MID-YEAR ADJUSTED OPERATING BUDGET

FISCAL YEAR 2024-2025

Featured Image: Masten Fire Station solar+battery installation, funded by a Silicon Valley Clean Energy community resilience grant.

SILICON VALLEY CLEAN ENERGY

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FY 2024-25 OPERATING BUDGET
($ in thousands)

DESCRIPTION	FY 2024-25 ADJUSTED BUDGET	FY 2024-25 MID-YEAR ADJUSTED BUDGET	Change $	Change %
ENERGY REVENUES				
Energy Sales	524,078	521,650	(2,428)	-0.5%
Green Prime	2,434	1,884	(551)	-22.6%
TOTAL ENERGY REVENUES	**526,513**	**523,534**	**(2,979)**	**-0.6%**
ENERGY EXPENSES				
Power Supply	390,091	349,478	(40,613)	-10.4%
OPERATING MARGIN	**136,422**	**174,056**	**37,634**	**27.6%**
OPERATING EXPENSES				
Data Management	3,734	3,549	(185)	-4.9%
PG&E Fees	1,516	1,516	0	0.0%
Salaries and Retirement	17,388	18,805	1,416	8.1%
Professional Services	9,370	7,797	(1,573)	-16.8%
Marketing & Promotions	1,617	1,885	268	16.6%
General & Administrative	2,808	5,733	2,925	104.1%
TOTAL OPERATING EXPENSES	**36,433**	**39,284**	**2,851**	**7.8%**
OPERATING INCOME (LOSS)	**99,988**	**134,771**	**34,783**	**34.8%**
NON-OPERATING REVENUES				
Interest Income	19,238	19,756	517	2.7%
TOTAL NON-OPERATING REVENUES	**19,238**	**19,756**	**517**	**2.7%**
NON-OPERATING EXPENSES				
Financing	70	12	(58)	-82.3%
TOTAL NON-OPERATING EXPENSES	**70**	**12**	**(58)**	**-82.3%**
TOTAL NON-OPERATING INCOME (EXPENSES)	**19,168**	**19,743**	**575**	**3.0%**
CHANGE IN NET POSITION	**119,156**	**154,515**	**35,358**	**29.7%**
CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER				
Capital Outlay	1,002	50	(952)	-95.0%
Program Fund	10,530	10,530	0	0.0%
Nuclear Allocation	3,708	3,708	0	0.0%
Customer Bill Relief (Existing CARE/FERA)	5,370	5,370	0	0.0%
Additional One-Time Bill Credit for All Customers	0	35,000	35,000	0.0%
Hanford Emissions Mitigation Fund	1,800	1,800	0	0.0%
Other				
TOTAL CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER	**22,410**	**56,458**	**34,048**	**151.9%**
BALANCE AVAILABLE FOR RESERVES	**96,746**	**98,057**	**1,310**	**1.4%**

($ in Thousands)					
	FY 2024-25	**FY 2025-26**	**FY 2026-27**	**FY 2027-28**	**FY 2028-29**
Operating Revenue	(Budget)	(Forecast)	(Forecast)	(Forecast)	(Forecast)
Electricity Sales, Net[1]	$486,650	$368,559	$412,040	$451,239	$460,998
GreenPrime Electricity Premium	$1,884	$2,532	$2,561	$2,373	$2,340
Total Operating Revenues	**$488,534**	**$371,091**	**$414,601**	**$453,612**	**$463,338**
Operating Expense					
Power Supply	$349,478	$377,921	$379,686	$385,358	$415,503
Operating Margin	**$139,056**	**$(6,830)**	**$34,915**	**$68,254**	**$47,835**
Data Management	$3,549	$3,726	$3,913	$4,108	$4,314
PG&E Service Fees	$1,516	$1,592	$1,672	$1,755	$1,843
Salaries and Retirement	$18,805	$19,745	$20,732	$21,769	$22,857
Professional Services	$7,797	$8,187	$8,596	$9,026	$9,477
Marketing & Promotions	$1,885	$1,979	$2,078	$2,182	$2,291
General and Administration	$5,733	$5,871	$5,695	$6,754	$7,092
Transfers to Programs Fund	$21,408	$7,422	$8,292	$9,072	$9,267
Total Operating Expenses	**$410,170**	**$426,443**	**$430,663**	**$440,024**	**$472,644**
Operating Income	**$78,363**	**$(55,352)**	**$(16,062)**	**$13,588**	**$(9,306)**
Nonoperating Revenue					
Investment Income	$19,756	$19,241	$13,844	$15,261	$15,373
Total Non-Operating Revenues	$19,756	$19,241	$13,844	$15,261	$15,373
Nonoperating Expense					
Financing Cost	$12	$26	$26	$26	$26
Capital Outlay	$50	$50	$50	$50	$50
Total Non-Operating Expense	**$62**	**$76**	**$76**	**$76**	**$76**
Non-Operating Income	**$19,693**	**$19,165**	**$13,768**	**$15,185**	**$15,297**
Change in Net Position/Available for Reserves	**$98,057**	**$(36,187)**	**$(2,294)**	**$28,773**	**$5,991**
Begin, Net Financial Position	**$485,197**	**$563,730**	**$500,360**	**$475,803**	**$494,468**
Adjustment for Program Expenditure and Building Fund[2]	**$(19,524)**	**$(27,182)**	**$(22,264)**	**$(10,108)**	**$(17,950)**
End, Net Financial Position	**$563,730**	**$500,360**	**$475,803**	**$494,468**	**$482,509**

1. Assumptions: 4% overall discount relative to comparable PG&E rates for FY 24-25 and FY 25-26. FY 24-25 includes additional bill credit to low income customers totaling $5.37 million. 1% discount for FY26-27, FY27-28 and FY28-29. In addition, FY24-25 has a reduction in revenue for the $35M allocated for Additional One-Time Bill Credit for All Customers.

2. Each year the Board transfers funds from the Operating Budget to the Decarbonization Programs Fund as shown in the above forecast under line item Transfers to Programs Fund. The line item Adjustment for Program Expenditure accounts for the difference between forecasted spend for programs versus the amount transferred to the fund. This adjustment is needed because program spending to date has been less than the amount transferred to the programs fund. The $20 million in building Fund is assumed to be spent between FY24-25 to FY26-27.