

Desert Community Energy
Unaudited Statement of Net Position Prev Year Comparison
As of March 31, 2025

	<u>Mar 31, 25</u>	<u>Mar 31, 24</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
1100 · Unrestricted Funds				
1103 · CAMP Account	12,643,150	10,500,000	2,143,150	20.41%
1104 · LAIF Account	6,451,944	-	6,451,944	100.0%
1105 · Operating Account -8099	199,405	199,749	(345)	(0.17%)
1109 · DDM Marketplace Sweep - 0991	6,017,196	10,863,094	(4,845,898)	(44.61%)
1115 · Lockbox -4446	1,631,232	109,888	1,521,344	1,384.45%
Total 1100 · Unrestricted Funds	<u>26,942,927</u>	<u>21,672,731</u>	<u>5,270,196</u>	<u>24.32%</u>
1145 · Fair Value Adjustment	5,479	-	5,479	100.0%
1199 · Restricted Funds				
1110 · Money Market -5470	405,775	405,773	2	0.0%
1120 · FSR Letter of Credit Collateral	147,000	147,000	-	0.0%
Total 1199 · Restricted Funds	<u>552,775</u>	<u>552,773</u>	<u>2</u>	<u>0.0%</u>
Total Checking/Savings	<u>27,501,181</u>	<u>22,225,504</u>	<u>5,275,677</u>	<u>23.74%</u>
Accounts Receivable				
1221 · Accounts Receivable	15,055,588	15,549,976	(494,388)	(3.18%)
1223 · Accrued Accounts Receivable	1,660,009	1,684,434	(24,424)	(1.45%)
1250 · Interest Receivable	71,100	-	71,100	100.0%
Total Accounts Receivable	<u>16,786,697</u>	<u>17,234,409</u>	<u>(447,713)</u>	<u>(2.6%)</u>
Other Current Assets				
1225 · Allowance for Doubtful Accounts	(3,206,731)	(4,689,171)	1,482,440	31.61%
1240 · Prepaid Expenses	(17,781)	447,189	(464,970)	(103.98%)
Total Other Current Assets	<u>(3,224,512)</u>	<u>(4,241,982)</u>	<u>1,017,470</u>	<u>23.99%</u>
Total Current Assets	<u>41,063,366</u>	<u>35,217,931</u>	<u>5,845,435</u>	<u>16.6%</u>
Other Assets				
1170 · Deposits/Bonds	1,010,584	710,584	300,000	42.22%
Total Other Assets	<u>1,010,584</u>	<u>710,584</u>	<u>300,000</u>	<u>42.22%</u>
TOTAL ASSETS	<u>42,073,950</u>	<u>35,928,515</u>	<u>6,145,435</u>	<u>17.11%</u>
LIABILITIES & NET POSITION				
Liabilities				
Current Liabilities				
Accounts Payable				
2110 · Accounts Payable	2,876,670	1,975,378	901,293	45.63%
2112 · Accrued Accounts Payable	2,122,784	1,971,551	151,233	7.67%
2120 · Due to Other Governments	423,743	1,009,901	(586,158)	(58.04%)
Total Accounts Payable	<u>5,423,197</u>	<u>4,956,830</u>	<u>466,367</u>	<u>9.41%</u>
Other Current Liabilities				
2115 · NEM Escrow Account	57,175	-	57,175	100.0%
2230 · Taxes payable				
2231 · Utility Users Tax (UUT)	79,082	80,221	(1,140)	(1.42%)
2232 · Electric Energy Surcharge	3,146	2,712	434	15.99%
Total 2230 · Taxes payable	<u>82,227</u>	<u>82,933</u>	<u>(706)</u>	<u>(0.85%)</u>
Total Other Current Liabilities	<u>139,402</u>	<u>82,933</u>	<u>56,469</u>	<u>68.09%</u>
Total Current Liabilities	<u>5,562,599</u>	<u>5,039,763</u>	<u>522,836</u>	<u>10.37%</u>
Long Term Liabilities				
2260 · Vendor Security Deposits				
2262 · PPA Development Security	225,000	225,000	-	0.0%
2263 · Contract Development Deposit	180,000	180,000	-	0.0%
Total 2260 · Vendor Security Deposits	<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>0.0%</u>
Total Long Term Liabilities	<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>0.0%</u>
Total Liabilities	<u>5,967,599</u>	<u>5,444,763</u>	<u>522,836</u>	<u>9.6%</u>
Net Position				
31000 · Restricted Net Position	147,000	147,000	-	0.0%
32000 · Unrestricted Net Position	35,039,779	19,167,378	15,872,401	82.81%
Net Revenue	<u>919,571</u>	<u>11,169,374</u>	<u>(10,249,803)</u>	<u>(91.77%)</u>
Total Net Position	<u>36,106,350</u>	<u>30,483,752</u>	<u>5,622,598</u>	<u>18.45%</u>
TOTAL LIABILITIES & NET POSITION	<u>42,073,950</u>	<u>35,928,515</u>	<u>6,145,435</u>	<u>17.11%</u>

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The variance is primarily driven by significantly higher actualized costs compared to the prior year, particularly in the resource adequacy and renewable energy markets.

Desert Community Energy
Unaudited Changes to Net Position Budget vs. Actual
July 2024 through March 2025

	Jul '24 - Mar 25	Budget	\$ Over Budget
Ordinary Revenue/Expense			
Revenue			
5010 · Electricity Sales	50,423,269	51,512,642	(1,089,373)
5100 · Other Revenue	6,568,581	1,055,274	5,513,307
Total Revenue	<u>56,991,850</u>	<u>52,567,916</u>	<u>4,423,934</u>
Expense			
4100 · Cost of Electricity			
4105 · Electricity Purchase	21,339,924	21,104,429	235,495
4110 · Resource Adequacy Settlement	15,443,154	15,986,013	(542,859)
4115 · Carbon Free Settlement	4,916,358	3,553,858	1,362,500
4120 · Renewable Energy Cr. Settlement	5,753,492	3,819,181	1,934,311
4125 · Market Charges	3,794,243	3,327,078	467,165
4175 · CPUC YARA Penalty	1,750,159	1,750,159	0
Total 4100 · Cost of Electricity	<u>52,997,330</u>	<u>49,540,718</u>	<u>3,456,612</u>
4200 · Accounting / Bank Services	6,226	5,679	547
4353 · Insurance	6,033	6,242	(209)
4423 · Office Supplies	-	-	-
4425 · Legal Services	60,696	62,117	(1,421)
4431 · Professional Services	169,611	186,022	(16,411)
4432 · Consultants	1,747,744	1,790,576	(42,832)
4433 · Outreach Services	16,410	17,724	(1,314)
4435 · Technology Costs (IT)	4,543	4,654	(111)
4440 · Postage	10,879	10,766	114
4441 · Printing	8,080	8,694	(614)
4452 · Marketing	5,150	4,403	746
4455 · Customer Programs	1,628	39,128	(37,500)
4500 · Registrations/Memberships	65,685	113,790	(48,105)
4750 · Bad Debt Expense	1,817,420	1,512,487	304,933
Total Expense	<u>56,917,435</u>	<u>53,303,000</u>	<u>3,614,435</u>
Net Ordinary Revenue	<u>74,415</u>	<u>(735,084)</u>	<u>809,499</u>
Other Revenue/Expense			
Other Revenue			
5900 · Investment Revenue	792,368	754,115	38,253
5925 · Gain/(Loss) in Investments	52,778		52,778
Total Other Revenue	<u>845,146</u>	<u>754,115</u>	<u>91,031</u>
Other Expense			
4610 · Interest Expense	(10)	-	(10)
Total Other Expense	<u>(10)</u>	<u>-</u>	<u>(10)</u>
Net Other Revenue	<u>845,156</u>	<u>754,115</u>	<u>91,041</u>
Net Revenue	<u><u>919,571</u></u>	<u><u>19,031</u></u>	<u><u>900,540</u></u>

Desert Community Energy
Unaudited Changes to Net Position Budget vs. Actual
July 2024 through March 2025

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On March 17, 2025, the Desert Community Energy Board adopted the Fiscal Year 2024–25 Budget Amendment. The budget column presented herein reflects the amended budget as approved by the Board.

Desert Community Energy
Unaudited Changes to Net Position Prev Year Comparison
July 2024 through March 2025

	<u>Jul '24 - Mar 25</u>	<u>Jul '23 - Mar 24</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Revenue/Expense				
Revenue				
5010 · Electricity Sales	50,423,269	53,439,095	(3,015,826)	(5.64%)
5100 · Other Revenue	6,568,581	637,987	5,930,594	929.58%
Total Revenue	<u>56,991,850</u>	<u>54,077,082</u>	<u>2,914,768</u>	<u>5.39%</u>
Expense				
4100 · Cost of Electricity				
4105 · Electricity Purchase	21,339,924	27,944,894	(6,604,969)	(23.64%)
4110 · Resource Adequacy Settlement	15,443,154	6,632,809	8,810,345	132.83%
4115 · Carbon Free Settlement	4,916,358	674,250	4,242,108	629.16%
4120 · Renewable Energy Cr. Settlement	5,753,492	-	5,753,492	100.0%
4125 · Market Charges	3,794,243	3,494,854	299,389	8.57%
4175 · CPUC YARA Penalty	1,750,159	650,105	1,100,054	169.21%
Total 4100 · Cost of Electricity	<u>52,997,330</u>	<u>39,396,911</u>	<u>13,600,419</u>	<u>34.52%</u>
4200 · Accounting / Bank Services	6,226	1,755	4,471	254.77%
4353 · Insurance	6,033	6,442	(409)	(6.34%)
4423 · Office Supplies	-	1,375	(1,375)	(100.0%)
4425 · Legal Services	60,696	131,272	(70,576)	(53.76%)
4431 · Professional Services	169,611	133,745	35,867	26.82%
4432 · Consultants	1,747,744	1,748,229	(485)	(0.03%)
4433 · Outreach Services	16,410	23,448	(7,038)	(30.02%)
4435 · Technology Costs (IT)	4,543	4,209	334	7.94%
4440 · Postage	10,879	12,355	(1,476)	(11.95%)
4441 · Printing	8,080	9,072	(991)	(10.93%)
4452 · Marketing	5,150	4,004	1,146	28.62%
4455 · Customer Programs	1,628	-	1,628	100.0%
4500 · Registrations/Memberships	65,685	71,333	(5,648)	(7.92%)
4750 · Bad Debt Expense	1,817,420	1,603,152	214,268	13.37%
Total Expense	<u>56,917,435</u>	<u>43,147,301</u>	<u>13,770,134</u>	<u>31.91%</u>
Net Ordinary Revenue	<u>74,415</u>	<u>10,929,781</u>	<u>(10,855,366)</u>	<u>(99.32%)</u>
Other Revenue/Expense				
Other Revenue				
5900 · Investment Revenue	792,368	240,583	551,785	229.35%
5925 · Gain/(Loss) in Investments	52,778	-	52,778	100.0%
Total Other Revenue	<u>845,146</u>	<u>240,583</u>	<u>604,563</u>	<u>251.29%</u>
Other Expense				
4610 · Interest Expense	(10)	990	(1,000)	(101.03%)
Total Other Expense	<u>(10)</u>	<u>990</u>	<u>(1,000)</u>	<u>(101.03%)</u>
Net Other Revenue	<u>845,156</u>	<u>239,593</u>	<u>605,563</u>	<u>252.75%</u>
Net Revenue	<u><u>919,571</u></u>	<u><u>11,169,374</u></u>	<u><u>(10,249,803)</u></u>	<u><u>(91.77%)</u></u>

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Costs for resource adequacy products have increased significantly in fiscal year 2024-25. This is coupled with DCE's need to procure additional products in an effort to achieve compliance with CPUC regulations, especially with new Slice of Day RA requirements..

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Costs for renewable products increased significantly in fiscal year 2024-25 in addition to DCE procuring more products to be compliant with California Renewable Portfolio Standards and meet its Carbon Free objectives.