

**Desert Community Energy**  
**Unaudited Statement of Net Position Prev Year Comparison**  
As of June 30, 2025

	<u>Jun 30, 25</u>	<u>Jun 30, 24</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
<b>1100 · Unrestricted Funds</b>				
1103 · CAMP Account	15,999,412	14,285,262	1,714,150	12.00%
1104 · LAIF Account	6,523,044	6,468,000	55,044	0.85%
1105 · Operating Account -8099	198,284	199,749	(1,465)	(0.73%)
1109 · DDM Marketplace Sweep - 0991	4,106,194	2,192,066	1,914,128	87.32%
1115 · Lockbox -4446	3,844,466	2,331,818	1,512,649	64.87%
<b>Total 1100 · Unrestricted Funds</b>	<u>30,671,401</u>	<u>25,476,895</u>	<u>5,194,506</u>	<u>20.39%</u>
1145 · Fair Value Adjustment	7,817	(23,828)	31,644	132.81%
<b>1199 · Restricted Funds</b>				
1110 · Money Market -5470	405,750	405,748	2	0.0%
1120 · FSR Letter of Credit Collateral	147,000	147,000	-	0.0%
<b>Total 1199 · Restricted Funds</b>	<u>552,750</u>	<u>552,748</u>	<u>2</u>	<u>0.0%</u>
<b>Total Checking/Savings</b>	<u>31,231,967</u>	<u>26,005,815</u>	<u>5,226,152</u>	<u>20.1%</u>
<b>Accounts Receivable</b>				
1221 · Accounts Receivable	12,195,815	12,696,642	(500,827)	(3.95%)
1223 · Accrued Accounts Receivable	4,802,386	4,566,596	235,790	5.16%
1250 · Interest Receivable	71,467	2,410	69,057	2,865.67%
<b>Total Accounts Receivable</b>	<u>17,069,668</u>	<u>17,265,648</u>	<u>(195,981)</u>	<u>(1.14%)</u>
<b>Other Current Assets</b>				
1225 · Allowance for Doubtful Accounts	(1,495,288)	(1,188,680)	(306,608)	(25.79%)
1240 · Prepaid Expenses	1,610,186	4,146,989	(2,536,802)	(61.17%)
<b>Total Other Current Assets</b>	<u>114,899</u>	<u>2,958,309</u>	<u>(2,843,410)</u>	<u>(96.12%)</u>
<b>Total Current Assets</b>	<u>48,416,534</u>	<u>46,229,772</u>	<u>2,186,761</u>	<u>4.73%</u>
<b>Other Assets</b>				
1170 · Deposits/Bonds	1,010,584	710,584	300,000	42.22%
<b>Total Other Assets</b>	<u>1,010,584</u>	<u>710,584</u>	<u>300,000</u>	<u>42.22%</u>
<b>TOTAL ASSETS</b>	<u><u>49,427,118</u></u>	<u><u>46,940,356</u></u>	<u><u>2,486,761</u></u>	<u><u>5.3%</u></u>
<b>LIABILITIES &amp; NET POSITION</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
2110 · Accounts Payable	7,956,110	7,302,486	653,624	8.95%
2112 · Accrued Accounts Payable	960,974	3,023,098	(2,062,123)	(68.21%)
2120 · Due to Other Governments	584,064	750,167	(166,103)	(22.14%)
<b>Total Accounts Payable</b>	<u>9,501,148</u>	<u>11,075,751</u>	<u>(1,574,603)</u>	<u>(14.22%)</u>
<b>Other Current Liabilities</b>				
2115 · NEM Escrow Account	91,492	54,115	37,377	69.07%
2230 · Taxes payable				
2231 · Utility Users Tax (UUT)	194,963	212,411	(17,448)	(8.21%)
2232 · Electric Energy Surcharge	6,119	6,300	(180)	(2.86%)
<b>Total 2230 · Taxes payable</b>	<u>201,083</u>	<u>218,711</u>	<u>(17,628)</u>	<u>(8.06%)</u>
<b>Total Other Current Liabilities</b>	<u>292,575</u>	<u>272,826</u>	<u>19,749</u>	<u>7.24%</u>
<b>Total Current Liabilities</b>	<u>9,793,723</u>	<u>11,348,577</u>	<u>(1,554,854)</u>	<u>(13.7%)</u>
<b>Long Term Liabilities</b>				
2260 · Vendor Security Deposits				
2262 · PPA Development Security	225,000	225,000	-	0.0%
2263 · Contract Development Deposit	180,000	180,000	-	0.0%
<b>Total 2260 · Vendor Security Deposits</b>	<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>0.0%</u>
<b>Total Long Term Liabilities</b>	<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>0.0%</u>
<b>Total Liabilities</b>	<u>10,198,723</u>	<u>11,753,577</u>	<u>(1,554,854)</u>	<u>(13.23%)</u>
<b>Net Position</b>				
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	4,041,615	15,872,401	(11,830,786)	(74.54%)
<b>Total Net Position</b>	<u>39,228,395</u>	<u>35,186,779</u>	<u>4,041,615</u>	<u>11.49%</u>
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<u><u>49,427,118</u></u>	<u><u>46,940,356</u></u>	<u><u>2,486,761</u></u>	<u><u>5.3%</u></u>

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1

The variance is primarily driven by significantly higher actualized costs compared to the prior year, particularly in the resource adequacy and renewable energy markets. DCE is also awaiting final calendar year 2025 Market Price Benchmarks to be approved by the CPUC in October 2025 which may decrease or increase costs for certain renewable energy products and subsequently affect Net Revenue.

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

	<u>Jul '24 - Jun 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>
<b>Ordinary Revenue/Expense</b>			
<b>Revenue</b>			
5010 · Electricity Sales	64,841,491 <sup>2</sup>	68,434,664	(3,593,173)
5100 · Other Revenue	7,026,346	2,615,874	4,410,472
<b>Total Revenue</b>	<u>71,867,837</u>	<u>71,050,538</u>	<u>817,299</u>
<b>Expense</b>			
4100 · Cost of Electricity			
4105 · Electricity Purchase	25,451,789	24,987,954	463,835
4110 · Resource Adequacy Settlement	20,090,242	21,205,840	(1,115,598)
4115 · Carbon Free Settlement	4,916,358	4,916,358	-
4120 · Renewable Energy Cr. Settlement	6,573,036 <sup>3</sup>	4,540,058	2,032,978
4125 · Market Charges	5,480,857	5,592,255	(111,398)
4175 · CPUC YARA Penalty	1,750,159	1,750,159	0
<b>Total 4100 · Cost of Electricity</b>	<u>64,262,441</u>	<u>62,992,624</u>	<u>1,269,817</u>
4200 · Accounting / Bank Services	69,036	53,179	15,857
4353 · Insurance	8,044	8,462	(418)
4423 · Office Supplies	2,415	1,600	815
4425 · Legal Services	100,782	92,117	8,665
4431 · Professional Services	167,171	260,021	(92,850)
4432 · Consultants	2,429,101	2,414,674	14,426
4433 · Outreach Services	22,738	29,154	(6,416)
4435 · Technology Costs (IT)	6,007	6,229	(222)
4440 · Postage	12,287	14,516	(2,229)
4441 · Printing	10,216	11,757	(1,541)
4452 · Marketing	4,462	12,653	(8,191)
4455 · Customer Programs	(15,804) <sup>4</sup>	76,628	(92,432)
4500 · Registrations/Memberships	87,580	196,290	(108,710)
4750 · Bad Debt Expense	1,777,213	2,020,149	(242,936)
<b>Total Expense</b>	<u>68,943,687</u>	<u>68,190,052</u>	<u>753,635</u>
<b>Net Ordinary Revenue</b>	<u>2,924,150</u>	<u>2,860,486</u>	<u>63,664</u>
<b>Other Revenue/Expense</b>			
<b>Other Revenue</b>			
5900 · Investment Revenue	1,085,821	900,000	185,821
5925 · Gain/(Loss) in Investments	31,644	-	31,644
<b>Total Other Revenue</b>	<u>1,117,465</u>	<u>900,000</u>	<u>217,465</u>
<b>Other Expense</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Expense</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Other Revenue</b>	<u>1,117,465</u>	<u>900,000</u>	<u>217,465</u>
<b>Net Revenue</b>	<u><u>4,041,615</u></u>	<u><u>3,760,486</u></u>	<u><u>281,129</u></u>

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

1

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.

2

DCE's actual retail loads were lower than the budgeted forecasts.

3

Costs for renewable products increased from budgeted amounts. DCE is also awaiting final calendar year 2025 Market Price Benchmarks to be approved by the CPUC in October 2025 which adjust certain costs upward or downward. In addition, a contractual sale of renewable energy from DCE's portfolio was inadvertently budgeted as a negative expense of about \$3.8 million which was realized as revenue to DCE expected in the third quarter of fiscal year 24-25.

4

The credit balance in customer program reflects a prior-year over-accrual of Bill Protection Program costs for terminated accounts. In the current year, payments were issued only for balances exceeding \$50, resulting in lower actual disbursements than accrued.

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July 2024 through June 2025

	<u>Jul '24 - Jun 25</u>	<u>Jul '23 - Jun 24</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Revenue/Expense</b>				
<b>Revenue</b>				
5010 · Electricity Sales	64,841,491	70,414,492	(5,573,001)	(7.92%)
5100 · Other Revenue	7,026,346	931,854	6,094,492	654.02%
<b>Total Revenue</b>	<u>71,867,837</u>	<u>71,346,347</u>	<u>521,490</u>	<u>0.73%</u>
<b>Expense</b>				
<b>4100 · Cost of Electricity</b>				
4105 · Electricity Purchase	25,451,789	34,089,369	(8,637,580)	(25.34%)
4110 · Resource Adequacy Settlement	20,090,242	11,524,691	8,565,550	74.32%
4115 · Carbon Free Settlement	4,916,358	454,892	4,461,466	980.78%
4120 · Renewable Energy Cr. Settlement	6,573,036	-	6,573,036	100.0%
4125 · Market Charges	5,480,857	4,731,525	749,332	15.84%
4175 · CPUC YARA Penalty	1,750,159	650,105	1,100,054	169.21%
<b>Total 4100 · Cost of Electricity</b>	<u>64,262,441</u>	<u>51,450,582</u>	<u>12,811,859</u>	<u>24.9%</u>
4200 · Accounting / Bank Services	69,036	1,858	67,178	3,615.46%
4353 · Insurance	8,044	8,589	(545)	(6.34%)
4423 · Office Supplies	2,415	1,375	1,040	75.64%
4425 · Legal Services	100,782	159,803	(59,021)	(36.93%)
4431 · Professional Services	167,171	196,095	(28,924)	(14.75%)
4432 · Consultants	2,429,101	2,231,845	197,255	8.84%
4433 · Outreach Services	22,738	28,770	(6,032)	(20.97%)
4435 · Technology Costs (IT)	6,007	5,625	381	6.78%
4440 · Postage	12,287	15,332	(3,045)	(19.86%)
4441 · Printing	10,216	12,448	(2,232)	(17.93%)
4452 · Marketing	4,462	4,239	224	5.27%
4455 · Customer Programs	(15,804)	104,103	(119,907)	(115.18%)
4500 · Registrations/Memberships	87,580	95,069	(7,489)	(7.88%)
4750 · Bad Debt Expense	1,777,213	1,646,074	131,139	7.97%
<b>Total Expense</b>	<u>68,943,687</u>	<u>55,961,807</u>	<u>12,981,880</u>	<u>23.2%</u>
<b>Net Ordinary Revenue</b>	<u>2,924,150</u>	<u>15,384,540</u>	<u>(12,460,390)</u>	<u>(80.99%)</u>
<b>Other Revenue/Expense</b>				
<b>Other Revenue</b>				
5900 · Investment Revenue	1,085,821	512,903	572,918	111.7%
5925 · Gain/(Loss) in Investments	31,644	(23,828)	55,472	232.81%
<b>Total Other Revenue</b>	<u>1,117,465</u>	<u>489,075</u>	<u>628,390</u>	<u>128.49%</u>
<b>Other Expense</b>				
4610 · Interest Expense	-	1,214	(1,214)	(100.0%)
<b>Total Other Expense</b>	<u>-</u>	<u>1,214</u>	<u>(1,214)</u>	<u>(100.0%)</u>
<b>Net Other Revenue</b>	<u>1,117,465</u>	<u>487,861</u>	<u>629,604</u>	<u>129.05%</u>
<b>Net Revenue</b>	<u><u>4,041,615</u></u>	<u><u>15,872,401</u></u>	<u><u>(11,830,786)</u></u>	<u><u>(74.54%)</u></u>

1 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. DCE is also awaiting final calendar year 2025 Market Price Benchmarks to be approved by the CPUC in October 2025 which may adjust certain costs upward or downward.

2 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. DCE is also awaiting final calendar year 2025 Market Price Benchmarks to be approved by the CPUC in October 2025 which may adjust certain costs upward or downward.

3 Accounting/bank service costs increased significantly from the prior year primarily due to revolving credit renewal expenses incurred in the current year.

4 The credit balance in customer program reflects a prior-year over-accrual of Bill Protection Program costs for terminated accounts. In the current year, payments were issued only for balances exceeding \$50, resulting in lower actual disbursements than accrued.