



# Audit & Finance Committee Meeting


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*November 9, 2020*

# Staff Report

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- In process to set up a new bank account to support an Escrow Agreement between PG&E and PCE at the direction of the CPUC
  - Related to Financial Security Requirement required by CPUC
  - \$100,000 currently deposited at the CPUC
  - To be replaced by escrow account/agreement for \$147,000 with PG&E



# **FY2020-2021, Q1 Financial Review** **Ending September 30, 2020**

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# Financial Statement vs. Budget – Quarter and YTD

	Quarter 1 ending September 2020					
	Current Quarter			Year-to-date		
	Actual	Budget	Var Fav/(Unf)	Actual	Budget	Var Fav/(Unf)
<b>OPERATING REVENUES</b>						
Electricity Sales, net	74,403,172	68,767,589	5,635,583	74,403,172	68,767,589	5,635,583
Green electricity premium	680,688	525,869	154,819	680,688	525,869	154,819
<b>Total Operating Revenues</b>	<b>75,083,861</b>	<b>69,293,458</b>	<b>5,790,402</b>	<b>75,083,861</b>	<b>69,293,458</b>	<b>5,790,402</b>
<b>OPERATING EXPENSES</b>						
Cost of energy	66,741,390	55,321,854	(11,419,536)	66,741,390	55,321,854	(11,419,536)
Staff compensation	1,355,978	1,384,097	28,119	1,355,978	1,384,097	28,119
Data Manager	845,320	855,000	9,680	845,320	855,000	9,680
Service Fees - PG&E	313,356	315,000	1,644	313,356	315,000	1,644
Consultants & Professional Services	840,662	862,510	21,848	840,662	862,510	21,848
Legal	374,211	432,600	58,389	374,211	432,600	58,389
Communications and Noticing	222,819	1,376,535	1,153,716	222,819	1,376,535	1,153,716
General and Administrative	391,876	461,340	69,464	391,876	461,340	69,464
Community Energy Programs	303,255	762,749	459,494	303,255	762,749	459,494
Depreciation	24,327	29,929	5,602	24,327	29,929	5,602
<b>Total Operating Expenses</b>	<b>71,413,193</b>	<b>61,801,614</b>	<b>(9,611,579)</b>	<b>71,413,193</b>	<b>61,801,614</b>	<b>(9,611,579)</b>
<b>Operating Income (Loss)</b>	<b>3,670,668</b>	<b>7,491,845</b>	<b>(3,821,177)</b>	<b>3,670,668</b>	<b>7,491,845</b>	<b>(3,821,177)</b>
<b>NON-OPERATING REVENUES (EXP.)</b>						
<b>Total Nonoperating Income/(Expense)</b>	273,526	352,000	(78,474)	273,526	352,000	(78,474)
<b>CHANGE IN NET POSITION</b>	<b>3,944,194</b>	<b>7,843,845</b>	<b>(3,899,651)</b>	<b>3,944,194</b>	<b>7,843,845</b>	<b>(3,899,651)</b>
<b>CHANGE IN NET POSITION</b>						
Net Position at the beginning of period	189,071,732	195,458,248	(6,386,517)	189,071,732	195,458,248	(6,386,517)
<b>Change in Net Position</b>	<b>3,944,194</b>	<b>7,843,845</b>	<b>(3,899,651)</b>	<b>3,944,194</b>	<b>7,843,845</b>	<b>(3,899,651)</b>
Net Position at the end of period	193,015,925	203,302,093	(10,286,168)	193,015,925	203,302,093	(10,286,168)

## Quarterly Results:

- Revenues** were \$5.8 million above Budget – Commercial revenues were below Budget but were more than offset by significantly higher Residential revenues
- Expenses** were \$9.6 million above Budget as a result of energy costs related to Summer heat waves
- Change in Net Position** was \$3.9 million positive \$3.9 million, although \$3.9 million worse than Budget
- Ending Net Position** was \$10.3 million below Budget due to a lower actual starting balance than planned

# Revenue – Quarterly Trend

Revenue by Quarter as of

**September-20**

Quarter	Revenue Comparison vs Budget		
	Actual	Budget	Var Fav/(Unf)
Q1-FY2019/20	85.3	82.3	3.1
Q2-FY2019/20	70.4	65.2	5.1
Q3-FY2019/20	61.5	57.5	4.1
Q4-FY2019/20	\$60.9	\$62.8	(\$1.9)
<b>Total YTD 2019/20</b>	<b>\$278.1</b>	<b>\$267.8</b>	<b>\$10.3</b>

<b>Q1-FY2020/21</b>	<b>\$75.1</b>	<b>\$69.3</b>	<b>\$5.8</b>
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- Q1 Revenues were \$5.8 million higher than Budget:
  - Load was approximately 10.4% above conservative Budget
  - All major rate classes above budget
- Q2 Revenues expected to be significantly above Budget due to delay of PCIA implementation to January as compared to October 1 expectation. However, Q3 and Q4 are not expected to be above Budgeted level.

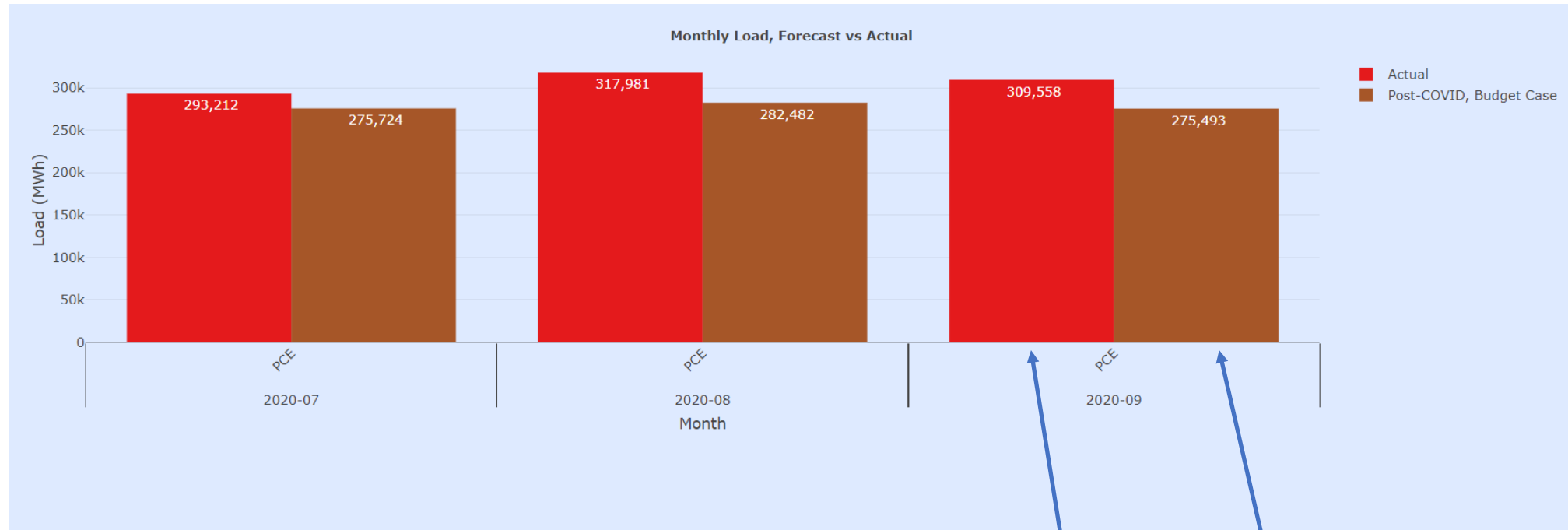
# Revenue – Monthly Trend

Revenue (Last 13 months)

September-20

Month	Revenue Comparison vs Budget		
	Actual	Budget	Var Fav/(Unf)
Sep-19	\$28.2	\$26.9	\$1.2
Oct-19	\$27.6	\$27.6	(\$0.0)
Nov-19	\$18.9	\$16.2	\$2.7
Dec-19	\$23.9	\$21.5	\$2.4
Jan-20	\$22.0	\$19.6	\$2.4
Feb-20	\$19.2	\$18.2	\$1.0
Mar-20	\$20.3	\$19.6	\$0.6
Apr-20	\$15.3	\$17.2	(\$1.9)
May-20	\$22.5	\$20.4	\$2.1
Jun-20	\$23.1	\$25.1	(\$2.1)
Jul-20	\$24.0	\$22.9	\$1.1
Aug-20	\$26.2	\$23.4	\$2.8
Sep-20	\$24.9	\$23.0	\$1.9

# Electrical Load – Actual vs. Budget



## Comparison of actuals versus assumed in the Approved Budget

July 2020 – 6.3% higher

August 2020 – 12.5% higher

September 2020 – 12.3% higher

Actual

Budget

# Cost of Energy – Quarterly Trend

Cost of Energy by Quarter as of

**September-20**

Quarter	COE Comparison vs Budget		
	Actual	Budget	Var Fav/(Unf)
Q1-FY2019/20	54.7	56.6	1.8
Q2-FY2019/20	48.3	54.0	5.7
Q3-FY2019/20	56.7	56.9	0.2
Q4-FY2019/20	\$56.2	\$49.0	(7.2)
<b>Total YTD 2019/20</b>	<b>\$216.1</b>	<b>\$216.5</b>	<b>\$0.5</b>

<b>Q1-FY2020/21</b>	<b>\$66.7</b>	<b>\$55.3</b>	<b>(\$11.4)</b>
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- Q1 energy costs were \$11.4 million above Budget
  - Load was 10% above a conservative Budget for Q1
  - Significant heat waves in August and September
  - Significant smoke periods contributed to low solar production



# Cost of Energy – Monthly Trend

Cost of Energy (Last 13 months)

September-20

Month	COE Comparison vs Budget		
	Actual	Budget	Var Fav/(Unf)
Sep-19	\$19.3	\$19.0	(\$0.3)
Oct-19	\$16.8	\$18.2	\$1.3
Nov-19	\$14.0	\$17.1	\$3.1
Dec-19	\$17.5	\$18.8	\$1.3
Jan-20	\$17.9	\$20.3	\$2.4
Feb-20	\$20.1	\$18.3	(\$1.8)
Mar-20	\$18.8	\$18.3	(\$0.5)
Apr-20	\$15.8	\$16.0	\$0.2
May-20	\$16.3	\$16.0	(\$0.3)
Jun-20	\$24.2	\$17.0	(\$7.2)
Jul-20	\$19.3	\$17.6	(\$1.8)
Aug-20	\$24.9	\$19.1	(\$5.8)
Sep-20	\$22.5	\$18.7	(\$3.9)

- Q1 energy costs were \$11.4 million above Budget
  - Load was 10% above conservative Budget
  - Significant heat waves in August and September
  - Significant smoke periods contributed to low solar production



# FY2020-21, Q1 Cost of Energy Variance

	Quarter 1 ending September 2020		
	Current Quarter		
	Actual	Budget	Var Fav/(Unf)
Cost of energy	66,741,390	55,321,854	(11,419,536)
50110 · CAISO Charges (Admin)	181,332	-	(181,332)
50111 · CAISO Charges (Ancillary Svcs)	3,053,882	750,000	(2,303,882)
50114 · CAISO (Credit for Hedges)	(31,568,088)	(32,265,304)	(697,216)
50116 · Resettlements	6,228,401	750,000	(5,478,401)
50117 · DA Energy (DLAP)	38,127,884	38,650,118	522,234
50120 · Capacity purchases	15,175,716	11,196,866	(3,978,850)
50130 · Credits for PPA	(6,398,608)	(11,998,675)	(5,600,066)
50131 · PPA Energy Purchases	8,353,875	10,462,870	2,108,995
50132 · Hedge Energy Purchases	30,946,923	30,946,923	0
50160 · RECs and Carbon Free exp	5,156,470	5,079,912	(76,558)
50190 · Resale of Resource Adequacy	(4,220,870)	-	4,220,870
Forecasting and scheduling	319,958	359,898	39,940
NEM Expense	1,384,515	1,389,245	4,730

# FY2020-21, Q1 Cost of Energy Variance Summary

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1. CAISO Ancillary Services - \$2.3 million above Budget

2. CAISO Resettlements - \$5.5 million above Budget

3. Net PPA Impact - \$3.5 million worse than Budget

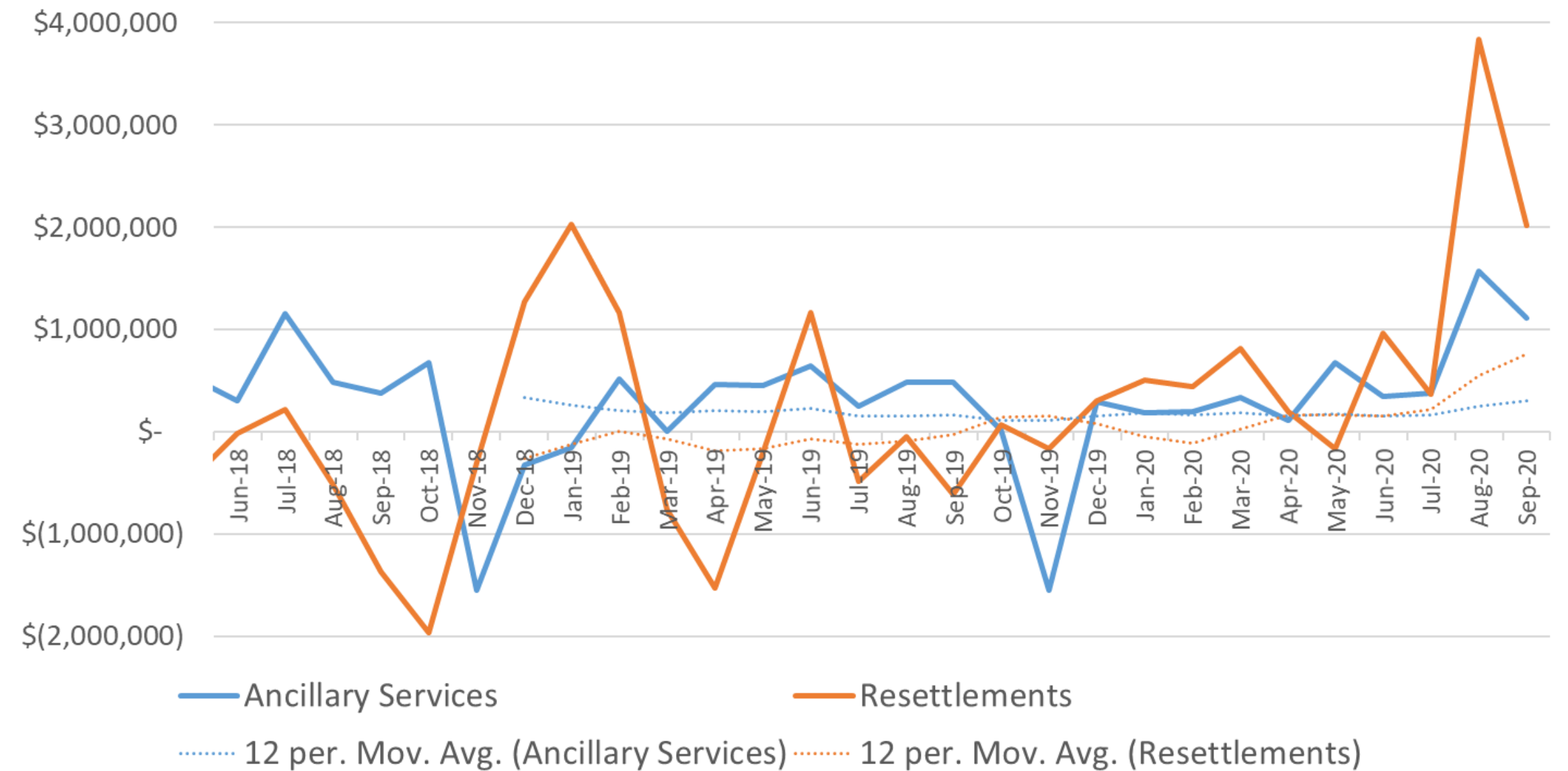
a) PPA Credits (Revenue from PPA production) - \$5.6 million below Budget

b) PPA Purchases - \$2.1 million less than Budget

4. Hedges

a) High prices in August and September were mitigated somewhat by hedge contracts

# Monthly Ancillary and Resettlement Costs - Trend



# FY2020-21, Q1 Ancillary Services Costs

- \$2.3 million above Budget
  - Costs for Ancillary Services are based on PCE'S percent load share of CAISO load
  - CAISO incurred very high ancillary costs during the heat waves:
    - August 13-21 and
    - September 4-8

# FY2020-21, Q1 Resettlement Costs

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- \$2.3 million above Budget
  - Resettlement Costs - mostly related to PCE's real-time load costs
    - High real-time load costs during the heat waves due to forecast error and high prices
    - Forecasting this summer was particularly challenging due to:
      - COVID-19 effects, and
      - Record-breaking heat waves
    - Forecast errors related to:
      - Temperature forecasts, and
      - Load forecast

# Budget vs. Actual – Ancillary/Resettlement Costs

Expense	Calendar Year 2019 Average per Month	July 2020	August 2020	Sept 2020	Total Q1
<b>Ancillary Services</b>					
Budget		\$250,000	\$250,000	\$250,000	\$750,000
Actual	\$156,255	\$376,442	\$1,563,737	\$1,113,703	\$3,053,882
<b>Resettlements</b>					
Budget		\$250,000	\$250,000	\$250,000	\$750,000
Actual	\$74,167	\$368,381	\$3,838,387	\$2,014,514	\$6,228,401

# FY2020-21, Q1 PPA Net Revenues/Costs

Net PPA Revenues/Costs were \$3.5 million negative as compared to Budget

- PPA Revenues (credits) were \$5.6 million lower than Budgeted
  - Weighted Average Market prices significantly lower than expected
    - PPA energy production yielded prices that were ~30% lower than Budget
  - Despite high prices during peak periods
- PPA Costs were \$2.1 million lower than Budgeted
  - Power generation 18% lower than expected
    - Smoke reduced expected solar output
    - Wind projects also under-generated relative to Budget
    - New budgeted wind project not yet online



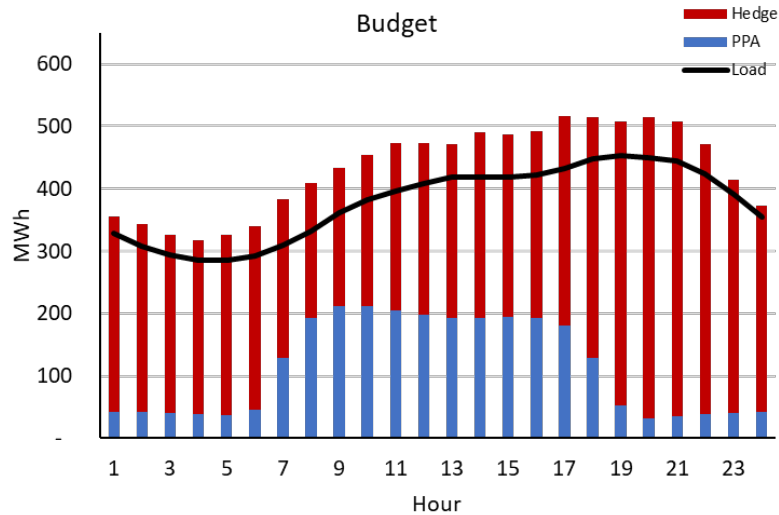
# FY2020-21, Q1 Hedge Contracts

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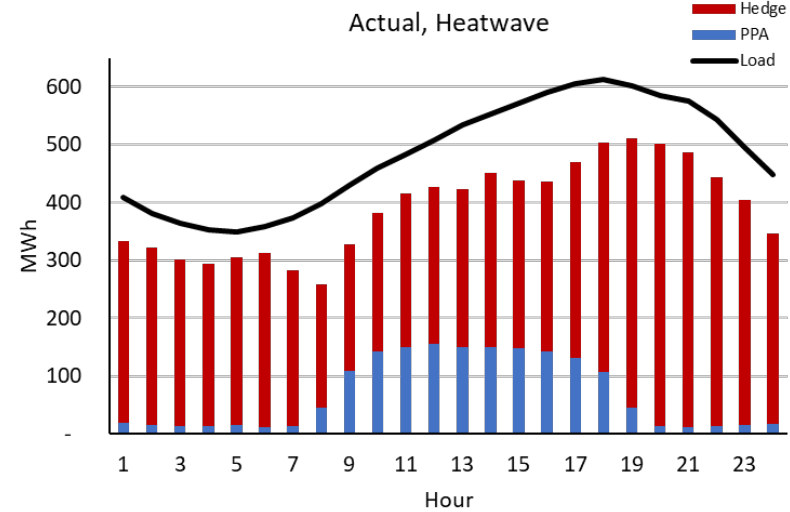
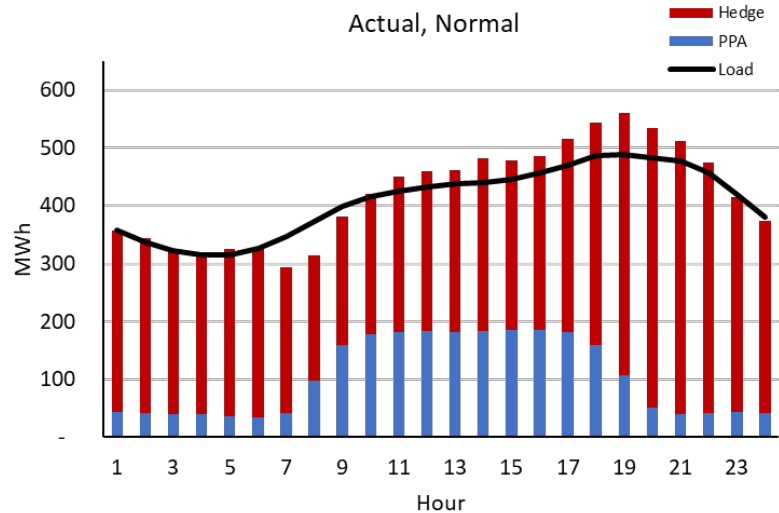
- Hedge contracts were put in place prior to COVID-19 Pandemic
  - Energy use was lower than expected in Spring/Early Summer
  - Had been over-hedged from April through July
  - Resulted in approximately \$2.7 million per month negative impact (i.e. cost of hedge energy as compared to credit for energy purchased)
  - July was especially impacted as prices were significantly lower than expected
- Hedge contracts were positive in August and September
  - Fixed hedge contract costs were less than the value received as prices were much higher (our hedges cover the higher priced hours of the day)
  - Benefit of \$4.1 million over the 2-month period
  - Mitigated some of the significant effects of the extreme weather events
- However, actual load was higher than the Hedge/PPA position
  - Resulted in unexpected open position at significantly higher prices

# Open Position (July - September 2020)

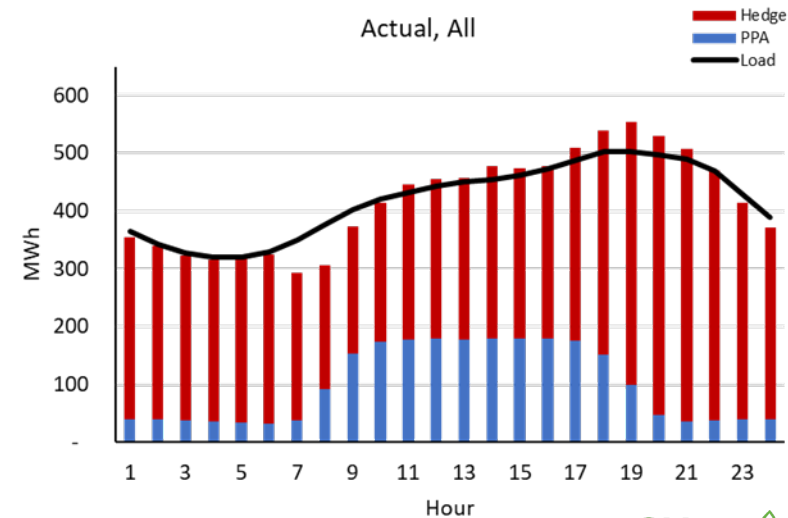
Budget: we expected to be over-hedged compared to low budgeted use



Non-Heatwave periods (i.e. "Normal periods"): Hedge/PPA contracts were close to load



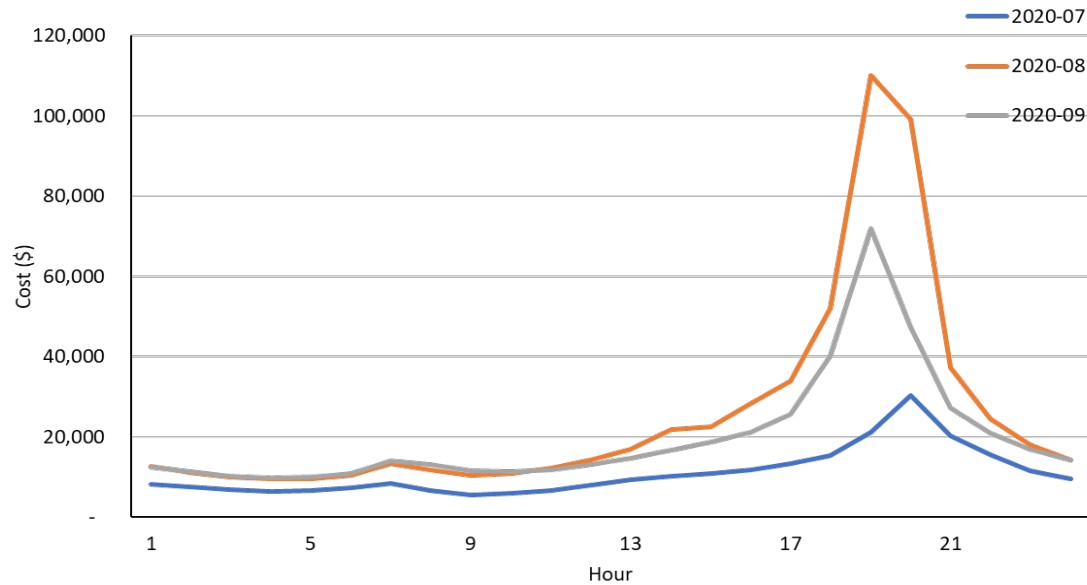
During Heatwaves: Significant, concentrated demand for high-cost purchases. Under hedged in all hours of the heatwave



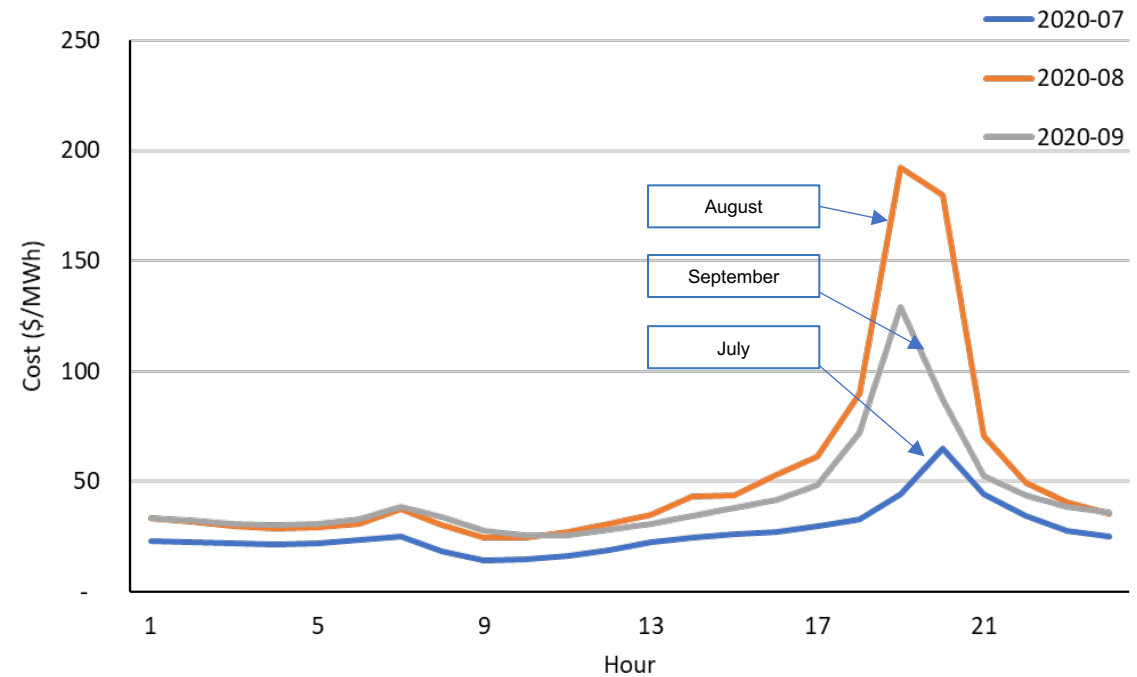
Total/Combined: Hedge/PPA contracts were close to load

# Cost Shape Per Hour – Q1

## Total Cost Per Hour

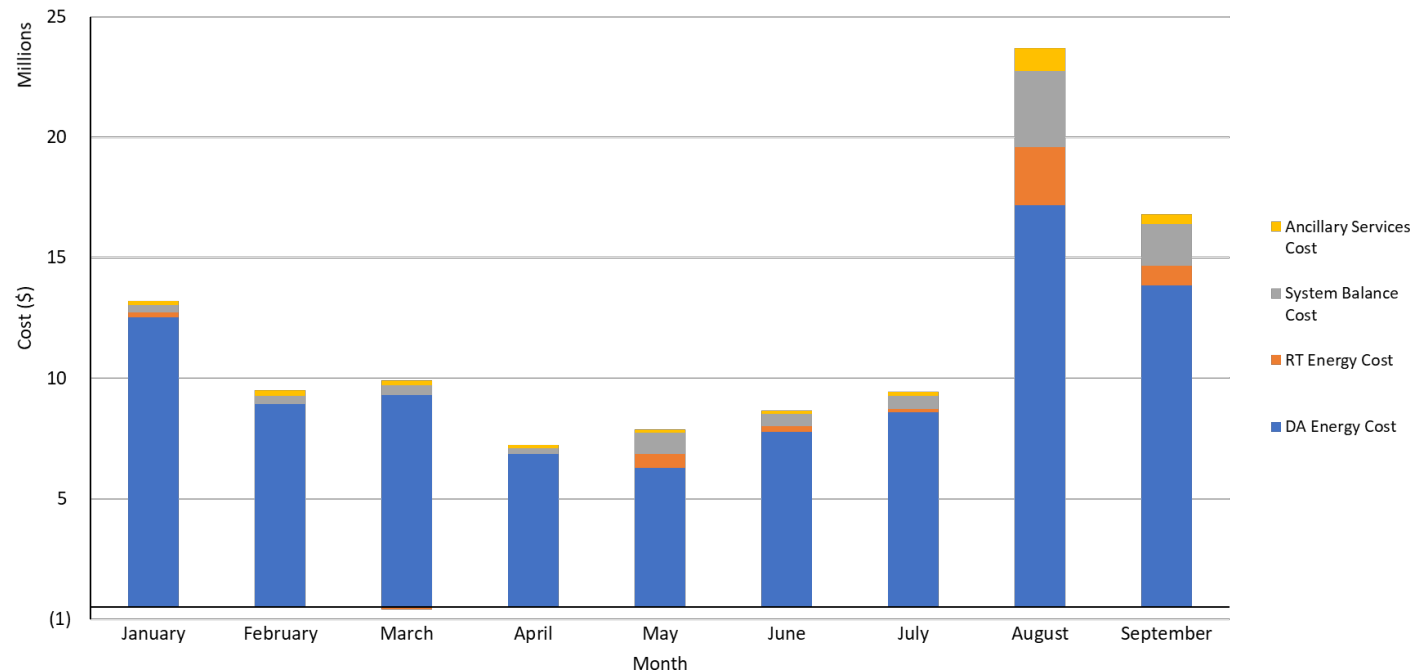


## Average Cost (\$/MWh)



# Load Cost from CAISO – 2020 Monthly Trend

- Day-Ahead Energy Cost: Cost of buying energy in the DA market
- Real-Time Energy / Resettlement Cost: Cost of buying energy in the RT market
- System Balance Cost: Costs associated with RT operation of the power grid
- Ancillary Services Cost: Costs related to PCE's share of ancillary obligations



During August, cost was 152% higher than July (\$13.4 million) while Load was 12.6% higher

# Change in Net Position (Year-to-date)

Change in Net Position - YTD as of

**September-20**

Accounts	Year-to-date vs Budget		
	Actual	Budget	Var Fav/(Unf)
Revenues	\$75.1	\$69.3	\$5.8
Cost of Energy	66.7	55.3	(11.4)
Other Opex	4.7	6.5	1.8
Non-Opex/(Income)	(0.3)	(0.4)	(0.1)
<b>Net Position</b>	<b>\$3.9</b>	<b>\$7.8</b>	<b>(\$3.9)</b>

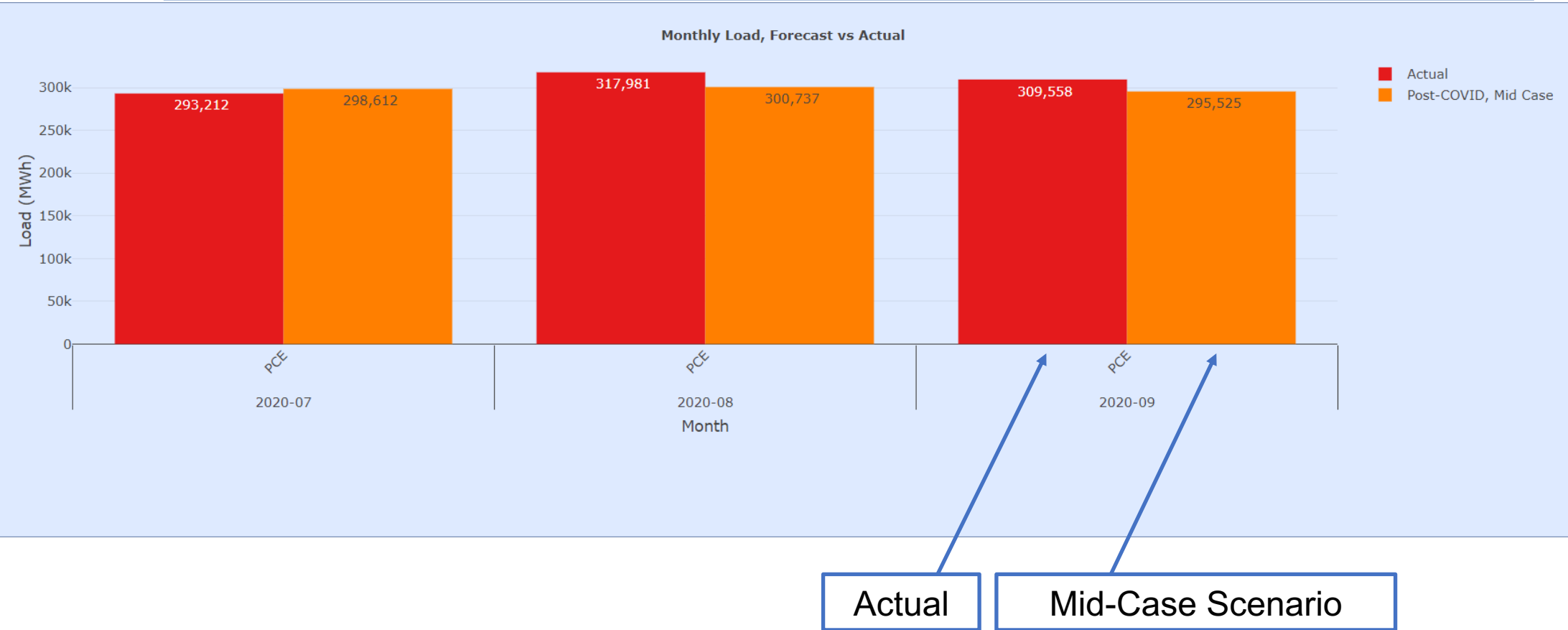
- Higher revenues than budgeted – higher load than conservative budget
- Energy Costs higher than budget – Unusual and extended heat waves
- Lower expenses than budgeted across multiple areas – most are timing-related and are still expected, although later
- Non-Operating Income lower than planned due to low investment interest income environment

# Full-Year 2020-2021 Forecast – Assumptions

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- PG&E Generation rates
  - Decrease of 7-8% on January 1, 2021
  - *Not yet approved by CPUC*
- PCIA
  - Trigger implemented on January 1, 2021
  - Additional \$0.005 on January 1, 2021
  - *Still in discussion/negotiation at CPUC*
- Load Forecast
  - Mid-case Scenario – 4.7% higher than Budgeted level for remainder of year
- Energy Prices
  - Spring 2020 case – lower prices in FY2020-2021 than Budgeted
- Other Expenses
  - Too early in the year to forecast. Forecast kept at Budget for now. Based on historical trends, expenses like to be lower than Budget

# Electrical Load – Actual vs. Mid-Case Scenario



# Full-Year FY2020-2021 Forecast

FY 2020-2021 Budget & Forecast	FY 2021	FY 2021	FY 2021	Variance	Variance
	Approved Budget	YTD Actual through September 2020	Forecasted Full Year FY2020-2021	Forecast \$ vs. FY20/21 Budget Fav/(Unf)	Forecast % vs. FY20/21 Budget Fav/(Unf)
<b>OPERATING REVENUES</b>					
Electricity Sales, net	213,552,721	74,403,172	221,060,130	7,507,409	3.5%
ECO100 Premium	2,150,775	680,688	1,954,692	(196,083)	-9.1%
<b>Total Operating Revenues</b>	<b>215,703,496</b>	<b>75,083,861</b>	<b>223,014,822</b>	<b>7,311,325</b>	<b>3.4%</b>
<b>OPERATING EXPENSES</b>					
Cost of electricity	197,445,054	66,741,390	209,175,866	(11,730,812)	-5.9%
Personnel	6,236,981	1,355,978	6,236,981	-	0.0%
Data Manager	3,420,000	845,320	3,420,000	-	0.0%
Service Fees - PG&E	1,260,000	313,356	1,260,000	-	0.0%
Professional Services	3,068,340	840,662	3,068,340	-	0.0%
Legal	1,708,230	374,211	1,708,230	-	0.0%
Communications and Outreach	2,873,350	222,819	2,873,350	-	0.0%
General and Administrative	1,947,282	391,876	1,947,282	-	0.0%
Community Energy Programs	7,550,000	303,255	7,550,000	-	0.0%
Depreciation	133,216	24,327	133,216	-	0.0%
<b>Total Operating Expenses</b>	<b>225,642,453</b>	<b>71,413,193</b>	<b>237,373,265</b>	<b>(11,730,812)</b>	<b>-5.2%</b>
<b>Operating Income/(Loss)</b>	<b>(9,938,957)</b>	<b>3,670,668</b>	<b>(14,358,443)</b>	<b>(4,419,486)</b>	<b>-44.5%</b>
<b>Total Non-operating Income/(Expense)</b>	<b>1,408,000</b>	<b>8,158,707</b>	<b>1,329,526</b>	<b>(78,474)</b>	<b>-5.6%</b>
<b>CHANGE IN NET POSITION</b>	<b>(8,530,957)</b>	<b>11,829,375</b>	<b>(13,028,918)</b>	<b>(4,497,961)</b>	<b>-52.7%</b>
<b>CHANGE IN NET POSITION</b>					
Net Position at the beginning of period	195,458,248	189,071,732	189,071,732	(6,386,517)	
Inc/(Dec) in Net Position	(8,530,957)	3,944,194	(13,028,918)	(4,497,961)	
Net Position at the end of period	186,927,291	193,015,925	176,042,814	(10,884,478)	
<b>Approx. Cash &amp; Cash Equivalents</b>	<b>186,646,421</b>				

## FY2020-21 Forecast:

- **Revenues** are expected to be \$7.3 million above Budget
  - PCIA higher
  - PG&E rates lower
  - Offset by higher load
- **Expenses** are expected to be \$11.7 million above Budget
  - Energy costs in Q1
  - Other costs equal to Budget for now – may be cost savings
- **Change in Net Position** expected to be negative \$13.0 million - \$4.5 million worse than Budget



# Cash and Investment Summary – Quarterly Trend

	Jun-18	Jun-19	Jun-20	Sep-20
<b>Investment Account - USBank (FRB)</b>				
<b>Asset Summary</b>				
Cash & Equivalents	\$ 20,019,851	\$ 4,507,825	\$ 51,415,996	\$ 53,759,125
Fixed Income	\$ 30,105,348	\$ 90,743,561	\$ 30,774,879	\$ 36,030,027
Accrued Income	\$ -	\$ -	\$ 200,772	\$ 151,540
Ending Balance	<b>\$ 50,125,199</b>	<b>\$ 95,251,385</b>	<b>\$ 82,391,647</b>	<b>\$ 89,940,692</b>
<b>Investment Account - USBank (PFM)</b>				
<b>Asset Summary</b>				
Cash & Equivalents			\$ 7,521,367	\$ 288,525
Fixed Income			\$ 74,568,407	\$ 89,580,660
Accrued Income			\$ 345,398	\$ 280,596
Ending Balance	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 82,435,173</b>	<b>\$ 90,149,781</b>
<b>Investment Account - USBank (Combined PFM/FRB)</b>				
<b>Asset Summary</b>				
Cash & Equivalents	\$ 20,019,851	\$ 4,507,825	\$ 58,937,363	\$ 54,047,650
Fixed Income	\$ 30,105,348	\$ 90,743,561	\$ 105,343,286	\$ 125,610,688
Accrued Income			\$ 546,170	\$ 432,135
Ending Balance	<b>\$ 50,125,199</b>	<b>\$ 95,251,385</b>	<b>\$ 164,826,819</b>	<b>\$ 180,090,473</b>
<b>Other Accounts (Unrestricted)</b>				
Unrestricted - M&T LockBox				
Unrestricted - Wilmington LockBox	\$ 5,376,290	\$ 5,632,155	\$ 5,030,087	\$ 5,838,019
Operating Account - First Republic	\$ 2,413,747	\$ 3,299,345	\$ 5,834,142	\$ 19,406,849
Savings Account - First Republic	\$ 5,995,341	\$ 9,885,949	\$ 2,484,545	\$ (24,890,219)
Other Accounts	\$ 278,835	\$ 573	\$ -	\$ 8,848,682
Subtotal Unrestricted (non-Investment accounts)	<b>\$ 14,064,213</b>	<b>\$ 18,818,022</b>	<b>\$ 13,348,775</b>	<b>\$ 9,203,330</b>
<b>Other Accounts (Restricted)</b>				
Restricted Cash - Wilmington LockBox	\$ 2,500,000	\$ 1,500,000	\$ 1,000,000	\$ 1,000,000
Restricted Cash - First Republic	\$ -	\$ 11,665,799	\$ 31,386,560	\$ 31,386,560
Subtotal Restricted (non-Investment accounts)	<b>\$ 2,500,000</b>	<b>\$ 13,165,799</b>	<b>\$ 32,386,560</b>	<b>\$ 32,386,560</b>
<b>Total Cash</b>	<b>\$ 66,689,412</b>	<b>\$ 127,235,206</b>	<b>\$ 210,562,154</b>	<b>\$ 221,680,363</b>
<b>Unrestricted Cash (incl Funds Restricted for Programs)</b>	<b>\$ 64,189,412</b>	<b>\$ 114,069,407</b>	<b>\$ 178,175,594</b>	<b>\$ 189,293,803</b>

# Program Commitments and Reserves – Page 1 of 2

As of September 30, 2020

Programs Approved by Board	Program Amount Approved by Board	Board Approval Date	Program Adjustment October 2020	Contract Amount Approved by Board	Other Expected Contract or Spending	Term	Already Spent as of June 30, 2020	Estimated Spending in Current FY (prior to June 30, 2021)	Future Fiscal Year Spending for Already Approved Programs (FY22-24)
<b>Community Energy Programs</b>									
<b>EV Infrastructure</b>	<b>16,000,000</b>	<b>12/20/18</b>			-	<b>4 years</b>	<b>146,000</b>	<b>5,100,000</b>	<b>10,754,000</b>
Contract - ClearResult		08/22/19		2,000,000			146,000	500,000	
Contract - Center for Sustainable Energy		10/24/19		850,000					
Customer Incentives provided through Center for Sustainable Energy					7,150,000			4,000,000	
Customer Incentives (other)					4,000,000				
Workforce Development					1,000,000			100,000	
Other Spending*					1,000,000			500,000	
<b>New EV Incentives</b>	<b>1,500,000</b>	<b>04/27/19</b>	<b>(480,000)</b>			<b>3 years</b>	<b>220,000</b>	<b>800,000</b>	<b>-</b>
<b>Low Income Used EV - Contract with Peninsula Family Services</b>	<b>500,000</b>	<b>01/24/19</b>	<b>(200,000)</b>			<b>2 years</b>	<b>220,000</b>	<b>80,000</b>	<b>-</b>
<b>Ride &amp; Drive EV Marketing - Contract with Reach Strategies</b>	<b>750,000</b>	<b>02/28/19</b>	<b>(200,000)</b>			<b>3 years</b>	<b>215,000</b>	<b>50,000</b>	<b>285,000</b>
<b>Ride Hailing Electrification - Contract with FlexDrive</b>	<b>500,000</b>	<b>03/26/20</b>				<b>2 years</b>		<b>100,000</b>	<b>400,000</b>
<b>E-Bikes</b>	<b>300,000</b>	<b>07/23/20</b>				<b>3 years</b>		<b>60,000</b>	<b>240,000</b>
<b>New Funds for EV Programs</b>	<b>3,820,000</b>	<b>10/22/20</b>				<b>3 years</b>			<b>3,820,000</b>
<b>Curbside &amp; Low Power Pilot in MUD</b>	<b>1,000,000</b>	<b>06/29/18</b>			-	<b>3 years</b>	<b>100,000</b>	<b>350,000</b>	<b>550,000</b>
Contract - Energy Solutions (MUD - Low Power Pilot)		03/28/19		400,000			100,000	250,000	
Curbside Pilot					600,000			100,000	
<b>Existing Buildings</b>	<b>6,100,000</b>	<b>05/28/20</b>			-	<b>4 years</b>	<b>-</b>	<b>750,000</b>	<b>5,350,000</b>
Contract - ClearResult		06/25/20		250,000				50,000	
Customer-direct incentives (originally part of ClearResult contract)		06/25/20		2,750,000				200,000	
Other Spending*					3,100,000			500,000	
<b>Reach Codes &amp; Technical Assistance</b>	<b>250,000</b>	<b>01/23/20</b>			-	<b>2 years</b>		<b>60,000</b>	<b>190,000</b>
Contract - TRC		01/23/20		450,000				60,000	
Cost Sharing Contract -SVCE		01/23/20		(200,000)					
<b>Community Energy Programs Authorized Subtotal</b>	<b>30,720,000</b>		<b>(880,000)</b>				<b>1,147,000</b>	<b>7,350,000</b>	<b>21,589,000</b>

\* Other Spending includes spending for program areas for which (a) Board approval is not required (e.g. incentives, contracts under \$100,000) or (b) have not yet been identified

# Program Commitments and Reserves – Page 2 of 2

As of September 30, 2020									
Programs Approved by Board	Program Amount Approved by Board	Board Approval Date	Program Adjustment October 2020	Contract Amount Approved by Board	Other Expected Contract or Spending	Term	Already Spent as of June 30, 2020	Estimated Spending in Current FY (prior to June 30, 2021)	Future Fiscal Year Spending for Already Approved Programs (FY22-24)
<b>Other Programs</b>									
<b>Resilience</b>	<b>10,000,000</b>	<b>01/23/20</b>			-	<b>3 years</b>	<b>20,000</b>	<b>1,281,987</b>	<b>8,698,013</b>
Power On Peninsula - Medical									
Portable Battery Authorization (Hassett) - 2 BOD authorizations		07/23/20		750,000			-	683,237	-
Power On Peninsula - Residential/Commercial									
Program Admin Contract - TerraVerde		06/25/20		220,000			20,000	140,000	
Contract - Sunrun (10 year Agreement) - Residential		06/25/20		474,000					
Load Modification Agreement - Contractor TBD - Commercial		TBD			460,800				
Other Spending*					8,095,200			458,750	
<b>Building Electrification Awareness</b>	<b>400,000</b>	<b>01/23/20</b>			-	<b>3 years</b>	<b>-</b>	<b>150,000</b>	<b>250,000</b>
Contract - Gelfand		07/23/20		300,000				100,000	
Other Spending*					100,000			50,000	
<b>Power Resources &amp; Marketing Authorized Subtotal</b>	<b>10,400,000</b>						<b>20,000</b>	<b>1,431,987</b>	<b>8,948,013</b>
<b>Total Programs Authorized Subtotal</b>	<b>41,120,000</b>						<b>1,167,000</b>	<b>8,781,987</b>	<b>30,537,013</b>
* Other Spending includes spending for program areas for which (a) Board approval is not required (e.g. incentives, contracts under \$100,000) or (b) have not yet been identified									

# Cash Reserves – Days Cash on Hand

	Actual September 30, 2020	Forecast June 30, 2021
<b>Total Cash/Investments Balance</b>	<b>\$221,680,363</b>	<b>\$177,938,886</b>
Restricted by Term/Covenant	5,618,194	5,118,194
Held temporarily for Wright Solar	26,768,366	
<b>Unrestricted Cash per Financial Statements</b>	<b>\$189,293,803</b>	<b>\$172,820,692</b>
Restricted for Programs (spending in subsequent fiscal years)	30,537,013	30,537,013
<b>Unrestricted Cash (per Approved Reserve Policy)</b>	<b>\$158,756,790</b>	<b>\$142,283,679</b>
<b>Days Cash on Hand (per Approved Reserve Policy)</b>	<b>244</b>	<b>219</b>
<b>Approved Reserve Policy (Days Cash on Hand)</b>	<b>180</b>	<b>180</b>
Unrestricted Operating Reserve Requirement (180 Days)	117,060,788	117,060,788
<b>Unrestricted Cash in Excess of Current Reserve Policy</b>	<b>\$41,696,002</b>	<b>\$25,222,891</b>
<b>Note: Days Cash on Hand based on full-year forecast of Operating Expenses</b>		

Projected to be 233 at year-end on 9/26/20 Board Meeting. Changes since include significant energy costs in Q1 and revised Revenue forecast

Unrestricted Cash per Financial Statements