Disposition of Net Revenue

- Greener Resources
- Lower Rates
- Customer Programs
- Reserves
- Dividends/Cash Rebates
Disposition of Net Revenue

Greener Resources
• 8% increase in power supply resources over lower cost

Lower Rates
• 1% below PG&E across the board

Customer Programs
• 2% of Operating Revenues
Disposition of Net Revenue

OPTION 1
• Reserves at 100% until target is reached in 2019; Remainder distributed as bill credit

OPTION 2
• Reserves at 100% in 2017, reduced by 10% every year until target is reached in 2019
• Bill credit 0% in 2017, increasing by 10% every year until target reserves are reached, then remainder

OPTION 3
• Same as Option 2, except reserve funding starts at 90% in 2017
Option 1

- Reserve
- Min
- Max
- Target

FY17: 20,000
FY18: 40,000
FY19: 60,000
FY20: 80,000
FY21: 100,000
FY22: 120,000

IN THOUSANDS

$ IN THOUSANDS
Option 2

$ in thousands

<table>
<thead>
<tr>
<th>FY</th>
<th>Reserve</th>
<th>Min</th>
<th>Max</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY18</td>
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<td>FY19</td>
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<tr>
<td>FY22</td>
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</tr>
</tbody>
</table>
Option 3

$ in Thousands

FY17 FY18 FY19 FY20 FY21 FY22

Reserve Min Max Target

SILICON VALLEY
CLEAN ENERGY
## Disposition of Net Revenue

**Silicon Valley Clean Energy**

### FY 2016/17 - FY 2021/22

#### Allocation of Surplus

<table>
<thead>
<tr>
<th>Option</th>
<th>FY 2016-17 Amended Budget</th>
<th>FY 2017-18 Proposed Budget</th>
<th>FY 2018-19 Forecast</th>
<th>FY 2019-20 Forecast</th>
<th>FY 2020-21 Forecast</th>
<th>FY 2021-22 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Option 1</strong></td>
<td>Reserve as % of Target</td>
<td>82%</td>
<td>72%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Dividend as a % of Revenue</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Option 2</strong></td>
<td>Reserve as % of Target</td>
<td>82%</td>
<td>68%</td>
<td>98%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Dividend as a % of Revenue</td>
<td>0%</td>
<td>2%</td>
<td>3%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Option 3</strong></td>
<td>Reserve as % of Target</td>
<td>73%</td>
<td>61%</td>
<td>87%</td>
<td>99%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Dividend as a % of Revenue</td>
<td>3%</td>
<td>3%</td>
<td>5%</td>
<td>5%</td>
<td>8%</td>
</tr>
</tbody>
</table>
Thank you