Silicon Valley Clean Energy
Finance and Administration Committee Meeting
Monday, November 25, 2024
3:00 p.m.

Silicon Valley Clean Energy Office
333 W. El Camino Real, Suite 330
Sunnyvale, CA

MEETING MINUTES

Call to Order

Vice Chair Srinivasan called the meeting to order at 3:02 p.m.

Board Clerk Andrea Pizano announced that a quorum was not present, but the meeting would begin and non-action items would be heard first until a quorum was present to address action items.

Roll Call

Present:
Vice Chair Murali Srinivasan, Sunnyvale
Director Pat Showalter, Mountain View
Director Elliot Scozzola, Campbell (arrived at 4:18 p.m.)

Absent:
Chair Hung Wei, Cupertino

Public Comment on Matters Not Listed on the Agenda
No speakers.

Consent Calendar
The Consent Calendar was considered following Item 3 after a quorum was established.

Vice Chair Srinivasan opened public comment.
No speakers.
Vice Chair Srinivasan closed public comment.

MOTION: Director Showalter moved and Director Scozzola seconded the motion to approve the Consent Calendar.

The motion carried with Chair Wei absent.

1) **Approve Minutes of the August 6, 2024, Finance and Administration Committee Meeting.**

Following the vote, the Committee considered Item 2.

Regular Calendar

2) Recommend Approval of the Fiscal Year 2024-25 Budget Update (Action)

Item 2 was considered following the vote on the Consent Calendar.

Amrit Singh, CFO and Director of Administrative Services, presented the Fiscal Year 2024-2025 budget update.

The presentation included the following information:

- Key highlights, with forecasted revenues higher by approximately $85 million using the California Public Utilities Commission's (CPUC) updated Market Price Benchmark (MPB) prices, maintaining a 4% customer discount, with an additional 1% offered as bill credits to low-income customers,
- Recap of assumptions used in setting the adopted budget and an update on the budget forecast using the recent rate forecasts,
- Comparison of adopted and updated budget,
- Updated reserve projection, with reserves slightly exceeding the target days of cash on hand of 350 days and below the maximum target of 500 days with the exclusion of earmarked funds.
- Proposal on funding long-term strategic priorities, and
- Revenue forecast uncertainty in budget projections.

Staff responded to questions and comments from committee members regarding reserve targets, projections, and the impact of potential tariffs.

Vice Chair Srinivasan opened public comment.
No speakers.
Vice Chair Srinivasan closed public comment.

MOTION: Director Showalter moved and Director Scozzola seconded the motion to recommend that the SVCE Board of Directors approve the Fiscal Year 2024-25 Budget Update.

The motion carried with Chair Wei absent.

Following the vote on Item 2, the Committee considered Item 5.

3) Establish the Affordable Clean Community Fund (Discussion)

Item 3 was heard following Roll Call, as a quorum of the committee was not yet present.

Director Scozzola joined the meeting at 4:18 p.m. and a quorum was met.

Amrit Singh, CFO and Director of Administrative Services, introduced the item for discussion and stated that funds above the reserve policy targets identified as part of the budget process will be considered to establish an Affordable Clean Community Fund.

Zoe Elizabeth, Director of Decarbonization Policy and Community Strategies, provided information relating to the establishment of the SVCE Affordable Clean Community Fund for funding long-term mission-aligned strategic priorities, and outlined the following three funding priority areas:

- Discount stabilization;
- Scalable support for pollution-free appliances; and
- Local and emerging power supply technology.

Staff responded to questions and comments from committee members regarding examples of multi-year program outcomes, funding allocations for multi-year programs by funding priority, customer discount rates and SVCE's affordability study.

Vice Chair Srinivasan opened public comment.
No speakers.
Vice Chair Srinivasan closed public comment.

Following discussion on Item 3, Vice Chair Srinivasan recommended that the Committee address the Consent Calendar.

4) Create Rate Stabilization Fund Using GASB 62 (Discussion)

Item 4 was heard following Item 5.

Amrit Singh, CFO and Director of Administrative Services, provided information relating to accounting rule GASB 62 and requested the Committee's feedback on its use to create a Rate Stabilization Fund. Main areas of discussion included: revenue deferment to a future period, impacts to net position in financial statements, and the potential to implement beginning with Fiscal Year 2024-25.

Staff responded to questions and comments regarding SVCE reserves, clarification on the readers of financial statements, credit rating agencies, and SVCE counterparties.

Vice Chair Srinivasan opened public comment.
No speakers.
Vice Chair Srinivasan closed public comment.

5) Request the SVCE Finance and Administration Committee Recommend the Board of Directors Approve Policy Updates as Part of the Agency Policy Streamlining Project (Action)

Item 5 was considered following Item 2.

Michael Callahan, General Counsel, presented the item with a request to support staff's recommendation to approve SVCE's Policy Updates as part of the agency policies streamlining project which included information relating to implementation of proposed new policies for Finance, Information Technology, Human Resources, and General and Administrative policies, with staff's recommendations including the following:

<table>
<tr><th>Policies for Adoption</th><th colspan="2">Policies for Retirement</th></tr>
<tr>
<td>• Finance Accounting Policy
• Finance Budget Policy
• Finance Purchasing and Spending Policy
• Finance Investment Policy
• Finance Delinquent Accounts & Collections Policy
• Finance Capitalization Policy
• Finance Customer Generation Rates
• IT Information Technology Policy</td>
<td>• Finance Capital Projects Policy
• IT Information Systems Use Policy
• IT Email Use Policy
• IT Asset Management Policy
• IT Internet Usage Policy
• IT Security Plan Policy
• IT Access Control Policy
• IT Password Protection Policy
• IT Malware Defense Policy</td>
<td>• IT Security Audit Policy
• IT Disaster Recovery Policy
• IT Threat-Risk Assessment Policy
• IT Satisfaction Policy
• IT Data Breach Policy
• IT Workstation Security for HIPPA Policy
• IT Clean Desk Policy</td>
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<table>
<tr><th>Policies for Adoption</th><th>Policies for Retirement</th></tr>
<tr>
<td>• G&A Files and Records Management Policy
• G&A Vehicle and Charger Use Policy
• G&A California Public Records Act Policy
• G&A CEO Absence Policy
• G&A Hybrid Meetings Policy
• HR Personnel and Reimbursement Policy</td>
<td>• G&A Travel and Meeting Expense Reimbursements Policy
• G&A Vehicle Use Policy
• G&A Charging Station Policy
• HR Smartphone Stipend Policy
• HR Recruitment Incentive Policy
• HR Volunteer Time Off Policy
• HR Unpaid Leave Policy
• HR Paid Time Off Cash Out
• HR Tuition Assistance Policy
• HR Cash in Lieu of Health Benefits Policy
• HR Fitness Reimbursement Benefit Policy</td>
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Staff responded to questions and comments from committee members regarding funding controls, and policy standards relating to human resources personnel and the reimbursement policy.

Vice Chair Srinivasan opened public comment.
No speakers.
Vice Chair Srinivasan closed public comment.

MOTION: Director Scozzola moved and Vice Chair Srinivasan seconded the motion that the Finance and Administration Committee recommend the Board of Directors approve the policy updates as part of the agency Policy Streamlining Project.

The motion carried with Chair Wei absent.

Following the vote on Item 5, the Committee heard Item 4.

Committee/Staff Remarks
None.

Adjournment
Vice Chair Srinivasan adjourned the meeting at 5:08 p.m.

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ATTEST:

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Andrea Pizano
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Andrea Pizano, Board Secretary