



BROWNSVILLE
PUBLIC UTILITIES BOARD

'22|'23

ANNUAL REPORT

FORWARD TO A
BRIGHTER FUTURE



Decades of Service

Message from the CEO



Marilyn D. Gilbert
General Manager & CEO

Reflecting on the transformative experiences of the fiscal year 2022-23, it's evident that "Forward to a Brighter Future" is more than our theme—it's our pledge to Brownsville's advancement and prosperity.

The Brownsville Public Utilities Board's (BPUB) legacy is built on decades of unwavering service, ensuring reliable electricity, clean water, and responsible wastewater management; this past year brought significant challenges like extreme heat and drought, prompting us to activate Stage 2 of our Drought Contingency Plan for a second consecutive year. Despite these uncontrollable circumstances, we embraced innovation and took steps towards building resilience. Our efforts in Washington, D.C., advocating for infrastructure enhancements, constructing a new elevated storage tank, advancing the Resaca Restoration Program, and planning the expansion of the Southmost Regional Water Authority (SRWA) plant to supply potable water and decrease dependency on our declining reservoirs stand as a testament to our solution-based approach. Our dedication to you, our customers, is unwavering.

Addressing key concerns—whether high bills, rate structures, or our swift response during outages—continues to be a top priority. Achieving the RP3 Designation is a mark of our commitment to operational excellence. Furthermore, BPUB's Public Utilities Board Consumer Advisory Panel (PUBCAP) provides a platform for valued insights, ensuring we remain attuned to our customers' needs.

Community engagement is also central to our mission. Initiatives such as the Project SHARE scholarship, which allowed us to grant scholarships to 11 deserving students, our outreach efforts, community tours, and internship programs, all underscore our commitment to nurturing local talent and strengthening community ties. Our sound financial standing achieved through diligent management and your continued trust, forms the backbone of our operations. As we face new challenges and opportunities, it's vital to remember that our vision for a brighter future is a shared one. Together, we're not just progressing; we're illuminating a path toward a thriving Brownsville.

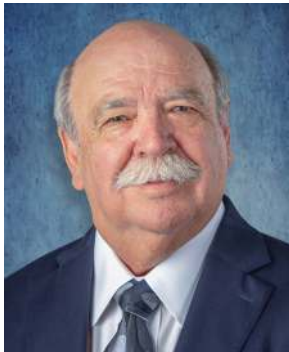
Your trust and partnership are invaluable to us. We invite you to explore our journey further through this annual report and join us at our Board of Directors meetings, where you can participate in the discussions shaping our future. Your voice and perspective are essential to our collective path forward.

Marilyn D. Gilbert / General Manager & CEO



BPUB Leadership

Message from the Board



Arthur "Art" Rendon
Chair

As a Board, we are dedicated to ensuring BPUB's ongoing progress and enhancement as a leading utility provider. This fiscal year saw not only significant upgrades to our infrastructure but also the addition of new members to our executive management team. Having the right team in place is critical to our mission of meeting our city's growing needs and providing reliable services. We are proud of the team we assembled and have complete confidence in their abilities to deliver the results that our customers deserve.

Marilyn D. Gilbert is leading the way as our General Manager & CEO. She began her career in consulting as a graduate engineer before working in various roles at BPUB and later moving on to work in other large public power utilities like Long Island Power Authority (LIPA) as Director of Operations Services Oversight and Imperial Irrigation District (IID) leading the Energy Department. At LIPA, she managed operations for roughly 1.1 million customers with revenues of \$3.8 billion and handled significant improvements for the utility after Superstorm Sandy. She also played a key role at IID, California's third-largest public power utility, contributing to its mix of renewable and conventional power sources, including battery storage and a large community solar generating station. Her experience at LIPA and IID makes her the ideal candidate to lead BPUB.

Miguel "Mike" Perez is our Chief Financial Officer (CFO). Before joining BPUB, Perez was an auditor for the Long & Chilton firm, specializing in public audits for 17 years. He also served as Director of Finance before becoming CFO in 2021. As CFO, he has steered BPUB through updates to our rate structure and the implementation of the Resaca Restoration Program fee, all while showcasing his leadership during these challenging periods.

Next, we have Constanza Miner, who has been appointed as our new Chief Administrative Officer (CAO). With over 20 years of experience, she is skilled in business development, administration, sales, customer service, marketing, and real estate as a previously licensed real estate agent in Texas. Before joining BPUB, she spent two years at the Greater Brownsville Incentives Corporation (GBIC), where she was the Interim Executive Director & CEO and the Deputy Executive Director & COO. Miner also worked for the City of Brownsville for six years in different capacities, such as Director of Planning & Development Services and Retail and Redevelopment Manager, and later became the Business Development Director for both the City of Brownsville and GBIC. Her growth mindset, leadership skills and diverse job experience make her a great organizational fit.



Pictured left to right

Mark Dombroski *Asst. General Manager & COO*

Mike Perez *Chief Financial Officer*

Marilyn D. Gilbert *General Manager & CEO*

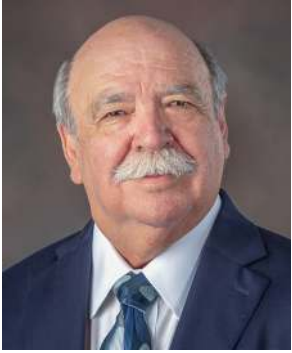
Constanza Miner *Chief Administrative Officer*

Mark Dombroski is our new Assistant General Manager and Chief Operating Officer (COO). He is a resourceful executive with over 25 years of leadership experience in energy and utilities in the public sector. His expertise includes finance, management, strategic planning, and regulatory strategy.

Before BPUB, he served as the Deputy General Manager and Chief Financial Officer and Chief Risk Officer for Austin Energy, the seventh-largest municipal utility in the United States. He also served as the Director of Finance for Seattle City Light. As a municipal executive, he served as the City Manager for Bainbridge Island, Wash. and served his country proudly as an Officer in the U.S. Marine Corps. His knowledge and experience in utility management and municipal administration are a great asset to BPUB.

Assembling a strong team is just one aspect of our strategy; our commitment to improving our daily operations is equally important. By implementing Advanced Meter Infrastructure (AMI) and making our board and committee meetings more community-friendly, we continue to make strides.

The Board is committed to addressing the challenges ahead and ready to make choices that benefit our community. We recognize that being a municipally owned utility goes beyond simply offering essential services. It involves actively contributing to the community we serve and always prioritizing the well-being of our customers.



Arthur “Art” Rendon | Chair

Rendon, a retired educator with over 25 years of experience, was appointed to the BPUB board on June 2, 2021, and serves as the Chair. Rendon also serves on BPUB’s Audit, Finance, Regulatory/Policy, and Facilities/Program Committees. Previously, he worked as a teacher, assistant principal, principal, director of special education, and director of transportation at Brownsville Independent School District (BISD). Rendon, a U.S. Marine Corps veteran, is active in the Brownsville community, serving on the boards of West Brownsville Little League, City of Brownsville Housing Authority, and Texas Southmost College. Rendon holds a bachelor’s degree in Government from Pan American University and a master’s degree in Educational Administration from the University of Texas-Pan American.



Joseph Hollmann, Ph.D | Vice Chair

Hollmann is employed at Draper Laboratories in Cambridge, Mass. Before this, he was an adjunct professor and postdoctoral fellow at Northeastern University in Boston, where he earned his doctorate in electrical engineering. In 2014, Hollmann was awarded a Nest Fellowship to develop techniques for the optical monitoring of cerebral blood flow. By 2017, he began working at Draper Labs, where he later established the Edge Sensors research group. This group focuses on developing innovative sensors by integrating advanced physics, algorithms, and artificial intelligence. On August 4, 2022, Hollmann was appointed to the BPUB board and currently serves as President of the SRWA, as a member of BPUB’s Finance and Compensation Committees, and is a participant in the City of Brownsville/BPUB Joint Subcommittee.



Daisy Zamora, Ph.D | Secretary/Treasurer

Zamora is an associate professor at the University of North Carolina School of Medicine. Her research on the correlation between nutrition and health has been published in medical journals and featured in The Washington Post, The New York Times, and National Public Radio. Before joining BPUB, Zamora served on the City of Brownsville’s charter review committee and most recently served as the board chair for the Community Development Corporation of Brownsville. Zamora was appointed to the BPUB board on July 2, 2023, and currently sits on BPUB’s Regulatory/Policy Committee.



Alejandro Najera | Member

Najera graduated with a bachelor’s degree in Business Administration, specializing in energy procurement. He founded a company in 2008 dedicated to acquiring energy contracts for clients across Texas. After 17 years, he sold the business and ventured into real estate and construction. Recently, he became part of an eight-location restaurant holding company. Born and raised in Brownsville, his family has held several companies that have provided employment opportunities for the city’s residents for 90 years. Najera was appointed to the BPUB Board on July 2, 2023, and serves on BPUB’s Audit and Compensation Committees.



Gerardo Martinez | Member

Martinez brings over two decades of experience in engineering and operation management, having worked with companies on both sides of the Brownsville-Matamoros border. Martinez works in the sustainability sector, focusing on energy resilience, waste reduction, and water/wastewater management. Martinez holds a bachelor's degree in Electrical Engineering and Computer Science from the Massachusetts Institute of Technology (MIT), earned in 1999. He served on the City of Brownsville's charter review committee, was appointed to the BPUB Board on July 11, 2023, and currently contributes to BPUB's Compensation, Facilities/Program, and Regulatory/Policy Committees.



Patricio Sampayo | Member

Sampayo is the managing director of Centro Medico Internacional, a private healthcare system in Matamoros, Tamaulipas. He graduated cum laude with an A.B. in Economics from Harvard University. Sampayo is passionate about social entrepreneurship and committed to helping colleagues and local organizations pursue innovative solutions to social problems. He was appointed to the BPUB Board on July 2, 2020. Sampayo also chairs the Finance Committee and serves on BPUB's Audit Committee and the City of Brownsville/BPUB Joint Subcommittee.



John F. Cowen, Jr. | Mayor, Ex-Officio Member

Mayor Cowen is the president of Cowen Group, LTD, overseeing its operations and growth initiatives since 2007. He holds a bachelor's in Business Administration in Finance from the University of Notre Dame and is a licensed U.S. Customs broker. Cowen serves as the City of Brownsville mayor, focusing on economic development and fiscal stewardship. He is the former Chair of the Greater Brownsville Incentives Corp., current Chair of the City of Brownsville Audit & Oversight Committee, a participant of the City of Brownsville/BPUB Joint Subcommittee, and a member of an ex-officio Brownsville Public Utilities Board member since May 16, 2023.

Special thanks to previous Board Members

Jude A. Benavides, Ph.D.

Sandra A. Saenz

Sandra Lopez-Langley

Anna E. Oquin

Mayor Juan "Trey" Mendez III

We would like to express our gratitude to the previous members of the Board for their tremendous support and invaluable contributions to the success of the Brownsville Public Utilities Board. Their hard work and dedication have helped to shape the organization into what it is today.

A Legacy of Service

Making investments to ensure reliable services

For the past 120 years, residents of Brownsville have received electric, water, and wastewater services from their hometown utility. Since its inception, BPUB has grown alongside the city's population who by the year 2000, had increased significantly, reaching approximately 143,000.

Steady growth means that improvements and upgrades are constantly necessary for service delivery. In 2009, BPUB received a \$46 million stimulus grant from the American Recovery and Reinvestment Act (ARRA), which allowed a significant portion of the city's wastewater infrastructure to be upgraded. To date, BPUB has undertaken several other large-scale projects, like the Robindale Wastewater Treatment Plant expansion in 2014, to increase capacity and continue improving its services.

BPUB is the only full-service, community-owned utility in the Rio Grande Valley. Thanks to its Board of Directors who have managed to keep utility rates highly competitive, and to its employees who pride themselves on delivering exceptional customer service and reliable utilities, BPUB has become one of the most respected utilities in Texas.

BPUB was created by the citizens of Brownsville who fought to keep it from private companies' hands. Today, it remains the primary provider of utility services in Brownsville, serving the needs of around 187,000 residents. As a community-built and community-owned utility, BPUB epitomizes the essence of community involvement and ownership.





1960 | Brownsville's City Commission authorizes a charter amendment proposing the creation of a public utilities board; residents vote for the amendment, resulting in the creation of the Public Utilities Board (BPUB).

1970 | Water Treatment Plant No. 1 opens to match Brownsville's residential and industrial expansion.

1976 | BPUB completes improvements to the Southside Wastewater Treatment Plant to treat 10,000 gallons of wastewater.



1980 | BPUB builds the Robindale (North Plant) Wastewater Treatment Plant to treat 5 million gallons of water daily.

1983 | BPUB creates the Public Utilities Board Consumer Advisory Panel (PUBCAP) to establish a communications channel for its customers.



1986 | BPUB acquires 18% of the Oklaunion Power Plant near Vernon, Texas.



1991 | BPUB inaugurates its Administration Building, marking a significant step in centralizing its operations.



1992 | BPUB constructs a 36-inch raw water pipeline from the Rio Grande to BPUB Water Treatment Plant No. 2. The Resaca de la Guerra waterway is no longer needed to carry raw water to the treatment plant.

1999 | BPUB buys a 21% share of the natural gas-powered Hidalgo Energy Center in Edinburg, Texas.



2004 | BPUB begins operations of the Southmost Regional Water Authority (SRWA) brackish Groundwater Desalination Water Treatment Plant.



2009 | BPUB uses a \$46 million American Recovery and Reinvestment Act (ARRA) stimulus grant to upgrade much of the city's wastewater infrastructure.



2013 | The Resaca Restoration Project launches to enhance water circulation, control flood conditions, improve water quality, and support ecological advancements in Brownsville's waterways.

2014 | BPUB renovates and expands the Robindale Wastewater Treatment Plant to increase treatment capacity to 14.5 million gallons daily. It becomes the first design-build plant in Texas.

2015 | BPUB enters a purchase agreement with Sendero Wind Farm in Hebbronville, Texas, to bring 78 megawatts of electricity to Brownsville residents.



2020 | BPUB's share in the Oklaunion Power Plant near Vernon, Texas, ends as the plant is officially decommissioned, marking the end of an era in Brownsville's energy history. BPUB expands its operational footprint with the opening of the 511 Service Yard in Olmito, Texas, further enhancing its service capabilities and reach.



2021 | BPUB further expands its administrative capabilities by constructing the Annex Building.



2022 | For the first time since 2002, BPUB enforces Drought Stage 2 Restrictions.

2023 | BPUB continues to ensure a steady water supply by constructing the Southmost Elevated Storage Tank.

Special Projects

Strengthening our infrastructure

Boosting Water Capacity: BPUB Unveils New 2-Million-Gallon Tank in Southmost

BPUB recently completed a significant infrastructure project, the Southmost 2-million-gallon elevated storage tank. The construction of the new water tower located at the intersection of Southmost Boulevard and East 30th Street was made possible with the help of the public and various entities. With a capacity of 2 MG, this water tower will aid in meeting the Texas Commission on Environmental Quality's requirements for water supply systems with more than 2,500 connections.

This new single tank replaces two older tanks—the demolished Southmost tank and another located at the University of Texas Rio Grande Valley which is slated for future demolition—and optimizes efficiency and cost. By opting for one larger tank instead of two, we achieved cost savings in construction and will benefit from reduced maintenance expenses while enhancing the area's water infrastructure.





BROWNSVILLE
PUBLIC UTILITIES BOARD



Throughout the project, BPUB staff collaborated with the Texas Department of Transportation and the City of Brownsville to manage road and lane closures needed to install underground waterlines. The first lane closure, announced in November 2022, led to a revised traffic plan to minimize congestion in one of the city's busiest areas. The project concluded successfully by integrating the new waterline into the existing network on Owens Road.

With the completion of this new tank, we now have three elevated storage tanks with a total capacity of 6 MG. These tanks play a crucial role in efficiently operating our water treatment plants and distribution systems, ensuring continued water service during emergencies, and securing the community's water supply now and in the future.



Strengthening Water Security: BPUB Advances Desalination Plant Optimization and Expansion Amid Drought

In response to the persistent drought conditions affecting Brownsville and the wider Rio Grande Valley, BPUB has taken decisive steps to bolster water security. Over the past two years, Stage 2 water restrictions of the Drought Contingency Plan have highlighted the severity of the ongoing drought. These challenges have spurred us to explore solutions to safeguard the community's water supply.

Recognizing the urgency of the situation, BPUB's leadership initiated efforts to increase the efficiency of the SRWA desalination plant. This involved targeting the production wells and reverse osmosis system used to treat brackish groundwater. The plant boasts a production rate of 7.5 million gallons of water per day (MGD), with a maximum capacity of 10 MGD. Our optimization efforts are aimed at aligning the plant's output with the growing demand of the city.

SRWA continues to play a pivotal role in diversifying Brownsville's water sources and mitigating the impact of droughts. However, with the region's population growth and the persistent nature of drought, we recognize the need to enhance the plant's capacity further.

In addition to the optimization efforts, BPUB and its partners aim to provide a dependable and drought-resistant water source by expanding the facility's capacity. This expansion will help reduce our reliance on the Rio Grande as the primary water supply. This proactive approach

continues our commitment to infrastructure improvement and sustainable resource management.

The proposed expansion of the SRWA plant represents a crucial step toward ensuring the long-term water security for the Brownsville community. It represents a forward-thinking investment in resilience and sustainability, mirroring our pledge to meet the needs of both present and future generations. With ongoing feasibility studies and active efforts to secure the necessary funding, we are well-positioned to enhance water security and maintain our dedication to serving the community, even amidst challenging environmental conditions.

BPUB Advocates in Washington: Securing a Future for Community Infrastructure and Services



A cornerstone of our mission is delivering reliable utility services today while ensuring the capability to maintain or exceed that standard in the future. BPUB staff actively participate in special projects that strengthen the utility's infrastructure and significantly benefit the community.

While strategically planning for the service territory's future, we recognize the need for support and collaboration with Washington lawmakers to ensure that specific projects move forward without impacting customer rates. As a result, BPUB seeks these collaborations to sustain our commitment to affordability and progress. This year, our efforts in Washington aimed to raise awareness of our community's infrastructure

needs and secure funding for critical projects. Discussions included advancing an Advanced Meter Infrastructure (AMI) system for electric, water, and wastewater customers, reducing reliance on the Rio Grande for drinking water, and progressing the Resaca Restoration Project.

BPUB representatives engaged with officials from the U.S. Army Corps of Engineers (USACE), the House Subcommittee on Appropriations for Energy and Water, the Senate Subcommittee on Appropriations for Energy and Water Development, staff from the offices of Senators John Cornyn and Ted Cruz, and directly with U.S. Representative Vicente Gonzalez. These interactions offer multifaceted benefits, enhancing

officials' understanding of our community's challenges and allowing BPUB to gain insights into available resources and funding avenues. Such dialogue is pivotal for navigating governmental processes more effectively.

A critical outcome of these engagements is fostering robust relationships with elected officials, as illustrated by Representative Gonzalez's letter supporting the Resaca Restoration Program. His endorsement was instrumental in securing the program's designation as a new start, making it eligible for additional funding through the USACE.

These advocacy trips cultivate support and highlight our priority projects, setting a focus for the year's initiatives.

Brownsville's Resaca Program: Restoring Natural Waterways

BPUB's Resaca Restoration Program was launched in 2013, revitalizing the Old City Cemetery resaca. Since then, the program has expanded significantly and highlights BPUB's commitment to environmental conservation and efficient water management.

R E S A C A S



Home to former channels of
Rio Grande known as resacas

Resaca Restoration Project
industrial, commercial and residential
to restore resacas to original depths

816 MG added water storage
capacity, drainage improvements

We have successfully secured \$1.2 million in grant funding from the RESTORE Act for the Town Resaca Watershed Restoration Project. The project's current efforts involve dredging and improving the banks, including eradicating invasive species and replacing them with native vegetation.

The program's collaboration with the USACE is set to benefit Resaca De La Guerra and Resaca Del Rancho Viejo, with the pre-construction, engineering, and design stages nearing completion. Thanks to BPUB leadership's advocacy efforts in Washington earlier this year, U.S. Representative Vicente Gonzalez has advocated for community project funding through the U.S. House Committee on Appropriations.

In the face of ongoing droughts and rising temperatures, the significance of resacas as an alternative water source during emergencies has grown and BPUB can purify resaca water for consumption if necessary. Dredging our resacas increases their water storage capacity, enhances the interconnectedness of these water



bodies and increases their ability to capture flood water runoff.

With the implementation of the resaca fee, we are expected to generate about \$5.4 million in the next fiscal year, ensuring the continuous progress of the Resaca Restoration Program. These funds are earmarked for equipment upgrades to streamline BPUB resaca operations, and a portion will be allocated to the City of Brownsville.

We are committed to advancing toward a sustainable future, with the Resaca Restoration Program being a cornerstone of this journey.



Enhanced Convenience and Efficiency: BPUB Revitalizes Drive-Thru Payment Lanes

A critical payment method offered at the BPUB Administration Building recently received significant enhancements to ensure a more efficient operation than before. This update targeted the building's drive-thru payment lanes, which were due for an upgrade after years of relentless service since the building's opening.

To minimize disruption, the maintenance schedule was meticulously planned to keep the closure to just two lanes at any given time, allowing customers to continue making payments with minimal inconvenience.

A component project focused on improving the pneumatic tube system used for transactions, similar to those at banks or pharmacies, which had become slow over time. Replacing them has made the transfer of payment canisters through the tubes faster and more reliable.

Attention was also given to the tubes' physical state. The system was reinforced inside the building to secure loose bases caused by repetitive use, enhancing safety for BPUB staff. Outside, the tubes were renovated to withstand the challenging weather conditions of South Texas, ensuring longevity.

Additionally, we implemented color-coding for lanes and canisters, making linking vehicles with their corresponding canisters easier. The upgrade also extended to the surveillance system, with enhanced cameras providing more precise recordings of transactions, a step forward in ensuring smooth transactions.

The temporary inconvenience to our customers was brief. Yet, the improvements made to the drive-thru payment system are set to deliver substantial benefits for years, streamlining the payment process and reinforcing our commitment to delivering effective customer service and efficient operations at BPUB.

Emergency Preparedness Drills at BPUB

BPUB prioritizes emergency preparation as one of its ongoing projects throughout the year. Recognizing the importance of preparing for worst-case scenarios, we focus on preparing for natural and induced disasters that could impact our service area. Conducting drills is critical to this preparation, allowing us to practice emergency responses and seek ways to enhance operations and collaboration.

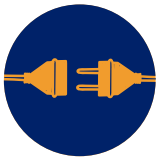
Given our location in South Texas, we must be ready for various potentially dangerous weather conditions, including extreme heat, high winds, hurricanes, and freezes. To ensure readiness, we don't just react to situations as they arise; we actively practice through simulated scenarios to refine decision-making processes in emergencies.

BPUB, in partnership with the Texas A&M Engineering Extension Service, conducted two weather-related emergency drills this year. One drill simulated a cold weather emergency, and the other focused on hurricane preparedness. Participants responded to prompts based on historical events, providing a risk-free environment to think through and refine their responses.



Benefits of Public Power

CUSTOMERS



53k

INDUSTRIAL, COMMERCIAL AND RESIDENTIAL CUSTOMERS

with
electric service



54k

with
water service



55k

with
wastewater service

Value for the community, not shareholders

Public power places the community's needs above shareholder profits, a principle deeply ingrained in our operations. By emphasizing local control, affordability, and reliability, BPUB stands as a testament to the value of public power.

Community First – As a municipally owned utility, we serve the community's interests. Our promise is to deliver premier services efficiently and affordably, ensuring that the needs of our customers always come first.

Local Response – BPUB's local facilities and staff guarantee prompt service and engagement within Brownsville. This proximity allows for swift action during service interruptions, reducing customer downtime. Moreover, it creates valuable job opportunities in the community.

Non-Profit Status – Operating without a drive for profit, BPUB reinvests any earnings into the community. This approach supports job creation, infrastructure improvements, and educational initiatives, further enriching the community's growth and development.

Customer-Led Governance – Governance by a board



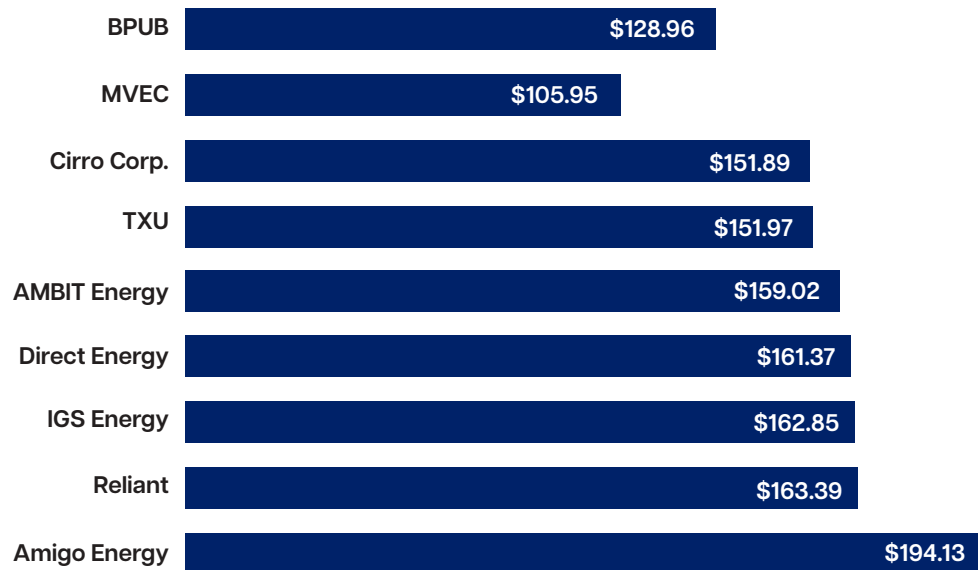
of six members, appointed by the Brownsville City Commission and the city mayor serving as an ex-officio member, ensures decisions reflect the community's best interests. This leadership structure guarantees that representatives who genuinely embody the community's values determine the utility's direction.

At its core, Brownsville's public power model prioritizes the community. It is focused on delivering critical services, engaging in community outreach, and planning for the region's future utility needs. The success of public power is rooted in community involvement. BPUB cherishes an active customer base that participates in decision-making processes and contributes valuable insights on rates, services, and policies.

We encourage customer engagement through two distinct avenues. PUBCAP meetings held on the third Wednesday of each month provide a forum for staff to present updates on ongoing

TYPICAL RESIDENTIAL ELECTRIC BILL

Based on 1,000 kWh of electric sales | October 2023



This information is compiled and provided by the PUCT from publicly available information from the Retail Electric Providers. For comparative purposes bills shown are all fixed plans.

projects and address concerns. These sessions are essential for fostering community involvement.

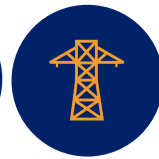
Additionally, board meetings scheduled on the second Monday of each month concentrate on broader organizational decisions and policies. Participation in these meetings is crucial for shaping BPUB's future and ensuring that services effectively meet the community's evolving needs.

This approach underscores the value of public power, emphasizing responsiveness and adaptability to our community's needs. It highlights how direct involvement and open communication are fundamental in achieving resilient and sustainable utility services for all.

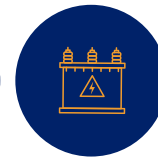
ELECTRICAL



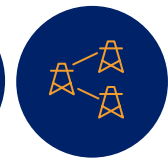
4^x Diamond Designee



67.95 sq. mi. Service Area



15 Substations



Ercot Membership

Public Power

- Local Control
- Accountability and transparency
- Financially supports local government with **\$10 million** per year
- Fast response to outages
- Affordable rates
- Non-profit agency

Generation

- **Silas Ray Power Plant**
Brownsville, Texas
100% ownership, natural gas, **115 MW**
- **Hidalgo Energy Center**
Edinburg, Texas
21% ownership, natural gas, **500 MW**
- **Sendero Wind Farm**
Hebbronville, Texas
100% owned output, wind, **78 MW**

WATER



3 Storage Tanks



2 Water Sources



148.28 sq. mi. Service Area



50 MGD Capacity

City Ownership

- City owns its own water rights
- City controls and owns pump facilities
- Ownership gives BPUB greater flexibility in distributing water

Water Capacity

Surface water

Rio Grande

- Water Treatment Plant No. 1, **20 MGD**
- Water Treatment Plant No. 2, **20 MGD**

Brackish groundwater

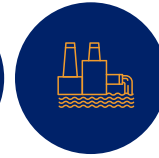
Rio Grande Alluvium within Rio Grande Aquifer

- Southmost Regional Water Authority, **10 MGD**
92.91% ownership, reverse osmosis
20 production wells,
200-300 ft. below ground

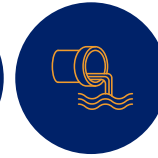
WASTEWATER



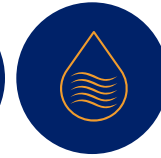
2 Treatment Plants



179 Lift Stations



156.5 sq. mi. Service Area



27.3 MGD Capacity

Local Protection

- Subject to EPA and TCEQ regulation
- Pretreatment program regulation for commercial customers
- Backflow prevention program
- Fats, oils and grease disposal

Treatment

- **South Wastewater Treatment Plant**
Traditional, **12.8 MGD**
- **Robindale Wastewater Treatment Plant**
Ultraviolet, **14.5 MGD**
First major design-build wastewater project in Texas

Customer Focused

Bridging the gap
with our community

Enhancing Customer Engagement: The Evolution of PUBCAP Meetings

The Public Utilities Board Consumer Advisory Panel serves as a crucial channel for our customers, providing a forum to share insights and raise concerns through monthly gatherings. Over the past year, these meetings have highlighted significant issues, including the Tenaska bond requirements and fund allocation, drawing community members eager for updates and dialogue. The onset of Stage 2 drought restrictions, a situation our community hadn't encountered in years, also took center stage in discussions.

These meetings benefit attendees by offering presentations on various topics, such as the December 2022 winter weather event, financial assistance programs, Advanced Metering Infrastructure (AMI) rollout, BTX Broadband Fiber Project, and wastewater and highway lighting updates. These sessions reflect PUBCAP's commitment to addressing diverse community interests.

PUBCAP revised its bylaws to enhance community engagement and make its meetings more accessible and informative. The panel extended public comment periods to five minutes, allowing residents more time to articulate their concerns. This adjustment facilitates richer community feedback and equips BPUB with a deeper understanding of its customers' needs. Additionally, to accommodate attendees joining after work who wished to participate, the public comment period was moved closer to the end of the meeting.

Embracing digital accessibility, PUBCAP began recording and live-streaming its sessions, expanding its reach within the community. These recordings are accessible on BPUB's YouTube channel, ensuring that valuable information and discussions are available to all.





*Top row: Miguel Patino, Sergio Martinez, and Jose Medrano
Front row: Cleiri Quezada, Eliza Vasquez, Patricia A. Cavazos, and Luz Marshall
Not pictured: Chester Gonzalez, Griselda Muñoz, Carlos A. Rodriguez*

BPUB ensures that experts from various utility fields are present at each meeting to address inquiries and concerns. If issues cannot be resolved during the sessions, follow-up actions include presentations at subsequent gatherings or direct contact from a director or manager to the concerned customer.

PUBCAP's monthly meetings transform basic forums into positive community engagement, and all BPUB customers are invited to participate. Meetings are held every third Wednesday of the month from 5:30 p.m. to 7:00 p.m. Details on upcoming meetings and agendas are available on BPUB's website and social media platforms. This open invitation helps us foster an informed and engaged community, driving positive changes for Brownsville.

BPUB Battles Texas Drought, Enters Stage 2 of the Drought Contingency Plan

During the sweltering summer of 2023, Texas confronted another relentless drought that plagued the state after nearly two decades and affected its communities, agriculture, and local

ecosystems. The situation has pushed the BPUB and the city of Brownsville to declare Stage 2 of the Drought Contingency Plan on September 18 for the second consecutive year. This decision reflects the severity of the drought's impact, emphasizing the critical need for efficient water management and conservation.

WATERING DAYS BY ADDRESS

Last Digit of Service Address	Watering Days
-------------------------------	---------------

0 or 1	Monday, Saturday
2 or 3	Tuesday, Saturday
4 or 5	Wednesday, Saturday
6 or 7	Thursday, Sunday
8 or 9	Friday, Sunday

The drought has notably impacted Brownsville's resacas and limited our ability to pump from the river into our reservoirs. These limitations restrict the volume of water supplied to the resacas, which is essential for the local ecosystem and community.

At the heart of our drought response is the SRWA. Owning a majority stake in the SRWA plant, we employ cutting-edge technology to supplement Brownsville's water supply. The plant's 20-deep wells tap into the Rio Grande Alluvium within the Gulf Coast Aquifer, utilizing microfiltration and reverse osmosis (RO) to purify brackish water by removing iron, arsenic, and manganese. This sophisticated process secures additional water resources for the community and stands as a testament to our commitment to overcoming environmental hurdles.

By implementing stringent conservation measures and investing in technology, BPUB is not just responding to the immediate crisis but also preparing for the future, ensuring that the community of Brownsville remains resilient in the face of ongoing drought.





BPUB Maintains Top-Tier Reliability Status

BPUB retained its Reliable Public Power Provider (RP3) Diamond designation. This prestigious recognition is a testament to BPUB's commitment to providing its customers with safe, reliable, and affordable electric service.

The American Public Power Association (APPA) awards utilities the RP3 designation for excellence in reliability, safety, workforce development, and system improvement.

BPUB's RP3 Diamond designation directly reflects its commitment to customer service. By investing in its infrastructure, workforce, and technology, BPUB can provide its customers with the power they need when they need it most and at a competitive price.

Here are just a few examples of how BPUB's RP3 Diamond designation benefits its customers:

- **Enhanced Reliability:** BPUB has achieved a customer outage duration significantly lower than the national average. This means that residents and businesses in Brownsville can rely on a consistent power supply, even in severe weather conditions.
- **Safety and Affordability:** BPUB prioritizes safety and has a strong track record in providing its employees with the necessary training and resources to ensure safety while working. This commitment facilitates the delivery of dependable and secure service to BPUB customers. Furthermore, BPUB's rates are competitive with other regional utility companies, ensuring customers receive affordable power.

- **Customer-centric Service:** BPUB's operations are centered on a solid commitment to customer satisfaction, reflected in the variety of convenient payment options, swift responses to customer inquiries, and proactive approach to resolving service-related issues.

BPUB is honored to hold the title of Reliable Public Power Provider, a testament to its commitment to maintaining and surpassing the high standards expected by its customers. As BPUB continues to grow and evolve, the RP3 designation is a crucial benchmark, guiding the utility's efforts to forge a brighter, more sustainable future for its communities.



BPUB's Commitment to Community: Bridging the Gap with Financial Assistance and Support Programs

In a year characterized by rising energy costs, partly due to inflation, we remained committed to supporting customers experiencing financial hardships. In October 2022, we took a significant step by temporarily suspending all service disconnections due to non-payment. This suspension lasted until February 2023 to ensure community members remained connected to essential services during difficult times. At the same time, we encouraged customers to take advantage of the financial assistance programs designed to help them manage payments and prevent the accumulation of large debts.

To streamline the application process for assistance and ensure timely distribution of funds, we partnered with key local organizations, including the Community Action Corporation of South Texas and Catholic Charities of the Rio Grande Valley. These partnerships were crucial in supporting those in need within the community.

Throughout the year, the impact of BPUB's assistance initiatives was profound:

- **SHARE Program:** Supported 1,042 accounts
- **Comprehensive Energy Assistance Program (CEAP):** Aided 7,024 accounts
- **Low-Income Household Water Assistance Program (LIHWAP):** Benefited 1,935 customers

In the end, BPUB successfully disbursed over \$3.1 million in aid from October 2022 through September 2023, emphasizing the tangible difference these programs have made in the lives of many.

Our commitment extends beyond immediate financial relief, encompassing programs and educational initiatives for energy conservation and safety. These efforts reflect a broader strategy aimed at empowering customers to reduce their utility expenses while enhancing safety within the community.

As we move ahead, our dedication to serving and supporting the community ensures a brighter, more sustainable future for all stakeholders involved. Through financial assistance, educational initiatives, and strategic partnerships, we continue our mission to bridge the gap for those facing economic challenges, reaffirming our role as a pillar of community support.

Powering Through the Storm: BPUB Restores Holiday Cheer Amid Winter Outage

BPUB prides itself on delivering reliable and safe electric service to its customers. Despite best efforts, power outages can still occur, often due to severe weather events. While we recognize these disruptions' inconveniences and challenges, we are committed to restoring power swiftly and safely.

Our quick response to power outages exemplifies operational efficiency and a deep commitment to ensuring the community's daily life remains uninterrupted. This commitment was particularly evident over the Christmas holiday of 2022 when a winter storm unexpectedly hit the Rio Grande Valley. In a time traditionally filled with joy and family gatherings, our crews braved the cold to tackle the challenges presented by the storm head-on.

Leveraging lessons learned and improvements implemented after Winter Storm Uri, our teams worked diligently to restore electricity to affected customers.

From December 23 to 25, 2022, BPUB's efforts restored power to more than 14,000 customers, preserving the festive spirit for many during the holiday season. This accomplishment highlights our proactive and progressive approach to handling challenges. Rather than reacting to incidents, we focus on continuous evolution, learning, and improvement to enhance our service and preparedness for future events.



Our dedication to offering top-tier service is unwavering as a public power utility. The utility's commitment to its customers and the broader community is a cornerstone of its mission, ensuring that it remains a trusted and reliable provider of electric services.

BPUB Refunds Tenaska Equity Funds to Customers

BPUB has finalized the distribution of the \$31.35 million from the Tenaska Equity Fund (TEF), a fund collected between April 2013 and September 2016 intended to cover costs associated with a proposed power plant project. This initiative was part of a broader effort to ensure financial transparency and customer satisfaction.

After conducting an independent financial review of Tenaska-related funds, Burton, McCumber & Longoria CPAs and Advisors presented their findings to our Board of Directors. The firm confirmed that issuing TEF refunds would satisfy the terms of our bond ordinance. Following this confirmation, we began distributing refunds to our customers.

At the start of the planning for the distribution process, the BPUB's Board of Directors and the Brownsville City Commission made several critical decisions about the TEF:

April 10 The BPUB Board of Directors added the net interest earned on the initial \$29 million to the TEF, amounting to an additional \$2,082,611. After transferring \$208,261 of that interest to the city of Brownsville, the net amount added to the TEF was \$1,874,350.

- May 1** In a special board meeting, the Directors voted to include further net interest earned up to March 2023, raising the TEF total to \$31.35 million. They also recommended pooling refunds meant for the city and BPUB and distributing them equally among all TEF timeframe customers who were active account holders as of May 1, 2023.
- May 2** The Brownsville City Commission agreed to combine its refund with BPUB's. After satisfying the bond ordinance terms, BPUB began issuing refunds.
- May 8** Refunds were credited to the bills of current BPUB customers eligible for the TEF.
- May 15** Checks started being mailed to former customers eligible for the refund.

A total of 45,702 accounts received credits, and 27,576 checks were mailed to former account holders. This manual process required significant effort but was carefully managed by a dedicated team to ensure accurate issuance of checks.

Despite completing the refund distribution, we faced the challenge of returned checks, often due to outdated forwarding addresses. Customers who had BPUB electric service from April 2013 to September 2016 and that have not received a refund are encouraged to contact the BPUB Customer Service Department at 956-983-6121 or email TEFinquiries@Brownsville-PUB.com for support.

This initiative reflects our focus on customer service and responsible financial practices, showcasing the utility's adaptability in managing funds and adjusting to changes in project plans.

BPUB's Strategic Rate Adjustments: Investing in the Future

BPUB finds itself at a critical juncture, balancing the need to offer competitive rates with the imperative to fund infrastructure improvements. This balance is essential not just for operational sustainability but also to ensure our services remain both affordable and comparable with other utilities.

This commitment led to the Brownsville City Commission's approval of a series of rate adjustments in May 2022. These adjustments are vital to advancing our vision for a vibrant future.

- **Electric Service: Enhancing Affordability**—The commission's decision to lower the base rate by about 22 percent was a significant move for electric customers. This reduction revisits the increases initially earmarked for a project that was eventually shelved.
- **Water Services: Supporting Essential Programs**—Water rate changes were also on the agenda, marking the first increase in six years. A new maintenance fee for all water customers was introduced

RESACA FEE RATE INCREASES

Effective June 1, 2022	Effective Jan. 1, 2023
\$4.50	\$6.25

RESIDENTIAL WATER RATE INCREASES

Effective June 1, 2022	Effective Jan. 1, 2023	Effective Jan. 1, 2024	Effective Jan. 1, 2025	Effective Jan. 1, 2026
8.0%	8.0%	6.0%	4.0%	5.0%

RESIDENTIAL WASTEWATER RATE INCREASES

Effective June 1, 2022	Effective Jan. 1, 2023	Effective Jan. 1, 2024	Effective Jan. 1, 2025	Effective Jan. 1, 2026
9.0%	9.0%	9.0%	4.0%	5.0%

to fund the crucial Resaca Restoration Program. This initiative is vital in augmenting the city's water storage capacity and aesthetic appeal and supporting the local ecosystems, a win-win for the community and its natural inhabitants.

- **Wastewater Services:** Preparing for Growth—The first rate increase in this area in eight years, effective June 1, 2022, acknowledged the need for an updated approach to wastewater services. These changes are pivotal for keeping pace with the city's expansion, ensuring high service quality, and addressing the challenges posed by increased demand and rising costs.

For BPUB to thrive, each area of its operation—electric, water, and wastewater—must be robust and self-sufficient. The recent rate updates are instrumental in positioning BPUB to meet both current demands and future growth challenges while maintaining competitive rates.

With ongoing drought conditions affecting the area, we must continue to explore and fund initiatives to enhance our drinking water supply. This approach highlights our forward-thinking strategy to meet today's needs and ensure sustainability for the future.

Navigating the Summer Heat: Strategies for Managing Your Utility Bills

As the BPUB implemented rate adjustments, the anticipation of lower utility bills was high among customers. However, the summer of 2022 had other plans, setting records with its blistering heat. Days soaring past 100 degrees became the norm, offering little respite to residents hoping for relief in their utility expenses.

Although we reduced the base electric rate, the exceptionally high temperatures increased electricity consumption, leading to higher customer bills. It's important to acknowledge the direct relationship between weather conditions and utility usage, especially in areas like South Texas, where high temperatures are a constant throughout the year.

Air conditioning, a necessity in combating the heat, can account for up to half of a monthly electric bill. This consumption increases even more during extreme weather, highlighting the need for effective energy management to reduce financial impact.

DID YOU KNOW THAT BPUB OFFERS REBATES TO CUSTOMERS WHO MAKE ENERGY- EFFICIENT CHOICES?

Many energy-efficient measures qualify for rebates under BPUB's GoGreen Rebate Program, such as adding insulation or upgrading your air conditioner. You can verify your eligibility by visiting BPUB's website or calling 956-983-6121.

Energy-Saving Tips for the South Texas Heat

To help customers manage their energy usage and potentially lower their bills, here are several practical tips:

- Invest in a Programmable Thermostat: Tailoring your home's cooling to your schedule can lead to significant savings. Adjusting your thermostat when you're away from home or asleep can reduce electricity use without sacrificing comfort.
- Utilize Fans: While fans do not lower room temperature, they can create a cooling effect by circulating air. This allows you to raise your thermostat a few degrees, saving energy while maintaining comfort.
- Home Improvements for Efficiency: Making your home more energy-efficient can have a noticeable impact on your utility bills:

BPUB Combats Water Losses: Insights from the 2023 Water Audit

In February 2023, BPUB, in collaboration with JBS Water Inc., conducted a detailed Water Audit and Meter Management Evaluation. This initiative aimed to pinpoint the root causes of water loss within the water distribution system. Through an extensive analysis that reviewed three years of water production data and assessed the functionality of large meters installed since 2017, we made significant strides toward enhancing our operational efficiency.

Audit Insights:

The audit unveiled several key factors contributing to non-revenue water, highlighting areas for improvement:

- **Outdated or Oversized Meters:** A significant number of meters require updating or appropriate sizing to track current water usage accurately.
- **Infrastructure Leaks:** Water loss due to breaks and leaks in the distribution infrastructure highlights the necessity of prompt and efficient repairs.
- **Inaccurate Estimation of Unmetered Water:** The challenge of accurately estimating unmetered water consumption was also spotlighted as an area requiring attention.

Additionally, the following findings were noteworthy:

- A potential revenue shortfall of around \$280,000 may occur due to some customers' reduced water consumption in 2022 compared to 2021.
- As identified in the audit, the Advanced Metering Infrastructure (AMI) Project is replacing approximately 4,500 meters to improve accuracy.
- The assessment and potential reduction of large meters were deemed necessary to align metering capabilities with actual usage requirements.
- The need to repair older meters, especially in flood-prone areas, was highlighted to prevent water loss.

The initiative has yielded positive results, as non-revenue water has declined compared to the previous audit period (2016-2017). While eliminating water loss may not be possible, we are optimistic that with focused remediation efforts, 50-60% of the lost water can be recovered within three to five years.

We are committed to evaluating and enhancing these remediation strategies on an ongoing basis. Key to these efforts will be addressing the identified challenges, prompt leak detection and repair, and accurate



measurement of unmetered water consumption. These actions are crucial for minimizing water loss and improving service quality.

The Water Audit and Meter Management Evaluation have provided invaluable insights, setting a solid foundation for future improvements. By leveraging these findings and implementing strategic initiatives, we are well-positioned to enhance our operational efficiency and contribute to the sustainable management of water resources.

Community Focused

Unique opportunities
and programs

Fostering the Future: BPUB's Internship Program Empowers Emerging Talents

The BPUB Summer Internship Program is a cornerstone of our commitment to nurturing future professionals. This distinctive 12-week program offers junior, senior, and graduate-level college students an invaluable entry into the real world of utility management, with competitive compensation at \$15 per hour.

This year, we welcomed nine remarkable students from prestigious institutions, including the University of Texas Rio Grande Valley (UTRGV), the University of Texas at San Antonio (UTSA), and the University of the Incarnate Word (UIW). BPUB selected these students for their exceptional abilities and placed them across various departments, offering a holistic view of our operations.





Carlos Doria, UTRGV – Assigned to the Key Account Marketing Department, Carlos worked on the SA Recycling Transformer Installation and TSC Water Valve Installation. His internship provided deep insights into project management, software tools, and corporate professionalism.



Gonzalo Cervera-Aguinaga, UTRGV - In the Electric Engineering Department, Gonzalo created work orders for electrical system maintenance. His work emphasized the value of interdepartmental collaboration and the importance of reliable power distribution.



Allen Lyles, UTSA – Interning in the Water/Wastewater Engineering Department, Allen learned the intricacies of lift station rehabilitation and the significance of engineering collaboration. His contributions to the USACE National Ecosystem Restoration Plan mapping project highlighted his skills in land surveying and water storage calculations.



Luis Vergara, UTRGV –Luis’s internship spanned the Raw Water, Resaca Maintenance, and W/WW Engineering departments. He gained hands-on experience with the Resaca Restoration Program and learned about flood prevention and sediment management.



Maximiliano Uvalle, UTRGV – In the Safety & Security Operations Department, Maximiliano reviewed security risk assessments and emergency plans. His work offered him a comprehensive view of project management and the significance of quick thinking in security operations.



Osvaldo Garza, UIW – Osvaldo’s role in the W/WW Supervisory Control and Data Acquisition (SCADA) Department focused on implementing security measures for critical infrastructure. He acquired skills in network engineering, fiber-optic splicing, and security monitoring.



Joe S. Zapata, UTRGV – Joe contributed to the Purchasing Department by assisting with acquiring materials and services essential to our operations. His experience with purchasing systems and departmental policies enriched his understanding of procurement processes.



Jose Porras, UTRGV – Interning in the Internal Audit Department, Jose learned the intricacies of risk assessment and its application in auditing various departments. His work with asset protection and control testing equipped him with valuable auditing skills.



Nora Soto, UTRGV – Nora maintained and managed BPUB’s extensive records in the Records Management Department. Her work with document management solutions and open records requests gave her a robust understanding of records retention policies.

The BPUB Summer Internship Program is more than just a seasonal job; it’s a career launchpad. Many of our interns’ transition into full-time positions, reflecting the program’s success in preparing them for the challenges of the utility industry. By investing in these bright minds, BPUB contributes to their personal growth and enhances the quality of service and innovation within the utility sector.



Future Leaders: BPUB's Project SHARE Scholarship Invests in Community Growth

Beyond our role as an essential services provider, we position ourselves as a crucial force for community advancement. We demonstrate this dedication through programs like the Project SHARE Scholarship program which represents our commitment to fostering the next generation of community leaders and professionals.

In a significant move to support educational aspirations, we proudly awarded \$1,000 scholarships to 11 deserving students this year. These scholarships are designed to alleviate college-related financial burdens, paving the way for recipients to pursue higher education. Eligibility for this award requires applicants to be graduating high school students residing in households served by BPUB for at least one year and enrolled or planning to enroll in an accredited higher education institution within the United States.

The impact of the Project SHARE Scholarship extends far beyond financial assistance. The program cultivates a cycle of growth and development within Brownsville, as many recipients return to their hometown equipped with new knowledge and skills. These scholars

often become integral contributors to the local economy and community, assuming roles as leaders, professionals, and innovators. Their achievements and contributions emphasize the importance of investing in the education and development of young minds.

This initiative reflects our collaboration with the broader community, highlighting the transformative power of investing in youth and education. Through the Project SHARE Scholarship, we remain dedicated to empowering individuals and enriching our community. This program furthers our belief that supporting education is not just an investment in individual futures but in the collective future of Brownsville and beyond.



Connecting with Our Community: A Year of Engagement and Outreach

After a pause in our community outreach activities due to the challenges presented by the COVID-19 pandemic, we eagerly returned to the community throughout the year, reinforcing our commitment to the people we serve. As we progress, our outreach programs play a pivotal role in fostering community, transparency, and engagement.



Throughout the year, we made strides in revitalizing our outreach efforts. Employees actively participated in educational programs within local schools, including “Careers on Wheels” and career day events, offering children valuable insights into the myriad career opportunities available at BPUB and highlighting the broader impact of our work.

BPUB’s beloved mascot, Leo the Lineman, was pivotal in spreading



electrical safety awareness. His appearances at community centers, the Children’s Museum of Brownsville, and various local institutions ensured the safety message reached diverse audiences, resonating with individuals of all ages.

Amid concerns about the prevailing drought situation, we seized the opportunity to educate the community on the importance of water conservation during the Sombrero Festival, among other events. Discussions revolved around Stage 2 water restrictions and the significance of the Resaca Restoration Program, highlighting our proactive measures to combat the challenges brought on by drought.

Our participation in the Charro Days parades exemplified our commitment to celebrating our

shared cultural heritage, further strengthening the bonds with the community we serve.

Reflecting on a year of meaningful engagement, we stand proud of our commitment to community outreach. These initiatives embody our core values and continue to pave the way for enduring relationships, educational opportunities, and a transparent dialogue with the community.

A Closer Look at BPUB Operations Through Community Tours

BPUB annually conducts community tours, providing a unique insight into the operations and essential services offered. These tours bridge the gap between us and the community, enhancing the understanding of the intricate and dedicated efforts behind everyday conveniences like water and electricity. Through these educational experiences, attendees gain a deeper appreciation for the complexities of delivering these services.

Spring into Water: Exploring Water/Wastewater Facilities

Community members can visit BPUB’s water and wastewater treatment facilities in the spring. This tour provides a detailed view of the processes involved in managing and treating water, ensuring it meets safety and quality standards.



Electric Insights: A Tour of Electrical Operations

The autumn months focus on electricity, with visits to the Silas Ray Power Plant and the Rio Grande Substation, complemented by a live lineman demonstration. This part of the tour offers a glimpse into the intricacies of our electrical generation and distribution systems.

Participants leave with a deeper appreciation for the personnel who maintain these systems daily. The tours reveal the complexity and dedication behind the continuous provision of these essential services.

These tours are offered free of charge to educate and showcase our commitment to transparency. They are more than a service—they reveal our core values of reliability and commitment.

Join Our Community Tour

Witness the effort and dedication that ensure reliable service every time you flip a switch or turn a tap. RSVP now to see what makes it all possible.

Financial General Summary

September 30, 2023

Fiscal Year 2023 Amended Budget Highlights

- A. Total Combined Budget: \$253.33 million
- B. Electric Budget: \$190.03 million (\$87.17 million fuel, \$102.86 million other), 75.01% of total budget
- C. Water Budget: \$36.25 million, 14.31% of total budget
- D. Wastewater Budget: \$27.06 million, 10.68% of total budget
- E. Amended Funded Positions: 631
- F. Transfer to the City of Brownsville: \$14.98 million gross
- G. Net Cash Transfer to COB after usage: \$9.92 million

BPUB Financial Highlights for the Quarter ended September 30, 2023

- 1. Capital Assets, net of accumulated depreciation: \$502.60 million
- 2. Number of Customers excluding COB: Electric 53,425, Water 54,625, Wastewater 55,375

3. Customer Unit Sales / Operating Revenues

Sales	Audited FY 2021	Audited FY 2022	Amended 2023 Revenues	Actuals as of Sept 30, 2023
Electric Service - kWh	1,333,827,134	1,389,613,240	1,349,033,813	1,385,200,396
Water Service - 1,000 gallons	6,740,690	6,749,817	6,887,098	6,790,305
Wastewater Service - 1,000 gallons	4,680,563	4,783,595	4,791,021	4,791,090

Operating Revenues	Audited FY 2021	Audited FY 2022	Amended 2023 Revenues	Actuals as of Sept 30, 2023
Electric Service	\$269,538,781	\$ 192, 251,411	\$ 158,849,413	\$ 167,611,495
Water Service	25,876,348	29,042,631	34,256,484	31,194,715
Wastewater Service	23,235,894	25,007,715	25,069,539	28,295,143
Total Utility	\$ 318,651,023	\$ 246,301,757	\$ 218,175,436	\$ 227,101,353

4. Summary of BPUB Transfers to the City

	Cash transfers to the City	City of Brownsville Usage	Total Transfers
2023 Ammended Budget	\$ 9,915,814	\$ 5,060,544	\$ 14,976,358
YTD Actuals as of:			
Audited September 30, 2022	12,477,802	5,512,301	17,990,103
Unaudited 9/30/23	12,007,719	6,053,425	18,061,144

5. Debt Service Coverage by Quarter

	Audited FY 2022	Ammended Budget 2023	Quarter Ended September 2023
Electric	4.09	1.69	3.06
Water	2.94	3.09	3.61
Wastewater	2.22	1.87	2.45
Combined Utility	3.61	1.90	3.03

6. Bond Ratings

A. Moody's	A2/Outlook Stable	Medium Grade Investment Quality
B. Standard & Poor's	A-/Outlook Stable	Medium Grade Investment Quality
C. Fitch	A-/Outlook Stable	Medium Grade Investment Quality



VISION

BPUB is a community-owned leader providing exceptional service.

MISSION

BPUB will be the foundation for our community's future by providing reliable infrastructure, competitive rates, and exceptional customer service.

CORE VALUES: EMPLOYEE RESPECT, ACCOUNTABILITY AND TEAMWORK

We support and acknowledge our workforce for taking responsibility for their actions in providing quality services and exceeding customer expectations through teamwork.





B R O W N S V I L L E
PUBLIC UTILITIES BOARD

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