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Why Burbank Must Repower Olive Now

Burbank Republican Party · August 25, 2026

Your electric bill is going up 9.9 percent a year for the next two years, and Burbank Water and Power's own Chief Financial Officer says the renewable power the state now forces the city to buy costs three times what it did a few years ago. A power plant Burbank already owns has been sitting idle through all of it.

Why is the City of Burbank buying electricity from the City of Glendale?

Burbank Water and Power paid outside electricity suppliers roughly \$75.0 million in calendar year 2023 and roughly \$90.0 million in calendar year 2025, according to two vendor-by-vendor purchase summaries the utility produced in response to public records requests. Both figures cover only power purchased from third parties — not the full cost of serving Burbank's electric customers.

The increase comes as the Olive Power Plant, Burbank's own generating station, remains offline. In a November 2024 email, Burbank Water and Power confirmed the plant "could be operational" with additional air permits and major capital improvements, but that operation is currently limited by state climate law.

EXHIBIT A — THIRD-PARTY PURCHASES, BY YEAR

What Burbank Water and Power paid other suppliers for electricity

Calendar year 2023

\$74,963,58852 counterparties · summary produced
October 23, 2024

Calendar year 2025

\$89,953,59250 counterparties · summary produced
February 24, 2026Change: **+\$14,990,004 · +20.0%** over the two-year span**What this means for your bill**

This is not an abstract accounting exercise. On May 20, 2025, the Burbank City Council approved a 9.9 percent electric rate increase for each of the next two years, beginning January 1, 2026 — about \$19.81 more per month for the average residential customer, according to a city staff report.

At that meeting, Burbank Water and Power's Chief Financial Officer, Joe Lillio, told the council that renewable power now costs roughly three times what it did a few years earlier, citing Senate Bill 100's mandate that utilities procure 100 percent clean electricity by 2045. General Manager Mandip Samra told the council the renewable portfolio standard alone represents "hundreds of millions of dollars" in contracted costs, and that Burbank Water and Power's cash reserves fell from \$80 million in 2018 to \$30 million in 2023 over the same stretch.

Those are the same state mandates, and the same category of purchased power cost, this story has been tracking. The rate increase is the part of that cost that lands directly on your bill.

Where the money is going

The largest single counterparty in both years is the Southern California Public Power Authority's Magnolia Power Project, which rose from \$18.25 million in 2023 to \$21.95 million in 2025. The Intermountain Power Project — not among 2023's largest vendors — appears in 2025 at \$15.63 million, the second-largest line item on the list.

EXHIBIT B — LARGEST SUPPLIERS, CALENDAR YEAR 2025

Top counterparties by dollars purchased

Southern California Public Power Authority — Magnolia Power Project	\$21,951,174
Intermountain Power Project	\$15,627,476
BP Energy Company	\$10,455,116
Southern California Public Power Authority — Copper Mountain	\$9,262,836
Los Angeles Department of Water and Power	\$4,727,120
Glendale Power Marketing down from \$180,825 in 2023	\$56,103

Glendale Power Marketing appears as a paid vendor in both years' summaries — Burbank Water and Power buying electricity from its neighboring municipal utility, whose own water and power department separately billed Burbank \$61,615 for 500 megawatt-hours sold in July 2023, per an invoice on file. Our chairman has pointed to the arrangement as illustrative of the underlying problem: a city with an idle generating asset of its own paying a neighboring city for supply.

What's actually running on that power

Of Burbank Water and Power's third-party purchases in calendar year 2023, the utility confirmed in writing that 29.8 percent came from renewable sources, 55.6 percent from coal or natural gas, and 14.3 percent from non-renewable but zero-carbon sources.

EXHIBIT C — FUEL MIX, THIRD-PARTY PURCHASES ONLY, CALENDAR YEAR 2023

Source: Burbank Water and Power written response, June 27, 2025

Source	Share
Coal or natural gas	55.6%
Renewable	29.8%
Zero-carbon, non-renewable	14.3%

The plant sitting idle

Burbank's own Olive Power Plant is not currently generating power for the grid. Asked directly in November 2024 whether the plant is or could be made operational, Burbank Water and Power responded that with additional air permits and major capital improvements the plant could be made operational, but that state climate regulations currently limit its operation.

Our team has separately spoken with a person familiar with the matter who says the plant is capable of generating power right now. That account differs from Burbank Water and Power's own, which holds that additional air permits and major capital improvements are needed first; this story presents both because neither has been independently verified against the plant's physical condition.

Mandip Samra of Burbank Water and Power, who has stayed engaged with our team's questions throughout, told our chairman in June 2026 that the

utility's Integrated Resources Plan — the long-term study that will determine whether the Olive plant is repowered or decommissioned — is not due to be complete until 2029. Our team credits her responsiveness even while pressing for a faster outcome than that timeline allows. Frank Messineo, Burbank Water and Power's Assistant General Manager for Power Supply, has separately told our chairman that a repower, once a design is selected, is roughly a five-year process covering engineering, permitting, abatement and demolition, manufacturing, construction, and commissioning.

Building the repower to convert to hydrogen later

In a meeting with our team, Frank Messineo, Burbank Water and Power's Assistant General Manager for Power Supply, raised a specific approach to the repower: build Olive as a dual-fuel plant, running on natural gas from the start but engineered so it can be turned over to hydrogen once that fuel is operationally ready. The logic is sequencing — Burbank is already going to undertake a repower, so building it dual-fuel now avoids a second, separate construction project to add hydrogen capability later. Messineo noted that supplying hydrogen to the site would also require the gas utility to adapt its own pipeline infrastructure.

That responsibility point checks out. The natural gas utility that serves Burbank, Southern California Gas Company, describes itself as the infrastructure company in this arrangement: it builds and operates the pipelines and compressor stations that move hydrogen from producers to end users, rather than producing hydrogen itself. Existing natural gas pipelines can typically carry blends of up to 20 percent hydrogen with little modification, but higher concentrations or dedicated hydrogen service generally require upgraded compression, valves, meters, and pipe

materials, since hydrogen is more prone to leakage and to a form of metal fatigue called hydrogen embrittlement.

Notably, one of Burbank's own power suppliers is already following this exact sequence. Burbank Water and Power's board minutes from November 6, 2025 describe the Intermountain Power Project — the coal facility discussed above — converting to a combined natural-gas-and-hydrogen facility, with one coal unit remaining online only through late November 2025. It is a documented, in-progress precedent for the build-dual-fuel-now approach Messineo described for Olive, already under construction at a plant Burbank partly owns.

On the broader merits of hydrogen versus battery storage, our team says it has discussed the technology with officials at the United States Department of Energy and believes hydrogen is the more logical long-term solution once pipeline infrastructure exists, citing hydrogen's higher energy density by weight. That comparison has real basis: hydrogen carries far more energy per pound than lithium-ion batteries, though it takes up much more space per unit of energy unless compressed or liquefied — which is itself part of the infrastructure challenge. This is our team's assessment of the tradeoff, not an independently established conclusion.

The regulations Burbank Water and Power cited

When asked why Olive's return to service is constrained, Burbank Water and Power pointed to six state laws. Each requires a growing share of California's electricity to come from renewable or zero-carbon sources, which bears directly on whether a natural-gas plant like Olive can expand its role:

Assembly Bill 32
2006

The California Global Warming Solutions Act. Set the state's first economy-wide target: cut

greenhouse gas emissions back to 1990 levels by 2020.

Senate Bill 32

2016

Extended that target further, requiring statewide emissions to fall to 40 percent below 1990 levels by 2030.

Senate Bill X1-2

2011

The California Renewable Energy Resources Act. Required every electricity provider in the state, including public utilities like Burbank Water and Power, to source 33 percent of their power from renewables by 2020.

Senate Bill 350

2015

The Clean Energy and Pollution Reduction Act. Raised the renewable target to 50 percent by 2030 and required utilities to file long-term plans for how they will meet it.

Senate Bill 100

2018

Set the ultimate target now governing the state's power sector: 100 percent of electricity sold to customers must come from renewable or zero-carbon sources by 2045.

Senate Bill 1020

2022

Set checkpoints on the way to that 2045 goal — renewable and zero-carbon sources must supply 90 percent of electricity sales by 2030 and 95 percent by 2035.

Those six laws are not necessarily a dead end for a repowered Olive. Carbon capture technology — already deployed commercially at gas plants elsewhere, capable of capturing roughly 95 percent of a plant's carbon dioxide emissions — is treated under Senate Bill 100 as a potential path for natural gas to qualify as a “zero-carbon resource” toward the state's 2045 target. It would not satisfy the separate, stricter renewable-energy share required by Senate Bill X1-2, Senate Bill 350, and Senate Bill 1020, but it is a real, currently available option for reconciling a modern gas-fired Olive

with at least part of the state's mandate, rather than sitting permanently outside it. The tradeoff is cost: carbon capture typically adds 70 to 100 percent to the cost of the electricity generated, which is one more reason planning for it now, as part of one repower project, is cheaper than adding it later.

BURBANK REPUBLICAN PARTY — POSITION STATEMENT

Every year Olive sits idle is another year Burbank pays someone else's rate instead of its own. Infrastructure only gets more expensive to build the longer it waits — that's the case we've been making to Burbank Water and Power's leadership and to the City Council.

— Burbank Republican Party

Our team's advocacy on the record

Our team says it has pressed Burbank Water and Power on Olive's status for more than five years. Correspondence reviewed for this story runs from November 2024, when we first pressed the utility in writing on whether the plant could be restarted, through a December 2025 letter to Burbank Water and Power's Mandip Samra and Frank Messineo, the utility's Assistant General Manager for Power Supply, urging that the plant's future be prioritized, and a February 2026 follow-up in which we forwarded the calendar-year-2025 purchase total to a Burbank city councilmember, urging the council to move the matter forward.

Demand isn't standing still

Our chairman argues the timeline matters because demand on Burbank's grid is being pushed upward by state policy on several fronts at once,

independent of anything Burbank Water and Power itself controls:

1 Accessory dwelling units.

State law requires cities to approve qualifying accessory dwelling units — secondary housing units built on existing residential lots — without a corresponding requirement to expand local power generation.

2 Senate Bill 9.

State law allows most single-family lots to be split and built out with up to two units each, again adding housing density that draws on the same distribution grid.

3 Building and vehicle electrification.

State climate law is pushing new construction and appliance replacement toward electric heating and electric vehicles, shifting load that used to run on gasoline or natural gas onto the electric grid.

Frank Messineo, Burbank Water and Power's Assistant General Manager for Power Supply, discussing regional supply in a February 2026 email, separately told our chairman that drought-sensitive hydropower, slower transmission build-out, and rising demand from data centers across the Western power grid are tightening the broader regional supply Burbank Water and Power purchases into.

Public wholesale market data does not, on its own, support that as the driver of Burbank's specific increase: average wholesale electricity prices across the California grid operator's territory fell, rather than rose, between 2023 and 2025. Whatever is pushing Burbank's third-party purchase total

upward, it is not a rising regional price environment — which only sharpens the case that a cost Burbank can control, an idle local plant, deserves the city's attention first.

A documented cost driver: the Intermountain Power Project

One of the two counterparties whose 2025 total stands out — the Intermountain Power Project, at \$15.6 million — is in the middle of a well-documented capital transition. Burbank Water and Power's own board minutes, dated November 6, 2025, describe the plant's coal units converting to a natural-gas-and-hydrogen facility in late 2025, with one coal unit remaining online only through November 26, 2025.

According to those minutes, the project's total cost has grown from \$2.5 billion, estimated in 2019, to \$5 billion today. Burbank's own committed share of that cost has grown correspondingly, from \$86.5 million in 2019 to \$183 million now — a figure that excludes debt service, interest, and the hydrogen component. That is a capital commitment, a different accounting category from the year's third-party purchase total, so it does not translate dollar-for-dollar into the \$15.6 million counted as a 2025 purchase. But it documents a real, quantified reason costs tied to this particular supplier are rising, independent of anything happening in Burbank.

What remains unestablished: the Intermountain Power Project's cost growth explains part of why that counterparty's total rose, and falling regional wholesale prices rule out one commonly cited explanation. Neither, nor anything else reviewed for this story, adds up to a full, line-item accounting of the \$75 million-to-\$90 million change. Burbank Water and Power has not published one.

Why 2029 is not a legal requirement

The 2029 date is not a deadline for deciding Olive's fate. It is the next scheduled filing under Senate Bill 350, which requires large publicly owned utilities to update their Integrated Resources Plan at least once every five years. Burbank Water and Power's current plan was filed with the California Energy Commission on December 8, 2023, and the commission's staff completed its review in November 2024. That plan is already in effect. The 2029 version will be the next scheduled update to it, not the first time Burbank is allowed to plan its power supply.

That current, already-filed plan does not treat a natural-gas-to-hydrogen repower as a distant hypothetical. It already models exactly this scenario for Burbank Water and Power's own gas-fired plants in the Los Angeles Basin: switching them from natural gas to hydrogen generated by solar-powered electrolysis, on the same logic Frank Messineo described to our chairman. The idea our team is pushing is not outside the utility's own planning — it is already written into the plan Burbank Water and Power has in hand today.

There is also a nearby precedent for moving faster than a multi-year planning cycle when a city decides to act. Glendale, the neighboring utility this story already discusses, directed its water and power department in April 2018 to study repowering its own aging Grayson Power Plant. By July 23, 2019 — about fifteen months later — the Glendale City Council had already approved moving forward with a specific repowering plan. The full project took longer once a specific design was chosen and litigated, but the core decision to act did not wait for a new five-year planning cycle. Burbank does not need one either.

Why Burbank shouldn't wait until 2029

On the timeline Burbank Water and Power itself has described, a repower takes roughly five years after a design is even chosen. Waiting for a new plan in 2029 before starting that five-year process means Olive plausibly does not generate power again until the mid-2030s — a full decade in which Burbank keeps paying other cities and suppliers for electricity it could be generating itself, while housing mandates and electrification push demand higher every year.

Our team's position is straightforward: the planning and engineering work for a repowered, dual-fuel Olive should start now, using the plan Burbank Water and Power already has, not after a new one is filed in 2029. The Intermountain Power Project shows the model already works elsewhere in Burbank's own supply chain. Carbon capture offers a credible path through the state mandates Burbank Water and Power has cited. And every year of delay is a year of rising construction costs layered on top of the rising purchase costs this story documents.

Our chairman has continued to press the city, in writing, to move faster, and our team will keep pressing the City Council and Burbank Water and Power's leadership until Olive's repower has a real start date — not just a study due in 2029.

Burbank doesn't need to wait until 2029. It needs to start.

The current plan already contemplates this repower. A neighboring city made the equivalent decision in about a year. Every year of delay is a year of rising costs, on top of the ones this story documents.

Burbank Republican Party

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