

SILICON VALLEY CLEAN ENERGY AUTHORITY
RESOLUTION NO. 2023-20

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY APPROVING CUSTOMER GENERATION RATES AND ADDITIONAL FISCAL YEAR 2023-2024 BUDGET FUNDING ITEMS

WHEREAS, the Silicon Valley Clean Energy Authority (“Authority”) was formed on March 31, 2016, pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Santa Clara County; and

WHEREAS, at the June 8, 2016, Board of Directors Meeting, the Board adopted the policy that the Authority’s customer generation rates for the default service will be 1% lower than Pacific Gas & Electric’s generation rates in place as of January 2017; and the policy allows reexamination of the rates, provided significant deviations in market prices or other extraordinary circumstances mandate an adjustment to the rates; and

WHEREAS, on December 14, 2022, the Board of Directors adopted Resolution No. 2022-39, which approved the customer generation rates that are currently in effect with a discount of 4% to PG&E’s generation rates; and

WHEREAS, on September 13, 2023, the Board of Directors adopted Resolution No. 2023-16 approving the fiscal year 2023-2024 operating budget, including the reduction of the generation discount from 4% to 1% when new 2024 PG&E rates are implemented, expected to be in January 2024, and allocated \$3.136 million in bill credits for CARE/FERA customers; and

WHEREAS, in December 2023, due to a new improved budget projection resulting from updated 2024 PG&E Generation and PCIA rate projections, the Board of Directors desires to maintain the generation rate discount at 4%, effective when new PG&E rates are implemented, expected to be in January 2024, and amending the fiscal year 2023-2024 budget, as set forth in Exhibit A (the Adjusted Budget), to allocate an additional \$1.16 million towards bill credits for CARE/FERA customers, \$20 million towards the purchase of an SVCE office building, and an additional \$20 million to the Programs Fund, which also includes funding grants to cities decarbonization programs effective when new PG&E rates are implemented, expected to be in January 2024; and

WHEREAS, since PG&E is expected to issue its final customer generation rates later in December 2023, the Board of Directors desires to grant the Chief Executive Officer the authority to adjust the Authority’s current electric generation rates for its customers upon receiving PG&E’s updated rates and with sufficient time window for implementing new generation rates in SVCE’s billing system, expected to be within the first 3 weeks of when PG&E finalizes its new rates; and

WHEREAS, when the Programs Fund was first created in the fiscal year 2019-2020, the Board of Directors did not explicitly authorize the rollover of previously budget-allocated funds, including adjustments for grants received, of \$10.125 million; the Board of Directors now desires to grant the rollover of \$10.125 million to the Programs Fund from reserves.

NOW THEREFORE, the Board of Directors of the Silicon Valley Clean Energy Authority does hereby resolve, determine, and order as follows:

Section 1. Upon the release of PG&E's final 2024 customer generation rates, the Chief Executive Officer is hereby authorized to amend the Authority's generation rates to establish a discount of 4% from PG&E's applicable generation rates.

Section 2. The Authority shall adopt the Adjusted Budget, as set forth in Exhibit A, as the Authority's fiscal year 2023-2024 budget.

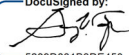
Section 3. The Authority shall rollover \$10.125 million to Programs Fund from reserves.

Section 4. The Authority's electric generation rates, as adjusted by the Chief Executive Officer pursuant to Section 1 above, shall become effective when PG&E's updated rates are implemented, expected to be on January 1, 2024, or after the allocation of sufficient time window for implementing new generation rates in SVCE's billing system, expected to be within three weeks after PG&E releases its final January 1st, 2024 customer generation rates, whichever is later.

The Authority's adjusted electric generation rates shall be set forth in an updated 2024 Electric Generation Rates Schedule. The Chief Executive Officer shall provide a copy of the updated 2024 Electric Generation Rates Schedule to the Board of Directors at its first meeting after the 2024 SVCE electric generation rates are finalized.


PASSED AND ADOPTED this 13th day of December 2023 by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Scozzola	✓			
City of Cupertino	Director Mohan	✓			
City of Gilroy	Director Hilton	✓			
City of Los Altos	Director Meadows	✓			
Town of Los Altos Hills	Director Tyson	✓			
Town of Los Gatos	Director Rennie	✓			
City of Milpitas	Director Chua	✓			
City of Monte Sereno	Director Mekechuk	✓			
City of Morgan Hill	Director Martinez Beltran	✓			
City of Mountain View	Director Abe-Koga	✓			
County of Santa Clara	Director Lee	✓			
City of Saratoga	Director Walia	✓			
City of Sunnyvale	Director Klein	✓			

DocuSigned by:

 5289D831B3DE450

Chair

ATTEST:

DocuSigned by:

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Andrea Pizano, Board Secretary

EXHIBIT A

**SILICON VALLEY CLEAN ENERGY
FY 2023-24 OPERATING BUDGET
(\$ in thousands)**

DESCRIPTION	FY 2023-24	FY 2023-24	Change	
	ADOPTED BUDGET	ADJUSTED BUDGET	\$	%
ENERGY REVENUES				
Energy Sales	438,342	552,667	114,325	26.1%
Green Prime	2,012	1,968	(44)	-2.2%
Other Income	50	50	0	0.0%
TOTAL ENERGY REVENUES	<u>440,404</u>	<u>554,685</u>	<u>114,281</u>	<u>25.9%</u>
ENERGY EXPENSES				
Power Supply	391,624	399,546	7,922	2.0%
OPERATING MARGIN	<u>48,780</u>	<u>155,138</u>	<u>106,359</u>	<u>218.0%</u>
OPERATING EXPENSES				
Data Management	3,413	3,413	0	0.0%
PG&E Fees	1,470	1,470	0	0.0%
Salaries and Retirement	15,406	15,406	0	0.0%
Professional Services	8,084	8,084	0	0.0%
Marketing & Promotions	1,349	1,349	0	0.0%
Notifications	21	21	0	0.0%
Lease	551	551	0	0.0%
General & Administrative	2,067	2,067	0	0.0%
TOTAL OPERATING EXPENSES	<u>32,361</u>	<u>32,361</u>	<u>0</u>	<u>0.0%</u>
OPERATING INCOME (LOSS)	<u>16,419</u>	<u>122,778</u>	<u>106,359</u>	<u>647.8%</u>
NON-OPERATING REVENUES				
Interest Income	5,501	6,434	932	16.9%
Grant Income	0	0	0	-
TOTAL NON-OPERATING REVENUES	<u>5,501</u>	<u>6,434</u>	<u>932</u>	<u>16.9%</u>
NON-OPERATING EXPENSES				
Financing	3	3	0	0.0%
Interest	0	0	0	-
TOTAL NON-OPERATING EXPENSES	<u>3</u>	<u>3</u>	<u>0</u>	<u>0.0%</u>
TOTAL NON-OPERATING INCOME (EXPENSES)	<u>5,498</u>	<u>6,431</u>	<u>932</u>	<u>17.0%</u>
CHANGE IN NET POSITION	<u>21,917</u>	<u>129,208</u>	<u>107,291</u>	<u>489.5%</u>
CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER				
Capital Outlay	50	50	0	0.0%
Building Fund	0	20,000	20,000	0.0%
Transfer to CRCR Fund	0	0	0	-
Program Fund	8,874	28,874	20,000	225.4%
Nuclear Allocation	2,188	2,188	0	0.0%
Multi Family Direct Install Program	0	0	0	-
Electrification Discount Program	0	0	0	-
Customer Bill Relief	3,136	4,300	1,164	37.1%
Other	0	0	0	-
TOTAL CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER	<u>\$14,248</u>	<u>\$55,412</u>	<u>\$41,164</u>	<u>288.9%</u>
BALANCE AVAILABLE FOR RESERVES	<u>\$7,669</u>	<u>\$73,796</u>	<u>\$66,127</u>	<u>862.2%</u>