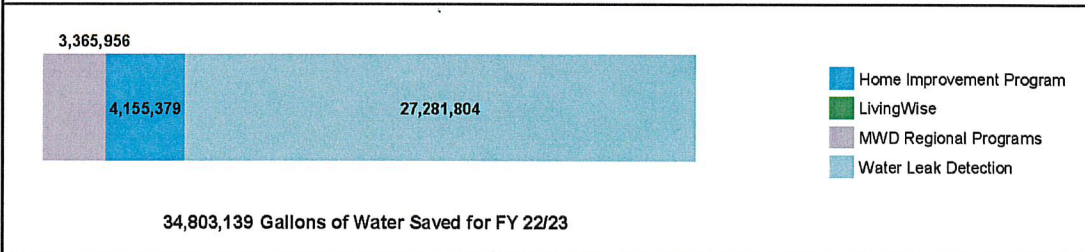


1% Consumption Savings Goal = 10,172 MWh

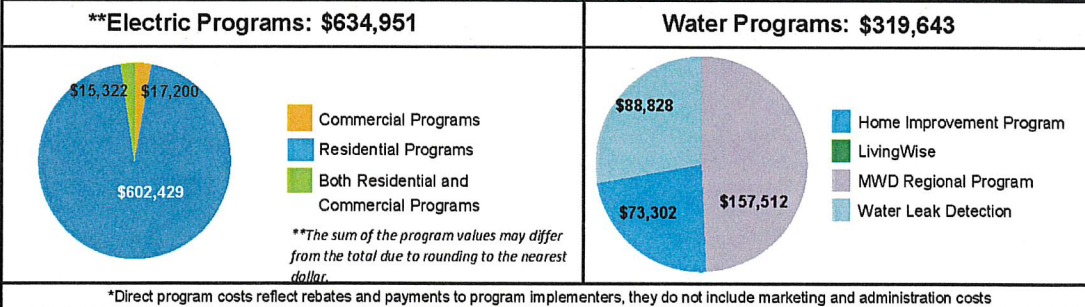


## Water Efficiency Program Savings

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 **February**, the per-port average revenue was **\$143**.

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-Jan 2023	46,342kWh	\$8460	\$117	Post-installation of new ports
Feb 2023	54,836kWh	\$10,408	\$143	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. **On 3/14/2023, 16 more level 2 EV charging ports were made available for public charging. These stations are at Verdugo and Lake, near John Burroughs High School on Keystone St near Verdugo Ave, near Burbank High School on Harvard Rd. across from the entrance to the school, and near Theodore Roosevelt Elementary on Avon St. near Clark Ave. Each site has two Chargepoint dual-port level 2 stations, installed curbside.**

### 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.

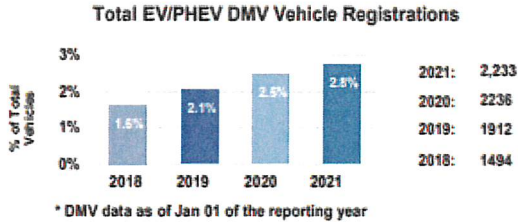
No commercial rebates were issued in **February 2023**.

**Residential Rebate Program**

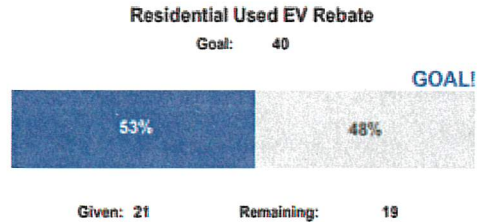
No residential EV rebates were distributed in **February 2023**.

## Transportation Electrification 2022-2023 Period ending on 2/28/2023

### EV Growth in Burbank\*



### Vehicle Rebates



## Transportation Electrification Initiatives for FY 2022-2023

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

Goal: 75



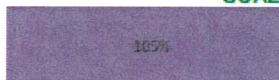
#### Residential Charging Station Rebates

Goal: 50



#### Commercial Charging Station Rebates

Goal: 60



#### Public Charging Ports

Goal: 13

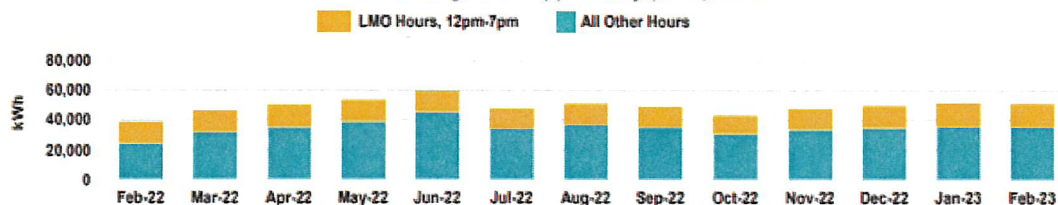


## Public Charging Port Statistics

	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG *Reduced	Charging Sessions at <sup>1</sup> Peak	<sup>2</sup> Charging Occupancy
	Total Ports	Total Available						
February:	73	73	4,621	54,836	\$10,408	31,588	20%	28%
Average:	73	73	4,925	56,577	\$10,967	32,590	19%	22%
FY Total:	73	73	39,400	452,613	\$87,736	260,721	19%	22%

\* 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



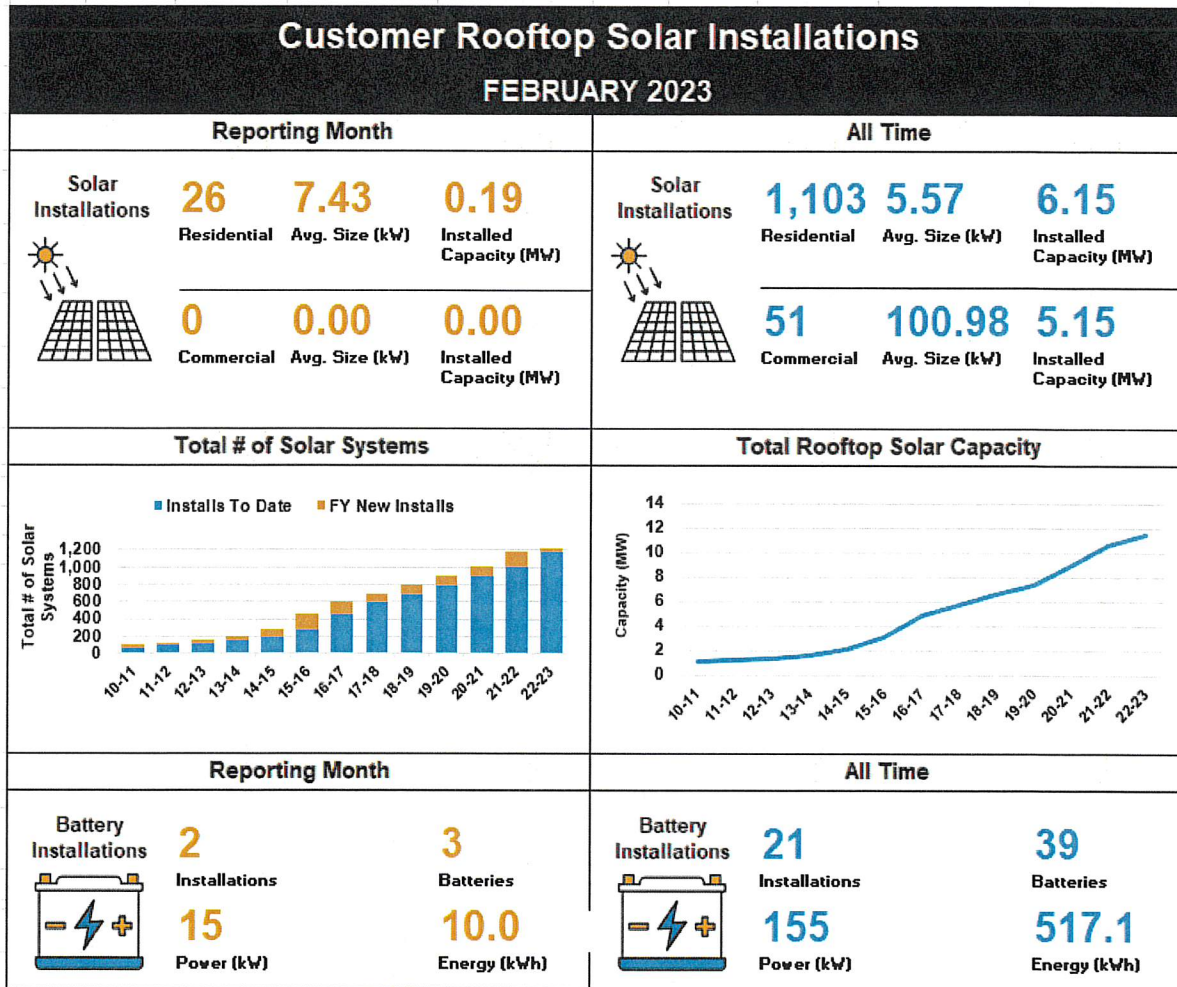
<sup>1</sup>Peak is defined as 4 - 7 PM, as is reflected in the Public EV Charging Station rate

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



## Rooftop Solar and Battery Installations

Customer-owned rooftop solar system installations continue to grow. 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

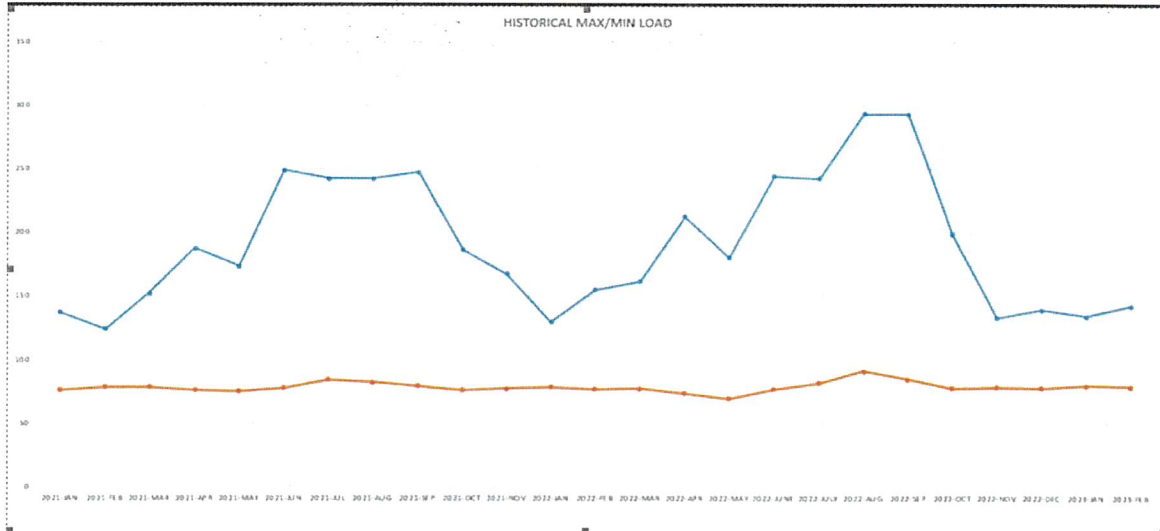
### Broadband Services (ONEBurbank)

	February 2023 New Orders	Revenues for February 2023	FYTD 2022-23 Revenues	FYTD Budget
Lit	1	\$159,336	\$1,311,778	\$1,066,667
Dark	0	\$184,165	\$1,502,646	\$1,600,000
Total	1	\$343,501	\$2,814,424	\$2,666,667

## POWER SUPPLY

### BWP SYSTEM OPERATIONS:

The maximum load for February 2023 was 142.4 MW at 11:54 AM on February 24, 2023, and the minimum load was 78.8 MW at 4:16 AM on February 11, 2023.



YEAR	MAX LOAD	MAX DATE
2023	142.4 MW	24-February-23 11:54
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.

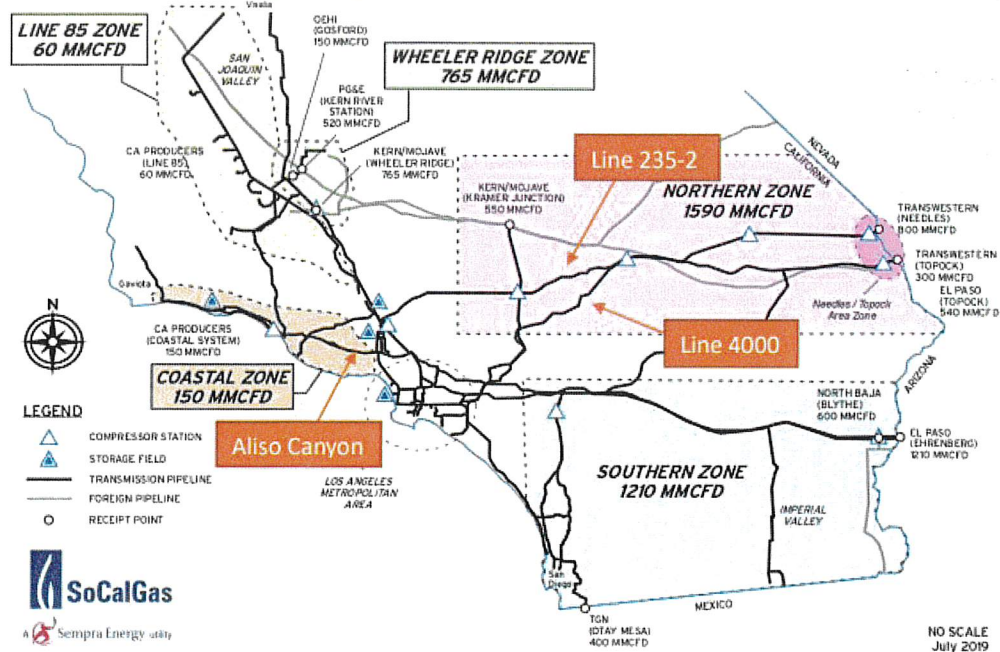
Limited supply, coupled with high demand, has caused natural gas prices to increase significantly.

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.

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 CPUCs 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



Gas prices continue to increase as a result of colder winter temperatures, limited resources and limited storage. Since 2017, gas prices have increased significantly, to 3.3 times the value in 2017.

Calendar Year	\$/MMBtu
2017	\$3.41
2018	\$5.14
2019	\$4.08
2020	\$3.01
2021	\$8.13
2022	\$9.27
2023	\$11.28
Increase since 2017	3.3X

**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%	0	0	0	0
MPP	100%	672	127,838	7,465	0

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 not placed online during the month of February.

**Magnolia Power Project (MPP)**

	February	FYTD	YTD
Availability	100%	97%	100%
Unit Capacity Factor (240 MW)	79%	78%	78%

There were no outages at MPP during the month of February 2023. Preparations are underway for the upcoming planned outage. MPP was shutdown on March 24, 2023 to perform an offline water wash of the combustion turbine compressor, a combustion turbine borescope inspection and a boiler inspection. Balance of plant maintenance activities were also performed during this outage. MPP restarted on March 30, 2023.

**Tieton Hydropower Project (Tieton)**

Maintenance work is complete, and the generators are ready for operation. It is estimated water flow will become available the beginning of this month.

**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 met the calendar year 2022 goal of 38.5% RPS and we will meet the 41.25% RPS for 2023 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 CY2023 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 30-1000% 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. As of March 6, 2023, the 4<sup>th</sup> project that BWP was working on for the past 6 months notified us that they wished to end negotiations noting that other market opportunities presented themselves in the "very fast moving market", but we continue to look for short term as well as other long term 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. **Three** 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 4<sup>th</sup> stakeholder meeting took place on March 23, 2023 and the first community meeting will be on April 20, 2023 at the BWP auditorium.** The IRP is due to the CEC on January 1, 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.

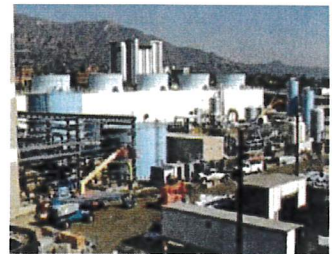
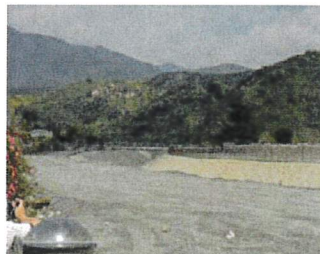
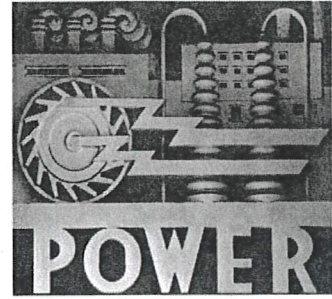
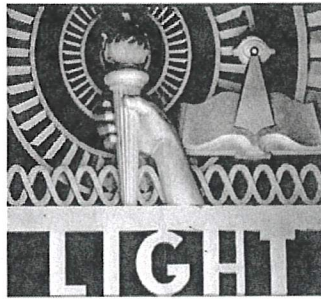
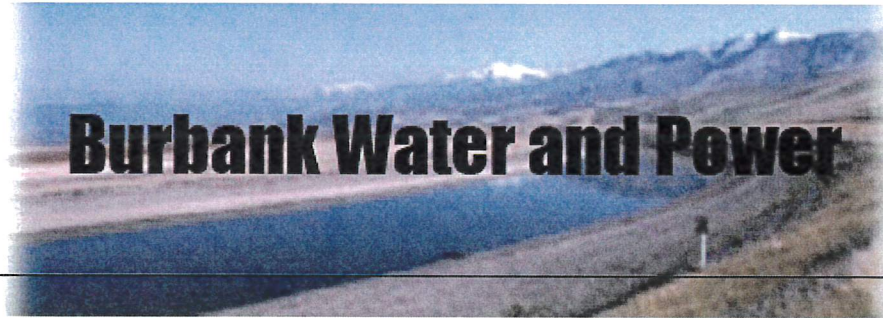
### **Power Production**

#### **Lake One Power Plant Emissions Retrofit Project**

Engineering work is ongoing, and the final design is **currently under review**. 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  
January-23**

**Burbank Water and Power  
Electric Fund (496)  
Statement of Changes in Net Assets <sup>(1) (2)</sup>  
MTD and FYTD January 2023  
(\$ 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
79,340	79,001	339	0% <sup>(a)</sup>	NEL MWh	649,666	651,727	(2,061)	(0%) <sup>(A)</sup>
				<b>Retail</b>				
\$ 12,241	\$ 12,625	\$ (384)	(3%)	Retail Sales	\$ 106,268	\$ 106,053	\$ 215	0%
551	573	(22)	(4%)	Other Revenues <sup>(3)</sup>	3,018	4,010	(992)	(25%) <sup>(B)</sup>
<u>12,575</u>	<u>9,585</u>	<u>(2,990)</u>	<u>(31%) <sup>(b)</sup></u>	Retail Power Supply & Transmission	<u>78,592</u>	<u>74,509</u>	<u>(4,083)</u>	<u>(5%) <sup>(C)</sup></u>
217	3,613	(3,396)	(94%)	<b>Retail Margin</b>	30,694	35,553	(4,859)	(14%)
				<b>Wholesale</b>				
2,050	817	1,233	151%	Wholesale Sales	19,710	25,351	(5,641)	(22%)
<u>1,948</u>	<u>801</u>	<u>(1,147)</u>	<u>(143%)</u>	Wholesale Power Supply	<u>17,341</u>	<u>24,844</u>	<u>7,502</u>	<u>30%</u>
102	16	86	526%	<b>Wholesale Margin</b>	2,368	507	1,861	367%
<u>319</u>	<u>3,629</u>	<u>(3,310)</u>	<u>(91%)</u>	<b>Gross Margin</b>	<u>33,062</u>	<u>36,061</u>	<u>(2,998)</u>	<u>(8%)</u>
				<b>Operating Expenses</b>				
956	1,093	137	13%	Distribution	6,265	7,616	1,350	18% <sup>(D)</sup>
159	132	(27)	(20%) <sup>(e)</sup>	Administration/Safety	954	961	7	1%
378	367	(11)	(3%)	Finance, Fleet, & Warehouse	2,200	2,481	280	11% <sup>(E)</sup>
538	538	-	0%	Transfer to General Fund for Cost Allocation	3,769	3,769	0	0%
386	473	87	18% <sup>(d)</sup>	Customer Service	2,231	3,569	1,338	37% <sup>(F)</sup>
135	219	84	38% <sup>(e)</sup>	Marketing & Sustainability	778	1,534	757	49% <sup>(G)</sup>
403	398	(6)	(1%)	Public Benefits	997	2,783	1,786	64% <sup>(H)</sup>
165	123	(42)	(34%) <sup>(f)</sup>	Security/Oper Technology	1,724	952	(771)	(81%) <sup>(I)</sup>
88	130	42	32% <sup>(g)</sup>	Telecom	781	937	156	17% <sup>(J)</sup>
254	225	(29)	(13%)	Construction & Maintenance	1,281	1,578	297	19% <sup>(K)</sup>
<u>1,937</u>	<u>1,831</u>	<u>(106)</u>	<u>(6%)</u>	Depreciation	<u>11,733</u>	<u>12,819</u>	<u>1,087</u>	<u>8%</u>
5,399	5,530	130	2%	Total Operating Expenses	<u>32,712</u>	<u>38,999</u>	<u>6,287</u>	<u>16%</u>
\$ (5,080)	\$ (1,900)	\$ (3,180)	(167%)	<b>Operating Income/(Loss)</b>	\$ 351	\$ (2,938)	\$ 3,289	112%

**Burbank Water and Power  
Electric Fund (496)  
Statement of Changes in Net Assets <sup>(1) (2)</sup>  
MTD and FYTD January 2023**

(\$ in 000's)

MTD Actual FY 22-23	MTD Budget FY 22-23	\$ Variance	% Variance
\$ (5,080)	\$ (1,900)	\$ (3,180)	(167%)
62	87	(24)	(28%) <sup>(h)</sup>
122	138	(16)	(11%)
(279)	(406)	126	31% <sup>(i)</sup>
(95)	(181)	86	48%
(5,175)	(2,081)	(3,093)	(149%)
71	601	(530)	(88%) <sup>(j)</sup>
<u>\$ (5,104)</u>	<u>\$ (1,480)</u>	<u>\$ (3,623)</u>	<u>(245%)</u>

**Operating Income/(Loss)**

**Other Income/(Expenses)**

Interest Income

Other Income/(Expense) <sup>(4)</sup>

Bond Interest/ (Expense)

Total Other Income/(Expense)

**Net Income**

Capital Contributions (AIC)

**Net Change in Net Assets**

YTD Actual FY 22-23	YTD Budget FY 22-23	\$ Variance	% Variance
\$ 351	\$ (2,938)	\$ 3,289	112%
837	608	229	38% <sup>(L)</sup>
(1,626)	(1,695)	69	4%
(1,956)	(2,447)	491	20% <sup>(M)</sup>
(2,745)	(3,534)	790	22%
(2,394)	(6,472)	4,078	63%
272	4,208	(3,936)	(94%) <sup>(N)</sup>
<u>\$ (2,122)</u>	<u>\$ (2,265)</u>	<u>\$ 143</u>	<u>6%</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 January 2023  
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(a)	Electric Usage in MWh	79,340	79,001	339	- NEL is on budget. The average high temperature in January was 63°F, compared to the 15-year average high temperature of 71°F. The average low temperature was 40°F, compared to the 15-year average low temperature of 43°F. MTD CDD were 0 versus the 15-year average of 5.
(b)	Retail Power Supply & Transmission	12,575	9,585	(2,990)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
(c)	Administration/Safety	159	132	(27)	- The unfavorable variance is primarily attributable to higher leave expense and the timing of professional services, offset by the timing of training expense.
(d)	Customer Service	386	473	87	- The favorable variance is primarily attributable to vacancies and the timing of software & hardware support.
(e)	Marketing & Sustainability	135	219	84	- The favorable variance is primarily attributable to vacancies, the timing of private contractual services and office supplies.
(f)	Security/Oper Technology	165	123	(42)	- The unfavorable variance is primarily attributable to lower than planned capital work and work for others, offset by vacancies and the timing of professional services, private contractual services and software and hardware support.
(g)	Telecom	88	130	42	- The favorable variance is primarily attributable to vacancies and the timing of private contractual services.
(h)	Interest Income	62	87	(24)	- The unfavorable variance is primarily attributable to timing.
(i)	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.
(j)	Capital Contributions (AIC)	71	601	(530)	- 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 January 2023  
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
(A)	Electric Usage in MWh	649,666	651,727	(2,061)	- NEL is on budget. The FYTD average high temperature was 76°F, compared to the 15-year average high temperature of 80°F. The FYTD average low temperature was 53°F, compared to the 15-year average low temperature of 54°F. FYTD CDD were 1,281 versus the 15-year average of 1,163.
(B)	Other Revenues	3,018	4,010	(992)	- 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	78,592	74,509	(4,083)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
(D)	Distribution	6,265	7,616	1,350	- The favorable variance is primarily attributable to vacancies and the timing of professional services and private contractual services, offset by work for others.
(E)	Finance, Fleet, & Warehouse	2,200	2,481	280	- The favorable variance is primarily attributable to vacancies, work for others and the timing of software & hardware support.
(F)	Customer Service	2,231	3,569	1,338	- The favorable variance is primarily attributable to vacancies, work for others and the timing of professional services.
(G)	Marketing & Sustainability	778	1,534	757	- The favorable variance is primarily attributable to vacancies and the timing of private contractual services, professional services and office supplies.
(H)	Public Benefits	997	2,783	1,786	- The favorable variance is attributable to vacancies and lower than planned programs spending.
(I)	Security/Oper Technology	1,724	952	(771)	- 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 vacancies and the timing of spending in professional services.
(J)	Telecom	781	937	156	- The favorable variance is primarily attributable to the timing of private contractual services and professional services.
(K)	Construction & Maintenance	1,281	1,578	297	- The favorable variance is primarily attributable to the timing of custodial services, building grounds maintenance & repair and special departmental supplies, offset by higher than planned work from other departments.
(L)	Interest Income	837	608	229	The favorable variance is primarily attributable to timing.
(M)	Bond Interest Expense	(1,956)	(2,447)	491	- The favorable variance to budget is attributable to the timing of the bond issuance which was budgeted in October 2022.
(N)	Capital Contributions (AIC)	272	4,208	(3,936)	- The unfavorable variance is attributable to the timing of AIC projects.

**January 2023 Budget to Actual P&L Variance Highlights - Electric Fund**  
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<b><u>MTD NET INCOME/(LOSS): \$(5,175)</u></b>	\$ -	\$ (3,093)	\$ (3,093)
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Retail Sales	-	(384)	(384)
Power Supply and Transmission:			
- Higher retail load	-	(29)	(29)
- Lower than planned renewables cost and other	256	-	256
- Higher transmission	-	(26)	(26)
- Higher energy prices	-	(3,812)	(3,812)
- New minimum for IPP and Hydrogen Betterment	-	(1,008)	(1,008)
- Lower O&M	790	-	790
- Retail load management and economic dispatch	894	-	894
- Timing True-up and prior period adjustments	-	(55)	(55)
Other Revenues	-	(22)	(22)
Wholesale Margin	86	-	86
<b>Total</b>	<b>2,026</b>	<b>(5,336)</b>	<b>(3,310)</b>
<b><u>MTD O&amp;M AND OTHER VARIANCES</u></b>			
Distribution	137	-	137
Administration/Safety	-	(27)	(27)
Finance, Fleet, & Warehouse	-	(11)	(11)
Customer Service	87	-	87
Marketing & Sustainability	84	-	84
Public Benefits	-	(6)	(6)
Security/Oper Technology	-	(42)	(42)
Telecom	42	-	42
Construction & Maintenance	-	(29)	(29)
Depreciation expense	-	(106)	(106)
All other	86	-	86
<b>Total</b>	<b>437</b>	<b>(220)</b>	<b>217</b>

**January 2023 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>
<b><u>FYTD NET INCOME/(LOSS): \$(2,394)</u></b>	\$ 4,078	-	\$ 4,078
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>			
Retail Sales	215	-	215
Power Supply and Transmission			
- Higher retail load	-	(502)	(502)
- Lower than planned renewables cost and other	492		492
- Higher transmission	-	(236)	(236)
- Higher energy prices	-	(11,523)	(11,523)
- New minimum for IPP and Hydrogen Betterment	-	(2,391)	(2,391)
- Lower O&M	4,357		4,357
- Retail load management and economic dispatch	2,098		2,098
- SCPPA True-up and prior period adjustments	3,622		3,622
Other Revenues	-	(992)	(992)
Wholesale Margin	1,861	-	1,861
<b>Total</b>	<b>\$ 12,645</b>	<b>\$ (15,644)</b>	<b>\$ (2,998)</b>
<b><u>FYTD O&amp;M AND OTHER VARIANCES</u></b>			
Distribution	1,350	-	1,350
Administration/Safety	7	-	7
Finance, Fleet, & Warehouse	280	-	280
Customer Service	1,338	-	1,338
Marketing & Sustainability	757	-	757
Public Benefits	1,786	-	1,786
Security/Oper Technology	-	(771)	(771)
Telecom	156	-	156
Construction & Maintenance	297	-	297
Depreciation expense	1,087	-	1,087
All other	790	-	790
<b>Total</b>	<b>\$ 7,848</b>	<b>\$ (771)</b>	<b>\$ 7,076</b>

**Electric Fund (496)**  
**Statement of Changes in Cash and Investment Balances <sup>(a)</sup>**  
**(\$ in 000's)**

	Jan-23	Dec-22	Sep-22	Jun-22	Jun-21	Recommended Reserves	Minimum Reserves
<b>Cash and Investments</b>							
General Operating Reserve	\$ 61,060	\$ 60,650	\$ 57,746	\$ 69,212	\$ 73,156	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	4,500	4,489	4,459	3,794	3,740		
Sub-Total Cash and Investments	<u>75,561</u>	<u>75,139</u>	<u>72,205</u>	<u>83,007</u>	<u>86,896</u>	<u>73,010</u>	<u>42,770</u>
Customer Deposits	(10,230)	(10,432)	(9,906)	(9,939)	(4,245)		
Public Benefits Obligation	(11,019)	(11,013)	(10,258)	(9,315)	(8,128)		
Low Carbon Fuel Standard <sup>(b)</sup>	(3,160)	(3,184)	(3,451)	(3,464)	(2,999)		
IPP Decommission	-	-	- <sup>(c)</sup>	(2,000)	(2,000)		
Cash and Investments (less Commitments)	<u><u>51,151</u></u>	<u><u>50,510</u></u>	<u><u>48,590</u></u>	<u><u>58,288</u></u>	<u><u>69,523</u></u>	<u><u>73,010</u></u>	<u><u>42,770</u></u>

<sup>(a)</sup> The Statement of Cash Balances may not add up due to rounding.

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

<sup>(c)</sup> Reversal of IPP decommission reserve.



**Burbank Water and Power  
Water Fund (497)  
Statement of Changes in Net Assets <sup>(1) (2)</sup>  
MTD and FYTD January 2023  
(\$ 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
292	329	(37)	(11%) <sup>(a)</sup>	Water put into the system in Millions of Gallons	2,720	2,934	(214)	(7%) <sup>(A)</sup>
44	52	(9)	(16%) <sup>(b)</sup>	Metered Recycled Water in Millions of Gallons	574	615	(41)	(7%) <sup>(B)</sup>
				<b>Operating Revenues</b>				
\$ 1,859	\$ 2,034	\$ (175)	(9%)	Potable Water	\$ 17,289	\$ 18,934	\$ (1,645)	(9%)
219	256	(37)	(14%)	Recycled Water	3,058	2,901	157	5% <sup>(C)</sup>
155	113	43	38% <sup>(c)</sup>	Other Revenue <sup>(3)</sup>	1,145	788	357	45% <sup>(D)</sup>
2,233	2,402	(169)	(7%)	Total Operating Revenues	21,492	22,623	(1,131)	(5%)
759	983	224	23% <sup>(d)</sup>	Water Supply Expense	6,618	8,081	1,462	18% <sup>(E)</sup>
1,475	1,420	55	4%	Gross Margin	14,874	14,542	331	2%
				<b>Operating Expenses</b>				
785	839	55	6%	Operations & Maintenance - Potable	4,984	5,883	899	15% <sup>(F)</sup>
101	152	51	34% <sup>(e)</sup>	Operations & Maintenance - Recycled	963	1,025	62	6%
206	336	130	39% <sup>(f)</sup>	Operations & Maintenance - Shared Services	1,683	2,363	680	29% <sup>(G)</sup>
148	148	-	0%	Transfer to General Fund for Cost Allocation	1,035	1,035	-	0%
369	370	2	0%	Depreciation	2,562	2,593	30	1%
1,608	1,846	238	13%	Total Operating Expenses	11,228	12,898	1,671	13%
(134)	(426)	293	69%	Operating Income/(Loss)	3,646	1,644	2,002	122%
				<b>Other Income/(Expenses)</b>				
96	13	83	614% <sup>(g)</sup>	Interest Income	502	94	408	434% <sup>(H)</sup>
80	45	35	77% <sup>(h)</sup>	Other Income/(Expense) <sup>(4)</sup>	(96)	(215)	119	55% <sup>(I)</sup>
(216)	(216)	0	0%	Bond Interest/(Expense)	(1,509)	(1,509)	0	0%
(40)	(157)	117	74%	Total Other Income/(Expenses)	(1,103)	(1,631)	527	32%
(174)	(584)	410	70%	Net Income/(Loss)	2,542	13	2,529	19052%
9	57	(48)	(85%) <sup>(i)</sup>	Capital Contributions (AIC)	32	399	(367)	(92%) <sup>(J)</sup>
\$ (165)	\$ (527)	\$ 361	69%	Net Change in Net Assets	\$ 2,574	\$ 412	\$ 2,162	525%

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 January 2023  
(\$ 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	292	329	(37)	- Water use during January 2023 was 11% lower due to conservation and higher than normal rainfall. Burbank is 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. In January, Burbank received 8.35 inches of rainfall compared to the monthly normal of 2.97 inches.
(b)	Recycled Water Usage in Millions of Gallons	44	52	(9)	- Recycled water usage was lower than planned due to lower demand as a result of higher than average rainfall. In January, Burbank received 8.35 inches of rainfall compared to the monthly normal of 2.97 inches.
(c)	Other Revenue	155	113	43	- Other revenues include items such as fire protection services, damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(d)	Water Supply Expense	759	983	224	- The favorable variance is a result of lower than planned demand and using more Valley/BOU water than planned which is less costly than imported MWD water.
(e)	Operations & Maintenance - Recycled	101	152	51	- The favorable variance is primarily attributable to vacancies, the timing of professional services and a decreased need for electricity for water pumping.
(f)	Operations & Maintenance - Shared Services	206	336	130	- The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the Electric Fund.
(g)	Interest Income	96	13	83	- 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)	80	45	35	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate.
(i)	Capital Contributions (AIC)	9	57	(48)	- 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 January 2023**  
**(\$ 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	2,720	2,934	(214)	- 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	574	615	(41)	- Recycled water usage was lower than planned due to lower demand as a result of higher than average rainfall. FYTD Burbank received 12.72 inches of rainfall compared to the FYTD normal of 6.41 inches.
(C)	Recycled Water Revenue	3,058	2,901	157	- 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	1,145	788	357	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
(E)	Water Supply Expense	6,618	8,081	1,462	The favorable variance is a result of using more Valley/BOU water than planned which is less costly than imported MWD water.
(F)	Operations & Maintenance - Potable	4,984	5,883	899	- The favorable variance is primarily attributable to vacancies and the timing of professional services.
(G)	Operations & Maintenance - Shared	1,683	2,363	680	- The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the Electric Fund.
(H)	Interest Income	502	94	408	- 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.
(I)	Other Income/(Expense)	(96)	(215)	119	Other Income/(Expense) include miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate.
(J)	Capital Contributions (AIC)	32	399	(367)	- The unfavorable variance is attributable to the timing of AIC projects.

**January 2023 Budget to Actual P&L Variance Highlights - Water Fund**  
(\$ in 000's)

	<b>Variance Month-to-Date</b>		
	<b>Favorable Items</b>	<b>Unfavorable Items</b>	<b>Budget to Actual Variance</b>
<b><u>MTD NET INCOME (LOSS): \$(174)</u></b>	\$ 410	\$ -	\$ 410
<b><u>MTD GROSS MARGIN VARIANCE</u></b>			
Potable Revenues	-	(175)	(175)
Recycled Revenues	-	(37)	(37)
Other Revenue	43	-	43
Water Supply Expense	224	-	224
<b>Total</b>	<b>267</b>	<b>\$ (212)</b>	<b>\$ 55</b>
<b><u>FYTD O&amp;M AND OTHER VARIANCES</u></b>			
Potable O&M	55	-	55
Recycled Water O&M	51	-	51
Allocated O&M	130	-	130
Depreciation Expense	2	-	2
All Other	117	-	117
<b>Total</b>	<b>\$ 355</b>	<b>\$ -</b>	<b>\$ 355</b>

**January 2023 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>
<b><u>FYTD NET INCOME: \$2,542</u></b>	\$ 2,529	\$ -	\$ 2,529
<b><u>FYTD GROSS MARGIN VARIANCE</u></b>			
Potable Revenues	-	(1,645)	(1,645)
Recycled Revenues	157	-	157
Other Revenue	357	-	357
Water Supply Expense	1,462	-	1,462
<b>Total</b>	<u>\$ 1,977</u>	<u>\$ (1,645)</u>	<u>\$ 331</u>
<b><u>FYTD O&amp;M AND OTHER VARIANCES</u></b>			
Potable O&M	899	-	899
Recycled Water O&M	62	-	62
Allocated O&M	680	-	680
Depreciation Expense	30	-	30
All Other	527	-	527
<b>Total</b>	<u>\$ 2,198</u>	<u>\$ -</u>	<u>\$ 2,198</u>

**Water Fund (497)**  
**Statement of Changes in Cash and Investment Balances <sup>(a)</sup>**  
**(\$ in 000's)**

	Jan-23	Dec-22	Sep-22	Jun-22	Jun-21	Recommended Reserves	Minimum Reserves
<b>Cash and Investments</b>							
General Operating Reserves <sup>(b)</sup>	\$ 18,824	\$ 17,959	\$ 13,889	\$ 12,759	\$ 12,181	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	21,044	20,179	16,109	14,979	14,401	17,830	9,370
Customer Deposits	(378)	(389)	(397)	(1,052)	(1,125)		
Cash and Investments (less commitments)	<u>\$ 20,666</u>	<u>\$ 19,790</u>	<u>\$ 15,712</u>	<u>\$ 13,927</u>	<u>\$ 13,276</u>	<u>\$ 17,830</u>	<u>\$ 9,370</u>

<sup>(a)</sup> The Statement of Cash Balances may not add up due to rounding.

<sup>(b)</sup> General operating reserves will be reduced by \$3.4m for the purchase of 4,200 acre feet of physical solution water from LA.