



**DESERT COMMUNITY ENERGY
BOARD MEETING AGENDA
MONDAY, FEBRUARY 25, 2019
2:30 PM**

**Coachella Valley Association of Governments
73-710 Fred Waring Drive, Palm Desert
Suite 200 Conference Room
760-346-1127**

THIS MEETING IS HANDICAPPED ACCESSIBLE.
ACTION MAY RESULT ON ANY ITEMS ON THIS AGENDA.

1. **CALL TO ORDER**
2. **ROLL CALL**
 - A. **Member Roster** [P2](#)
3. **PUBLIC COMMENTS**

Any person wishing to address the Desert Community Energy Board on items not appearing on the agenda may do so at this time.
4. **BOARD MEMBER / DIRECTOR COMMENTS**
5. **CONSENT CALENDAR**
 - A. **Approve February 4, 2019 DCE Board Meeting Minutes** [P3](#)
6. **DISCUSSION / ACTION**
 - A. **DCE 2020 Launch Options – Don Dame** [P6](#)

Recommendation: Discuss launch options and provide direction to staff
 - B. **DCE Pro Forma and Financial Model Scenario Analysis – Jeff Fuller** [P11](#)

Recommendation: Information only
7. **INFORMATION**
 - A. **Attendance Record** [P12](#)
 - B. **DCE Unaudited Balance Sheet and Financial Statements, April 2018 through January 2019** [P13](#)
8. **ANNOUNCEMENTS**

The next Desert Community Energy Board meeting is scheduled for Monday, March 18, 2019, at 2:30 pm.
9. **ADJOURNMENT**

ITEM 2A



**DESERT COMMUNITY ENERGY
BOARD MEMBER ROSTER
2018 - 2019**

VOTING MEMBERS	
City of Cathedral City	Councilmember John Aguilar <i>Alternate: Councilmember Raymond Gregory</i>
City of Palm Desert	Councilmember Sabby Jonathan, Chair <i>Alternate: Councilmember Kathleen Kelly</i>
City of Palm Springs	Mayor Pro Tem Geoff Kors, Vice Chair <i>Alternate: Councilmember Lisa Middleton</i>

NON-VOTING MEMBER	
City of Desert Hot Springs	Vacant

STAFF	
Tom Kirk, Executive Director	
Katie Barrows, Director of Energy & Environmental Resources	
Benjamin Druyon, Management Analyst	
Libby Carlson, Program Assistant	

ITEM 5A



DESERT COMMUNITY ENERGY BOARD MEETING MINUTES February 4, 2019

1. CALL TO ORDER

The meeting of the DCE Board was called to order by Vice Chair Jonathan at 2:31 pm.

2. ROLL CALL

Roll call was taken and a quorum was present.

Members Present

Councilmember John Aguilar
Councilmember Sabby Jonathan, Vice Chair
Councilmember Geoff Kors

Agency

City of Cathedral City
City of Palm Desert
City of Palm Springs

Others

Charlie McClendon
Councilmember Ernesto Gutierrez
Councilmember Raymond Gregory
Ryan Stendell
Joe Hommel
Kim Floyd

City of Cathedral City
City of Cathedral City
City of Cathedral City
City of Palm Desert
Palm Desert Resident
Sierra Club/Palm Desert
Resident
Cathedral City Resident

Rosario Avila

DCE Staff & Consultants

Tom Kirk
Katie Barrows
Erica Felci
Libby Carlson
Adam Probolsky (Phone)
Colin Cameron (Phone)
Jeff Fuller (Phone)
Don Dame (Phone)

Probolsky Research
The Energy Authority/TEA
The Energy Authority/TEA
DCE Consultant

3. PUBLIC COMMENTS

Rosario Avila, Cathedral City resident, addressed the Board regarding website updates.

Kim Floyd, Palm Desert resident and Sierra Club representative, spoke in support of a community-based advisory council. He also addressed the Board regarding local control and encouraged DCE to stay aware of CCA activity throughout the State.

4. BOARD MEMBER / DIRECTOR COMMENTS

None.

5. **CONSENT CALENDAR**

A. **Approve November 19, 2018 DCE Board meeting minutes**

IT WAS MOVED BY COUNCILMEMBER KORS, SECONDED BY VICE CHAIR JONATHAN TO APPROVE THE NOVEMBER 19, 2018 DCE BOARD MEETING MINUTES.

THE MOTION CARRIED WITH 2 AYES AND 1 ABSTENTION.

Councilmember John Aguilar	Abstain
Councilmember Sabby Jonathan, Vice Chair	Aye
Councilmember Geoff Kors	Aye

B. **Consulting Services Agreement with Don Dame**

Tom Kirk noted that there is no change in the total amount for the contract with Don Dame. In response to an inquiry from Vice Chair Jonathan, Tom Kirk stated that financial reports for DCE will be regularly provided.

IT WAS MOVED BY COUNCILMEMBER KORS AND SECONDED BY VICE CHAIR JONATHAN TO APPROVE THE TRANSFER OF THE CONSULTING SERVICES AGREEMENT WITH DON DAME FROM CVAG TO DCE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE CONTRACT.

THE MOTION CARRIED UNANIMOUSLY.

Councilmember John Aguilar	Aye
Councilmember Sabby Jonathan, Vice Chair	Aye
Councilmember Geoff Kors	Aye

6. **DISCUSSION / ACTION**

A. **Election of DCE Board Chair and Vice Chair**

IT WAS MOVED BY COUNCILMEMBER KORS AND SECONDED BY COUNCILMEMBER JONATHAN TO APPOINT COUNCILMEMBER JONATHAN AS CHAIR AND COUNCILMEMBER KORS AS VICE CHAIR FOR THE REMAINDER OF FY18/19.

THE MOTION CARRIED UNANIMOUSLY.

Councilmember John Aguilar	Aye
Councilmember Sabby Jonathan, Vice Chair	Aye
Councilmember Geoff Kors	Aye

Item 6C was addressed before Item 6B.

C. **Energy Efficiency Program**

Katie Barrows provided an overview of CPUC Energy Efficiency Program Administration Plans that allow CCAs to access funding to help residential and small business customers find new ways to lower energy use and bills. Kim Floyd addressed the Board on behalf of the Sierra Club to express full support for pursuit of this locally-administered opportunity. The Board reached consensus on directing staff to return with detailed options and estimates at a future meeting, noting particular interest in options that would help small businesses reduce operating costs during the off season.

B. **DCE Rate Payer Survey Results**

Tom Kirk provided background on the intent of the survey and the consultant procurement process. Adam Probolsky, Probolsky Research, reviewed survey methodology and results, which indicated broad support for DCE's locally-controlled CCA across all member communities. Don Dame, DCE consultant, summarized survey

results in the context of program launch options. The Board discussed the survey results in the context of a decision about a 2020 launch.

Rosario Avila, Cathedral City resident, addressed the Board with concerns regarding the survey consultant procurement process and issues with notification for the revised January meeting date.

Joe Hommel, Palm Desert resident, encouraged the Board to read a recent report on climate change impacts and expressed strong support for the importance of local control.

All DCE Board members requested that their respective City Councils receive an update before finalizing next steps. Tom Kirk stated that DCE staff would prepare a staff report for presentation to each City Council in March.

IT WAS MOVED BY CHAIR JONATHAN AND SECONDED BY COUNCILMEMBER AGUILAR TO DIRECT STAFF TO PRESENT A DETAILED REPORT AT THE NEXT MEETING ON THE RECOMMENDED OPTION TO LAUNCH WITH 100% CARBON-FREE ENERGY IN PREPARATION FOR CITY COUNCIL UPDATES IN MARCH.

THE MOTION CARRIED UNANIMOUSLY.

Councilmember John Aguilar	Aye
Councilmember Sabby Jonathan, Chair	Aye
Councilmember Geoff Kors, Vice Chair	Aye

C. Pro Forma Update

Colin Cameron, TEA, provided a projected pro forma based on current assumptions regarding program launch date, opt-in/opt-out rates, and other factors, with particular attention on the impact that launch timing would have on the operating budget.

Vice Chair Kors expressed interest in reviewing the rates of opt-downs and opt-outs for other CCAs.

7. INFORMATION

A. DCE Attendance Record - This item was provided for member information only.

8. ANNOUNCEMENTS

Councilmember Aguilar introduced Councilmember Raymond Gregory as the official DCE alternate for the City of Cathedral City. Vice Chair Kors stated that Palm Springs City Council will review appointments this week.

The next meeting of the Desert Community Energy Board is scheduled for Monday, February 25, 2019, at 2:30 pm.

9. ADJOURNMENT - The meeting adjourned at approximately 4:07 pm.

Respectfully submitted,



Libby Carlson
Program Assistant

ITEM 6A



DESERT COMMUNITY ENERGY BOARD MONDAY, FEBRUARY 25, 2019

STAFF REPORT

Subject: DCE 2020 Launch Options

Recommendation: Discuss launch options and provide direction to staff.

Background: At the February 4 meeting, an overview of the DCE Ratepayer Survey was provided by Adam Probolsky. After review of the survey and discussion, the Board directed staff to present a detailed report on the recommended options to launch with 100% carbon-free energy at the next meeting. The next possible launch for DCE would be in 2020. This report provides an overview of progress to date, options for launch and next steps, including a summary of decisions needed by March 2019 in order to launch a Community Choice Aggregation program in 2020.

The Board also requested that presentations be made to each city council to provide an update on Desert Community Energy and review survey results. These presentations have been scheduled for all member cities: Palm Desert – February 28; Palm Springs – March 6; Cathedral City – March 13. Staff has provided a staff report to member agencies which summarizes the status of DCE and the items to be discussed by the DCE Board over the next several months.

Since summer 2017 when DCE was formed as a Joint Powers Authority, the DCE Board and staff have worked diligently to provide a Community Choice Aggregation (CCA) program for communities. The DCE Board undertook all necessary investigatory, regulatory and preparatory steps associated with an expected date to start serving customers effective August 1, 2018. At program launch, DCE would be providing retail power supply service to electricity customers in Cathedral City, Palm Desert and Palm Springs. Since inception, a key program objective was to offer customers savings on their bill compared to SCE rates. Through June 2018 the rate savings was expected to be about 3% on the generation portion of the bill. However, in late July 2018, just days before scheduled launch, the DCE Board suspended CCA program start due to unexpected natural gas and electricity price spikes. Other factors that contributed to this decision were anticipated changes to the exit fee and SCE rate forecast uncertainty. Together these factors diminished the likelihood of delivering demonstrable customer savings and reduced the potential for DCE to launch on sound financial footing. At a special meeting on August 15, 2018 the Board gave direction to staff to delay the launch of the DCE Community Choice Energy program until 2020.

Current Status: The DCE Community Choice Energy program has been suspended since August 2018. In February 2018, the California Public Utilities Commission (CPUC), implemented a “year-ahead” process for CCAs. Under these new rules, DCE must file a year-ahead load forecast by April 19, 2019 that will result in binding obligations for purchase of Resource Adequacy (RA) power for 2020. Due to these requirements the DCE Board will need to take action by the end of March 2019 if it is to commence retail electric power service to member communities in 2020. The decision about whether to proceed will be on the March 18, 2019 agenda.

While the decision to proceed, or not, needs to be made in March, decisions about product offerings, renewable and carbon-free content, and other DCE goals will be discussed over the next several months. TEA recommends the Board, by April 2019, bracket a range of choices regarding the composition of renewables and large hydro in the “100% green” product that will meet DCE’s financial and policy objectives. The Board should also be prepared to decide on the renewable content of the base product by April. If a decision to launch in spring 2020 is made, power procurement will commence in summer 2019 so the Board can continue fine-tuning product mix, rates, and other program features between April and June 2019. The Board will also need to consider other potential programs, such as Net-Energy Metering (NEM) for existing and new rooftop solar customers.

Since the July 2018 decision to suspend DCE launch, the uncertainty about the exit fee (PCIA) and SCE rates has been mostly resolved. As of summer 2018, the changes to the PCIA were not known and SCE rates had not been finalized. The CPUC issued a decision on October 11, 2018 modifying methods used to calculate the exit fee (or Power Charge Indifference Adjustment (PCIA)) charged to CCA customers. The PCIA is a fee charged by SCE and other investor-owned utilities to departing customers that switch to another electricity generation service provider, such as a CCA or Direct Access vendor. State law allows the utility to charge CCA customers for any loss it might experience from not being able to sell the electricity it historically purchased for the “departing load” on the open market. As discussed at the November 2018 meeting, the CPUC decision on the PCIA substantially impacts the ability of CCAs, including DCE, to offer rate savings to customers. Since the CPUC decision, PCIA charges have been updated and made available by the CPUC as of January 2019. SCE rates for 2019 are also now available. TEA has used the 2019 PCIA and SCE rates in the current DCE pro forma which will be discussed under Item 6B. DCE continues to monitor the CPUC proceedings with considerable support from CalCCA.

DCE Ratepayer Survey: The survey completed by Probolsky Research from January 18 to January 24, 2019 was presented at the February 4 meeting. Although relatively few of poll respondents are currently familiar with “Community Choice Aggregation,” nearly 80% of those polled expressed support for a locally sponsored power program when given more information. The survey asked them to identify their support for such a program with emphasis on meeting community climate objectives, local economic development, and carbon-free energy resources. The DCE survey also asked about various cost scenarios. When asked about willingness to pay a “little bit more” for energy than they are currently paying to SCE for a locally controlled, “no shareholders” energy program, nearly 60% of respondents were supportive. City-by-city data on similar questions showed similar levels of support. A survey of this size yields a margin of error of +/-5.8%, with a confidence level of 95%.

The survey results indicate substantial majority support for a locally controlled and focused power program given near parity rates versus SCE with 49% willing to pay up to 10% more, and 63% up to 5% more, for a 100% carbon-free energy product. It should be noted that “up to 10% more” on the generation charge would result in an increase of approximately 4% on the total bill.

DCE Considerations and Options: There are multiple reasons why a community might establish and support a CCA. The DCE Board has previously indicated a primary DCE objective was to provide electric power at a discount compared with SCE. The recent PCIA decision effectively neutralizes this cost reduction objective, shifting the focus to other CCA objectives including enhanced green power use, greater local energy control, environmental responsibility, and investment in the local economy. DCE’s survey results indicate residents support local energy control and are willing to pay modest additional cost to attain a cleaner, environmentally responsible power product. The results also indicate that customers favor having a choice. And while rate relief is desirable, survey responses indicate that customers are interested in and

supportive of local control, cleaner, greener electricity, reducing their carbon footprint, and investing in local communities.

CCA Program Options: Some preliminary discussion occurred at the February 4 meeting regarding the options and financial considerations for program launch. At the time of the expected August 2018 launch, the Board had authorized two products, Desert Saver (35% renewable, 50% carbon-free, 3% savings) and Carbon Free (35% renewable, 100% carbon-free). Based on the survey results, DCE customers are willing to support a 100% “green” product at a modest cost increase over current SCE rates, as long as all customers have the ability to opt down or opt out of such service. The following are options for the Board to consider and discuss with respect to changes to the products to be offered to customers:

1. 35% “Green” Default Product - rates at parity to slightly below SCE
 - a. Essentially match what customers now get from SCE
 - b. Customers can “opt-up” to more green products
 - c. Customers can “opt-out” and remain with SCE
2. 100% “Green/Carbon-free” Default Product - rates 7-9% above SCE base product
 - a. Meet California’s 100% green mandate 25 years early
 - b. Accelerate beneficial and local environmental goals
 - c. Low income and other special classes protected
 - d. Customers can “opt-down” to a basic green product at a cost less than or equal to SCE
 - e. Customers can “opt-out” and remain with SCE
3. Refocus / Dissolve DCE
 - a. Redirect DCE to address other local energy matters
 - b. Continue to monitor CCA and consider restart during 2021 or beyond
 - c. Dissolve DCE JPA

DCE staff tentatively recommends commencing CCA operations during spring 2020 offering a 100% carbon-free default product, with additional “less green” choices for those customers desiring to opt-down to slightly lower cost products (essentially combining options 1 and 2). This recommendation is contingent on assessing final business model feasibility and input/questions received from member cities and members of the public. The refresh of program economics and the business feasibility of this approach will be presented by Jeff Fuller at the meeting under item 6B. The recommendation is based on:

- ✓ Survey results indicating local support
- ✓ Demonstrable cost savings v. SCE’s 100% product
- ✓ Opportunity to precede California’s 2045 100% carbon free standard by 25 years
- ✓ Low income and other special rate classes protected
- ✓ Options for customers to opt-down or opt-out if so inclined
- ✓ Substantial contribution to local climate goals
- ✓ Member cities may individually select default product

Opt down/Opt out Rates: The Board requested information on the opt out rates experienced by other CCA programs in the state. DCE and other CCAs enroll customers in a default product with the option of opting out to stay with SCE or opting up or down to the product of their choice. In general, the opt-out rate for other CCA programs, the percentage of customers who choose to remain with Southern California Edison (SCE), has been 5% or less. The most recent examples come from the Clean Power Alliance (CPA) which serves jurisdictions in Los Angeles and Ventura Counties. CPA is launching almost 1 million accounts this month and has offered three product choices, including a member electable default product that is 100% green. The following table, excerpted from CPA’s February 2019 Board agenda, shows the opt up/opt down/opt out rates for CPA cities and counties. As of January 30, 2019, CPA’s overall opt out rate is 1.83%, with a 3.39% average opt out rate for those communities electing a 100% green default product. DCE also had some experience with opt out rates during our ramp up prior to the delay of our August

2018 launch. Opt out rates at that time were less than 1%. Financial projections for CCAs including DCE usually assume an opt out rate of 10% or less.

Clean Power Alliance - Customer Status Report - As of January 30, 2019

CPA Cities & Counties	Default Tier	Opt Percentage by City & County				
		Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
AGOURA HILLS	Lean Power	7,443	0.19%	0.09%	0.00%	2.86%
ALHAMBRA	Clean Power	30,870	0.03%	0.00%	0.10%	0.37%
ARCADIA	Lean Power	19,862	0.05%	0.03%	0.00%	0.54%
BEVERLY HILLS	Clean Power	15,341	0.08%	0.00%	0.20%	0.27%
CALABASAS	Lean Power	9,130	0.09%	0.09%	0.00%	1.05%
CAMARILLO	Lean Power	25,846	0.19%	0.15%	0.00%	4.34%
CARSON	Clean Power	25,323	0.02%	0.00%	0.13%	0.42%
CLAREMONT	Clean Power	11,829	0.16%	0.00%	0.52%	2.94%
CULVER CITY	100% Green Power	16,517	0.00%	0.29%	0.71%	0.66%
DOWNEY	Clean Power	34,105	0.01%	0.00%	0.09%	0.39%
HAWAIIAN GARDENS	Clean Power	3,223	0.00%	0.00%	0.00%	0.34%
HAWTHORNE	Lean Power	25,361	0.03%	0.00%	0.00%	0.19%
LOS ANGELES COUNTY	Clean Power	318,135	0.04%	0.00%	0.22%	0.77%
MALIBU	Clean Power	6,123	0.07%	0.00%	0.16%	0.54%
MANHATTAN BEACH	Clean Power	14,350	0.14%	0.00%	0.61%	0.80%
MOORPARK	Clean Power	11,587	0.14%	0.00%	1.02%	7.21%
OJAI	100% Green Power	3,124	0.00%	0.19%	1.38%	1.66%
OXNARD	100% Green Power	50,727	0.00%	0.19%	0.75%	1.82%
PARAMOUNT	Lean Power	12,954	0.01%	0.01%	0.00%	0.13%
REDONDO BEACH	Clean Power	29,908	0.07%	0.00%	0.35%	0.61%
ROLLING HILLS ESTATES	100% Green Power	3,542	0.03%	0.51%	1.24%	2.17%
SANTA MONICA	100% Green Power	48,648	0.00%	0.15%	0.66%	1.63%
SIERRA MADRE	Clean Power	4,901	0.20%	0.00%	0.45%	1.41%
SIMI VALLEY	Lean Power	41,879	0.08%	0.08%	0.00%	4.73%
SOUTH PASADENA	100% Green Power	12,368	0.00%	0.11%	0.53%	0.76%
TEMPLE CITY	Lean Power	11,761	0.02%	0.02%	0.00%	0.57%
THOUSAND OAKS	100% Green Power	46,112	0.00%	0.90%	3.14%	8.93%
VENTURA	100% Green Power	40,082	0.00%	0.47%	1.45%	4.37%
VENTURA COUNTY	100% Green Power	30,471	0.00%	0.35%	1.60%	4.45%
WEST HOLLYWOOD	100% Green Power	23,716	0.00%	0.08%	0.23%	0.25%
WHITTIER	Clean Power	28,605	0.03%	0.00%	0.17%	0.72%
Total		963,843	0.04%	0.11%	0.50%	1.83%

Opt Percentage by Default Tier					
Default Tier	Total Eligible Accounts	Opt Up %	Opt Mid %	Opt Down %	Opt Out %
100% Green Power	275,307	0.00%	0.36%	1.29%	3.39%
Clean Power Power	534,300	0.05%	0.00%	0.24%	0.87%
Lean Power	154,236	0.08%	0.06%	0.00%	2.37%
Total	963,843	0.04%	0.11%	0.50%	1.83%

Note: These percentages include statistics from Phase 1 and 2 customers in unincorporated Los Angeles County, Rolling Hills Estates, and South Pasadena

Next Steps: At the February 25 meeting, staff would like Board feedback and direction on launch options. The following is a brief summary of expected next steps and approximate timing:

- Inform member city councils (February 28-March 13)
- DCE Board discussion on February 25; decision to proceed by March 18, 2019 (next mtg)
- Establish a DCE Community Advisory Committee
- Affirm necessary vendor and services relationships (March/April 2019)
- Prepare and submit requisite regulatory filings (begins March 2019)
- Confirm product offerings and customer rates (April to June 2019)
- Contract for 2020 wholesale power capacity and energy products (summer 2019)
- Implement internal business and risk management procedures adopted by DCE in 2018 (ongoing)
- Implement community outreach (fall 2019 to early 2020)
- Provide required 4 notices to all customers (February to June 2020). Mail two notices 60 days prior to DCE launch and 2 notices within 60 days following launch
- Program launch on or about April 1, 2020

Fiscal Analysis: The fiscal analysis will be presented by Jeff Fuller at TEA under item 6B.

ITEM 6B



DESERT COMMUNITY ENERGY BOARD
MONDAY, FEBRUARY 25, 2019

STAFF REPORT

Subject: DCE Pro Forma and Financial Model Scenario Analysis

Recommendation: Information only.

Background: Jeff Fuller from The Energy Authority will present an overview of the updated DCE pro forma and financial model scenario analysis, based on the options discussed in Item 6A.

ITEM 7A**DESERT COMMUNITY ENERGY BOARD
FY2018-2019 ATTENDANCE RECORD**

	JUL 16	JUL 25	AUG 15	SEP	OCT	NOV	DEC	JAN (Held 02/04)
Voting Members								
City of Cathedral City	✓	✓	✓	*	*	✓	*	✓
City of Palm Desert	✓	✓	✓	*	*	✓	*	✓
City of Palm Springs	✓	✓	✓	*	*	✓	*	✓
Non-Voting Member								
City of Desert Hot Springs				*	*		*	

Ex Officio / Absent ☐
No Meeting *

DESERT COMMUNITY ENERGY
UNAUDITED BALANCE SHEET
APRIL 1, 2018 TO JANUARY 31, 2019 (10 MONTHS)

ASSETS

River City Bank

- Operating Account	1,417.09	
- Money Market Account	3,778,630.24	
- Lockbox Account	2.00	
Total Cash	<u> </u>	3,780,049.33

Accounts Receivable

- The Energy Authority	944,566.00	
Total Accounts Receivable	<u> </u>	944,566.00

Deposits/Bonds

- CPUC	100,000.00	
- CA ISO	500,000.00	
Total Deposits/Bonds	<u> </u>	<u>600,000.00</u>

TOTAL ASSETS

5,324,615.33

LIABILITIES

Accounts Payable

- LEAN Energy	2,393.75	
- CAISO	1,240.00	
- The Energy Authority	66,739.25	
- CalCCA	35,000.00	
Total Accounts Payable	<u> </u>	<u>105,373.00</u>

TOTAL LIABILITIES

105,373.00

FUND BALANCE

Fund Balance

5,219,242.33

TOTAL LIABILITIES AND FUND BALANCE

5,324,615.33

DESERT COMMUNITY ENERGY

UNAUDITED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

APRIL 1, 2018 TO JANUARY 31, 2019 (10 MONTHS)

REVENUES

Electricity Sales	28,868,420.00
Other Revenue	2.00
Investment Income	19,436.54
TOTAL REVENUES	28,887,858.54

EXPENDITURES

Cost of Electricity		
Electricity Purchase	22,288,651.25	
Low Carbon Settlement	105,800.00	
Renewable Energy Credit Settlement	76,500.00	
Market Charges	14,955.00	
Total Cost of Electricity		22,485,906.25
Legal Services		16,373.94
Professional Services		1,767.10
Consultants		
- LEAN Energy	209,078.60	
- The Energy Authority	394,533.25	
- CVAG	422,033.89	
Total Consultants		1,025,645.74
Postage		58,006.00
Printing		37,089.90
Registrations/Memberships		
- Western Electricity Coordinating Council	125.00	
- CA Community Choice Association	35,000.00	
Total Registration/Memberships		35,125.00
Interest Expense		8,702.28
TOTAL EXPENDITURES		23,668,616.21
Excess of Revenues over Expenditures		5,219,242.33
Fund Balance - Beginning of the Year		0.00
Fund Balance - End of the Year		5,219,242.33