Silicon Valley Clean Energy
Finance and Administration Committee Meeting

Tuesday, August 6, 2024
1:00 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 1:04 p.m.

Roll Call

Present:
Vice Chair Murali Srinivasan, Sunnyvale
Director Elliot Scozzola, Campbell
Director Pat Showalter, Mountain View

Absent:
Chair Hung Wei, Cupertino

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

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 May 13, 2024, Finance and Administration Committee Meeting**

Regular Calendar

2) **Recommend the Board of Directors Approve the Fiscal Year 2024-25 Proposed Operating Budget, Staff Benefits Update, and Proposed Reserve Policy Targets (Action)**

Amrit Singh, CFO and Director of Administration, presented the proposed operating budget for FY 2024-25, starting October 1, 2024 and ending September 30, 2025. The presentation included the following information:

- Key highlights, with a forecast of year-over-year revenues decrease of ~$112 million, a recommendation to continue the 4% discount with an additional 1% directed to low-income customers as bill credits and to revisit in December once there's more certainty in PG&E rates,
- Review of the proposed budget forecast,
- Various reasons for revenue forecast uncertainty, including current market prices for resource adequacy (RA) and renewable portfolio standards (RPS) are significantly above last year's market price benchmark (MPB) levels,
- Power supply cost review, with higher costs than FY 23/24 at the mid-year budget primarily driven by increased power costs,
- Other operating expenses, including merit/cola adjustments of 6%, and transfer to programs,
- Reserve targets and projections, with a recommendation to increase target reserves to 350 Days Cash On Hand (DCOH), and round the upper target to 500,
- An update on office space, noting the Executive Committee concurred with the strategy for staff to continue to research office building leasing options and to revisit an office building purchase around 2028; and
- Benefits upgrades, which includes the addition of Cesar Chavez Day to the holiday schedule, increased paid parental leave to 240 hours, an increase in bereavement to 5 days, accrual of the annual $600 fitness reimbursement for up to $3,000, and a hybrid work reimbursable $500/one-time home office set up for new employees.

Staff responded to questions and comments from the committee regarding meeting timing and incorporating changes to the budget for the upcoming board meeting, the Power Charge Indifference Adjustment (PCIA), personnel recruitment, reserve target rationale, the pros and cons in contracting for long-term contracts, potential SVCE office locations and member agency contacts to assist in identifying potential spaces, SVCE's retirement plan, support for parental leave and other parental benefits, the difficulty in reading and understanding electricity bills, options for customers who are unable to pay their electricity bill, and residential versus commercial and industrial customer numbers and data forecasting.

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

MOTION: Director Scozzola moved and Director Showalter seconded the motion to recommend that the SVCE Board of Directors approve the proposed FY 2024-25 Operating Budget, Benefits Changes, and Reserve Policy Target and Upper Target Levels.

The motion carried with Chair Wei absent.

Committee/Staff Remarks
None.

Adjournment
Vice Chair Srinivasan adjourned the meeting at 2:25 p.m.

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CLEAN ENERGY

ATTEST:

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Andrea Pizano

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Andrea Pizano, Board Secretary