

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

Financial Row	Amount (As of 12/31/2025)	Comparison Amount (As of 12/31/2024)	Variance	% Variance
Assets				
Current Assets				
Bank				
1011 - 1011 - DCE CAMP Account - 6235	\$18,062,636	\$14,158,763	\$3,903,873	27.57%
1021 - 1021 - DCE LAIF Account 40-33-028	\$6,666,548	\$6,377,761	\$288,787	4.53%
1050 - 1050 - DCE River City Bank Money Market -5470	\$406,551	\$405,773	\$779	0.19%
1051 - 1051 - DCE River City Bank FSR LOC Collateral -1075	\$147,000	\$147,000	\$0	0.00%
1052 - 1052 - DCE River City Bank Operating Account -8099	\$199,135	\$199,405	(\$270)	-0.14%
1053 - 1053 - DCE River City Bank ICS Account -0995	\$4,589,562 [a]	\$0	\$4,589,562	100.00%
1054 - 1054 - DCE River City Bank DDM Marketplace Sweep - 0991	\$0 [a]	\$3,379,147	(\$3,379,147)	-100.00%
1055 - 1055 - DCE River City Bank Lockbox -4446	\$4,107,288	\$3,715,957	\$391,330	10.53%
Total Bank	\$34,178,720	\$28,383,806	\$5,794,914	20.42%
Accounts Receivable				
1200 - 1200 - Accounts Receivable	\$12,209,206	\$14,549,473	(\$2,340,267)	-16.08%
Total Accounts Receivable	\$12,209,206	\$14,549,473	(\$2,340,267)	-16.08%
Other Current Asset				
1080 - 1080 - Fair Value Adjustment	\$14,543	(\$2,411)	\$16,954	-703.22%
1250 - 1250 - Accrued Accounts Receivable	\$2,064,379	\$1,980,391	\$83,988	4.24%
1300 - 1300 - Allowance for Doubtful Accounts	(\$2,759,077)	(\$2,586,535)	(\$172,542)	6.67%
1400 - 1400 - Interest Receivable	\$70,490	\$74,183	(\$3,693)	-4.98%
1600 - 1600 - Prepaid Expenses	\$628,101 [b]	\$4,022	\$624,079	15,516.48%
1650 - 1650 - Deposits Receivable	\$1,010,584	\$710,584	\$300,000	42.22%
Total Other Current Asset	\$1,029,020	\$180,234	\$848,786	470.94%
Total Current Assets	\$47,416,946	\$43,113,513	\$4,303,433	9.98%
Total Assets	\$47,416,946	\$43,113,513	\$4,303,433	9.98%
Liabilities & Net Position				
Current Liabilities				
Accounts Payable				
2111 - 2111 - Accounts Payable	\$4,413,593	\$3,620,093	\$793,500	21.92%
2120 - 2120 - Due To Other Government	\$644,153	\$378,753	\$265,401	70.07%
Total Accounts Payable	\$5,057,746	\$3,998,845	\$1,058,901	26.48%
Other Current Liability				
2150 - 2150 - Accrued Accounts Payable	\$1,821,197	\$1,709,344	\$111,853	6.54%
2250 - 2250 - NEM Escrow Payable	\$46,205	\$58,854	(\$12,648)	-21.49%
2300 - 2300 - Taxes Payable				
2301 - 2301 - Utility Users Tax (UUT)	\$96,233	\$91,703	\$4,530	4.94%
2302 - 2302 - Electric Energy Surcharge (EES)	\$3,303	\$3,491	(\$188)	-5.39%
Total - 2300 - 2300 - Taxes Payable	\$99,536	\$95,194	\$4,342	4.56%
Total Other Current Liability	\$1,966,938	\$1,863,391	\$103,547	5.56%
Total Current Liabilities	\$7,024,685	\$5,862,237	\$1,162,448	19.83%
Long Term Liabilities				
2451 - 2451 - Development Deposit	\$410,768	\$405,000	\$5,768	1.42%
Total Long Term Liabilities	\$410,768	\$405,000	\$5,768	1.42%
Net Position				
3100 - 3100 - F/B-Unrestricted	\$39,895,310	\$35,039,779	\$4,855,531	13.86%
3200 - 3200 - F/B-Restricted	\$147,000	\$147,000	\$0	0.00%
Net Income	(\$60,817)	\$1,659,497	(\$1,720,314)	-103.66%
Total Net Position	\$39,981,493	\$36,846,276	\$3,135,217	8.51%
Total Liabilities & Net Position	\$47,416,946	\$43,113,513	\$4,303,433	9.98%

[a] The DDM cash sweep account with River City Bank was closed in September 2025 and replaced with an ICS account.

[b] The increase is primarily attributable to higher prepaid Resource Adequacy costs.

Desert Community Energy
Unaudited Changes to Net Position Budget vs. Actual
July 1, 2025 - December 31, 2025

Financial Row	Amount	Budget Amount	Amount Over Budget	% of Budget
Ordinary Revenue/Expense				
Revenue				
4310 - 4310 - Carbon Free	\$28,794,032	\$33,168,245	(\$4,374,213)	86.81%
4350 - 4350 - Desert Saver	\$6,311,224	\$8,571,986	(\$2,260,762)	73.63%
4400 - 4400 - Energy Settlements	\$1,914,989	\$145,990	\$1,768,999	1,311.73%
4900 - 4900 - Other Revenue	\$3,655	\$0	\$3,655	100.00%
Total - Revenue	\$37,023,900	\$41,886,221	(\$4,862,321)	88.39%
Expense				
5100 - 5100 - Energy Procurement				
5100 - 5100 - Energy Procurement	\$15,509,415	\$15,154,221	\$355,194	102.34%
5110 - 5110 - PCC1 REC Purchases	\$3,741,722	\$4,312,746	(\$571,025)	86.76%
5200 - 5200 - Resource Adequacy	\$12,769,151	\$13,364,214	(\$595,063)	95.55%
5220 - 5220 - Carbon Free Energy	\$550,000	\$550,000	\$0	100.00%
5400 - 5400 - CAISO Market Charges	\$1,208,605	\$4,404,332	(\$3,195,728)	27.44%
5500 - 5500 - Long Term PPA	\$1,333,307	\$145,087	\$1,188,220	918.97%
Total - 5100 - 5100 - Energy Procurement	\$35,112,199	\$37,930,601	(\$2,818,401)	92.57%
6100 - 6100 - Advertising/Marketing/Sponsorships	\$0	\$10,300	(\$10,300)	0.00%
6175 - 6175 - Postage	\$8,582	\$6,630	\$1,952	129.44%
6200 - 6200 - Printing/Copying	\$6,847	\$6,600	\$247	103.74%
6250 - 6250 - Professional Services				
6250 - 6250 - Professional Services	\$66,894	\$80,965	(\$14,071)	82.62%
6260 - 6260 - Audit/Accounting Services	\$12,350	\$0	\$12,350	100.00%
Total - 6250 - 6250 - Professional Services	\$79,244	\$80,965	(\$1,721)	97.87%
6280 - 6280 - Legal Services	\$44,705	\$52,100	(\$7,395)	85.81%
6500 - 6500 - Direct Program/Project Costs				
6550 - 6550 - Consultants	\$1,070,428	\$1,466,666	(\$396,238)	72.98%
6650 - 6650 - Outreach Services	\$8,591	\$13,200	(\$4,609)	65.09%
6675 - 6675 - Customer Programs	\$0	\$500,000	(\$500,000)	0.00%
Total - 6500 - 6500 - Direct Program/Project Costs	\$1,079,019	\$1,979,866	(\$900,846)	54.50%
7050 - 7050 - Account/Service Fees	\$6,400	\$57,375	(\$50,975)	11.15%
7175 - 7175 - Memberships	\$56,019	\$56,019	\$0	100.00%
7200 - 7200 - Office Supplies	\$0	\$750	(\$750)	0.00%
7225 - 7225 - Subscription Based Information Technology	\$2,518	\$0	\$2,518	100.00%
7275 - 7275 - Insurance	\$4,096	\$4,275	(\$179)	95.81%
7350 - 7350 - Bad Debt Expense	\$1,263,789	\$1,502,648	(\$238,859)	84.10%
Total - Expense	\$2,551,219	\$3,757,528	(\$1,206,309)	67.90%
Net Ordinary Revenue	(\$639,519)	\$198,092	(\$837,611)	-322.84%
Other Revenue and Expenses				
Other Revenue				
8001 - 8001 - Investment Income	\$571,976	\$420,308	\$151,668	136.08%
8005 - 8005 - Gain/(Loss) in Investments	\$6,726	\$0	\$6,726	100.00%
Total - Other Revenue	\$578,702	\$420,308	\$158,394	137.69%
Net Other Revenue	\$578,702	\$420,308	\$158,394	137.69%
Net Revenue	(\$60,817)	\$618,400	(\$679,217)	-9.83%

The Budget vs. Actual comparison is based on the original budget. An amended budget reflecting updates will be proposed at the March 23, 2026, Board meeting.

Desert Community Energy
Unaudited Changes to Net Position Prev Year Comparison
July 1, 2025 - December 31, 2025

Financial Row	Amount (7/1/2025 - 12/31/2025)		Comparative Amount (7/1/2024 - 12/31/2024)	Variance	% Variance
Ordinary Revenue/Expense					
Revenue					
4310 - 4310 - Carbon Free	\$28,794,032		\$32,450,395	(\$3,656,364)	-11.27%
4350 - 4350 - Desert Saver	\$6,311,224		\$8,386,465	(\$2,075,241)	-24.75%
4400 - 4400 - Energy Settlements	\$1,914,989	[a]	\$6,515,593	(\$4,600,604)	-70.61%
4900 - 4900 - Other Revenue	\$3,655		\$14,884	(\$11,229)	-75.44%
Total - Revenue	\$37,023,900		\$47,367,337	(\$10,343,437)	-21.84%
Expense					
5100 - 5100 - Energy Procurement					
5100 - 5100 - Energy Procurement	\$15,509,415		\$17,317,148	(\$1,807,733)	-10.44%
5110 - 5110 - PCC1 REC Purchases	\$3,741,722		\$2,961,672	\$780,050	26.34%
5200 - 5200 - Resource Adequacy	\$12,769,151		\$13,907,614	(\$1,138,463)	-8.19%
5220 - 5220 - Carbon Free Energy	\$550,000	[b]	\$4,916,358	(\$4,366,358)	-88.81%
5400 - 5400 - CAISO Market Charges	\$1,208,605	[c]	\$2,811,659	(\$1,603,054)	-57.01%
5500 - 5500 - Long Term PPA	\$1,333,307	[d]	\$0	\$1,333,307	100.00%
Total - 5100 - 5100 - Energy Procurement	\$35,112,199		\$41,914,450	(\$6,802,251)	-16.23%
5600 - 5600 - CPUC Penalty	\$0		\$1,750,159	(\$1,750,159)	-100.00%
6100 - 6100 - Advertising/Marketing/Sponsorships	\$0		\$3,503	(\$3,503)	-100.00%
6175 - 6175 - Postage	\$8,582		\$7,016	\$1,566	22.33%
6200 - 6200 - Printing/Copying	\$6,847		\$5,632	\$1,215	21.58%
6250 - 6250 - Professional Services					
6250 - 6250 - Professional Services	\$66,894		\$125,699	(\$58,805)	-46.78%
6260 - 6260 - Audit/Accounting Services	\$12,350		\$0	\$12,350	100.00%
Total - 6250 - 6250 - Professional Services	\$79,244		\$125,699	(\$46,455)	-36.96%
6280 - 6280 - Legal Services	\$44,705		\$32,117	\$12,588	39.19%
6500 - 6500 - Direct Program/Project Costs					
6550 - 6550 - Consultants	\$1,070,428		\$1,190,049	(\$119,621)	-10.05%
6650 - 6650 - Outreach Services	\$8,591		\$6,294	\$2,298	36.50%
6675 - 6675 - Customer Programs	\$0		\$1,628	(\$1,628)	-100.00%
Total - 6500 - 6500 - Direct Program/Project Costs	\$1,079,019		\$1,197,970	(\$118,951)	-9.93%
7050 - 7050 - Account/Service Fees	\$6,400		\$2,779	\$3,621	130.30%
7075 - 7075 - IT Services	\$0		\$3,079	(\$3,079)	-100.00%
7150 - 7150 - Training and Event Registration	\$0		\$43,790	(\$43,790)	-100.00%
7175 - 7175 - Memberships	\$56,019		\$0	\$56,019	100.00%
7225 - 7225 - Subscription Based Information Technology	\$2,518		\$0	\$2,518	100.00%
7275 - 7275 - Insurance	\$4,096		\$4,022	\$74	1.84%
7350 - 7350 - Bad Debt Expense	\$1,263,789		\$1,197,224	\$66,565	5.56%
Total - Expense	\$2,551,219		\$2,622,830	(\$71,610)	-2.73%
Net Ordinary Revenue	(\$639,519)		\$1,079,898	(\$1,719,417)	-159.22%
Other Revenue and Expenses					
Other Revenue					
8001 - 8001 - Investment Income	\$571,976		\$558,182	\$13,794	2.47%
8005 - 8005 - Gain/(Loss) in Investments	\$6,726		\$21,417	(\$14,691)	-68.59%
Total - Other Revenue	\$578,702		\$579,599	(\$897)	-0.15%
Other Expense					
7400 - 7400 - Interest Expense	\$0		\$0	\$0	100.00%
Total - Other Expense	\$0		\$0	\$0	100.00%
Net Other Revenue	\$578,702		\$579,599	(\$897)	-0.15%
Net Revenue	(\$60,817)	[e]	\$1,659,497	(\$1,720,314)	-103.66%

[a] The decrease is mainly due to a one-time environmental energy sale of approximately \$3.8 million in December 2024 that occurred in the prior year and did not recur in the current fiscal year.

[b] DCE revised its modeling of Carbon Free energy procurement for the Carbon Free rate program in 2025, which resulted in a reduction of necessary Carbon Free procurement to maintain the 100% requirement.

[c] DCE realized less charges from the organized energy market operator that administers the ISO market DCE participates in.

[d] New account for FY2025/26; it was combined with Energy Procurement in prior years.

[e] The net loss demonstrated in the first two quarter is partly due to the timing of energy purchases compared to when the costs were budgeted and will offset in a future quarter.