



TREASURER REPORT

**Fiscal Year to Date
As of June 30, 2017**

(Preliminary & Unaudited)

Issue Date: August 9, 2017

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SILICON VALLEY CLEAN ENERGY AUTHORITY

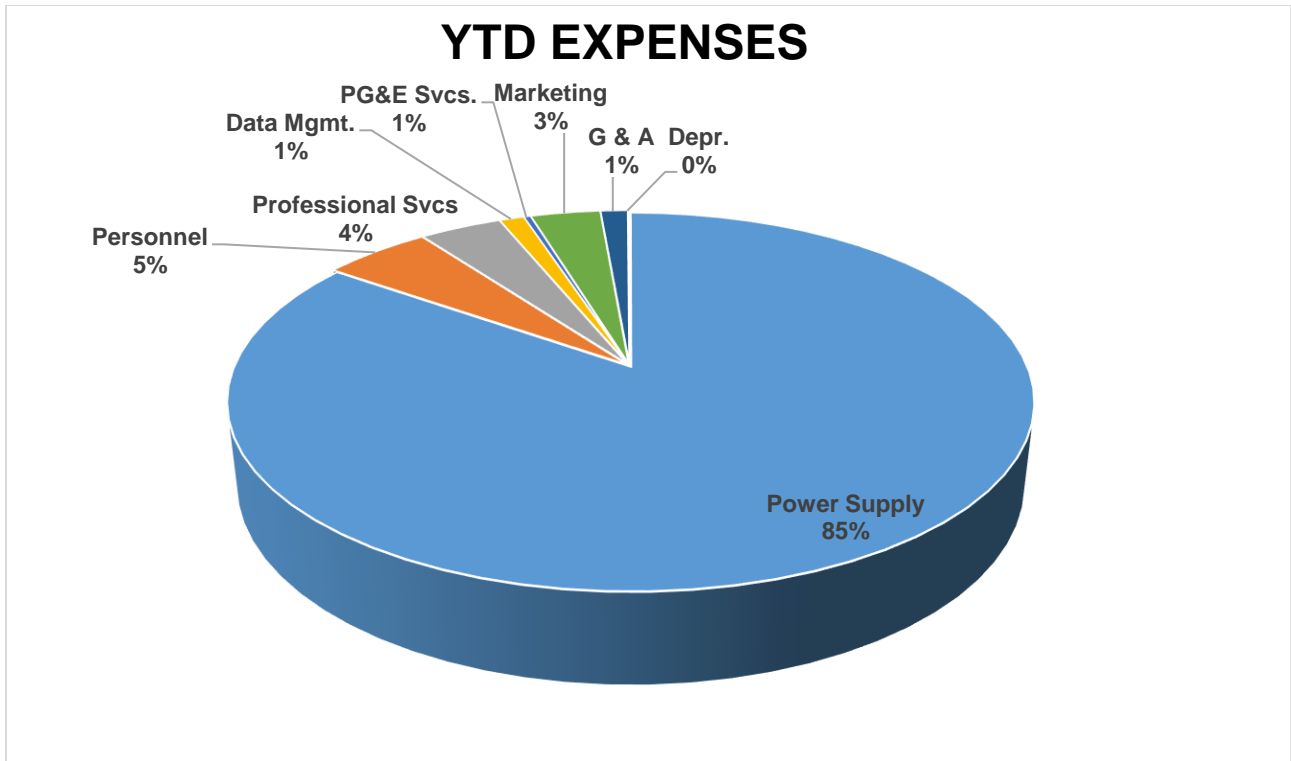
Financial Statement Highlights (\$ in 000's)

Financial Highlights for the month of June 2017:

*SVCE expects to pay down the Non-Revolving Line of Credit in early August and the Revolving Line of Credit by end of the fiscal year.
The FY 2017-18 Proposed Budget projects retiring the Member Agency Loan by end of calendar year 2017.*

- > SVCE operations resulted in net gain for the month of \$4.2 million, bringing the year-to-date to \$7.8 million.
 - o The unbilled revenue estimate in May was too high and reversed in June. This correction to the year-to-date revenue drove the June revenue results down. The issues causing the overestimation in May have been corrected moving forward.
 - o Energy Sales year-to-date are \$27.1 million, slightly below budget based on lower than forecast MWh sales.
 - o Focus on expense management results in a very strong positive year-to-date variance of O&M costs below budget.
- > Retail MWh sales were 2.5% less than budget year-to-date.
 - o A mid-month heat wave was the driver for retail sales 3.5% above budget for the month.
 - o 85% of the year-to-date sales were from Commercial and Industrial accounts. Majority of residential accounts roll out in Phase 2.
- > Power Supply
 - o Approximately 288,000 MWh's of energy was supplied to CAISO.
 - o One supplier has delivered nearly all of its carbon free energy out of their 400,000 MWh annual requirement.
 - o Partially offsetting Power Supply costs was \$0.2 million gain from Congestion Revenue Rights
 - o Power Supply costs year-to-date are below budget by 16%.
- > Financing - SVCE made no draws against the Lines of Credit in June.
 - o During July, CAISO refunded to SVCE the \$0.5 million deposit based on current financial performance.
 - o Staff forecasts no further draws against lines of credit will be needed.

Change in Net Assets	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Actual	(42)	(190)	(252)	(261)	(464)	(391)	69	5,114	4,221				7,803	30,207
Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Energy	-	-	-	-	-	-	6,202	11,146	10,467				27,815	
Capacity	-	-	-	-	-	-	95	247	356				698	
Ancillary	-	-	-	-	-	-	139	168	332				638	
NEM credits	-	-	-	-	-	-	-	54	72				126	
Less: Credits	-	-	-	-	-	-	(3,292)	(5,244)	(4,475)				(13,010)	
Net Power Costs	-	-	-	-	-	-	3,144	6,370	6,752	-	-	-	16,266	66,671
Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Capital Expenditures	24	3	131	10	6	2	-	8	-				185	250
Energy Programs	-	-	-	-	-	-	-	-	-				-	400
Load Statistics - MWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Retail Sales Actual	-	-	-	-	-	-	64,381	132,105	152,417				348,903	
Retail Sales Budget	-	-	-	-	-	-	70,835	139,852	147,248	236,688	311,145	330,922	1,236,689	1,236,689



Other Statistics and Ratios	
Working Capital	\$7,223,779
Current Ratio	1.3
Contribution Margin	\$10,571,673
Opt-Out Accounts	3,516
Opt-Up Accounts	2,109

SILICON VALLEY CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

Fiscal Year to Date

OPERATING REVENUES

Electricity Sales, Net	\$ 27,037,479
GreenPrime electricity premium	<u>87,758</u>
TOTAL OPERATING REVENUES	<u>27,125,237</u>

OPERATING EXPENSES

Cost of Electricity	16,266,094
Staff Compensation and benefits	991,077
Data Manager	225,000
Service Fees - PG&E	62,470
Consultants and Other Professional Fees	486,174
Legal	267,356
Communications & Noticing	638,388
General & Administrative	247,700
Depreciation	<u>14,889</u>
TOTAL OPERATING EXPENSES	<u>19,199,148</u>
OPERATING INCOME(LOSS)	<u>7,926,089</u>

NONOPERATING REVENUES (EXPENSES)

Interest Income	863
Interest and related expenses	(50,552)
Financing costs	<u>(73,218)</u>
TOTAL NONOPERATING EXPENSES	<u>(122,907)</u>

CHANGE IN NET POSITION

	7,803,182
Net Position at beginning of period	<u>(1,110,365)</u>
Net Position at end of period	<u>\$ 6,692,817</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of June 30, 2017

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 14,211,123
Accounts Receivable, net of allowance	8,069,317
Energy Settlements Receivable	1,929,481
Accrued Revenue	8,098,717
Other Receivables	639,006
Prepaid Expenses	142,735
Deposits	500,000
Restricted cash - lockbox	1,000,000

Total Current Assets **34,590,379**

Noncurrent assets

Capital assets, net of depreciation	170,478
Deposits	128,560
Restricted cash - debt collateral	1,900,000

Total Noncurrent Assets **2,199,038**

Total Assets **36,789,417**

LIABILITIES

Current Liabilities

Accounts Payable	94,106
Accrued Cost of Electricity	22,033,841
Accrued Interest Payable	9,642
Accrued Payroll & Benefits	152,588
Other Accrued Liabilities	268,582
User Taxes and Energy Surcharges due to other gov'ts	407,841
Notes Payable to Bank	4,400,000

Total Current Liabilities **27,366,600**

Noncurrent Liabilities

Loans Payable to JPA members	2,730,000
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Total Noncurrent Liabilities **2,730,000**

Total Liabilities **30,096,600**

NET POSITION

Net investment in capital assets	170,478
Unrestricted (deficit)	6,522,339
Total Net Position	\$ 6,692,817

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
Fiscal Year to Date

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 10,469,506
Tax and surcharge receipts from customers	266,036
Energy settlements received	10,443,062
Payments to purchase electricity	(6,604,795)
Payments for staff compensation and benefits	(856,586)
Payments for consultants and other professional services	(733,847)
Payments for legal fees	(276,820)
Payments for communication and noticing	(604,430)
Payments for general and administrative	(363,224)
Net cash provided (used) by operating activities	<u>11,738,902</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Proceeds from bank notes	4,400,000
Proceeds from loans from JPA members	165,591
Payments of deposits and collateral	(3,500,000)
Interest and related expense payments	(40,910)
Finance costs	(73,218)
Net cash provided (used) by non-capital financing activities	<u>951,463</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Acquisition of capital assets	<u>(185,367)</u>
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Net change in cash and cash equivalents	12,504,998
Cash and cash equivalents at beginning of year	<u>1,706,125</u>
Cash and cash equivalents at end of period	<u><u>\$ 14,211,123</u></u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
Fiscal Year to Date

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (loss)	\$ 7,926,089
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	14,889
Revenue reduced for uncollectible accounts	136,308
(Increase) decrease in net accounts receivable	(8,205,625)
(Increase) decrease in energy settlements receivable	(1,929,481)
(Increase) decrease in other receivables	(638,143)
(Increase) decrease in accrued revenue	(8,098,717)
(Increase) decrease in prepaid expenses	(117,360)
Increase (decrease) in accounts payable	(60,849)
Increase (decrease) in accrued payroll & benefits	142,099
Increase (decrease) in accrued cost of electricity	22,033,841
Increase (decrease) in accrued liabilities	128,010
Increase (decrease) taxes and surcharges due to other governments	407,841
Net cash provided (used) by operating activities	<u>\$ 11,738,902</u>

**SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR TO DATE**

	<u>FYTD</u> <u>Actual</u>	<u>FYTD</u> <u>Budget</u>	<u>Variance</u> <u>\$</u>	<u>%</u>	<u>FY 2016-17</u> <u>Budget</u>	<u>% Budget</u> <u>Spent</u>
REVENUES & OTHER SOURCES						
Energy Sales	\$ 27,037,479	\$ 29,506,089	\$ (2,468,610)	-8%	\$ 103,303,000	
Green Prime Premium	87,758	71,587	16,171	23%	247,000	
Investment Income	863	1,500	(637)	-42%	16,000	
TOTAL REVENUES & OTHER SOURCES	<u>27,126,100</u>	<u>29,579,176</u>	<u>(2,453,076)</u>	<u>-8%</u>	<u>103,566,000</u>	
EXPENDITURES & OTHER USES						
CURRENT EXPENDITURES						
Power Supply	16,266,094	19,303,979	3,037,885	16%	66,671,000	24%
Data Management	225,000	220,793	(4,207)	-2%	1,030,000	22%
PG&E Fees	62,470	94,369	31,899	34%	430,000	15%
Salaries & Benefits	991,077	1,377,000	385,923	28%	1,902,000	52%
Professional Services	753,530	1,297,500	543,970	42%	1,730,000	44%
Marketing & Promotions	424,851	176,250	(248,601)	-141%	235,000	181%
Notifications	213,537	380,000	166,463	44%	410,000	52%
Office Lease	134,050	156,125	22,075	14%	245,000	55%
General & Administrative	113,650	93,750	(19,900)	-21%	125,000	91%
TOTAL CURRENT EXPENDITURES	<u>19,184,259</u>	<u>23,099,766</u>	<u>3,915,507</u>	<u>17%</u>	<u>72,778,000</u>	<u>26%</u>
OTHER USES						
Customer Programs	-	200,000	200,000	0%	400,000	0%
Office Equipment	185,367	240,000	54,633	23%	250,000	74%
CPUC Deposit	100,000	100,000	-	0%	100,000	100%
TOTAL OTHER USES	<u>285,367</u>	<u>540,000</u>	<u>254,633</u>	<u>47%</u>	<u>750,000</u>	<u>38%</u>
DEBT SERVICE						
Financing	73,218	77,000	3,782	5%	77,000	95%
Interest	50,552	54,000	3,448	6%	84,000	60%
TOTAL DEBT SERVICE	<u>123,770</u>	<u>131,000</u>	<u>7,230</u>	<u>6%</u>	<u>161,000</u>	<u>77%</u>
Total Expenditures, Other Uses & Debt Service	<u>19,593,396</u>	<u>23,770,766</u>	<u>4,177,370</u>	<u>18%</u>	<u>73,689,000</u>	<u>27%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 7,532,704</u>	<u>\$ 5,808,410</u>	<u>\$ 1,724,294</u>	<u>30%</u>	<u>\$ 29,877,000</u>	

SILICON VALLEY CLEAN ENERGY AUTHORITY

**BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION**

Net Increase (decrease) in available fund balance per budgetary comparison schedule	\$ 7,532,704
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position	
Subtract depreciation expense	(14,889)
Add back capital asset acquisitions	185,367
Add back collateral deposits	<u>100,000</u>
Change in Net Position	<u>7,803,182</u>

**SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FISCAL YEAR-TO-DATE**

	October	November	December	January	February	March	April	May	June	YTD
OPERATING REVENUES										
Electricity sales, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,590,587	\$ 11,950,163	\$ 11,496,729	\$ 27,037,479
Green electricity premium	-	-	-	-	-	-	-	40,298	47,460	87,758
Total operating revenues	-	-	-	-	-	-	3,590,587	11,990,461	11,544,189	27,125,237
OPERATING EXPENSES										
Cost of electricity	-	-	-	-	-	-	3,144,030	6,370,292	6,751,772	16,266,094
Staff compensation and benefits	21,312	20,014	64,175	111,207	120,565	163,943	143,130	171,190	175,541	991,077
Data manager	-	-	-	-	-	-	75,000	75,000	75,000	225,000
Service fees - PG&E	-	-	-	920	-	1,840	-	36,138	23,572	62,470
Consultants and other professional fees	10,390	109,598	54,286	59,881	46,797	69,341	46,862	51,088	37,931	486,174
Legal	-	42,240	49,129	23,269	84,141	36,732	2,610	36,623	(7,388)	267,356
Communications and noticing	6,990	17,857	-	48,304	135,705	73,751	63,254	72,431	220,096	638,388
General and administration	3,067	-	7,427	13,501	62,184	35,255	35,813	51,498	38,955	247,700
Depreciation	-	281	356	1,946	2,223	2,394	2,455	2,617	2,617	14,889
Total operating expenses	41,759	189,990	175,373	259,028	451,615	383,256	3,513,154	6,866,877	7,318,096	19,199,148
Operating income (loss)	(41,759)	(189,990)	(175,373)	(259,028)	(451,615)	(383,256)	77,433	5,123,584	4,226,093	7,926,089
NONOPERATING REVENUES (EXPENSES)										
Interest income	-	-	-	-	-	-	228	256	379	863
Interest and related expense	-	-	-	(2,368)	(11,952)	(7,840)	(9,013)	(9,736)	(9,643)	(50,552)
Financing costs	-	-	(77,000)	-	-	-	-	-	3,782	(73,218)
Total nonoperating revenues (expenses)	-	-	(77,000)	(2,368)	(11,952)	(7,840)	(8,785)	(9,480)	(5,482)	(122,907)
CHANGE IN NET POSITION	\$ (41,759)	\$ (189,990)	\$ (252,373)	\$ (261,396)	\$ (463,567)	\$ (391,096)	\$ 68,648	\$ 5,114,104	\$ 4,220,611	\$ 7,803,182

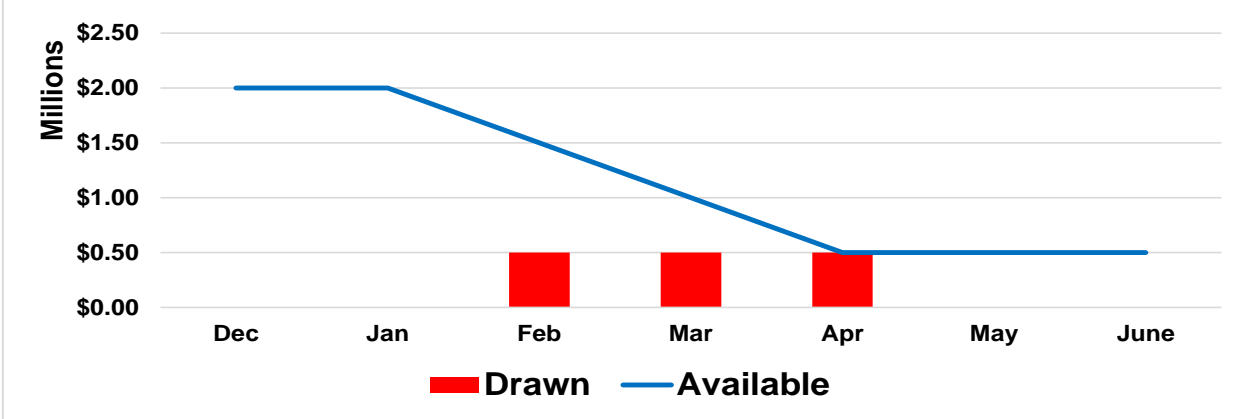
PERSONNEL REPORT

HEADCOUNT				
<u>Position</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
Chief Executive Officer	1	1	0	
Account Representative I / II	2	2	0	
Account Services Manager	1	1	0	
Administrative Analyst	2	2	0	
Administrative Assistant	1	1	0	
Board Clerk/Executive Assistant	1	1	0	
Community Outreach Manager	1	1	0	
Community Outreach Specialist	1	0	1	
Director of Administration & Finance	1	1	0	
Director of Marketing & Public Affairs	1	1	0	
Director of Power Resources	1	0	1	
Finance Manager	1	0	1	
General Counsel & Director of Government Affairs	1	0	1	
Power Contracts & Compliance Specialist	1	1	0	
Power Resource Planning & Programs Analyst	2	0	2	
Regulatory/Legislative Analyst	<u>1</u>	<u>1</u>	<u>0</u>	
Total	19	13	6	

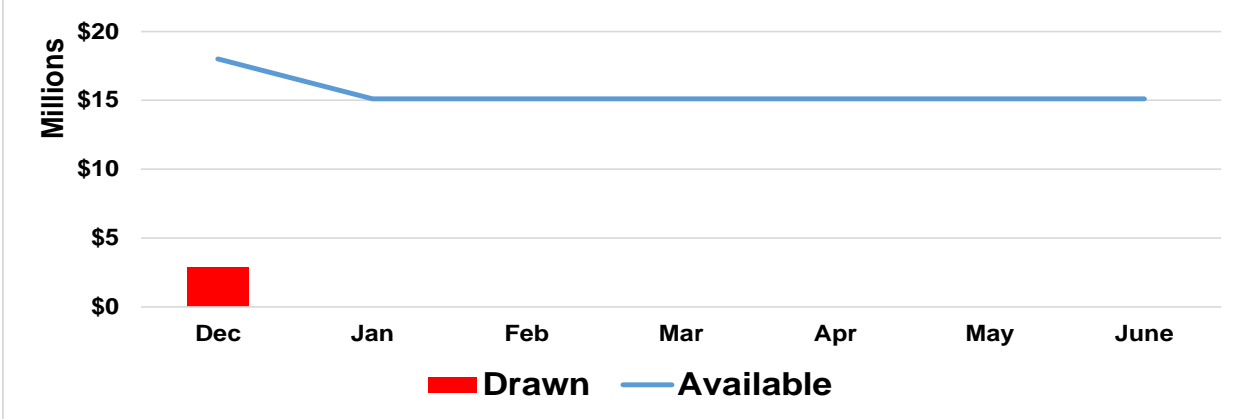
CONTINGENT POSITIONS			
<u>Position</u>	<u>Hours</u>		<u>% YTD Spent</u>
	<u>FY2016-17 Budget</u>	<u>FY2016-17 Actual</u>	
Interns / Part-Time	4,300	658	15%

FINANCING REPORT

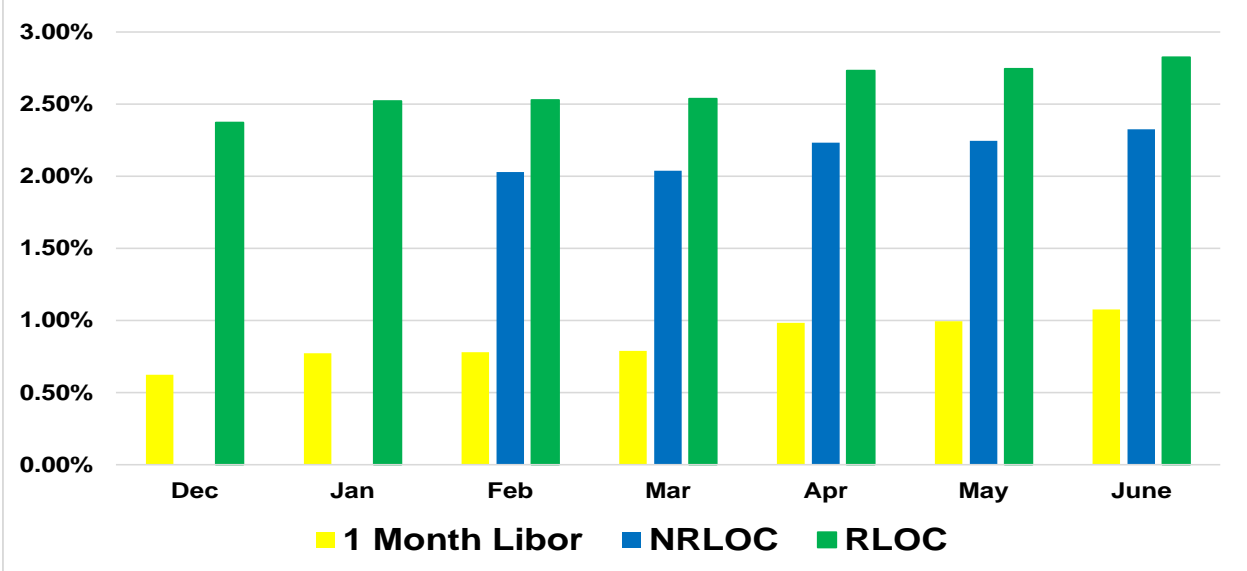
NON-REVOLVING LINE OF CREDIT



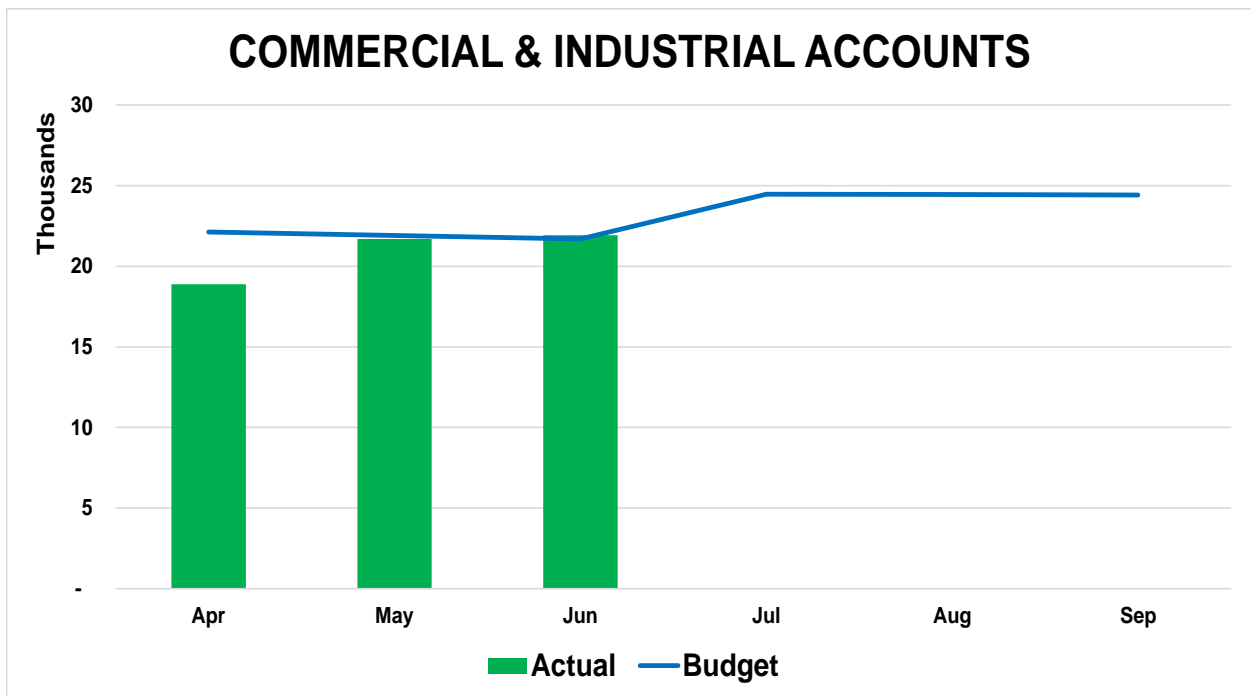
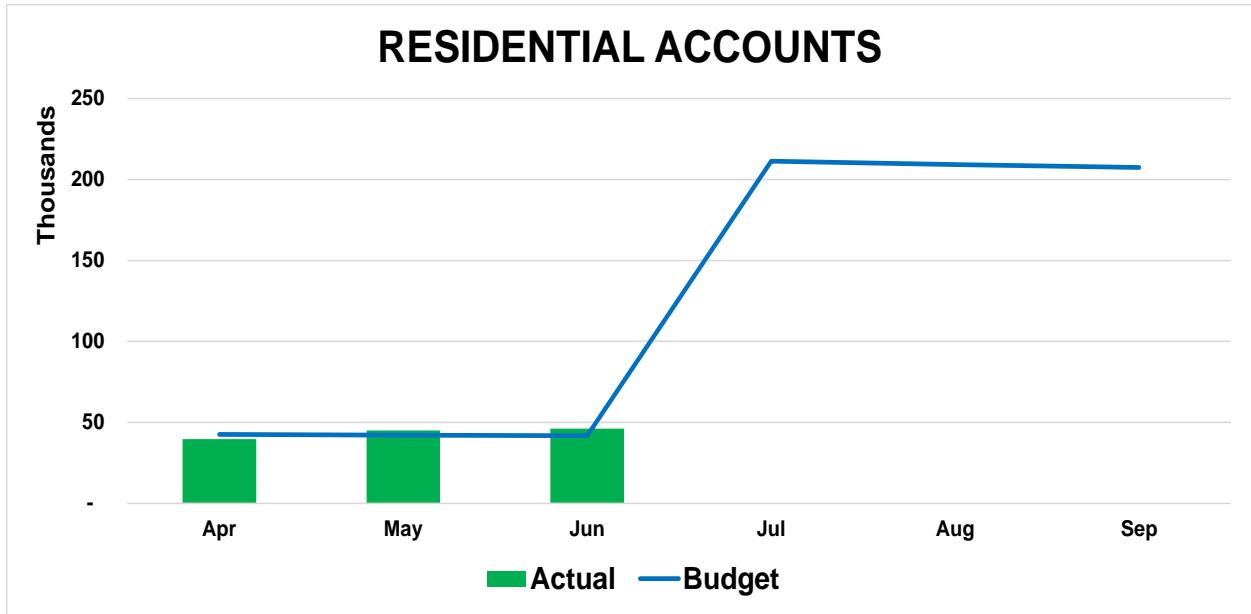
REVOLVING LINE OF CREDIT



Interest Rates of Lines of Credit



CUSTOMER ACCOUNTS



**SILICON VALLEY CLEAN ENERGY AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT
JUNE 2017**

	Total	Days			
		0-30	31-60	61-90	Over 90
Accounts Receivable	\$8,206,272	\$8,112,027	\$94,245		
Period %	100%	99%	1%		