# Weekly Management Report
# April 5, 2024

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|---|---|---|
| **1.** | **Synopsis** | Transportation Commission<br>Meeting on February 26, 2024<br>**Community Development Department** |
| **2.** | **Memo** | Burbank Hospitality Association<br>Meeting on February 21, 2024<br>**Community Development Department** |
| **3.** | **Minutes** | Burbank Water and Power Board Meeting<br>on March 7, 2024<br>**Water and Power Department** |
| **4.** | **Report** | February 2024 Monthly Operating Results<br>**Water and Power Department** |

# MEMORANDUM

**COMMUNITY DEVELOPMENT**

**DATE:** March 29, 2024

**TO:** Justin Hess, City Manager

**FROM:** Patrick Prescott, Community Development Director
VIA: David Kriske, Assistant Community Development Director – Transportation
BY: Nick Burant, Administrative Analyst

**SUBJECT:** Transportation Commission Meeting Synopsis – February 26, 2024

- The Commission noted and filed a presentation on how the City evaluates bicycle and pedestrian counts on street segments within the City. Commissioner Ehrhardt inquired if a contract for transportation capital project management on the consent calendar agenda for the City Council's February 27th meeting would oversee future Vision Zero projects, which came up during the presentation. Mr. Kriske indicated that it would not, and as the Council item was not on the agenda, provided no further response.
- The Commission received a report on the Board, Commission and Committees (BCC) Business Card Policy. The Commission discussed a number methods that would allow the public to contact the Commission. Staff indicated that it would pursue adding the E-Comment option to the Transportation Commission agenda and on Granicus, along with the transportation@burbankca.gov email address. The Commission ultimately took no action.

# MEMORANDUM

**COMMUNITY DEVELOPMENT**

**DATE:** March 28, 2024

**TO:** Justin Hess, City Manager

**FROM:** Patrick Prescott, Community Development Director
VIA: Simone McFarland, Asst. Community Development Director
Mary Hamzoian, Economic Development Manager
BY: Odette Zakarian, Administrative Analyst I

**SUBJECT:** Burbank Hospitality Association Meeting – February 21, 2024

- Strausberg Group, the BHA's marketing firm provided a six-month update from July to December 2023 noting that website visitation increased 15% and the digital ad campaign reach an audience of 8,748,362. Looking ahead to 2024, marketing will focus greatly on promoting events and hotels to attract more visitors.

- The Board discussed their concerns regarding a letter the hotels received from the City's Finance Department regarding changes to the Transient Occupancy Tax calculations and compliance. The Board requested a meeting with the Finance Department and asked that staff help facilitate the discussion.

- The Board approved the traveling art exhibit called the Elephant Parade. The exhibit will begin July 2024 for a length of two months. A total of 25 hand-crafted elephant statues created by celebrities like Katy Perry, Lily Tomlin, and Kourtney Kardashian would be placed in different locations throughout the city. A public relations campaign including events, influencers and social media will be dedicated to garnering awareness for the event and attracting visitors to Burbank. The investment of the art exhibit is funded through the BHA and will cost more than $107,500.

- The Board voted to invest in and sponsor the following events to continue their annual presence in Burbank and attract overnight stays: 1) AfroAnimation 4.0 $10,000, 2) AME Institute, $20,000 3) Burbank International Film Festival, $30,000 4) Burbank Comedy Festival, $10,000 5) CalSAE, $6,200, and 6) MUSEXPO Pub Crawl & Mixer $4,000.

6A.
UNAPPROVED

# BURBANK WATER AND POWER BOARD
# MINUTES OF MEETING
# MARCH 7, 2024

Mr. Malotte called the regular meeting of the Burbank Water and Power Board to order at 5:00 p.m. in the third-floor board room of the BWP Ron E. Davis Administration Building, 164 West Magnolia Boulevard, Burbank, California.

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

## ROLL CALL

**BOARD PRESENT:** Mr. Cherry; Mr. Eskandar; Mr. LeMasters; Mr. Luddy; Mr. Malotte

**BOARD ABSENT:** Ms. LaCamera; Ms. Tenenbaum

**STAFF PRESENT:** Mr. Lillio, Interim General Manager – BWP; Ms. Samra; Assistant General Manager – Power Supply; Mr. Sleiman, Assistant General Manager – Electric Services; Mr. Wilson, Assistant General Manager – Water Systems; Mr. Compton, Assistant General Manager – Chief Technology Officer; Ms. Edwards, Assistant General Manager – Strategy & Communications; Mr. Aquino, Assistant General Manager – Customer Service Operations; Mr. Johnstone, Sustainability Officer; Ms. Kalomian, acting Chief Financial Officer; Mr. Casillas, Senior Administrative Analyst; Mr. Chwang, Senior Assistant City Attorney; Mr. Maruca, Legislative Analyst; Ms. Luz, Senior Secretary; Ms. Osborne, acting Financial Accounting Manager; Mr. Sheikh, Manager Water Engineering/Planning; Ms. Reznik, Civil Engineer – BWP; Mr. Azarian, Senior Administrative Analyst; Ms. Reyes, Senior Environmental Engineer; Mr. Messineo, Power Production Manager; Mr. Kigerl, Power Production Engineer; Ms. Mao, acting Financial Planning and Risk Manager; Ms. Domenico, Administrative Analyst II; Mr. Beckett, Water Maintenance & Construction Superintendent

## ORAL COMMUNICATIONS

Mr. Donahue began by recapping his comment from the last board meeting, highlighting the need for BWP to get more involved in business outreach. Mr. Donahue continued by recognizing Ms. Edwards' efforts of connecting BWP's Ms. DiDomenico, Administrative Analyst II, with the Burbank Realtors Association. Mr. Donahue noted that Ms. DiDomenico has been present at several Burbank Realtors Association meetings advocating for rebates and other programs.

## BOARD AND STAFF RESPONSE TO ORAL COMMUNICATIONS

None.

**GENERAL MANAGER REPORT**

Mr. Lillio began his report by highlighting the upcoming ESS Iron-Battery Flow ribbon-cutting ceremony, which will take place on Friday, April 5, 2024.

Next, Mr. Lillio spoke on the federal 2010 Build America Bonds, noting of an opportunity to refinance these bonds. Mr. Lillio continued to highlight the benefit of refinancing these bonds by informing the board of possible savings of up to $2.5 million.

Mr. Lillio continued his report by announcing the appointment of Ms. Kalomian as BWP's acting Chief Financial Officer during his time as Interim General Manager.

Mr. Lillio finished his report by announcing to the board that the executive recruitment firm selected for BWP's next General Manager is Alliance Resource Consulting, and the official job posting went live the previous week, closing on March 22, 2024.

**CONSENT CALENDAR**

**MINUTES**

It was moved by Mr. LeMasters, seconded by Mr. Cherry, and carried 5 – 0 to approve the meeting minutes of the regular meeting of February 1, 2024. Ms. LaCamera and Ms. Tenenbaum were absent.

**RECOMMEND TO THE CITY COUNCIL TO AUTHORIZE THE INTERIM GENERAL MANAGER OF BURBANK WATER AND POWER TO ENTER INTO AMENDMENT NO. 2 TO THE COST SHARING AGREEMENT BY AND AMONG THE LOS ANGELES DEPARTMENT OF WATER AND POWER, CRESCENTA VALLEY WATER DISTRICT, AND CITIES OF GLENDALE, BURBANK, AND SAN FERNANDO REGARDING THE ALLOCATION OF COSTS OF WATERMASTER SERVICES AND WATERMASTER'S LEGAL SERVICES FOR THE UPPER LOS ANGELES RIVER AREA GROUNDWATER BASINS**

It was moved by Mr. Cherry, seconded by Mr. LeMasters, and carried 5 – 0 to recommend to the City Council to approve and authorize the Interim General Manager of Burbank Water and Power (BWP), as designee of the City Manager, to (1) enter into Amendment No. 2 to the Cost Sharing Agreement by and among the Los Angeles Department of Water and Power, Crescenta Valley Water District, and Cities of Glendale, Burbank and San Fernando regarding the allocation of costs of watermaster services and water master's legal services for the Upper Los Angeles River Area (ULARA) groundwater basins (the "Cost Sharing Agreement," Attachment 1); and (2) execute any ancillary documents necessary to implement the Cost Sharing Agreement. Ms. LaCamera and Ms. Tenenbaum were absent.

**PRESENTATIONS**

**UPDATE ON BURBANK WATER AND POWER'S ADVANCED METERING INFRASTRUCTURE SYSTEM**

Mr. Honeycutt responded to board member questions.

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

**REPORTS TO THE BOARD**

**BWP OPERATIONS AND FINANCIAL REPORTS**

Ms. Kalomian presented BWP's financial update for the month of December 2023.

Ms. Kalomian and Mr. Lillio responded to board member questions.

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

**PROPOSED UPDATE TO FISCAL YEAR 2024-2025 BUDGET**

Mr. Lillio presented the revisions to BWP's proposed updates to the fiscal year 2024-2025 budget.

Mr. Lillio, Ms. Samra, Mr. Sleiman, and Mr. Aquino responded to board member questions.

It was moved by Mr. Eskandar, seconded by Mr. LeMasters, and carried 5 – 0 to recommend approval of the utility's proposed fiscal year 2024-2025 budgets as presented at the March 7, 2024 BWP Board meeting to the Burbank City Council for the electric fund, the water fund, the MPP operating fund, the Tieton operating fund, the street lighting fund, and the communication fund. Ms. LaCamera and Ms. Tenenbaum were absent.

**RECOMMENDATION TO THE CITY COUNCIL RELATED TO THE PROPOSED UPDATE TO BURBANK WATER AND POWER'S COMMERCIAL ELECTRIC VEHICLE CHARGING REBATE PROGRAM**

Mr. Azarian presented the proposed modifications to Burbank Water and Power's Commercial Electric Vehicle Charging Rebate program.

Mr. Azarian, Mr. Johnstone, and Mr. Lillio responded to board member questions.

No vote was taken on this item. The board requested that this item be brought back on the April 4, 2024 agenda.

**APPROVAL OF AN AGREEMENT WITH TORO ENTERPRISES INC., BID SCHEDULE NO. 1504, FOR THE BURBANK WATER AND POWER CAMPUS STROMWATER IMPROVEMENT PROJECT**

Ms. Reyes presented the agreement with Toro Enterprises, Inc., Bid Schedule No. 1504, for the Burbank Water and Power Campus Stormwater Improvement Project.

Ms. Reyes, Mr. Messineo, and Mr. Kigerl responded to board member questions.

It was moved by Mr. Eskandar, seconded by Mr. LeMasters, and carried 5 – 0 to authorize the Interim General Manager of Burbank Water and Power, as designee of the City Manager, to execute an agreement with Toro Enterprises Inc. for the implementation of the Burbank Water and Power Campus Stormwater Improvement Project, Bid No. 1504, and authorize the Interim General Manager or their designee, to approve change orders, and to approve of the plans and specifications of the agreement to retain design immunity. Ms. LaCamera and Ms. Tenenbaum were absent.

**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. Johnstone responded to board member questions.

**LEGISLATIVE UPDATE**

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

Mr. Maruca 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.

**WATER DIVISION UPDATE**

Mr. Wilson updated the board on his recent travel to Washington, DC to meet with federal and state legislatures, fiscal year 2023-2024 capital projects, water bond spending, water waste reporting, current water conditions, and the sustainable water use ordinance.

**POWER SUPPLY UPDATE**

Ms. Samra updated the board on the Intermountain Power Project based on recent meetings that occurred.

Ms. Samra responded to board member questions.

**SUSTAINABILITY UPDATE**

Mr. Johnstone updated the board on the current sustainability programs, transportation electrification plan, and upcoming efforts.

Mr. Johnstone responded to board member questions.

**ELECTRIC SERVICES UPDATE**

Mr. Sleiman updated the board on a recent substation outage, proposed fee schedule additions, the Department of Energy Grid Resilience and Innovation Partnerships Grant, and the RP3 Designation award.

Mr. Sleiman responded to board member questions.

**COMMENTS AND REQUESTS FROM BOARD MEMBERS**

Mr. Malotte made a request to have an update on the BUSS program at next month's board meeting to show if there can be an increase to the subsidy based on the upcoming rate increases.

**ADJOURNMENT**

The meeting was adjourned at 8:22 p.m.

The next regular board meeting is scheduled for April 4, 2024, and will be held in the third-floor board room at Burbank Water and Power Ron E. Davis Administration Building.

Armando Casillas
Recording Secretary

Joseph Lillio
Interim Secretary to the Board

Christopher Malotte, BWP Board Chair

# STAFF REPORT

**8B.**

**WATER AND POWER**

**DATE:** **April 4, 2024**

**TO:** Burbank Water and Power Board

**FROM:** Joseph Lillio, Interim General Manager – Burbank Water and Power *Joseph Lillio, Interim GM*

**SUBJECT:** **February 2024** Operating Results

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

## SAFETY

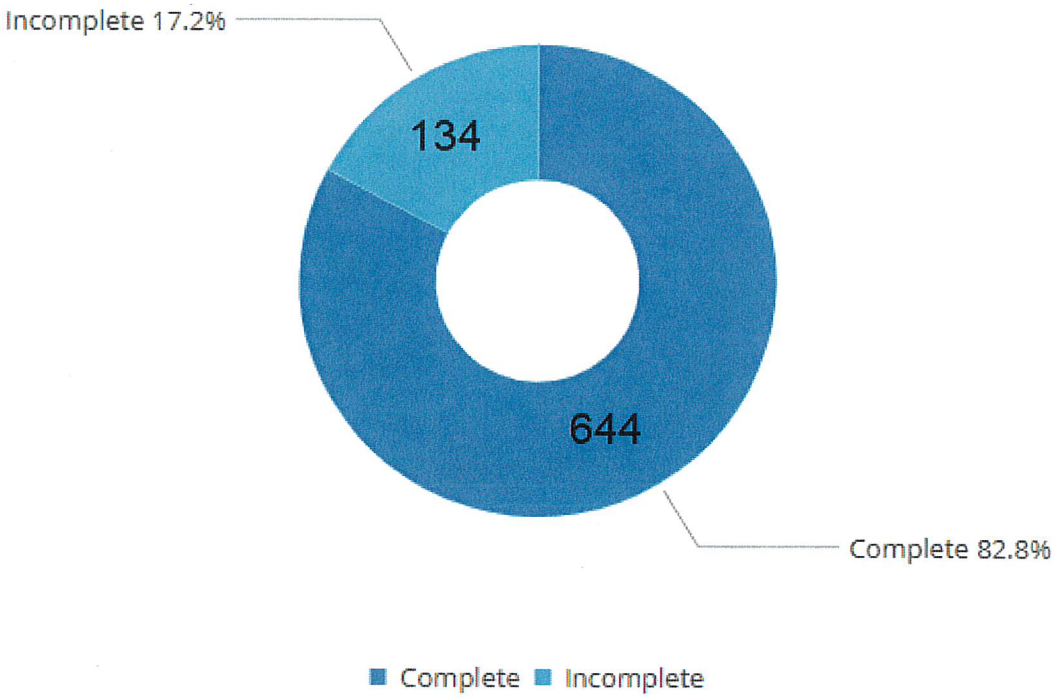
As a progressive and proactive utility, Burbank Water and Power (BWP) tracks all environmental, health, and safety (EHS) related events, such as observations, near misses, and incidents. Staff tracks action items for these events from start to closure to prevent the recurrence of injury or damage to the city or public property. BWP continues to exceed its goal of closing 80% of action items. BWP has closed **82.8%** of corrective and preventative action items since the start of capturing and tracking in May 2019.

BWP continues to make progress in its efforts to improve employee engagement, as measured by the number of incidents, near misses, and observation reports received from employees. By reporting these events, we create opportunities to learn and prevent harm to people, the environment, and property. From January 1, 2024, to the present, BWP has received **75** EHS-related reports to count towards the 2024 annual goal of 250.

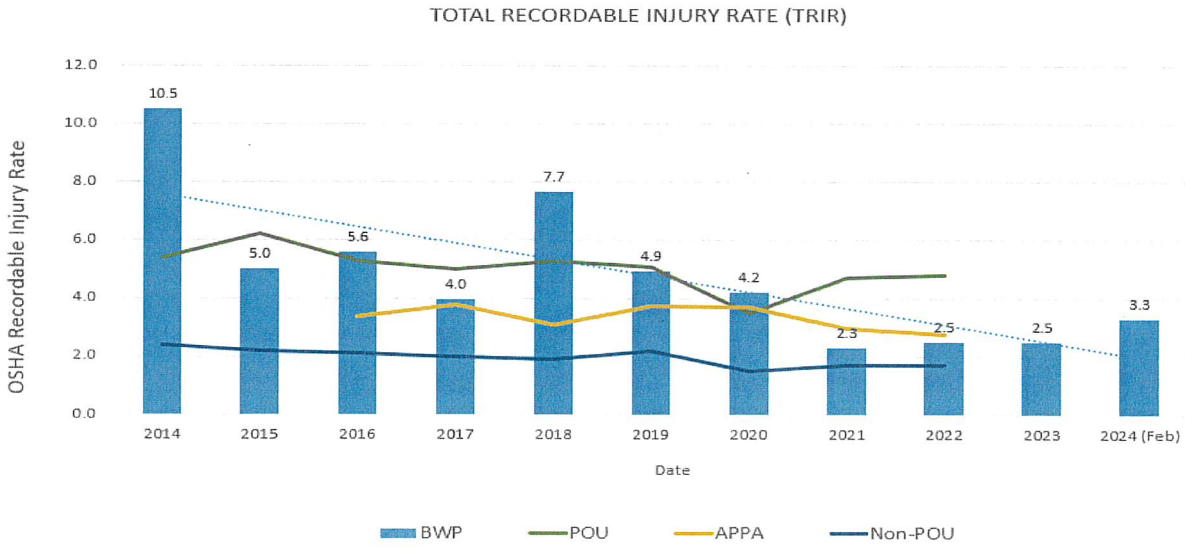
During the month of **February,** BWP experienced **one** OSHA-recordable injury. BWP's 12-month rolling average OSHA total recordable incident rate is **3.3**.

**IE-2401-0010 – A Line Mechanic strained his left shoulder when lifting and moving cable and is now on work restrictions.**

## Corrective & Preventative Action Items (May 2019 – Present) (80% Goal):




## OSHA Total Recordable Incident Rate (January 2014 – Present):




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-govenrnmental utility services

## Electric Financial Results

In **January**, energy demand was **6%** lower than budget. Net income was **$639,000** which was **$5,209,000** more than budgeted. The favorable variance was primarily attributed to lower than planned power supply and transmission expenses and lower than planned operating expenses, partially offset by lower than planned retail sales.

Fiscal-year-to-date (FYTD) energy demand was 8% lower than budget. For FYTD **January**, net income was **$15,309,000**, which was **$23,077,000** more than budgeted. The favorable variance was primarily attributed to lower than planned power supply and transmission expenses, lower than planned operating expenses, a favorable wholesale margin, and higher than planned interest income, offset partially by lower than planned retail sales.

For additional details, please see the attached financial statements.

## Water Financial Results

In **January,** potable water demand was **6%** lower than budget. Burbank remains in Stage III of the Sustainable Water Use Ordinance, which limits outdoor watering to one day a week on Saturday from November to March. Net loss was **$153,000**, which was better than the budget by **$443,000**. The favorable variance was primarily attributed to lower than planned operating expenses and lower than planned water supply expenses, offset partially by lower than planned operating revenues.

FYTD potable water demand was **9%** lower than the budget. For FYTD, **January's** net income was **$3,063,000,** which was **$3,473,000** more than budgeted. The favorable variance was primarily attributed to lower than planned operating expenses and lower than planned water supply expenses, offset partially by lower than planned operating revenues.

For additional details, please see the attached financial statements.

## 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
- 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:
    - Chlorine gas 207.5%
    - Ammonia gas 100%
    - 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%

**Vacancies**

The table below shows the number of vacant positions throughout the utility. As of **February 2024, 7.9%** of the budgeted positions were vacant. This has decreased from 12.1% in January 2023. The vacancy rate was impacted by the citywide hiring freeze during 2020 and 2021. The Management Services Department has worked hard over the past year to address the vacancies. Some vacancies have remained open because we are limited to specific apprentice class sizes. With both MWD and LADWP hiring craft employees at higher wages than we pay, we continue to see some attrition there.

| | |
|---|---|
| Total Budgeted Positions | 356 |
| Total Positions Filled | **328** |
| Total Positions Vacant | **28** |

## WATER DIVISION

### Burbank's Water Use

The table below shows water use in Burbank during **February 2024** compared to **February 2020,** measured in gallons per capita per day (gpcd). Similar to the past two years, the baseline year of 2020 is used for consistency. Although the governor's request to voluntarily reduce water consumption has been rescinded, we will still continue to track our water use. The table below shows that water use has been reduced in every month during the last 12-month period when compared to 2020 water use.

| | **Average Monthly Use** |
|---|---|
| **February 2020** | **126 gpcd** |
| **February 2024** | **93 gpcd** |

| | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Jul 2023 | Aug 2023 | Sep 2023 | Oct 2023 | Nov 2023 | Dec 2023 | Jan 2024 | **Feb 2024** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **2020** | 126 | 104 | 112 | 141 | 149 | 157 | 162 | 159 | 153 | 136 | 132 | 125 | **126** |
| **Goal** | 107 | 88 | 95 | 119 | 127 | 134 | 138 | 135 | 130 | 116 | 112 | 106 | **107** |
| **Actual** | 102 | 84 | 101 | 114 | 115 | 134 | 134 | 126 | 125 | 119 | 109 | 103 | **96** |
| **% Diff.** | -19.1% | -19.2% | -9.8% | -19.2% | -22.8% | -14.7% | -17.4% | -20.5% | -18.3% | -12.7% | -17.5% | -17.6% | **-26.2%** |

Water use, in terms of gpcd, during **February 2024** was **26.2%** less than the **February 2020** baseline. For the fiscal year 2023-24, the goal is to reduce cumulative annual water use by 20% compared to the 2020 calendar year using water sustainability programs and education to focus on the efficient use of our water resources.

## Burbank Operating Unit (BOU) Water Production

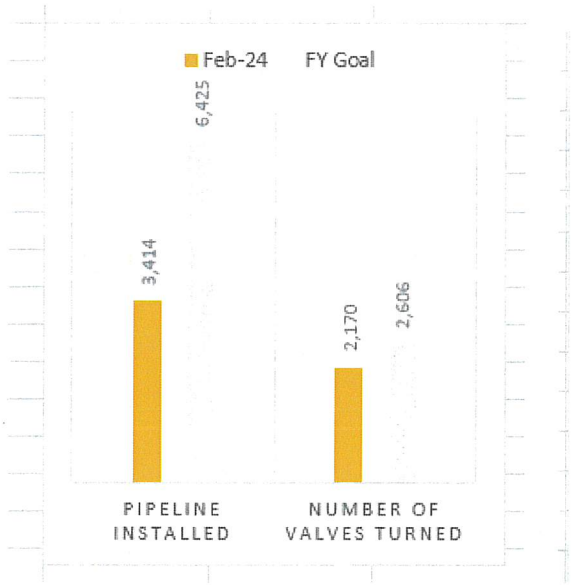
The table below provides the operational data for the BOU for the months of **March 2023** through **February 2024**.

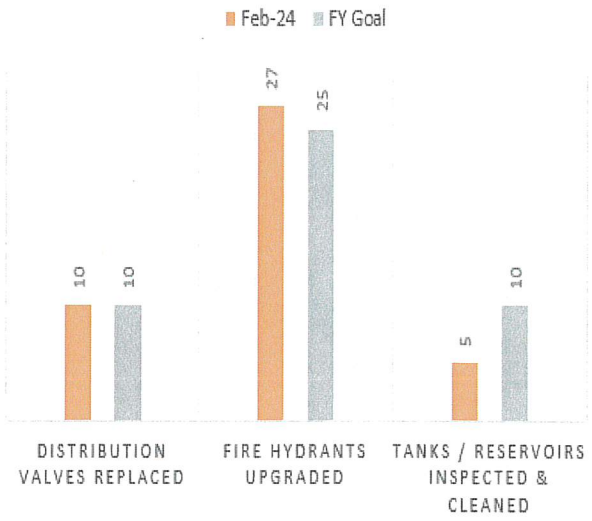
| Month | BOU Capacity Factor | BOU Ave. Flow Rate | Total System Blend % MWD/BOU |
|---|---|---|---|
| 23-Mar | 54.56% | 4,911 gpm | 20%/80% |
| 23-Apr | 68.18% | 6,136 gpm | 17%/83% |
| 23-May | 73.12% | 6,581gpm | 13%/87% |
| 23-Jun | 80.69% | 7,262gpm | 13%/87% |
| 23-Jul | 80.13% | 7,212 gpm | 25%/75% |
| 23-Aug | 76.75% | 6,908 gpm | 27%/73% |
| 23-Sep | 85.32% | 7,679 gpm | 16%/84% |
| 23-Oct | 89.06% | 8,015 gpm | 11%/89% |
| 23-Nov | 83.27% | 7,494 gpm | 13%/87% |
| 23-Dec | 86.03% | 7,743 gpm | 18%/82% |
| 24-Jan | 85.55% | 7,700 gpm | 15%/85% |
| 24-Feb | 79.83% | 7,184 gpm | 15%/85% |
| | *Ave Blend %-last 12 months* | | 18%/82% |

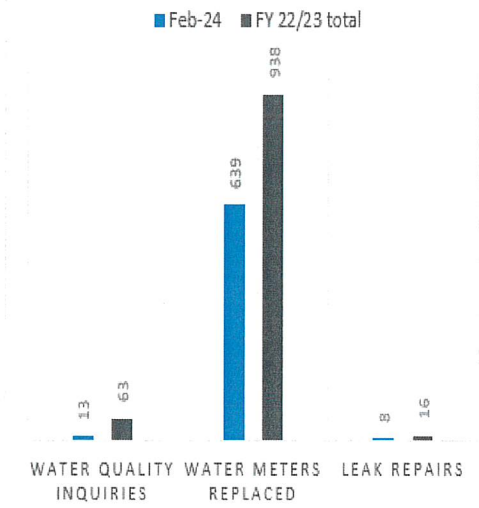
The total system blend percentage represents the total amount of water purchased from the Metropolitan Water District (MWD) vs. the amount treated by the BOU. This, along with the capacity factor, is an important measure of efficiency. The capacity factor may fluctuate based on demand and plant production.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

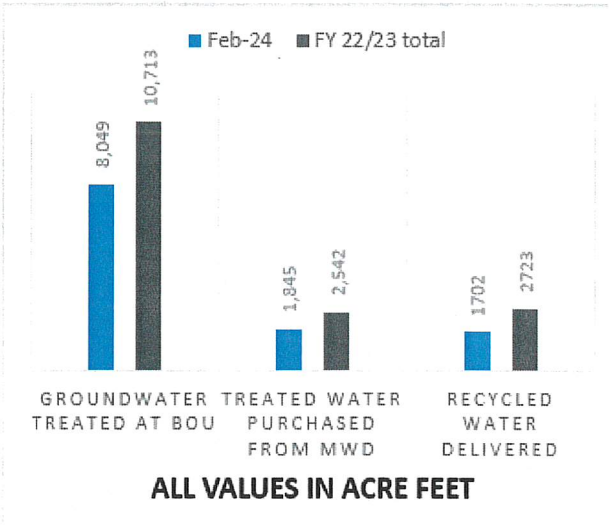
## Key Performance Indicators

The graphs below illustrate the progress the water division has made on key performance indicators through **February**.



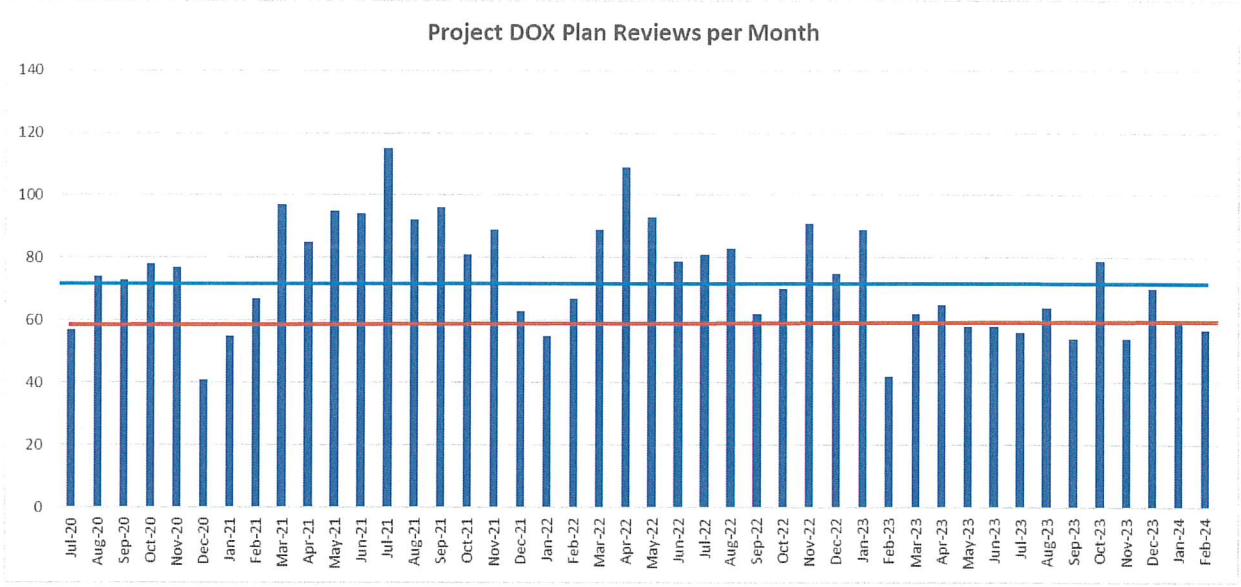



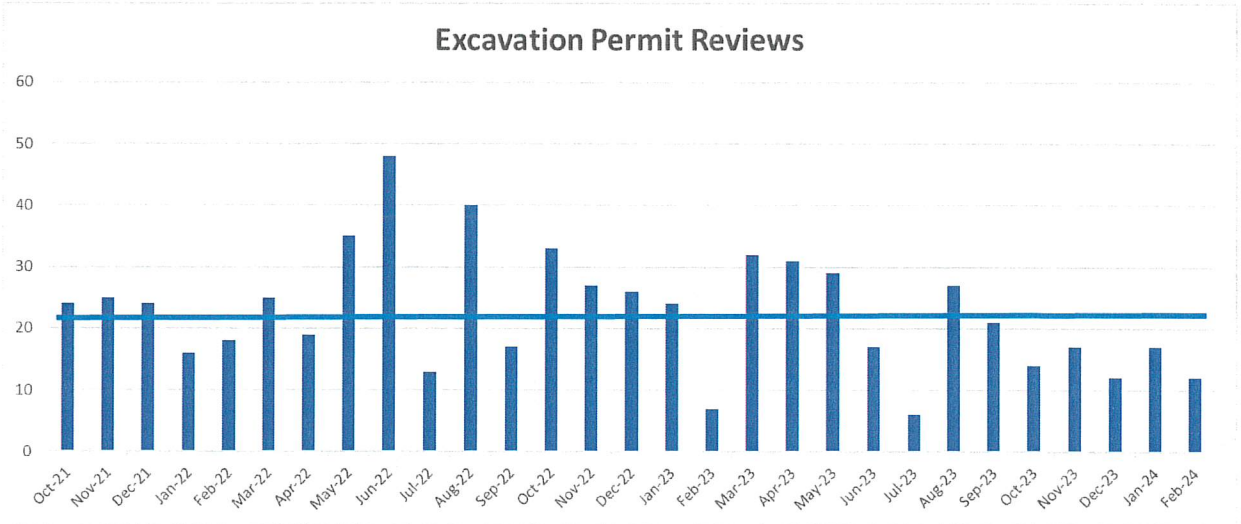




## Plan Reviews

The Water Division has seen a significant increase in plan reviews since 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 in February 2024 was 57, less than the prior month of 59,** and the number of excavation permit reviews decreased from **17 in January 2024 to 12 in February 2024**.




*Blue line is the average *Red line is the productivity of an experienced water service planner




Excavation permits cover construction work in the city right-of-way for projects done by utilities such as gas, electric, fiber optic, water, storm drains, and sewers.

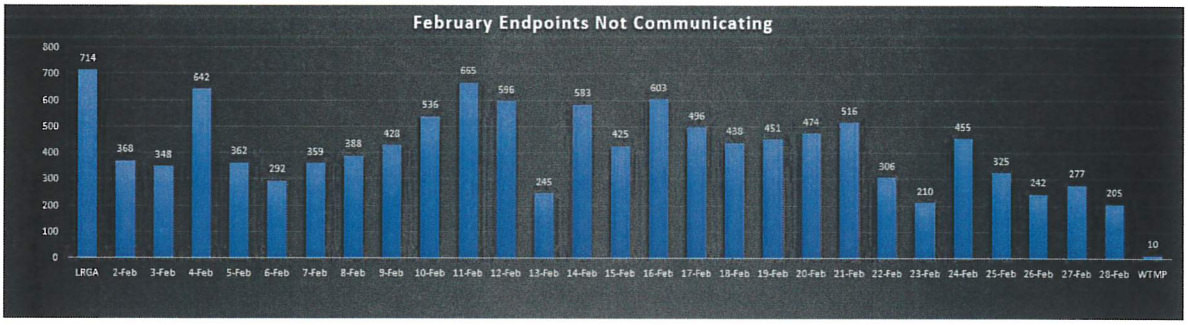
## Leak Alert Notifications

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 are that it allows data to be collected rapidly and frequently, can be analyzed to find higher than normal usage, and can 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 2024**, WaterSmart sent out **381** notifications to customers, including **3** email leak alerts, **42** print leak alerts, **3** text message leak alerts, and **1** voice alert.

Unfortunately, a high number of water meter communication modules are not working reliably, and replacement units are no longer manufactured. As of **February 29, 2024,** BWP was unable to receive remote reads for **11,959** water meters out of 26,858 (45% 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, the interim AMR system does not automatically send data back to BWP. Instead, the meters are read once each month and customers with broken communication modules are not able to receive leak alerts.

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 that they are vulnerable to unnoticed leaks causing water damage and bills that could reach thousands of dollars as well as unnecessary and significant water waste.

The remaining schedule for the AMI project is provided below:

- May 2024 – Completion of Alpha Phase Testing (200 endpoints)
- July 2024 – Completion of Beta Phase Testing (2000 endpoints)
- July 2024 to May 2025 – Full Deployment
- July 2025 – Project Closeout

## Burbank's Path to Sustainable Water Use

We continue to amplify the water conservation message through all marketing communication channels to encourage water savings and compliance with the required ordinances. **Water use has declined by 18% over the last 12 months compared to the same period in 2020.**

## Project Updates

**BWP water crews are shown here using our hydraulic valve operator. This equipment not only helps them exercise valves more efficiently but also enables them to electronically regulate the amount of torque required to exercise larger distribution valves.**

**Crew members continue to reinforce safe work practices while performing routine valve operational maintenance by wearing appropriate PPE and using proper street delineation methods. During this maintenance activity, each valve goes through our standard inspection procedures to ensure it operates properly when it is needed. Valve turning/exercising is part of BWP's key performance indicators.**

**These essential workers are in the public eye at all times and are the front lines of our public relations and messaging program. As such, they display safe work practices at all times, staying aware of vehicle traffic as well as looking out for pedestrian safety.**

## ELECTRIC DISTRIBUTION

### ELECTRIC RELIABILITY

In **February 2024**, Burbank Water and Power (BWP) experienced **5** sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately **651,956** customer minutes.

| Reliability Measurement | March 2022 – February 2023 | March 2023 – February 2024 |
|---|---|---|
| Average Outages Per Customer Per Year (SAIFI) | **0.3251** | **0.2484** |
| Average Outage Time Experienced Per Year (SAIDI) | **10.93 minutes** | **16.19 minutes** |
| Average Restoration Time (CAIDI) | **33.62 minutes** | **65.18 minutes** |
| Average Service Availability | 99.998% | 99.997% |
| Average Momentary Outages Per Customer Per Year (MAIFI) | **0.2106** | **0.1557** |
| No. of Sustained Feeder Outages | **12** | **22** |
| No. of Sustained Outages by Mylar Balloons | **0** | 3 |
| No. of Sustained Outages by Animals | 0 | 1 |
| No. of Sustained Outages by Palm Fronds | 2 | **1** |

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. Maintaining the program would deplete our existing equipment stock and expose 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.

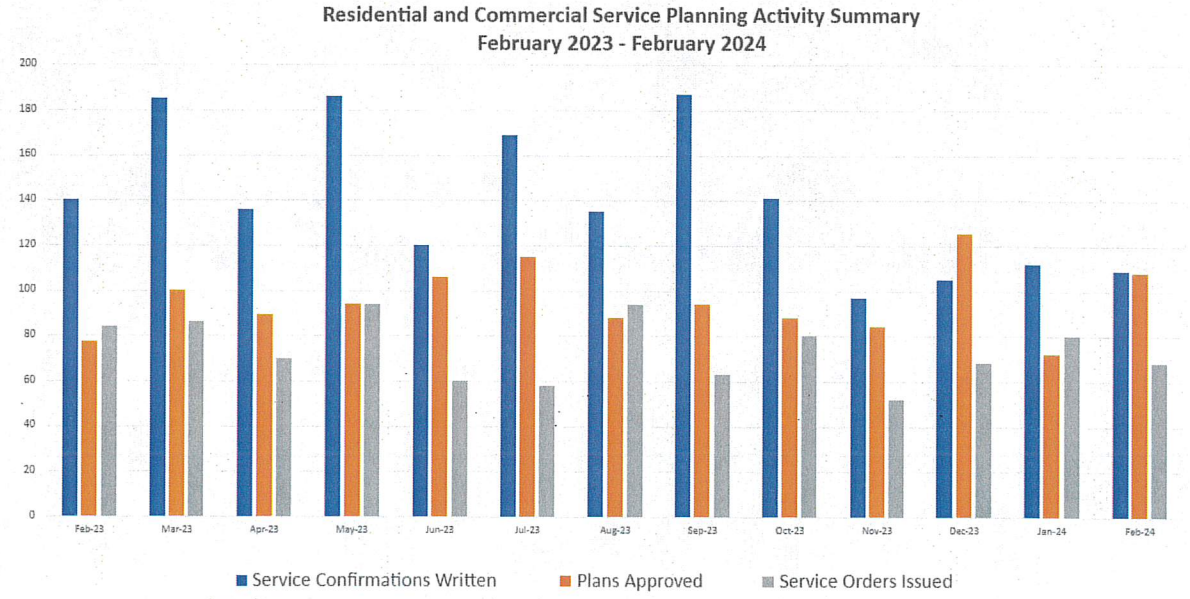
### Supply Chain

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

| Equipment | Typical Lead Time | Current Lead Time |
|---|---|---|
| Transformers | 12-16 weeks | 150+ weeks |
| Meters | 4-6 weeks | 38+ weeks |
| Cable | 12-16 weeks | 60+ weeks |
| Poles | 6-8 weeks | 30+ weeks |

## 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 sees unprecedented 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.

## Water Backflow Devices at San Jose, McCambridge, and Victory Substations

**In order to protect the public water systems from potential contamination and in accordance with the California Administrative Code, Title 17, BWP initiated a program to install water backflow devices at all power substations. For fiscal year 2023/2024, BWP completed the installation of the water backflow devices at San Jose, McCambridge, and Victory Substations.**

**Backflow Device @McCambridge**

**Backflow Device @San Jose**

## 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 as the HPS luminaires burn out. LED replacements consume approximately 60% less energy. To date, **92.36%** of the total street light luminaires have been converted to LEDs, translating to an annualized energy savings of **5,393** MWh or a **58.20%** reduction in energy consumption. LED conversions have also reduced the evening load by **1,250** kW, shortening the "neck of the duck curve" and reducing the energy generation BWP needs.

The number of street light luminaires converted to LED and their corresponding energy savings have not significantly changed in recent months due to the prior completion of all roadways non-LED conversion to LED throughout the city. The remainder of LED light conversions are associated with decorative posts, which are currently going through the

planning and procurement phases. A portion of the remaining non-LED lights require specialized luminaires for an LED equivalent with a higher associated cost. Prior to the end of the fiscal year, staff will present various options to the board that take into account the cost-benefit analysis of replacing these lights that may alter the overall LED replacement strategy.

## 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 and BWP's design guidelines. Once BWP approves the plans and a Public Works permit is issued, BWP issues work orders to our field crews for inspection and the electrical and street lighting work. The table below summarizes the activity that has taken place to date:

| | Confirmations in Progress | Written Confirmations | Plan Signoffs | WTA Work Orders Issued | WTA Sites Energized |
|---|---|---|---|---|---|
| **Total** | 0 | 262 | 16 | **24** | **62** |

## Wood Pole Inspection Program

**This year, BWP plans to have about 2,000 poles inspected by a pole inspection contractor, Intec Services Inc. Inspection of these poles is crucial to maintaining safe and reliable electrical infrastructure in the city. Poles identified as needing inspection will include street, alley and customer property line poles. Printed and virtual notifications go out to residents affected by wood pole inspections to inform them of the program. Inspections began on January 25, 2024, and to date, 1,356 of the 2,186 poles (62%) have been inspected. Inspections are expected to be completed by June 2024.**

# CUSTOMER SERVICE OPERATIONS

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. 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.

As of **March 15, 2024,** we have **1,399** customers who have an active payment arrangement, resulting in a reduction of arrears by **$2,746,286. 1,356** arrangements are

for residential customers totaling **$2,489,317** and **43** arrangements are for commercial customers totaling **$256,969**. These arrangement amounts are comparable to the volume and amount of payment arrangements seen last month. BWP will continue to encourage payment arrangements to assist our customers in managing their outstanding arrears.

As of **March 4, 2024**, the 61-plus day arrears total **$340,488,** which is a **77%** reduction in residential past due balances beyond 60 days, compared to April 11, 2023, when it was $1,446,665. On April 11, 2023, there were 2,933 residential customers with past-due balances beyond 60 days. As of **March 1, 2024,** there are **511** residential customers with at least 60 plus days of arrears. Of these **511** residential customers, **18** receive the Lifeline rate for low-income seniors over the age of 62 and disabled customers, and **25** customers receive the Burbank Utility Service Subsidy (BUSS).

Staff continues to call these customers to establish payment arrangements. Staff personally calls each Lifeline and BUSS customer before they are scheduled for disconnection, in addition to leaving a hang tag at the door of the customer advising them to contact us to avoid disconnection. By taking these additional steps, customers have either made payments or established payment arrangements, which have avoided disconnection. As of **March 16, 2024,** no Lifeline or BUSS customers have been disconnected for non-payment. However, one Life Support customer was disconnected in error on July 5, 2023, and one Lifeline customer was disconnected in error on October 5, 2023. Staff reconnected the services for both accounts immediately upon recognizing the human error, called the customer and waived disconnection fees.

Since BWP resumed disconnecting residential customers with past due balances beyond 60 days, as of **March 15, 2024,** staff has disconnected services to **2,636** customers and has collected **$790,184** in funds.

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 on September 6, 2022.

BWP began disconnecting small commercial customers for non-payment effective September 29, 2022. From September 29, 2022, through **March 15, 2024, 274** small commercial customers have been disconnected for non-payment, resulting in a reduction in arrears of **$282,495. As of March 15, 2024, 20** small commercial customers established payment arrangements totaling **$99,918**. The **20** small commercial customers on payment arrangements 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 February 29, 2024,** that number has fallen to **73.** This indicates that small commercial customers are continuing to make payments or enrolling in payment arrangements to avoid disconnections.

**Outstanding Debt**

As of **March 4, 2024,** the following is the current outstanding debt by commodity for all customer classes:

**Aging By Service Type**

| Service Type | 31-60 | 61-90 | 91+ | Total | % of Total |
|---|---|---|---|---|---|
| Electric Service | 398,500 | 107,855 | 269,935 | 776,290 | 53% |
| Fiber Optic Service | 143,346 | 33,594 | 22,487 | 199,427 | 14% |
| Solid Waste Service | 88,831 | 21,754 | 55,303 | 165,888 | 11% |
| Water Service | 84,371 | 18,492 | 58,529 | 161,392 | 11% |
| Sewer Service | 82,758 | 21,564 | 48,734 | 153,056 | 11% |
| General Service | 647 | 92 | 236 | 975 | 0% |
| Miscellaneous Service | 0 | 0 | 18 | 18 | 0% |
| **Grand Total** | **798,453** | **203,351** | **455,241** | **1,457,045** | **100%** |

As of March 20, 2023, the total arrears were $6,158,890 for all commodities. As of **March 4, 2024**, this number has dropped to **$1,457,045.** For all past due balances beyond 61 days, this number fell from $1,375,677 in June 2023 to **$658,592 as of March 4, 2024**, a **52%** reduction. Total pre-COVID arrears as of January 30, 2020, for all commodities was $1,046,244.60, which included 61 plus day arrears of $280,176.60.

**BWP Call Center Call Types & Volume**

| Customer Contact Types | % of Calls |
|---|---|
| START/STOP/CLEAN & SHOW | 19% |
| BALANCE | 17% |
| UPDATE CUST ACCOUNT INFO | 8% |
| SERVICE ORDERS | 7% |
| PAYMENT ARRANGEMENTS | 6% |

| Month | Call Volume |
|---|---|
| Feb - 23 | 3,507 |
| Mar - 23 | 4,252 |
| Apr - 23 | 4,069 |
| May - 23 | 3,850 |
| Jun - 23 | 3,699 |
| Jul - 23 | 3,794 |
| Aug - 23 | 5,128 |
| Sep - 23 | 4,319 |
| Oct - 23 | 4,227 |
| Nov - 23 | 3,846 |
| Dec - 23 | 3,732 |
| Jan - 24 | 4,182 |
| **FEB-24** | **3,816** |
| **% Inc/Dec** | **-9%** |

Call volume **decreased by 9% in February** compared to the previous month. **The number of calls in February 2024 is 8% higher compared with the number of calls handled in February 2023, which was 3,507.**

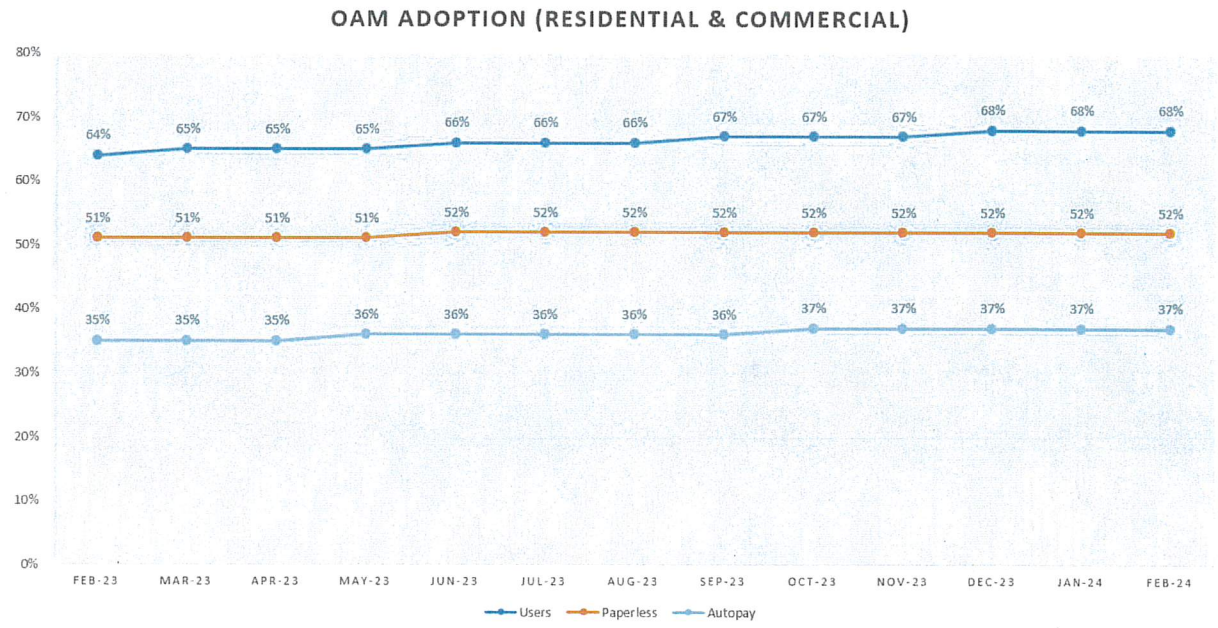
Customers continue to call regarding their urgent and termination notices, requesting to establish a payment arrangement. **In February 2024, 17% of calls were related to their balance, and 6% of calls were from customers requesting a payment arrangement. These numbers were similar to last month.** This is a result of customers receiving their disconnection notices and attempting to establish a financial plan. By comparison, in February 2023, prior to BWP restarting the disconnection process for residential customers, less than 1% of customers called to make 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 **68%** of all active accounts; increases in enrollments have been on the rise since the COVID-19 pandemic. Of the **32%** of customers who are not currently enrolled in OAM, 86% of those customers are residential. Of all registered OAM accounts, about **77%** 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 campaigns 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 before June 30, 2023, and we have met this goal. We have set a new goal of 70% before July 1, 2024. BWP is offering this service to customers who are making payment arrangements, as it can help customers maintain their agreed-upon payment schedules. Since last month, we have added **185** new autopay users and a total of **104** customers went paperless. BWP continues to utilize social media via a targeted marketing campaign to increase enrollment.



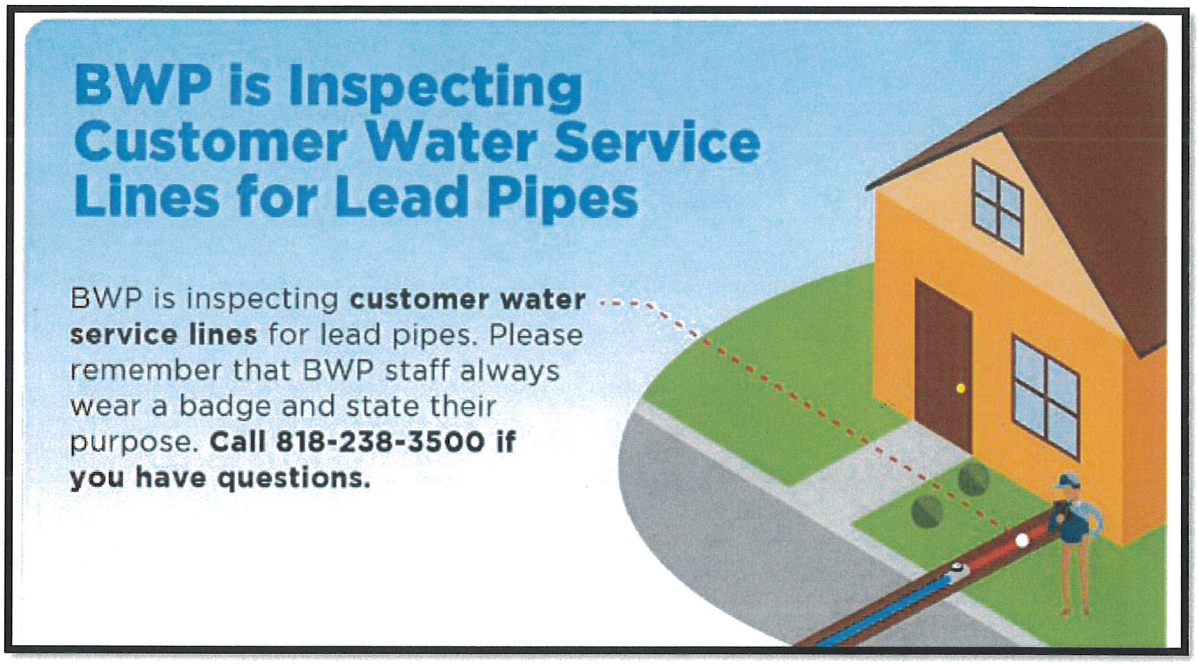

Below is the chart outlining activity for the OAM:

| | Active | % of Total Active Accounts |
|---|---|---|
| Users | 35,704 | 68% |
| Paperless | 27,467 | 52% |
| Autopay | 19,628 | 37% |

## SUSTAINABILITY, MARKETING, AND STRATEGY

### Social Media and Web Engagement

**In February, we utilized our social media channels to amplify the safety measures during the storm and turning off irrigation due to rains. We also performed outreach to encourage participation in our second community meeting and the water use survey regarding the change to the City's Sustainable Water Use Ordinance. Other projects with the community outreach included the lead pipe inspection effort. Additionally, we used our platform to introduce BWP's new interim GM Joseph Lillio. Our most popular post in February showed BWP proactively inspecting customer water service lines for lead pipes.**



**The next popular post was introduction of BWP's interim GM Joseph Lillio.**

## Key Account Activity

The Key Account Manager (KAM) completed **ten** in-person meetings and **61** maintenance/discovery calls in **February. Customers and topics included: joining Burbank Association of Realtors as an affiliate to expand ways to get out the word for residential rebates and programs, joining the Leadership Burbank board to represent and inform BWP of key leaders and programs, meeting with the Chamber of Commerce to discuss partnership for monthly coffee networking programs to promote BWP programs and changes, Courtyard Marriott for EVs, and the BOU/TerraNear regarding future business rebates. We also received multiple calls and emails regarding billing data transfer error for L and XL customers, and MWD SoCalWatersmart to review rebate programs for small businesses. Marisa DiDomenico, BWP's Key Account Manager received the APPA's Key Public Power Account Executive certification.**

## BWP'S Energy Efficiency and Water Savings

BWP continues to manage 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.

***Business Rebates***

**This month, there were no business rebate applications received. One rebate was processed in February from 7-Eleven on Burbank Blvd. for freezer door LEDs; $1,425.00 rebate and 21,132.7 kWh and 2.2 kW annual energy savings.**

***Business Bucks***

**February's promotion of the Business Bucks (BB) program for small businesses was on hold while the agreement was being reviewed for renewal. The program will resume by the end of March**. Planned future promotion of the program includes a marketing campaign focused on customer testimonials as well as City Attorney-approved canvassing.

***Home Improvement Program (HIP)***

The HIP offers energy-water surveys and efficiency measure installations to all Burbank single-family residential, multi-family residential, and multi-family common area customers. The HIP services include in-home energy and water surveys, education on energy and water efficiency and conservation, direct installation of energy and water conservation measures (indoor and outdoor), LED light bulbs, ceiling fans, attic insulation, duct sealing and measuring, a blower door test, air sealing, and combustion safety testing. **In February, 32 households participated in HIP, resulting in annual savings of 9.4 kW in demand, 19,995 kWh of energy, and 208,512 gallons of water.**

***BWP's Energy-Saving Trees Program***

*BWP's Shade Tree Program* has evolved and is now the "*Energy-Saving Trees Program*." For this new program, BWP partnered with the Arbor Day Foundation, a 501(c)(3) nonprofit, to provide the Energy-Saving Trees Program to the Burbank community. Residential and business customers will still receive trees at no-cost to shade their properties, reduce A/C usage, and clean the air, but now customers will be utilizing the Arbor Day Foundation's online platform at www.arborday.org/bwp.

Using the online platform, customers use an interactive map to determine what trees they would like and the tree planting location for the highest energy savings. After that, customers submit the request for the trees, and Arbor Day Foundation will deliver the trees to their homes or businesses. Trees will be delivered in containers up to 15 gallons (6'-10' tall trees). The customer is responsible for planting. Residential customers can get up to 3 trees, Commercial customers can get up to 20 trees.

**In February, the program delivered 29 trees and received requests for an additional 18 trees.**

## Water Conservation Programs

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.

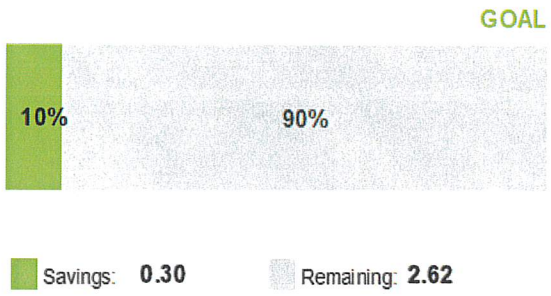
**In February, 31** rebates were issued, and a total of **225** were issued throughout the fiscal year. Of those, there were **9** turf replacement rebates this month (saving **480,658** gallons per year) and **52** turf replacement rebates issued since the beginning of the fiscal year (saving **2,438,072** gallons per year). **This month, rebates were issued for 15 high-efficiency clothes washers, four showerheads, two leak-detection devices, two toilets, two rain barrels, and one weather-based irrigation controller.**

In addition, BWP administers the Hydration Station Program for commercial customers with funding from MWD. 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. The program had **0** hydration stations installed this month.

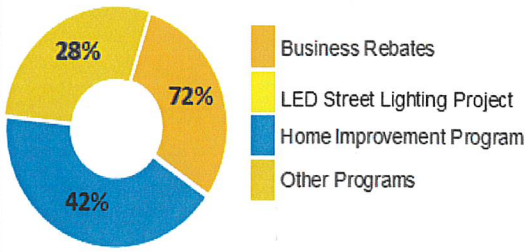
# Energy Efficiency Savings FYTD 2023-2024 Period ending on 2/29/2024

## 1% Demand Goal = 2.93 MW

### Demand Savings to Date

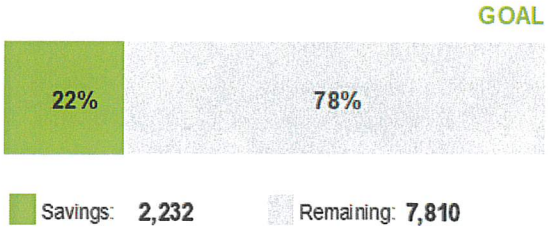



### Savings by Program

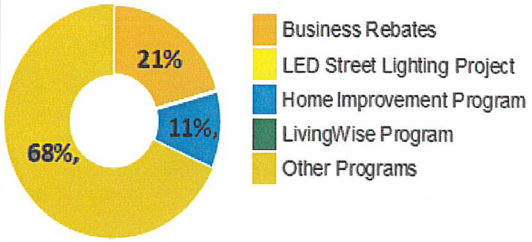



## 1% Consumption Savings Goal = 10,042 MWh

### Savings to Date

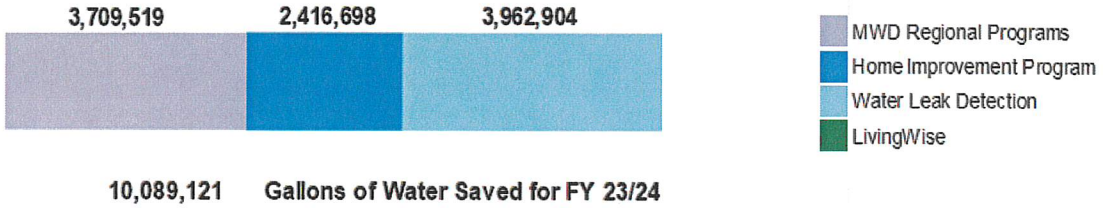



### Savings by Program




# Water Efficency Program Savings

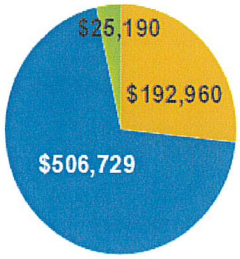
## Gallons of Potable Water

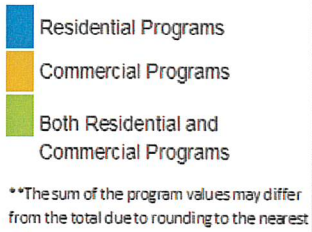



**10,089,121 Gallons of Water Saved for FY 23/24**

# Efficiency Direct Program Costs* FYTD 2023-2024

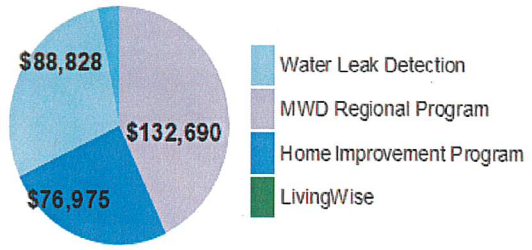
## **Electric Programs: $724,878




**The sum of the program values may differ from the total due to rounding to the nearest dollar.

## Water Programs: $308,493




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

## Electric Vehicle (EV) Charging Program

BWP plays a key role in promoting the adoption of transportation electrification through education, the development of programs, and facilitation of public and private EV chargers.

The city now has **102** public EV charging ports, including two DC fast chargers (DCFC) and **42** curbside ports. As of November 1, the public charging rate for level 2 charging is $0.2091 per kWh, and the public charging rate for DC fast chargers is $0.3391 per kWh at any time.

## New Public EV Charging Station Construction

**Projects are under construction for four Level 2 ports at McCambridge Park and two DC fast charger ports at the BWP Customer Parking Lot on Magnolia Blvd. These chargers are expected to be available to the public in April.**

## Charging Station Maintenance

**Two Level 2 charging stations at the Burbank Town Center have been replaced after months of inoperability. With these replacements, all BWP-owned Level 2 charging stations are now available for use.**

**A separate non-operational DC fast charger at the Hollywood Burbank airport is planned to be replaced by the end of the fiscal year.**

**A non-operational DC fast charger at the Lakeside Shopping Center has been replaced with a new ChargePoint DC fast charger. This charger is now available for use by the public.**


**New DCFC at the Lakeside Shopping Center**

## Commercial EV Charging Station Rebate Program

**No applications for commercial charging ports were received in February.** BWP currently has funds reserved from a customer for 24 level 2 charging ports. One commercial charging station rebate for 40 charge ports has been distributed this fiscal year to date.

**BWP staff presented proposed updates to the Commercial EV Charging Station Rebate Program to the BWP Board in March. The Board had some concerns which will be addressed at a future board meeting.**

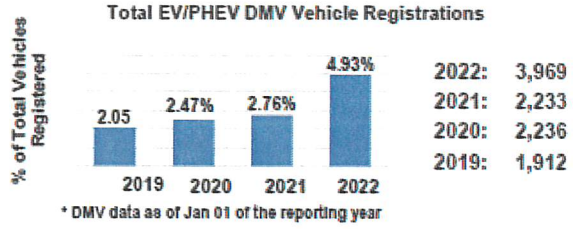
## Residential Rebate Programs

**One** residential EV charging station rebate was distributed in **February**, and a total of **19** have been distributed this fiscal year to date.

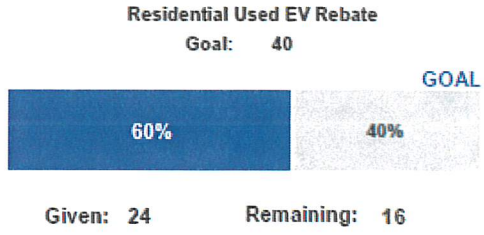
**Five** used EV rebates were issued in **February**, and a total of **24** have been distributed this fiscal year to date.

# Transportation Electrification 2023-2024 Period ending on 2/29/2024

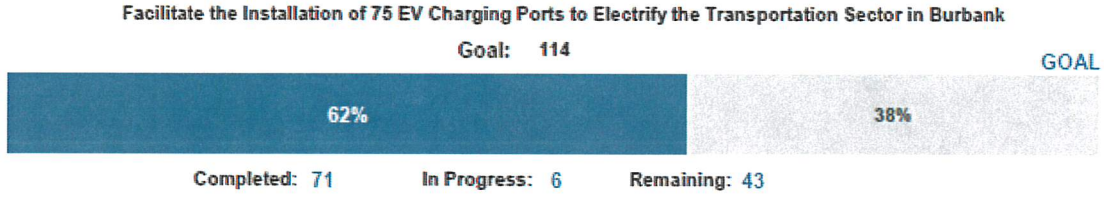
## EV Growth in Burbank*

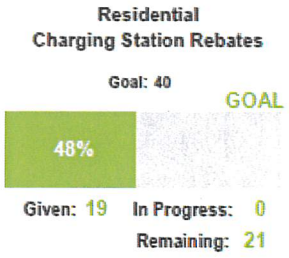


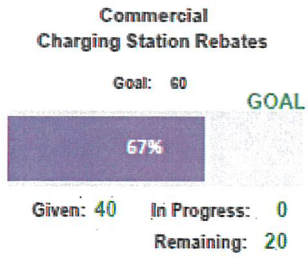

## Vehicle Rebates

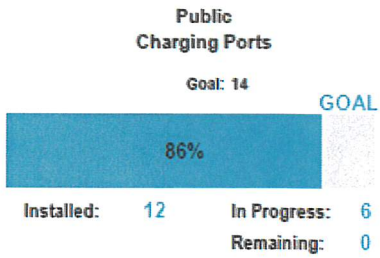



## Transportation Electrification Initiatives for FY 2023-2024



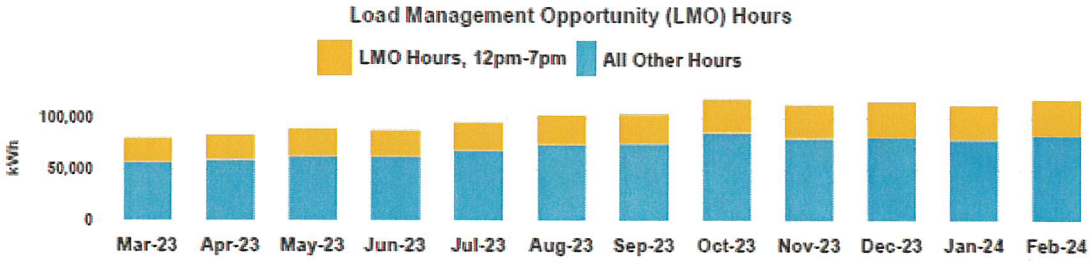




## Public Charging Port Statistics

| | Public Charging Ports | | Total Sessions | Total Energy (kWh) | Total Revenue | Total GHG *Reduced (kg) | [1]Charging Sessions at Peak | [2]Charging Occupancy |
|---|---|---|---|---|---|---|---|---|
| | Total Ports | Total Available | | | | | | |
| February: | 102 | 100 | 6,762 | 92,388 | $19,290 | 53,218 | 25% | 26% |
| Average: | 98 | 96 | 6,648 | 87,117 | $18,060 | 50,182 | 24% | 24% |
| FY Total: | 102 | 100 | 53,184 | 696,939 | $144,483 | 401,459 | 24% | 24% |

* 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.




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

[2]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

## Distributed 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.

**The following systems were installed in February:**

- **31 residential solar systems with a total capacity of 193.2 kW**
- **0 commercial solar systems**
- **1 battery storage system**

**This fiscal year to date:**

- **159 residential solar systems installed with a total capacity of 1,063.8 kW.**
- **3 commercial solar systems installed with a total capacity of 249.1 kW.**
- **13 battery storage systems with total power of capacity of 56 kW and total energy capacity of 179 kWh**

## TECHNOLOGY

**Broadband Services (ONEBurbank)**

| | February 2024 New Orders | Revenues for February 2024 | FYTD 2023-24 Revenues | FYTD Budget |
|---|---|---|---|---|
| Lit | 1 | $151,222 | $1,258,950 | $1,408,001 |
| Dark | 0 | $160,190 | $1,396,545 | $1,525,335 |
| Total | 1 | $311,412 | $2,655,495 | $2,933,336 |

## POWER SUPPLY

### BWP SYSTEM OPERATIONS:

The maximum load for **February 2024 was 136.8 MW at 1:06 PM on February 5, 2024,** and the minimum load was **74.6 MW at 03:11 AM on February 19, 2024.**


| YEAR | MAX LOAD | MAX DATE |
|---|---|---|
| **2024** | **136.8 MW** | **5-Feb-24 13:0609:14** |
| 2023 | 265.2 MW | 28-Aug-23 15:35 |
| 2022 | 292.8 MW | 06-Sep-22 15:58 |
| 2021 | 248.5 MW | 15-Jun-21 14:57 |
| 2020 | 292.3 MW | 18-Aug-20 15:22 |
| 2019 | 282.66 MW | 04-Sep-19 15:31 |

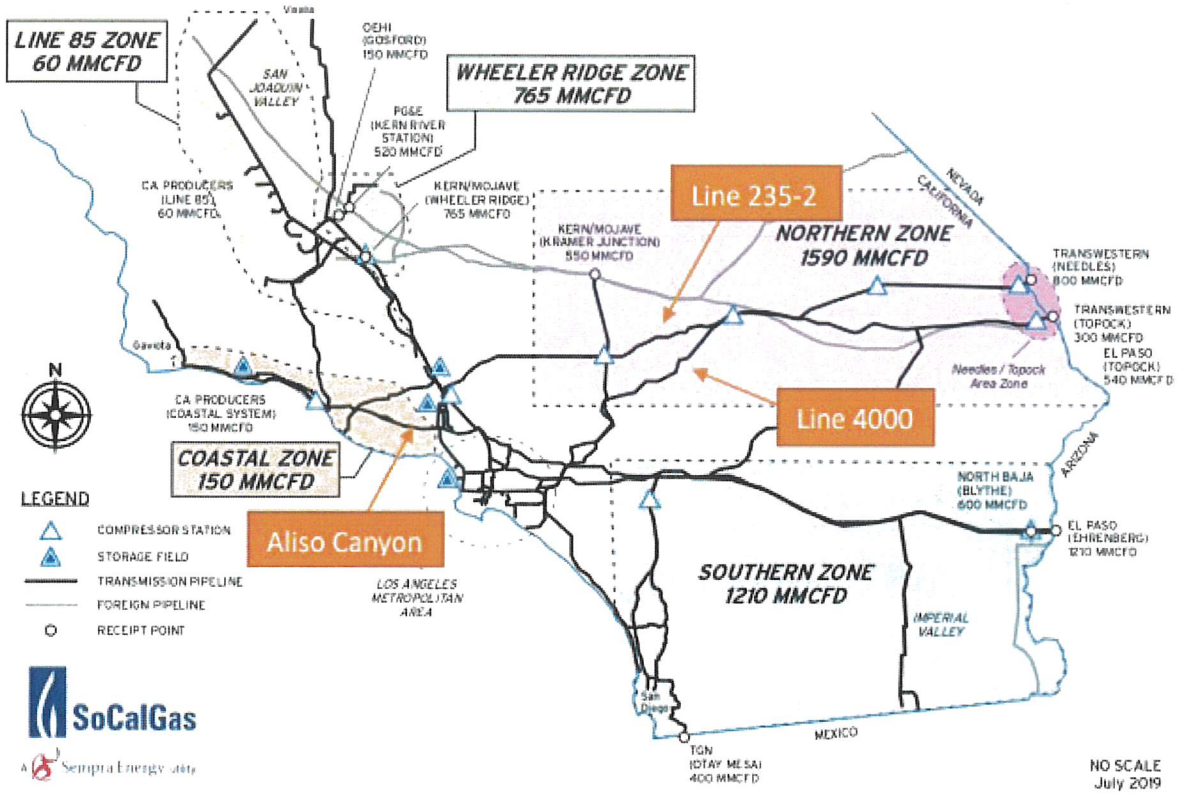
Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCalGas' system capacity and supply are primarily a function of two components: (1) transmission pipelines, which bring gas into and then transport it throughout 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 since 2020.

The table (below) shows that natural gas prices in 2023 are about **1.1 times higher** than in 2020. The price of natural gas jumped due to extreme winter (2021) weather followed by the Russia-Ukraine conflict and peaked in late 2022. **In August 2023, SoCal Gas received approval from the California Public Utilities Commission to increase the maximum amount of gas that could be stored at the Aliso Canyon facility from 41.2 billion cubic feet (Bcf) to 68.6 Bcf, which is about a 67% increase in storage capacity. From that time until now, spot natural gas (prices for next day delivery) prices have decreased as reflected in the table below. With the additional storage**

**capacity and mild winter weather, storage levels in southern California are higher than the 5 year average. It is important to point out that BWP continues to hedge (procure natural gas at fixed prices for future delivery) to minimize the risk and exposure to extreme pricing (prices in excess of $100/MMBtu). The higher prices for future delivery of natural gas demonstrate the markets sentiment that the current supply levels could be temporary and prices for future delivery remain higher than normal. These 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 CPUC's efforts to evaluate alternatives that would minimize or eliminate the use of Aliso Canyon. SCGC (including Burbank) continues to express concerns about reliability and the need to maintain the Aliso Canyon storage facility unless or until an alternative is identified that can supply the products and services that it provides.

*Image 1: Receipt Points & Transmission Zone Firm Capacities*



Since 2020, gas prices have increased significantly, peaked in 2022 and are currently **1.1** times the value in 2020.

| Calendar Year | $/MMBtu |
|---|---|
| 2017 | $3.41 |
| 2018 | $5.14 |
| 2019 | $4.08 |
| 2020 | $3.01 |
| 2021 | $6.99 |
| 2022 | $9.27 |
| 2023 | $6.78 |
| **2024** | **$3.44** |
| **Increase since 2020** | **1.1X** |

**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** | **0%** | **0** | **0** | **0** | **0** |
| **MPP** | **100%** | **696** | **134,337** | **7,646** | 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 unavailable during the month of February due to the construction of the emissions retrofit project.**

**Magnolia Power Project (MPP)**

| | February | FYTD | YTD |
|---|---|---|---|
| **Availability** | **100%** | **98%** | **100%** |
| **Unit Capacity Factor (240 MW)** | **80%** | **76%** | **84%** |

**There were no outages at MPP during the month of February 2024.**

## Tieton Hydropower Project (Tieton)

Generation began on April 10, 2023; Tieton was taken offline for the year on October 17 when water flow was no longer available. Annual maintenance and inspections are occurring. **Transformer testing indicated a concern with one of the transformer bushings; however, they were retested during better weather conditions, and they can continue to be utilized. All maintenance is complete, and generation is expected to begin sometime in April.**

## ENVIRONMENTAL

### Air Quality

There are no air quality updates at this time.

### 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. The required four samples have been collected for the current reporting year of July 1, 2023, to June 30, 2024. 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 are also collected from the offsite influent that commingles with BWP's stormwater discharge. Previous 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 have been prepared. The BWP Board approved a recommendation to City Council to adopt a resolution to approve the proposed project CEQA Mitigated Negative Declaration, the Mitigation, Monitoring and Reporting Program, and authorizing the BWP General Manager to execute the Notice of Determination during the June 1, 2023, meeting. City Council approved this recommendation on June 13, 2023. 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 has 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 and permitting is ongoing. The project bid schedule was advertised on December 27, 2023, and January 3, 2024. **Vendor proposals were received on**

**February 15, 2024. The BWP Board approved a recommendation to execute an agreement with Toro Enterprises Inc. for the implementation of the Burbank Water and Power Campus Stormwater Improvement Project during the March 7, 2024 board meeting. The City of Burbank Purchasing Division is currently working with Toro Enterprises Inc. on finalizing the agreement**. 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 from 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 **2023** goal **41.25%** RPS. BWP staff continues to evaluate renewable resources to meet future compliance requirements. Staff is currently working on additional renewable contracts to maintain RPS compliance for future years.

Prices for long-term renewables have increased approximately 30-100% 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 contracts for renewables. Staff has been negotiating one solar contract in Utah since early last year and continues to have challenges. We were close to terminating negotiations, but they have continued, as the buyers are negotiating risk items with the developer. The 15-year Tule Hydro Project (Tule), a small hydro power plant, was approved unanimously (4-0)

by City Council on December 5, 2023. Deliveries could start as soon as May/June 2024, however no later than September 2025.

Staff is currently negotiating for 3 additional long-term sources of renewables. The first is another solar project in Utah for 38 MW, and the second is a solar project located in Riverside County for 20 MW, and lastly, a Portfolio Content Category (PCC) 3 resource for 10 years for 35,000 renewable energy credits annually, as well as short term purchases to meet the RPS obligations.

**Staff continues to finalize contracts for three additional short-term PCC1 and one PCC 2 contracts.**

We continue to look for additional short-term as well as other long-term projects to meet future RPS obligations; however, supplies for delivery in 2024 and 2025 are low, and the renewable premiums jumped considerably to an **all-time high late last year (Mid $80), but has since dropped slightly. For 2024 delivery, the premium has decreased to the mid-$70 range.** To be clear, this is just the premium for the renewable attributes and does not include the cost of the associated energy.

**Special Projects**

On December 28, 2023, the eco-campus long duration battery was delivered from our vendor, ESS Inc. This 70-kilowatt kW) iron-flow battery is capable of storing energy for up to 8 hours and can store 560 kWh per day. This is enough to power 30 homes a month. The battery will be directly connected to the 265-kW solar array we have on the eco-campus. By storing the energy from the solar resource, we can utilize the renewable energy for the on-peak hours, when energy prices are the highest. This project is made possible through a $125,000 grant from the American Public Power Association Demonstration of Energy and Efficiency Developments. **The ribbon cutting for the project is scheduled for April 5, 2024, at the eco-campus.**

**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. The next meeting is scheduled for late **March**. BWP is working with LADWP on the update to the Open Access Transmission Tariff (OATT) process. As of March 2023, LADWP has suspended this OATT process and any potential rate increases will be postponed further. LADWP has not provided any updates on the status of this effort since that time.

**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 **$4.8 billion in January 2024**. BWP's share was $86.5 million in 2019 and is now $183 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. As of November 1, 2023, we have returned to one IPP generator operation at minimum load with the ability for participants to adjust the output hourly. Participants have the flexibility to move the generator within their share of the resource based on their specific coal allocation. One-unit operation is expected to continue through June 30, 2024. Additional coal is being secured, but at higher costs. An update will be provided in a few months once the additional coal has been contracted.

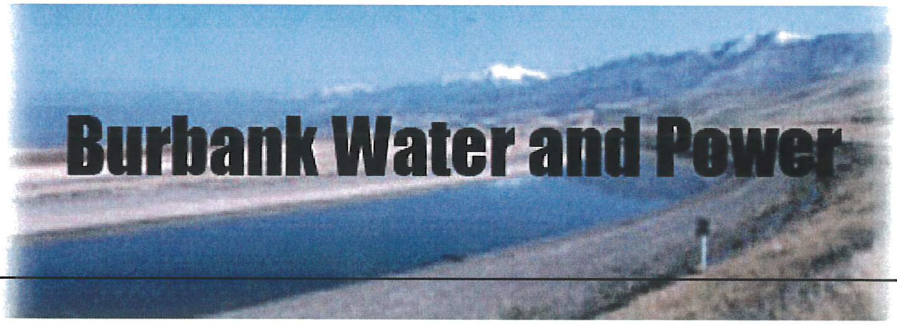
**In March 2024, a resolution was approved to allow Intermountain Power Authority to procure enough natural gas at fixed prices for the new IPP natural gas generators. This authorization is for fixed price natural gas, for up to a 3-year term, that is needed to run one generator at minimum load beginning May 2025. This will be enough gas to run one of the two generators to keep the Southern Transmission System (STS) available to support renewables at a fixed price and supply energy to the IPP participant customers. The group is considering additional resolutions to lock in prices with additional fixed price purchases of natural gas. This natural gas hedging (buying at fixed prices for future delivery) will help with budgeting and replicate how fuel procurement currently works for the IPP coal generators.**

## Power Production

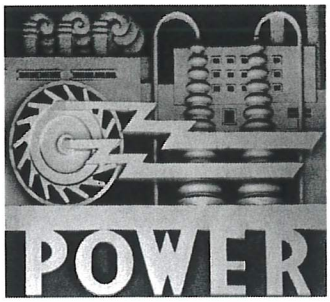
### Lake One Power Plant Emissions Retrofit Project

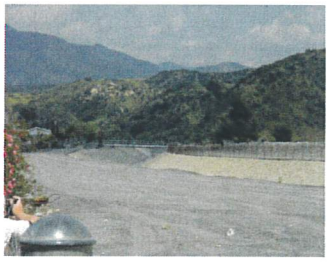
Construction of the Lake One Power Plant emissions retrofit project was completed on Wednesday, October 4, 2023. Commissioning of the new emissions system began on January 24, 2024. During commissioning, the catalyst was unable to perform to the requirements of the project specifications. **The contractor is in the process of procuring additional catalyst volume. Commissioning is expected to resume during the first week of April 2024.**

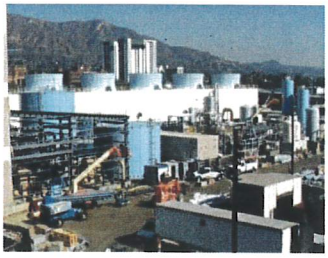
The new emissions control system will allow Lake One to remain in compliance with new air quality requirements. The project consists of designing, engineering, permitting, constructing/installing, commissioning, and testing the new emissions system. This project is planned to conclude in the first half of 2024.







# Financial Report
## January-24

**Burbank Water and Power**
**Electric Fund (496)**
**Statement of Changes in Net Assets [1] [2]**
**MTD and FYTD January 2024**
**($ in 000's except MWh Sales)**

| MTD Actual FY 23-24 | MTD Budget FY 23-24 | $ Variance | % Variance | | YTD Actual FY 23-24 | YTD Budget FY 23-24 | $ Variance | % Variance |
|---|---|---|---|---|---|---|---|---|
| 77,657 | 82,805 | (5,148) | (6%) [a] | NEL MWh | 613,865 | 664,600 | (50,735) | (8%) [A] |
| | | | | **Retail** | | | | |
| $ 13,226 | $ 13,561 | $ (336) | (2%) | Retail Sales | $ 108,278 | $ 116,445 | $ (8,167) | (7%) |
| 67 | 571 | (504) | (88%) [b] | Other Revenues [3] | 2,564 | 3,998 | (1,434) | (36%) [B] |
| 7,450 | 12,613 | 5,163 | 41% [c] | Retail Power Supply & Transmission | 62,364 | 84,657 | 22,292 | 26% [C] |
| 5,843 | 1,520 | 4,323 | 284% | **Retail Margin** | 48,478 | 35,787 | 12,691 | 35% |
| | | | | **Wholesale** | | | | |
| 1,468 | 585 | 883 | 151% | Wholesale Sales | 12,247 | 24,555 | (12,308) | (50%) |
| 1,275 | 574 | (702) | (122%) | Wholesale Power Supply | 10,533 | 24,064 | 13,531 | 56% |
| 193 | 12 | 181 | 1545% | **Wholesale Margin** | 1,715 | 491 | 1,224 | 249% |
| 6,035 | 1,531 | 4,504 | 294% | **Gross Margin** | 50,193 | 36,278 | 13,914 | 38% |
| | | | | **Operating Expenses** | | | | |
| 726 | 944 | 218 | 23% [d] | Distribution | 7,116 | 6,626 | (490) | (7%) [D] |
| 138 | 137 | (2) | (1%) | Administration/Safety | 832 | 995 | 163 | 16% [E] |
| 482 | 536 | 54 | 10% [e] | Finance, Fleet, & Warehouse | 3,241 | 3,709 | 468 | 13% [F] |
| 576 | 584 | 9 | 1% | Transfer to General Fund for Cost Allocation | 4,029 | 4,090 | 60 | 1% |
| 261 | 503 | 242 | 48% [f] | Customer Service | 2,592 | 3,726 | 1,135 | 30% [G] |
| 88 | 247 | 158 | 64% [g] | Marketing & Sustainability | 845 | 1,727 | 882 | 51% [H] |
| 111 | 583 | 472 | 81% [h] | Public Benefits | 1,160 | 4,082 | 2,922 | 72% [I] |
| 158 | 162 | 4 | 2% | Security/Oper Technology | 1,604 | 1,218 | (386) | (32%) [J] |
| 201 | 164 | (37) | (22%) [i] | Telecom | 880 | 1,182 | 301 | 26% [K] |
| 251 | 285 | 34 | 12% [j] | Construction & Maintenance | 1,263 | 1,994 | 731 | 37% [L] |
| 1,567 | 1,780 | 213 | 12% | Depreciation | 11,029 | 12,458 | 1,429 | 11% |
| 4,558 | 5,924 | 1,366 | 23% | Total Operating Expenses | 34,592 | 41,807 | 7,215 | 17% |
| $ 1,477 | $ (4,393) | $ 5,870 | 134% | **Operating Income/(Loss)** | $ 15,601 | $ (5,529) | $ 21,130 | 382% |

## Burbank Water and Power
## Electric Fund (496)
## Statement of Changes in Net Assets [1] [2]
## MTD and FYTD January 2024

($ in 000's)

| MTD Actual FY 23-24 | MTD Budget FY 23-24 | $ Variance | % Variance | | YTD Actual FY 23-24 | YTD Budget FY 23-24 | $ Variance | % Variance |
|---|---|---|---|---|---|---|---|---|
| $ 1,477 | $ (4,393) | $ 5,870 | 134% | **Operating Income/(Loss)** | $ 15,601 | $ (5,529) | $ 21,130 | 382% |
| | | | | **Other Income/(Expenses)** | | | | |
| 691 | 387 | 303 | 78% [k] | Interest Income | 4,838 | 2,711 | 2,127 | 78% [M] |
| (754) | 210 | (964) | (459%) [l] | Other Income/(Expense) [4] | 293 | 472 | (179) | (38%) [N] |
| (775) | (775) | - | 0% | Bond Interest/ (Expense) | (5,422) | (5,422) | - | 0% |
| (839) | (177) | (661) | (373%) | Total Other Income/(Expense) | (292) | (2,239) | 1,947 | 87% |
| 639 | (4,570) | 5,209 | 114% | **Net Income** | 15,309 | (7,768) | 23,077 | 297% |
| 37 | 1,415 | (1,378) | (97%) [m] | Capital Contributions (AIC) | 1,888 | 9,905 | (8,017) | (81%) [O] |
| $ 676 | $ (3,155) | $ 3,831 | 121% | **Net Change in Net Assets** | $ 17,197 | $ 2,138 | $ 15,060 | 705% |

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 revenues and expenses related to Low Carbon Fuel Standard credits, 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, as well as BABS subsidy.

**Burbank Water and Power**
**Electric Fund (496)**
**Statement of Changes in Net Assets - Footnotes**
**MTD January 2024**
**($ in 000's)**

| Foot-note # | Accounts/Description | Actual | Budget | Variance to Budget | | Explanation |
|---|---|---|---|---|---|---|
| (a) | Electric Usage in MWh | 77,657 | 82,805 | (5,148) | - | NEL is 6% lower than budget. The average high temperature in January was 68°F, compared to the 15-year average high temperature of 70°F. The average low temperature was 42°F, compared to the 15-year average low temperature of 43°F. |
| (b) | Other Revenues | 67 | 571 | (504) | - | Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate. |
| (c) | Retail Power Supply & Transmission | 7,450 | 12,613 | 5,163 | - | The favorable variance is attributable to various components within Retail Power Supply and Transmission. Please refer to page 5 for additional details. |
| (d) | Distribution | 726 | 944 | 218 | - | The favorable variance is primarily attributable to higher than planned capital work, offset by higher than planned overtime as well as the timing of spend for uniforms and tools. |
| (e) | Finance, Fleet, & Warehouse | 482 | 536 | 54 | - | The favorable variance is primarily attributable to vacancies as well as the timing of software & hardware support and professional services. |
| (f) | Customer Service | 261 | 503 | 242 | - | The favorable variance is primarily attributable to vacancies as well as the timing of software & hardware support and professional services. |
| (g) | Marketing & Sustainability | 88 | 247 | 158 | - | The favorable variance is primarily attributable to the timing of rebates, professional services, private contractual services and memberships. |
| (h) | Public Benefits | 111 | 583 | 472 | - | The favorable variance is primarily attributable to the timing of program spending. |
| (i) | Telecom | 201 | 164 | (37) | - | The unfavorable variance is primarily attributable to the timing of private contractual services. |
| (j) | Construction & Maintenance | 251 | 285 | 34 | - | The favorable variance is primarily attributable to vacancies, offset by the timing of custodial services. |
| (k) | Interest Income | 691 | 387 | 303 | - | The favorable variance is attributable to interest earned on the funds from the 2023 Electric Revenue Bonds, based on higher than planned balances related to the timing of bond drawdowns as well as an increasing interest rate environment resulting in higher investment returns. |
| (l) | Other Income/(Expense) | (754) | 210 | (964) | - | Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy. Miscellaneous revenue from the sale of scrap materials, inventory, and assets tend to fluctuate. Additionally, grant revenue received for EV chargers in November 2023 in the amount of $1m dollars has been reclassed from other income to deferred revenue. |
| (m) | Capital Contributions (AIC) | 37 | 1,415 | (1,378) | - | 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 2024**
**($ in 000's)**

| Foot-note # | Accounts/Description | Actual | Budget | Variance to Budget | Explanation |
|---|---|---|---|---|---|
| (A) | Electric Usage in MWh | 613,865 | 664,600 | (50,735) | - NEL is 8% lower than budget. The FYTD average high temperature was 81°F, compared to the 15-year average high temperature of 78°F. The FYTD average low temperature was 53°F, compared to the 15-year average low temperature of 52°F. |
| (B) | Other Revenues | 2,564 | 3,998 | (1,434) | - Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate. |
| (C) | Retail Power Supply & Transmission | 62,364 | 84,657 | 22,292 | - The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details. |
| (D) | Distribution | 7,116 | 6,626 | (490) | - The unfavorable variance is primarily attributable to lower than planned capital work, offset by vacancies, work for others and the timing of professional services and private contractual services. |
| (E) | Administration / Safety | 832 | 995 | 163 | - The favorable variance is primarily attributable to the timing of safety program spending and professional services. |
| (F) | Finance, Fleet, & Warehouse | 3,241 | 3,709 | 468 | - The favorable variance is primarily attributable to vacancies. |
| (G) | Customer Service | 2,592 | 3,726 | 1,135 | - The favorable variance is primarily attributable to vacancies and to the timing of professional services as well as lower than planned work performed by other departments. |
| (H) | Marketing & Sustainability | 845 | 1,727 | 882 | - The favorable variance is primarily attributable to vacancies and to the timing of rebates, professional services, and memberships. |
| (I) | Public Benefits | 1,160 | 4,082 | 2,922 | - The favorable variance is primarily attributable to the timing of program spending. |
| (J) | Security/Oper Technology | 1,604 | 1,218 | (386) | - The unfavorable variance is primarily attributable to lower than planned capital work and work for others. |
| (K) | Telecom | 880 | 1,182 | 301 | - The favorable variance is primarily attributable higher to than planned capital work and the timing of private contractual services, professional services and special departmental supplies. |
| (L) | Construction & Maintenance | 1,263 | 1,994 | 731 | - The favorable variance is primarily attributable to vacancies and to the timing of custodial services, building grounds maintenance and repair, and private contractual services. |
| (M) | Interest Income | 4,838 | 2,711 | 2,127 | The favorable variance is attributable to interest earned on the funds from the 2023 Electric Revenue Bonds, based on higher than planned balances related to the timing of bond drawdowns as well as an increasing interest rate environment resulting in higher investment returns. |
| (N) | Other Income/(Expense) | 293 | 472 | (179) | - Other Income/(Expense) includes a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy. Miscellaneous revenue from the sale of scrap materials, inventory, and assets tend to - |
| (O) | Capital Contributions (AIC) | 1,888 | 9,905 | (8,017) | - The unfavorable variance is attributable to the timing of AIC projects. |

**January 2024 Budget to Actual P&L Variance Highlights - Electric Fund**
**($ in 000's)**

| | Variance Month-to-Date | | |
|---|---|---|---|
| | Favorable Items | Unfavorable Items | Budget to Actual Variance |
| **MTD NET INCOME/(LOSS): $639** | $ 5,209 | $ - | $ 5,209 |
| **MTD GROSS MARGIN VARIANCE** | | | |
| Retail Sales | - | (336) | (336) |
| Power Supply and Transmission: | | | |
| - Lower retail load | 134 | | 134 |
| - Lower than planned renewables cost and other | 450 | | 450 |
| - Lower transmission | 965 | | 965 |
| - Lower energy prices | 454 | | 454 |
| - New minimum for IPP and Hydrogen Betterment | 2,013 | | 2,013 |
| - Retail load management and economic dispatch | 687 | | 687 |
| - Timing True-up and prior period adjustments | 460 | - | 460 |
| Other Revenues | - | (504) | (504) |
| Wholesale Margin | 181 | - | 181 |
| **Total** | 5,344 | (840) | 4,504 |
| **MTD O&M AND OTHER VARIANCES** | | | |
| Distribution | 218 | - | 218 |
| Administration/Safety | - | (2) | (2) |
| Finance, Fleet, & Warehouse | 54 | - | 54 |
| Customer Service | 242 | - | 242 |
| Marketing & Sustainability | 158 | - | 158 |
| Public Benefits | 472 | - | 472 |
| Security/Operations Technology | 4 | - | 4 |
| Telecom | - | (37) | (37) |
| Construction & Maintenance | 34 | - | 34 |
| Depreciation expense | 213 | - | 213 |
| All other | - | (653) | (653) |
| **Total** | 1,396 | (691) | 705 |

**January 2024 Budget to Actual P&L Variance Highlights - Electric Fund**
**($ in 000's)**

| | Variance Fiscal Year-to-Date | | |
|---|---|---|---|
| | Favorable Items | Unfavorable Items | Budget to Actual Variance |
| **FYTD NET INCOME/(LOSS): $15,309** | $ 23,077 | - | $ 23,077 |
| **FYTD GROSS MARGIN VARIANCE** | | | |
| Retail Sales | - | (8,167) | (8,167) |
| Power Supply and Transmission | | | |
| - Lower retail load | 1,456 | - | 1,456 |
| - Lower than planned renewables cost and other | 1,743 | - | 1,743 |
| - Lower transmission | 2,715 | - | 2,715 |
| - Lower energy prices | 2,407 | - | 2,407 |
| - New minimum for IPP and Hydrogen Betterment | 6,640 | - | 6,640 |
| - Lower O&M | 2,393 | - | 2,393 |
| - Retail load management and economic dispatch | 2,783 | - | 2,783 |
| - SCPPA True-up and prior period adjustments | 2,156 | - | 2,156 |
| Other Revenues | - | (1,434) | (1,434) |
| Wholesale Margin | 1,224 | - | 1,224 |
| **Total** | $ 23,516 | $ (9,602) | $ 13,915 |
| **FYTD O&M AND OTHER VARIANCES** | | | |
| Distribution | - | (490) | (490) |
| Administration/Safety | 163 | - | 163 |
| Finance, Fleet, & Warehouse | 468 | - | 468 |
| Customer Service | 1,135 | - | 1,135 |
| Marketing & Sustainability | 882 | - | 882 |
| Public Benefits | 2,922 | - | 2,922 |
| Security/Oper Technology | - | (386) | (386) |
| Telecom | 301 | - | 301 |
| Construction & Maintenance | 731 | - | 731 |
| Depreciation expense | 1,429 | - | 1,429 |
| All other | 2,008 | - | 2,008 |
| **Total** | $ 10,038 | $ (876) | $ 9,163 |

# Electric Fund (496)

## Statement of Changes in Cash and Investment Balances [a]

## ($ in 000's)

| | Jan-24 | Dec-23 | Nov-23 | Oct-23 | Sep-23 | Aug-23 | Jul-23 | Jun-23 | Jun-22 | Jun-21 | Recommended Reserves Low | Recommended Reserves High | Minimum Reserves |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cash and Investments** | | | | | | | | | | | | | |
| General Operating Reserve | $ 88,054 | $ 81,659 | $ 77,576 | $ 76,420 | $ 70,736 | $ 66,090 | $ 42,844 [e][f] | $ 52,200 | $ 69,212 | $ 73,156 | $ 82,003 | $ 123,004 [d] | $ - 53,814 [c] |
| Capital & Debt Reduction Fund | - | - | - | - | - | - | - | - [d] | 10,000 | 10,000 | - | - | - |
| BWP Projects Reserve Deposits at SCPPA | 4,731 | 4,708 | 4,672 | 4,665 | 4,615 | 4,610 | 4,605 | 4,580 | 3,794 | 3,740 | - | - | - |
| Sub-Total Cash and Investments | 92,785 | 86,366 | 82,248 | 81,085 | 75,351 | 70,700 | 47,449 | 56,780 | 83,007 | 86,896 | 82,003 | 123,004 | 53,814 |
| **Commitments** | | | | | | | | | | | | | |
| Customer Deposits | (14,415) | (14,101) | (14,197) | (13,862) | (13,897) | (12,450) | (10,873) | (10,976) | (9,939) | (4,245) | - | - | - |
| Public Benefits Obligation | (11,426) | (11,338) | (11,267) | (11,327) | (11,340) | (11,149) | (10,592) | (10,710) | (9,315) | (8,128) | - | - | - |
| Low Carbon Fuel Standard [b] | (2,047) | (2,328) | (2,554) | (2,860) | (3,180) | (3,251) | (3,268) | (3,289) | (3,464) | (2,999) | - | - | - |
| IPP Decommission | - | - | - | - | - | - | - | - [c] | (2,000) | (2,000) | - | - | - |
| Sub-Total Cash and Investments (less Commitments) | 64,894 | 58,598 | 54,230 | 53,035 | 46,935 | 43,850 | 22,717 | 31,806 | 58,288 | 69,523 | 82,003 | 123,004 | 53,814 |
| **Bond Proceeds** | | | | | | | | | | | | | |
| Bond Proceeds on Deposit with Trustee | 91,511 | 93,914 | 99,071 | 100,624 | 101,836 | 102,962 | 108,528 | 120,107 | - | - | | | |
| **Total Cash and Investments and Bond Proceeds (less Commitments)** | 156,405 | 152,513 | 153,301 | 153,659 | 148,771 | 146,813 | 131,244 | 151,913 | 58,288 | 69,523 | 82,003 | 123,004 | 53,814 |

[a] The Statement of Cash Balances may not add up due to rounding.

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

[c] Reversal of IPP decommission reserve.

[d] New financial reserve policy was adopted by City Council on April 25, 2023.

[e] Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of $1,031k.

[f] Includes an annual payment to CalPERS of $5,770k to pay down the Electric unfunded liability.

**Burbank Water and Power**
**Water Fund (497)**
**Statement of Changes in Net Assets [1] [2]**
**MTD and FYTD January 2024**
**($ in 000's except Gallons)**

| MTD Actual FY 23-24 | MTD Budget FY 23-24 | $ Variance | % Variance | | YTD Actual FY 23-24 | YTD Budget FY 23-24 | $ Variance | % Variance |
|---|---|---|---|---|---|---|---|---|
| 336 | 358 | (21) | (6%) | Water put into the system in Millions of Gallons | 2,744 | 3,024 | (280) | (9%) |
| 42 | 65 | (22) | (34%) | Metered Recycled Water in Millions of Gallons | 610 | 710 | (100) | (14%) |
| | | | | **Operating Revenues** | | | | |
| $ 2,259 | $ 2,380 | $ (121) | (5%) [a] | Potable Water | $ 18,697 | $ 20,932 | $ (2,236) | (11%) [A] |
| 205 | 333 | (128) | (38%) [b] | Recycled Water | 2,933 | 3,667 | (733) | (20%) [B] |
| 62 | 129 | (67) | (52%) | Other Revenue [3] | 909 | 904 | 5 | 1% [C] |
| 2,525 | 2,842 | (317) | (11%) | Total Operating Revenues | 22,539 | 25,503 | (2,964) | (12%) |
| 881 | 1,147 | 266 | 23% [c] | Water Supply Expense | 7,211 | 9,685 | 2,474 | 26% [D] |
| 1,644 | 1,695 | (51) | (3%) | **Gross Margin** | 15,327 | 15,817 | (490) | (3%) |
| | | | | **Operating Expenses** | | | | |
| 953 | 1,076 | 124 | 12% [d] | Operations & Maintenance - Potable | 5,956 | 7,535 | 1,579 | 21% [E] |
| 106 | 159 | 53 | 33% [e] | Operations & Maintenance - Recycled | 772 | 1,092 | 320 | 29% [F] |
| 227 | 381 | 154 | 40% [f] | Operations & Maintenance - Shared Services | 1,725 | 2,677 | 952 | 36% [G] |
| 135 | 137 | 3 | 2% | Transfer to General Fund for Cost Allocation | 943 | 961 | 18 | 2% |
| 373 | 381 | 8 | 2% | Depreciation | 2,572 | 2,667 | 95 | 4% |
| 1,793 | 2,136 | 342 | 16% | Total Operating Expenses | 11,969 | 14,933 | 2,964 | 20% |
| (149) | (440) | 291 | 66% | **Operating Income/(Loss)** | 3,359 | 885 | 2,474 | 280% |
| | | | | **Other Income/(Expenses)** | | | | |
| 125 | 39 | 86 | 224% [g] | Interest Income | 902 | 270 | 632 | 234% [H] |
| 81 | 42 | 39 | 92% [h] | Other Income/(Expense) [4] | 272 | 95 | 176 | 185% [I] |
| (210) | (237) | 27 | 11% | Bond Interest/(Expense) | (1,469) | (1,659) | 190 | 11% |
| (4) | (156) | 152 | 97% | Total Other Income/(Expenses) | (295) | (1,294) | 999 | 77% |
| (153) | (597) | 443 | 74% | **Net Income/(Loss)** | 3,063 | (409) | 3,473 | 848% |
| 0 | 53 | (53) | (100%) [i] | Capital Contributions (AIC) | 48 | 370 | (321) | (87%) [J] |
| $ (153) | $ (544) | $ 391 | 72% | **Net Change in Net Assets** | $ 3,112 | $ (40) | $ 3,151 | 7954% |

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 2024**
**($ in 000's except Gallons)**

| Foot-note # | Accounts/Description | Actual | Budget | Variance to Budget | Explanation |
|---|---|---|---|---|---|
| (a) | Potable Water Revenue | 2,259 | 2,380 | (121) | - Potable water revenue during January 2024 was 6% below budget due primarily to conservation. 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 Revenue | 205 | 333 | (128) | - Recycled water revenues were lower than planned primarily due to lower demand. |
| (c) | Water Supply Expense | 881 | 1,147 | 266 | - The favorable variance is a result of lower demand and using less imported MWD water than planned. |
| (d) | Operations & Maintenance - Potable | 953 | 1,076 | 124 | - The favorable variance is primarily attributable to vacancies and the timing of professional services and private contractual services. |
| (e) | Operations & Maintenance - Recycled | 106 | 159 | 53 | - The favorable variance is primarily attributable to lower than planned maintenance on the recycled system, higher than planned work performed for other departments and lower than planned electricity for water pumping. |
| (f) | Operations & Maintenance - Shared Services | 227 | 381 | 154 | - The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the electric fund. |
| (g) | Interest Income | 125 | 39 | 86 | - The favorable variance is attributable to interest earned on the funds from the 2021 Water Revenue Bonds, based on higher than planned balances related to the timing of bond drawdowns as well as an increasing interest rate environment resulting in higher investment returns. |
| (h) | Other Income/(Expense) | 81 | 42 | 39 | - Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate. |
| (i) | Capital Contributions (AIC) | - | 53 | (53) | - 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 2024**
**($ in 000's except Gallons)**

| Foot-note # | Accounts/Description | Actual | Budget | Variance to Budget | Explanation |
|---|---|---|---|---|---|
| (A) | Potable Water Revenue | 18,697 | 20,932 | (2,236) | - Potable water revenue fiscal year to date was 9% below budget due primarily to conservation and higher than average rainfall. 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. Rainfall FYTD measured 7.14 inches compared to the average of 6.41 inches. |
| (B) | Recycled Water Revenue | 2,933 | 3,667 | (733) | - Recycled water revenues were lower than planned due to lower demand as a result of higher than average rainfall. |
| (C) | Other Revenue | 909 | 904 | 5 | - Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate. |
| (D) | Water Supply Expense | 7,211 | 9,685 | 2,474 | - The favorable variance is a result of lower demand and using less imported MWD water than planned. |
| (E) | Operations & Maintenance - Potable | 5,956 | 7,535 | 1,579 | - The favorable variance is primarily attributable to vacancies and the timing of professional services and private contractual services. |
| (F) | Operations & Maintenance - Recycled | 772 | 1,092 | 320 | - The favorable variance is primarily attributable to lower than planned maintenance on the recycled system, higher than planned work performed for other departments and lower than planned electricity for water pumping. |
| (G) | Operations & Maintenance - Shared | 1,725 | 2,677 | 952 | - The favorable variance is attributable to lower than planned shared expenses (Customer Service, Finance and Administration) from the electric fund. |
| (H) | Interest Income | 902 | 270 | 632 | - The favorable variance is attributable to interest earned on the funds from the 2021 Water Revenue Bonds, based on higher than planned balances related to the timing of bond drawdowns as well as an increasing interest rate environment resulting in higher investment returns. |
| (I) | Other Income/(Expense) | 272 | 95 | 176 | - Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, which tend to fluctuate. |
| (J) | Capital Contributions (AIC) | 48 | 370 | (321) | - The unfavorable variance is attributable to the timing of AIC projects. |

## January 2024 Budget to Actual P&L Variance Highlights - Water Fund
## ($ in 000's)

| | Variance Month-to-Date | | |
|---|---|---|---|
| | Favorable Items | Unfavorable Items | Budget to Actual Variance |
| **MTD NET INCOME (LOSS): $(153)** | $ 443 | $ - | $ 443 |
| **MTD GROSS MARGIN VARIANCE** | | | |
| Potable Revenues | - | (121) | (121) |
| Recycled Revenues | - | (128) | (128) |
| Other Revenue | - | (67) | (67) |
| Water Supply Expense | 266 | - | 266 |
| **Total** | 266 | $ (317) | $ (51) |
| **FYTD O&M AND OTHER VARIANCES** | | | |
| Potable O&M | 124 | - | 124 |
| Recycled Water O&M | 53 | - | 53 |
| Allocated O&M | 154 | - | 154 |
| Depreciation Expense | 8 | - | 8 |
| All Other | 155 | - | 155 |
| **Total** | $ 495 | $ - | $ 495 |

## January 2024 Budget to Actual P&L Variance Highlights - Water Fund
## ($ in 000's)

| | Variance Fiscal Year-to-Date | | |
|---|---|---|---|
| | Favorable Items | Unfavorable Items | Budget to Actual Variance |
| **FYTD NET INCOME: $3,063** | $ 3,473 | $ - | $ 3,473 |
| **FYTD GROSS MARGIN VARIANCE** | | | |
| Potable Revenues | - | (2,236) | (2,236) |
| Recycled Revenues | - | (733) | (733) |
| Other Revenue | 5 | - | 5 |
| Water Supply Expense | 2,474 | - | 2,474 |
| **Total** | $ 2,479 | $ (2,969) | $ (490) |
| **FYTD O&M AND OTHER VARIANCES** | | | |
| Potable O&M | 1,579 | - | 1,579 |
| Recycled Water O&M | 320 | - | 320 |
| Allocated O&M | 952 | - | 952 |
| Depreciation Expense | 95 | - | 95 |
| All Other | 1,017 | - | 1,017 |
| **Total** | $ 3,963 | $ - | $ 3,963 |

**Water Fund (497)**
**Statement of Changes in Cash and Investment Balances [a]**
**($ in 000's)**

| | Jan-24 | Dec-23 | Nov-23 | Oct-23 | Sep-23 | Aug-23 | Jul-23 | Jun-23 | Jun-22 | Jun-21 | Recommended Reserves Low | Recommended Reserves High | Minimum Reserves |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cash and Investments** | | | | | | | | | | | | | |
| General Operating Reserves | $ 20,173 | $ 22,597 | $ 21,142 | $ 19,317 [c] | $ 25,576 | $ 25,147 | $ 20,902 [d] [e] | $ 23,924 | $ 12,759 | $ 12,181 | $ 18,878 | $ 28,316 [b] | $ 11,327 [b] |
| Capital Reserve Fund | - | - | - | - | - | - | - | - [b] | 2,220 | 2,220 | - | - | - |
| Sub-Total Cash and Investments | 20,173 | 22,597 | 21,142 | 19,317 | 25,576 | 25,147 | 20,902 | 23,924 | 14,979 | 14,401 | 18,878 | 28,316 | 11,327 |
| **Commitments** | | | | | | | | | | | | | |
| Customer Deposits | (705) | (773) | (777) | (701) | (677) | (695) | (492) | (511) | (1,052) | (1,125) | - | - | - |
| Sub-Total Cash and Investments (less Commitments) | 19,468 | 21,825 | 20,365 | 18,616 | 24,899 | 24,452 | 20,410 | 23,413 | 13,927 | 13,276 | 18,878 | 28,316 | 11,327 |
| **Bond Proceeds** | | | | | | | | | | | | | |
| Bond Proceeds on Deposit with Trustee | 13,505 | 13,868 | 14,767 | 15,687 | 15,962 | 16,861 | 18,440 | 19,485 | 23,159 | | | | |
| **Total Cash and Investments and Bond Proceeds (less Commitments)** | **32,973** | **35,690** | **35,131** | **34,303** | **40,862** | **41,313** | **38,850** | **42,878** | **37,086** | **13,276** | **18,878** | **28,316** | **11,327** |

[a] The Statement of Cash Balances may not add up due to rounding.
[b] New financial reserve policy was adopted by City Council on April 25, 2023.
[c] Includes payment for the purchase of physical solution.
[d] Includes a one-time paydown of the unfunded pension liability to CalPERS in the amount of $146k.
[e] Includes an annual payment to CalPERS of $1,041k to pay down the Water unfunded liability.