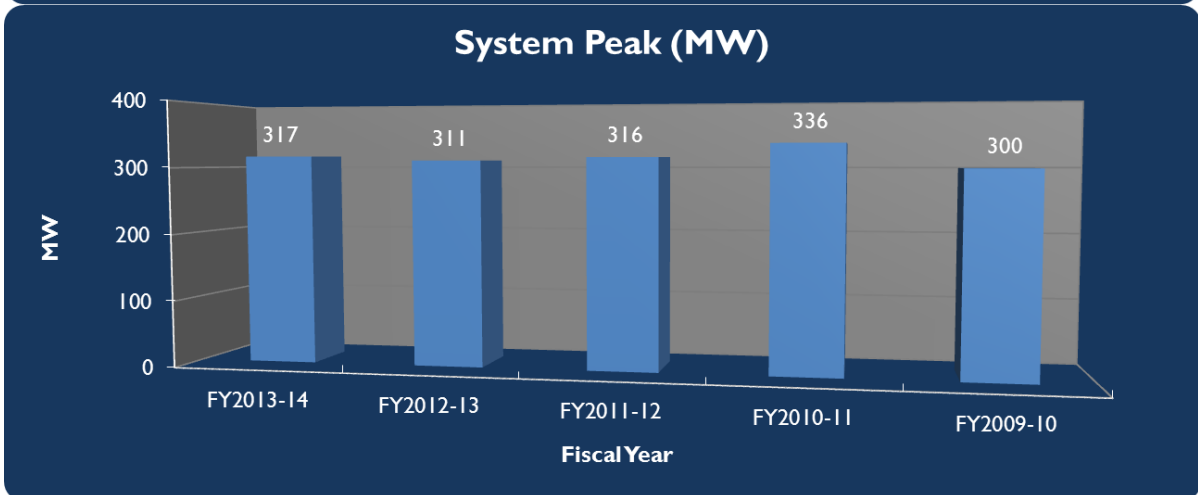
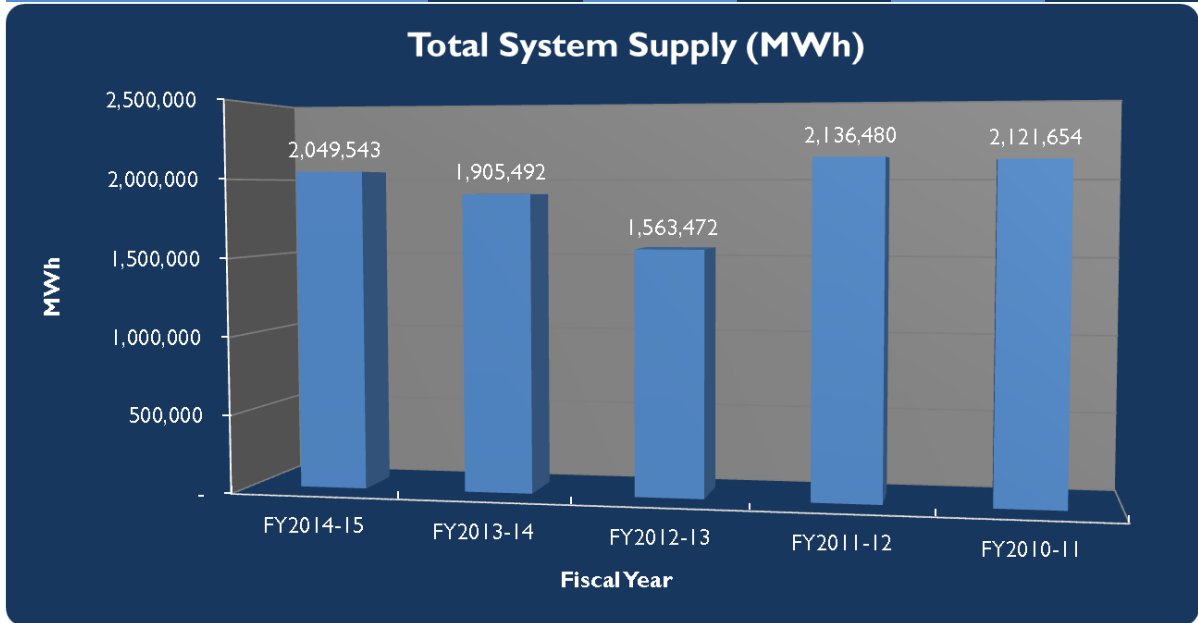
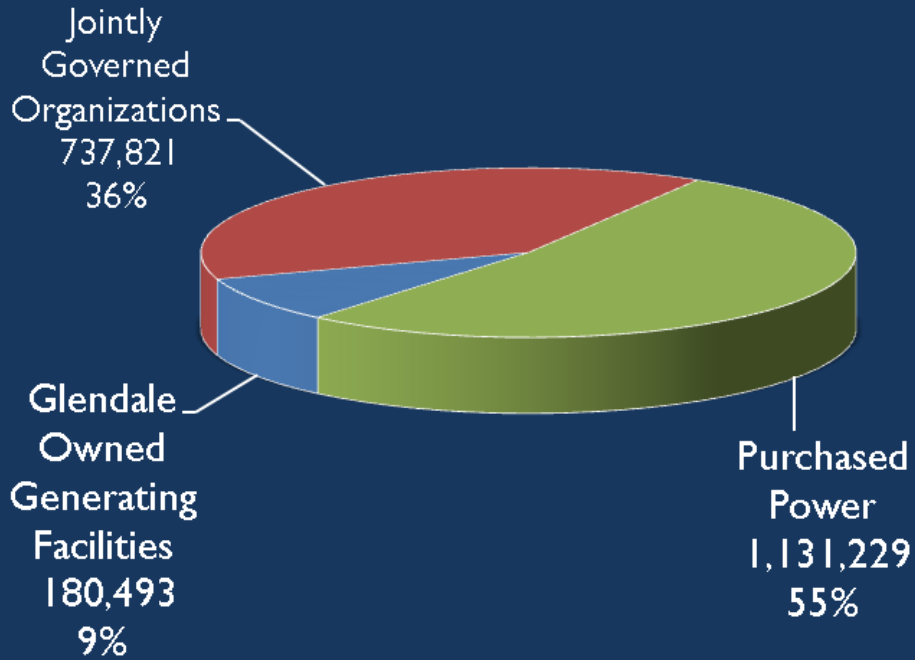


SYSTEM SUPPLY (MWH)	FY2014-15	FY2013-14	FY2012-13	FY2011-12	FY2010-11
Owned Generation					
Glendale Owned Generating Facilities					
Natural Gas Units (Grayson)	180,493	167,663	198,276	173,682	211,654
Jointly Governed Organizations / Remote Ownership					
Intermountain Power Project (IPA)	237,736	246,338	226,098	219,477	234,904
PV Nuclear Generating Station (SCPPA)	84,641	80,787	83,157	82,467	83,565
San Juan Unit 3 (SCPPA)	129,710	117,522	123,942	86,481	138,246
Magnolia Power Project (SCPPA)	259,268	265,934	138,763	256,319	230,589
Tieton Hydropower Project (SCPPA)	26,466	27,316	24,012	28,211	29,724
Total Owned Generation	918,314	905,560	794,248	846,637	928,682
Purchased Power					
Portland General Electric Contract	-	-	18,171	83,661	86,492
Market Purchases	1,131,229	999,932	751,053	1,206,182	1,106,480
Total Purchased Power	1,131,229	999,932	769,224	1,289,843	1,192,972
Total System Supply	2,049,543	1,905,492	1,563,472	2,136,480	2,121,654
System Peak (MW)	337	317	311	316	336



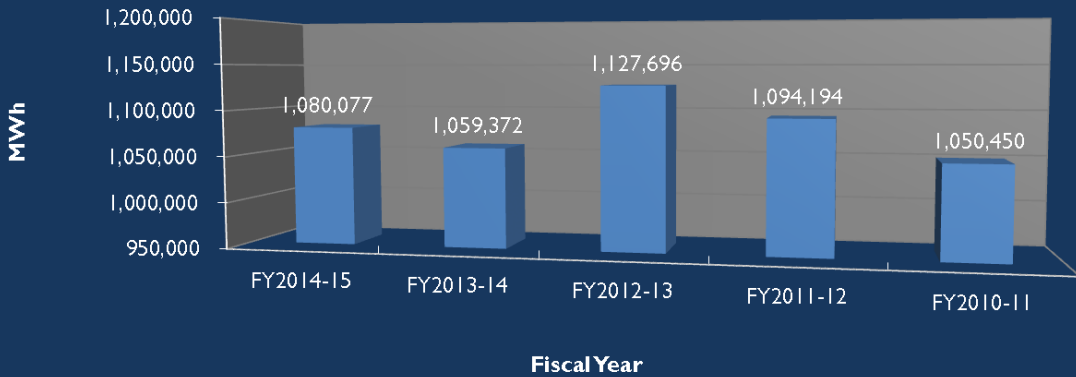
Not covered by independent auditor's report

FY 2014-15: Total System Supply (MWh)

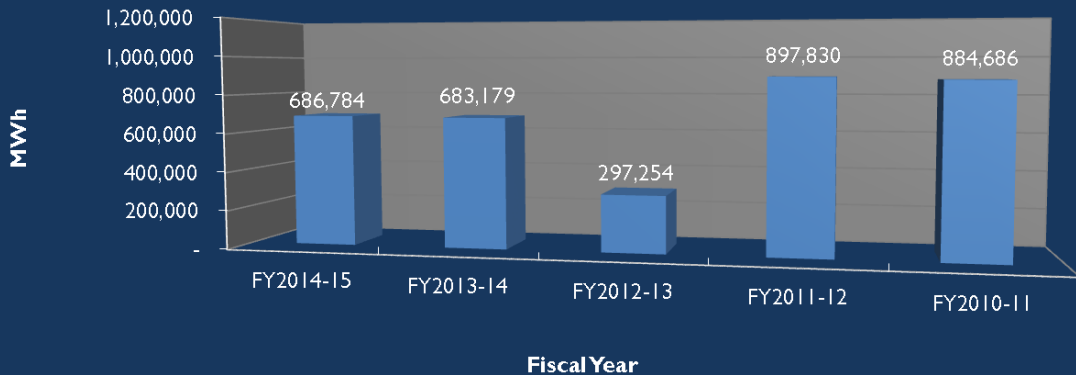


ELECTRIC USE	FY2014-15	FY2013-14	FY2012-13	FY2011-12	FY2010-11
Average Number of Meters					
Residential	73,678	72,975	72,625	72,220	72,030
Commercial	12,869	12,801	12,769	12,898	12,698
Industrial	214	218	217	222	216
Streetlights	21	18	18	18	18
Total Meters - All Classes	86,782	86,012	85,629	85,358	84,962
MEGAWATT-HOUR SALES (MWh)					
Retail Sale of Electricity					
Residential	372,426	352,861	393,136	368,237	357,604
Commercial	337,388	327,660	335,404	319,478	305,908
Industrial	361,719	370,321	389,872	397,144	377,698
Streetlighting	8,543	8,530	9,284	9,335	9,240
Total Retail Sale of Electricity	1,080,077	1,059,372	1,127,696	1,094,194	1,050,450
Wholesale to Other Utilities					
Sales to Other Utilities	512,846	351,348	61,407	493,511	487,753
Wholesale	173,938	331,831	235,847	404,319	396,933
Total Wholesale to Other Utilities	686,784	683,179	297,254	897,830	884,686
Total Megawatt-Hour Sales	1,766,861	1,742,551	1,424,950	1,992,024	1,935,136

Retail Sale of Electricity (MWh)

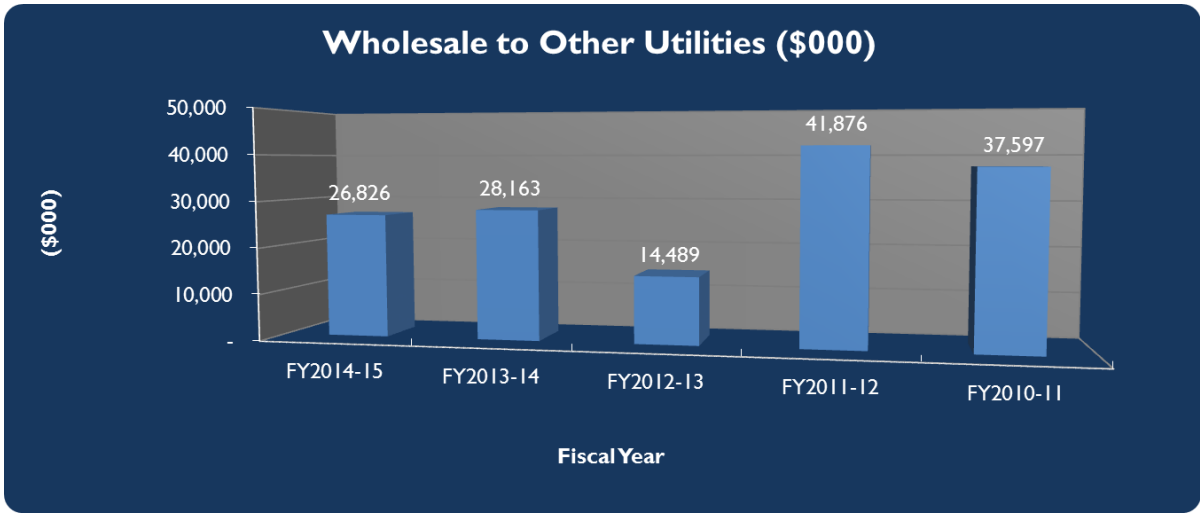
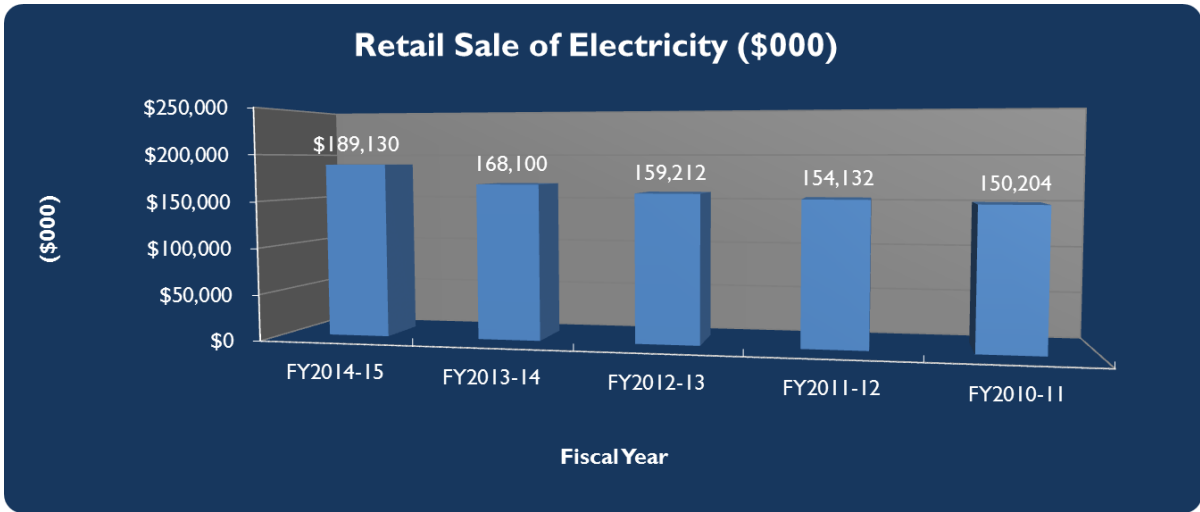


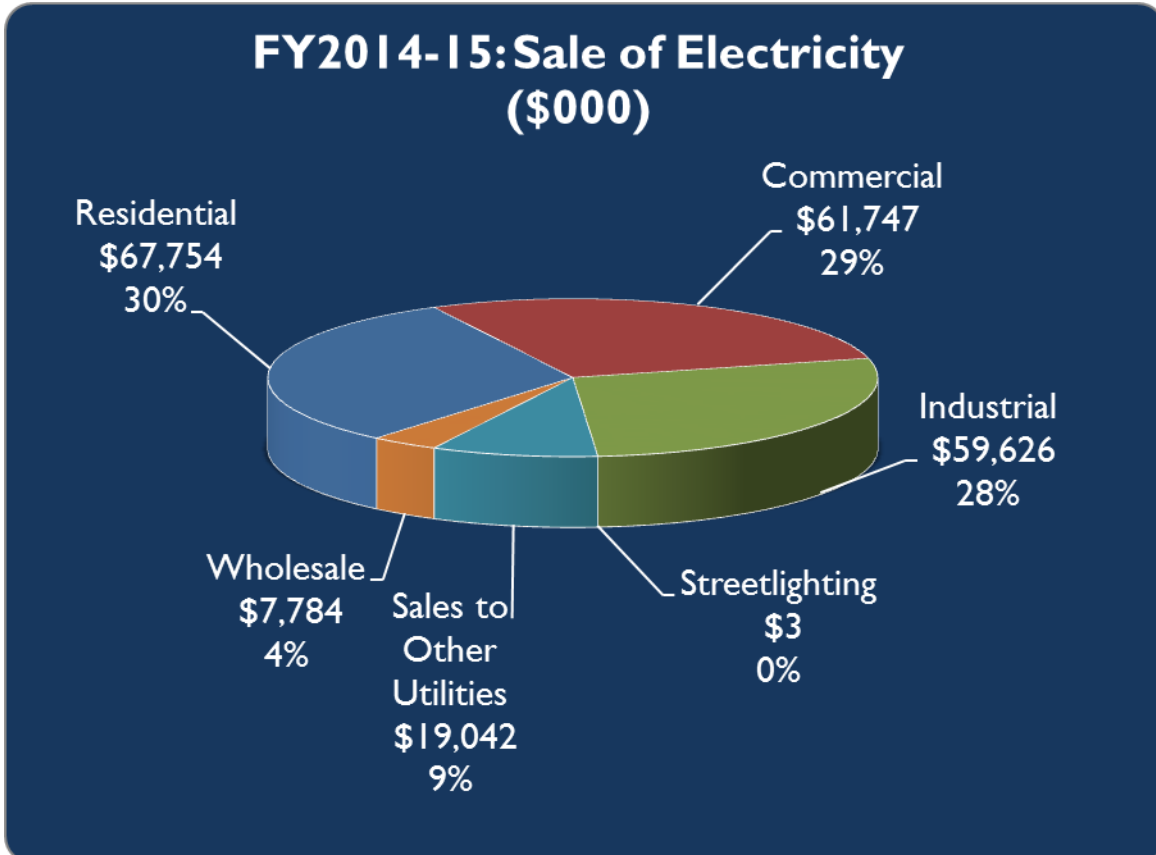
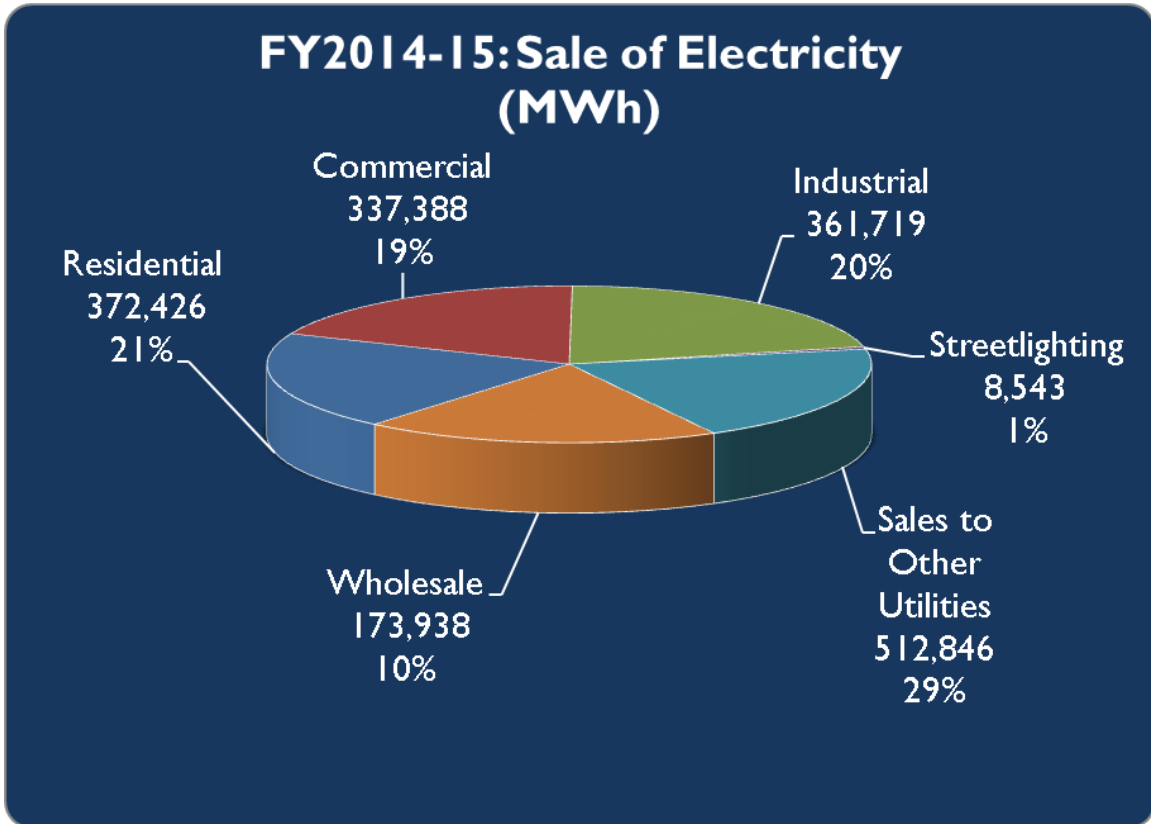
Wholesale to Other Utilities (MWh)



Not covered by independent auditor's report

REVENUES (\$000)	FY2014-15	FY2013-14	FY2012-13	FY2011-12	FY2010-11
Operating Revenues					
Retail Sale of Electricity					
Residential	\$67,754	\$ 59,906	\$ 58,411	\$ 54,283	\$ 53,558
Commercial	61,747	55,751	51,394	49,217	47,557
Industrial	59,626	52,437	49,397	50,625	49,085
Streetlighting	3	6	10	7	4
Total Retail Sale of Electricity	\$189,130	168,100	159,212	154,132	150,204
Wholesale to Other Utilities					
Sales to Other Utilities	19,042	13,033	1,686	23,049	17,437
Wholesale Sales	7,784	15,130	12,803	18,827	20,160
Total Wholesale to Other Utilities	26,826	28,163	14,489	41,876	37,597
Total Operating Revenues	\$ 215,956	\$ 196,263	\$ 173,701	\$ 196,008	\$ 187,801





Not covered by independent auditor's report

TRANSMISSION & DISTRIBUTION	FY2014-15	FY2013-14	FY2012-13	FY2011-12	FY2010-11
Circuit Miles					
Overhead lines (miles)	278	278	279	281	282
Underground lines (miles)	275	275	275	277	280
Total Circuit Miles	553	553	554	558	562
Transformer Capacity, kVA					
230kV to 69kV	324,000	324,000	324,000	324,000	324,000
69kV to 35kV	550,000	550,000	550,000	550,000	550,000
69kV to 12kV	225,000	225,000	225,000	225,000	225,000
35kV to 12kV	140,000	140,000	140,000	140,000	140,000
35kV to 4kV	128,000	162,000	161,833	161,833	161,833
13.8kV to 35kV	187,000	187,000	187,000	187,000	187,000
13.8kV to 69kV	99,000	98,500	98,500	98,500	98,500
12 kV to Customer	654,412	635,082	629,975	623,037	589,249
4 kV to Customer	185,582	195,093	196,260	196,365	227,482
ELECTRIC UTILITY FACTS	FY2014-15	FY2013-14	FY2012-13	FY2011-12	FY2010-11
Operating Margin	15.8%	3.7%	1.6%	-0.1%	4.3%
Debt to Total Capitalization	39.8%	36.5%	27.0%	26.1%	25.5%
Debt Service Coverage Ratio	6.3	6.9	4.5	4.3	5.8

ELECTRIC UTILITY Class Trends (Overview)	Residential	Commercial	Industrial	Street lighting	Subtotal	Sales to Other Utilities	Wholesale	Total
Revenue from the Sale of Electricity (\$000)								
Year Ended June 30 -								
2015	\$ 67,754	\$ 61,747	\$ 59,626	\$ 3	189,130	\$ 19,042	\$ 7,784	\$ 215,956
2014	59,906	55,751	52,437	6	168,100	13,033	15,130	196,263
Increase (Decrease)	\$ 7,848	\$ 5,996	\$ 7,189	\$ (3)	\$ 21,030	\$ 6,009	\$ (7,346)	\$ 19,693
Percent Increase (-)	13.1%	10.8%	13.7%	-50.0%	12.5%	46.1%	-48.6%	10.0%
Megawatt-Hours Sold								
Year Ended June 30 -								
2015	372,426	337,388	361,719	8,543	1,080,077	512,846	173,938	1,766,861
2014	352,861	327,660	370,321	8,530	1,059,372	351,348	331,831	1,742,551
Increase (Decrease)	19,565	9,728	(8,602)	13	20,705	161,498	(157,893)	24,310
Percent Increase (-)	5.5%	3.0%	-2.3%	0.2%	2.0%	46.0%	-47.6%	1.4%
Average Number of Meters								
Year Ended June 30 -								
2015	73,678	12,869	214	21	86,782	N/A	N/A	86,782
2014	72,975	12,801	218	18	86,012	N/A	N/A	86,012
Increase (Decrease)	703	68	(4)	3	770	N/A	N/A	770
Percent Increase (-)	1.0%	0.5%	-1.8%	16.7%	0.9%	N/A	N/A	0.9%

ELECTRIC UTILITY Class Trends (Unit Cost)	Residential	Commercial	Industrial	Street lighting	Subtotal	Sales to Other Utilities	Wholesale	Total
Average Billing Price per kWh								
Year Ended June 30 -								
2015	\$ 0.1819	\$ 0.1830	\$ 0.1648	\$ 0.0004	\$ 0.1751	\$ 0.0371	\$ 0.0447	\$ 0.1222
2014	0.1698	0.1701	0.1416	0.0007	0.1587	0.0371	0.0456	0.1126
Increase (Decrease)	\$ 0.0122	\$ 0.0129	\$ 0.0232	\$ (0.0004)	\$ 0.0164	\$ 0.0000	\$ (0.0009)	\$ 0.0096
Percent Increase (-)	7.2%	7.6%	16.4%	-50.1%	10.4%	0.0%	-2.1%	8.5%

ELECTRIC UTILITY Class Trends (Usage by Meter)	Residential	Commercial	Industrial	Street lighting	Subtotal	Sales to Other Utilities	Wholesale	Total
Average Use by Meter, kWh								
Year Ended June 30 -								
2015	5,055	26,217	1,690,276	406,810	12,446	N/A	N/A	12,446
2014	4,835	25,596	1,698,720	473,889	12,317	N/A	N/A	12,317
Increase (Decrease)	219	621	(8,444)	(67,079)	129	N/A	N/A	129
Percent Increase (-)	4.5%	2.4%	-0.5%	-14.2%	1.0%	N/A	N/A	1.0%



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and Members of City Council
of the City of Glendale
City of Glendale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of net position and related statement of revenues, expenses and changes in net position, and statement of cash flows of the Water Enterprise Fund (the Fund) of the City of Glendale, California, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated November 30, 2015. Our report included an emphasis of matter paragraph regarding the fact that the financial statements present only the Fund of the City and do not purport to, and do not, present fairly the financial position of the City of Glendale, California, as of June 30, 2015, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our report included an emphasis of matter regarding the Fund's adoption of Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, effective July 1, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinik, Trine, Day & Co. LLP

Rancho Cucamonga, California
November 30, 2015