



TREASURER REPORT

**Fiscal Year to Date
As of August 31, 2017**

(Preliminary & Unaudited)

Issue Date: October 11, 2017

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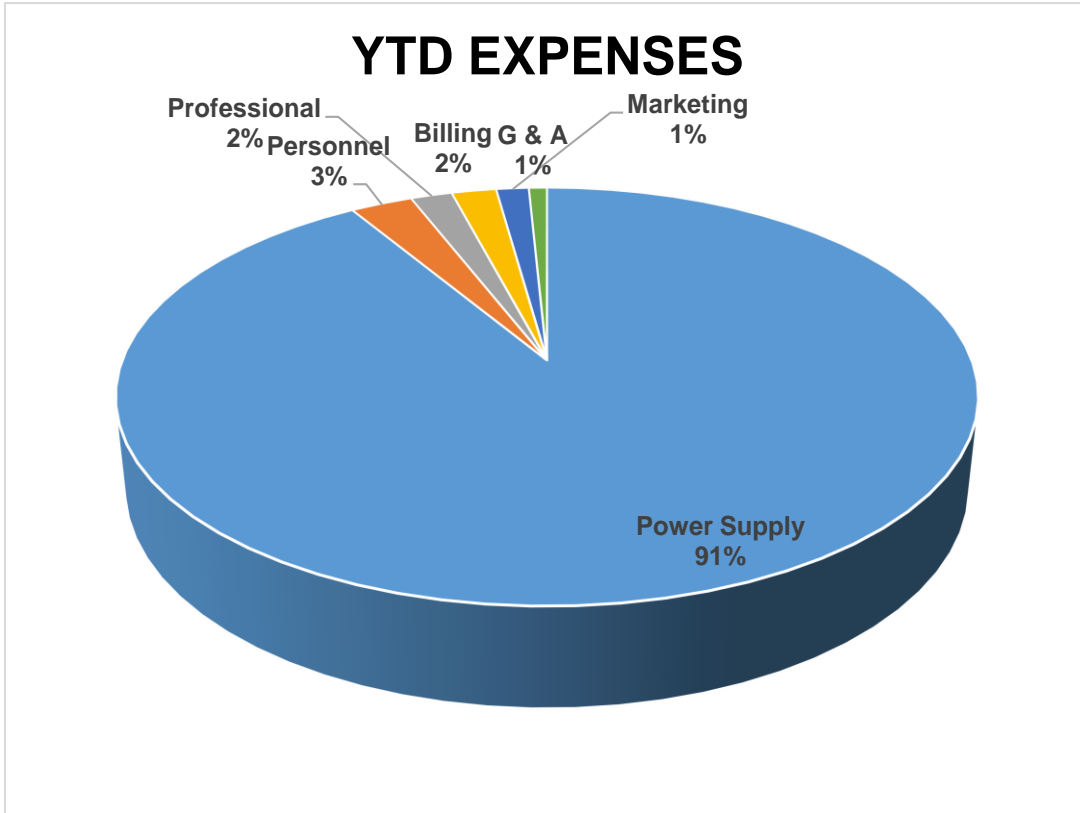
SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights (\$ in 000's)

Financial Highlights for the month of August 2017:

SVCE has now completed Phase 2 which is the final phase of implementation. Approximately 247,000 accounts are on-line as of August.

- > SVCE operations resulted in net gain for the month of \$8.6 million, bringing the year-to-date to \$21.9 million.
 - o Energy Sales year-to-date are \$70.6 million, slightly below budget based on lower than forecast MWh sales.
 - o As expected, revenues experienced a jump in August due to the roll-out and the summer weather.
 - o Gross Margin year-to-date is 35.9%
- > Retail MWh sales are were 1.4% less than budget year-to-date.
 - o Retail sales for the month were 1.7% above budget with 316,453 MWh served in August..
 - o Residential load was approximately 36% with the remainder Commercial, Industrial, Street Lighting and Agriculture.
- > Power Supply
 - o SVCE was a net buyer of power from CAISO during the month.
 - o Partially offsetting Power Supply costs was \$0.2 million gain from Congestion Revenue Rights
 - o Power Supply costs are 9% below budget year-to-date.
- > Financing - SVCE made no draws against the Lines of Credit in August.
 - o During August, SVCE paid down the outstanding balance of the non-revolving line of credit.
 - o Staff forecasts no further draws against lines of credit will be needed.

| Change in Net Assets | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Total | Budget |
|-----------------------------|------|-------|-------|-------|-------|-------|---------|---------|---------|---------|---------|---------|-----------|-----------|
| Actual | (42) | (190) | (252) | (261) | (464) | (391) | 69 | 5,114 | 4,227 | 5,472 | 8,611 | | 21,892 | 30,207 |
| Power Supply Costs | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Total | Budget |
| Energy & REC's | - | - | - | - | - | - | 6,202 | 11,146 | 10,467 | 13,172 | 12,321 | | 53,309 | |
| Capacity | - | - | - | - | - | - | 95 | 247 | 356 | 863 | 904 | | 2,465 | |
| CAISO Charges | - | - | - | - | - | - | 139 | 168 | 332 | 251 | 484 | | 1,373 | |
| NEM credits | - | - | - | - | - | - | - | 54 | 72 | 56 | 90 | | 272 | |
| Charge/Credit (IST/Net Rev) | - | - | - | - | - | - | (3,292) | (5,244) | (4,475) | (2,365) | 2,223 | | (13,153) | |
| Net Power Costs | - | - | - | - | - | - | 3,144 | 6,370 | 6,752 | 11,978 | 16,022 | - | 44,266 | 66,671 |
| Other | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Total | Budget |
| Capital Expenditures | 24 | 3 | 131 | 10 | 6 | 2 | - | 8 | - | - | 4 | | 188 | 250 |
| Energy Programs | - | - | - | - | - | - | - | - | - | - | - | | - | 400 |
| Load Statistics - MWh | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Total | Budget |
| Retail Sales Actual | - | - | - | - | - | - | 64,381 | 132,105 | 152,417 | 227,475 | 316,453 | | 892,831 | |
| Retail Sales Budget | - | - | - | - | - | - | 70,835 | 139,852 | 147,248 | 236,688 | 311,145 | 330,922 | 1,236,689 | 1,236,689 |



| Other Statistics and Ratios | |
|-----------------------------|--------------|
| Working Capital | \$21,314,889 |
| Current Ratio | 1.6 |
| Contribution Margin | \$25,352,389 |
| Opt-Out Accounts | 5,192 |
| Opt-Up Accounts | 2,275 |

SILICON VALLEY CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

October 1, 2016 through August 31, 2017

OPERATING REVENUES

| | |
|---------------------------------|--------------------------|
| Electricity Sales, Net | \$ 70,379,582 |
| GreenPrime electricity premium | <u>197,773</u> |
| TOTAL OPERATING REVENUES | <u>70,577,355</u> |

OPERATING EXPENSES

| | |
|---|--------------------------|
| Cost of Electricity | 44,265,883 |
| Staff Compensation and benefits | 1,337,504 |
| Data Manager | 755,349 |
| Service Fees - PG&E | 203,734 |
| Consultants and Other Professional Fees | 570,645 |
| Legal | 320,356 |
| Communications & Noticing | 700,949 |
| General & Administrative | 369,270 |
| Depreciation | <u>20,241</u> |
| TOTAL OPERATING EXPENSES | <u>48,543,931</u> |
| OPERATING INCOME(LOSS) | <u>22,033,424</u> |

NONOPERATING REVENUES (EXPENSES)

| | |
|------------------------------------|-------------------------|
| Interest Income | 1,078 |
| Interest and related expenses | (68,807) |
| Financing costs | <u>(73,218)</u> |
| TOTAL NONOPERATING EXPENSES | <u>(140,947)</u> |

CHANGE IN NET POSITION

| | |
|--------------------------------------|-----------------------------|
| | 21,892,477 |
| Net Position at beginning of period | <u>(1,110,365)</u> |
| Net Position at end of period | <u>\$ 20,782,112</u> |

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of August 31, 2017

ASSETS

Current Assets

| | |
|---------------------------------------|-------------------|
| Cash & Cash Equivalents | \$ 16,619,770 |
| Accounts Receivable, net of allowance | 17,308,701 |
| Accrued Revenue | 17,209,854 |
| Other Receivables | 638,133 |
| Prepaid Expenses | 120,771 |
| Restricted cash - lockbox | 2,500,000 |
| Total Current Assets | 54,397,229 |

Noncurrent assets

| | |
|-------------------------------------|------------------|
| Capital assets, net of depreciation | 168,663 |
| Deposits | 128,560 |
| Restricted cash - debt collateral | 1,900,000 |
| Total Noncurrent Assets | 2,197,223 |

Total Assets

56,594,452

LIABILITIES

Current Liabilities

| | |
|--|-------------------|
| Accounts Payable | 135,294 |
| Accrued Cost of Electricity | 28,794,401 |
| Accrued Interest Payable | 7,648 |
| Accrued Payroll & Benefits | 171,836 |
| Other Accrued Liabilities | 390,000 |
| User Taxes and Energy Surcharges due to other gov'ts | 683,161 |
| Notes Payable to Bank | 2,900,000 |
| Total Current Liabilities | 33,082,340 |

Noncurrent Liabilities

| | |
|-------------------------------------|------------------|
| Loans Payable to JPA members | 2,730,000 |
| Total Noncurrent Liabilities | 2,730,000 |

Total Liabilities

35,812,340

NET POSITION

| | |
|----------------------------------|----------------------|
| Net investment in capital assets | 168,663 |
| Unrestricted (deficit) | 20,613,449 |
| Total Net Position | \$ 20,782,112 |

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2016 through August 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|---------------|
| Receipts from electricity sales | \$ 35,571,266 |
| Tax and surcharge receipts from customers | 1,015,337 |
| Energy settlements received | 14,770,083 |
| Payments to purchase electricity | (30,241,566) |
| Payments for staff compensation and benefits | (1,183,776) |
| Payments for consultants and other professional services | (1,326,957) |
| Payments for legal fees | (324,820) |
| Payments for communication and noticing | (681,605) |
| Payments for general and administrative | (453,563) |
| Tax and surcharge payments to other governments | (474,142) |

Net cash provided (used) by operating activities **16,670,257**

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

| | |
|---------------------------------------|-------------|
| Proceeds from bank notes | 4,400,000 |
| Proceeds from loans from JPA members | 165,591 |
| Payments of deposits and collateral | (5,000,000) |
| Principal payments on loan | (1,500,000) |
| Deposits and collateral returned | 500,000 |
| Interest and related expense payments | (61,159) |
| Finance costs | (73,218) |

Net cash provided (used) by non-capital financing activities **(1,568,786)**

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|-------------------------------|-------------------------|
| Acquisition of capital assets | <u>(188,904)</u> |
|-------------------------------|-------------------------|

CASH FLOWS FROM CAPITAL AND RELATED

| | |
|--------------------------|---------------------|
| Interest income received | <u>1,078</u> |
|--------------------------|---------------------|

| | |
|---|------------|
| Net change in cash and cash equivalents | 14,913,645 |
|---|------------|

| | |
|--|------------------|
| Cash and cash equivalents at beginning of year | <u>1,706,125</u> |
|--|------------------|

| | |
|---|-----------------------------|
| Cash and cash equivalents at end of period | <u>\$ 16,619,770</u> |
|---|-----------------------------|

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2016 through August 31, 2017

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

| | |
|---|-----------------------------|
| Operating Income (loss) | \$ 22,033,424 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities | |
| Depreciation expense | 20,241 |
| Revenue reduced for uncollectible accounts | 354,660 |
| (Increase) decrease in net accounts receivable | (17,663,361) |
| (Increase) decrease in other receivables | (638,133) |
| (Increase) decrease in accrued revenue | (17,209,854) |
| (Increase) decrease in prepaid expenses | (95,396) |
| Increase (decrease) in accounts payable | (19,661) |
| Increase (decrease) in accrued payroll & benefits | 161,347 |
| Increase (decrease) in energy settlements payable | 1,504,076 |
| Increase (decrease) in accrued cost of electricity | 27,290,325 |
| Increase (decrease) in accrued liabilities | 249,428 |
| Increase (decrease) taxes and surcharges due to other governments | 683,161 |
| Net cash provided (used) by operating activities | <u>\$ 16,670,257</u> |

**SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2016 through August 31, 2017**

| | FYTD | FYTD | Variance | | FY 2016-17 | % Budget |
|--|-----------------------------|-----------------------------|---------------------------|-------------------|-----------------------------|---------------------|
| REVENUES & OTHER SOURCES | <u>Actual</u> | <u>Budget</u> | <u>\$</u> | <u>%</u> | <u>Budget</u> | <u>Spent</u> |
| Energy Sales | \$ 70,379,582 | \$ 75,520,047 | \$ (5,140,465) | -7% | \$ 103,303,000 | |
| Green Prime Premium | 197,773 | 181,154 | 16,619 | 9% | 247,000 | |
| Investment Income | 1,078 | 8,000 | (6,922) | -87% | 16,000 | |
| TOTAL REVENUES & OTHER SOURCES | <u>70,578,433</u> | <u>75,709,201</u> | <u>(5,130,768)</u> | <u>-7%</u> | <u>103,566,000</u> | |
| EXPENDITURES & OTHER USES | | | | | | |
| CURRENT EXPENDITURES | | | | | | |
| Power Supply | 44,265,885 | 48,790,911 | 4,525,026 | 9% | 66,671,000 | 66% |
| Data Management | 755,349 | 760,698 | 5,349 | 1% | 1,030,000 | 73% |
| PG&E Fees | 203,734 | 318,269 | 114,535 | 36% | 430,000 | 47% |
| Salaries & Benefits | 1,337,504 | 1,727,000 | 389,496 | 23% | 1,902,000 | 70% |
| Professional Services | 891,001 | 1,585,833 | 694,832 | 44% | 1,730,000 | 52% |
| Marketing & Promotions | 454,337 | 215,417 | (238,920) | -111% | 235,000 | 193% |
| Notifications | 246,612 | 400,000 | 153,388 | 38% | 410,000 | 60% |
| Office Lease | 185,061 | 215,375 | 30,314 | 14% | 245,000 | 76% |
| General & Administrative | 184,209 | 114,583 | (69,626) | -61% | 125,000 | 147% |
| TOTAL CURRENT EXPENDITURES | <u>48,523,692</u> | <u>54,128,086</u> | <u>5,604,394</u> | <u>10%</u> | <u>72,778,000</u> | <u>67%</u> |
| OTHER USES | | | | | | |
| Customer Programs | - | 333,334 | 333,334 | 0% | 400,000 | 0% |
| Office Equipment | 188,904 | 250,000 | 61,096 | 24% | 250,000 | 76% |
| CPUC Deposit | 100,000 | 100,000 | - | 0% | 100,000 | 100% |
| TOTAL OTHER USES | <u>288,904</u> | <u>683,334</u> | <u>394,430</u> | <u>58%</u> | <u>750,000</u> | <u>39%</u> |
| DEBT SERVICE | | | | | | |
| Financing | 73,218 | 77,000 | 3,782 | 5% | 77,000 | 95% |
| Interest | 68,807 | 74,000 | 5,193 | 7% | 84,000 | 82% |
| TOTAL DEBT SERVICE | <u>142,025</u> | <u>151,000</u> | <u>8,975</u> | <u>6%</u> | <u>161,000</u> | <u>88%</u> |
| Total Expenditures, Other Uses & Debt Service | <u>48,954,621</u> | <u>54,962,420</u> | <u>6,007,799</u> | <u>11%</u> | <u>73,689,000</u> | <u>66%</u> |
| Net Increase(Decrease) in Available Fund Balance | <u>\$ 21,623,812</u> | <u>\$ 20,746,781</u> | <u>\$ 877,031</u> | <u>4%</u> | <u>\$ 29,877,000</u> | |

SILICON VALLEY CLEAN ENERGY AUTHORITY

**BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION**

| | |
|---|--------------------------|
| Net Increase (decrease) in available fund balance per budgetary comparison schedule | \$ 21,623,812 |
| Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position | |
| Subtract depreciation expense | (20,241) |
| Add back capital asset acquisitions | 188,904 |
| Add back collateral deposits | <u>100,000</u> |
| Change in Net Position | <u>21,892,475</u> |

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2016 through August 31, 2017

| | October | November | December | January | February | March | April | May | June | July | August | YTD |
|---|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| OPERATING REVENUES | | | | | | | | | | | | |
| Electricity sales, net | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,590,587 | \$ 11,950,163 | \$ 11,496,728 | \$ 18,021,184 | \$ 25,320,919 | \$ 70,379,581 |
| Green electricity premium | - | - | - | - | - | - | - | 40,298 | 47,461 | 48,590 | 61,428 | 197,777 |
| Total operating revenues | - | - | - | - | - | - | 3,590,587 | 11,990,461 | 11,544,189 | 18,069,774 | 25,382,347 | 70,577,358 |
| OPERATING EXPENSES | | | | | | | | | | | | |
| Cost of electricity | - | - | - | - | - | - | 3,144,030 | 6,370,292 | 6,751,773 | 11,977,621 | 16,022,168 | 44,265,884 |
| Staff compensation and benefits | 21,312 | 20,014 | 64,175 | 111,207 | 120,565 | 163,943 | 143,130 | 171,190 | 168,949 | 138,050 | 215,466 | 1,338,001 |
| Data manager | - | - | - | - | - | - | 75,000 | 75,000 | 75,000 | 265,349 | 265,000 | 755,349 |
| Service fees - PG&E | - | - | - | 920 | - | 1,840 | - | 36,138 | 23,572 | 30,493 | 110,771 | 203,734 |
| Consultants and other professional fees | 10,390 | 109,598 | 54,286 | 59,881 | 46,797 | 69,341 | 46,862 | 51,088 | 37,933 | 43,314 | 41,161 | 570,651 |
| Legal | - | 42,240 | 49,129 | 23,269 | 84,141 | 36,732 | 2,610 | 36,623 | (7,390) | 13,097 | 39,904 | 320,355 |
| Communications and noticing | 6,990 | 17,857 | - | 48,304 | 135,705 | 73,751 | 63,254 | 72,431 | 220,097 | 30,761 | 31,800 | 700,950 |
| General and administration | 3,067 | - | 7,427 | 13,501 | 62,184 | 35,255 | 35,813 | 51,498 | 38,959 | 85,872 | 35,193 | 368,769 |
| Depreciation | - | 281 | 356 | 1,946 | 2,223 | 2,394 | 2,455 | 2,617 | 2,617 | 2,676 | 2,676 | 20,241 |
| Total operating expenses | 41,759 | 189,990 | 175,373 | 259,028 | 451,615 | 383,256 | 3,513,154 | 6,866,877 | 7,311,510 | 12,587,233 | 16,764,139 | 48,543,934 |
| Operating income (loss) | (41,759) | (189,990) | (175,373) | (259,028) | (451,615) | (383,256) | 77,433 | 5,123,584 | 4,232,679 | 5,482,541 | 8,618,208 | 22,033,424 |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | | | | | | |
| Interest income | - | - | - | - | - | - | 228 | 256 | 379 | 215 | - | 1,078 |
| Interest and related expense | - | - | - | (2,368) | (11,952) | (7,840) | (9,013) | (9,736) | (9,642) | (10,607) | (7,648) | (68,806) |
| Financing costs | - | - | (77,000) | - | - | - | - | - | 3,782 | - | - | (73,218) |
| Total nonoperating revenues (expenses) | - | - | (77,000) | (2,368) | (11,952) | (7,840) | (8,785) | (9,480) | (5,481) | (10,392) | (7,648) | (140,946) |
| CHANGE IN NET POSITION | \$ (41,759) | \$ (189,990) | \$ (252,373) | \$ (261,396) | \$ (463,567) | \$ (391,096) | \$ 68,648 | \$ 5,114,104 | \$ 4,227,198 | \$ 5,472,149 | \$ 8,610,560 | \$ 21,892,478 |

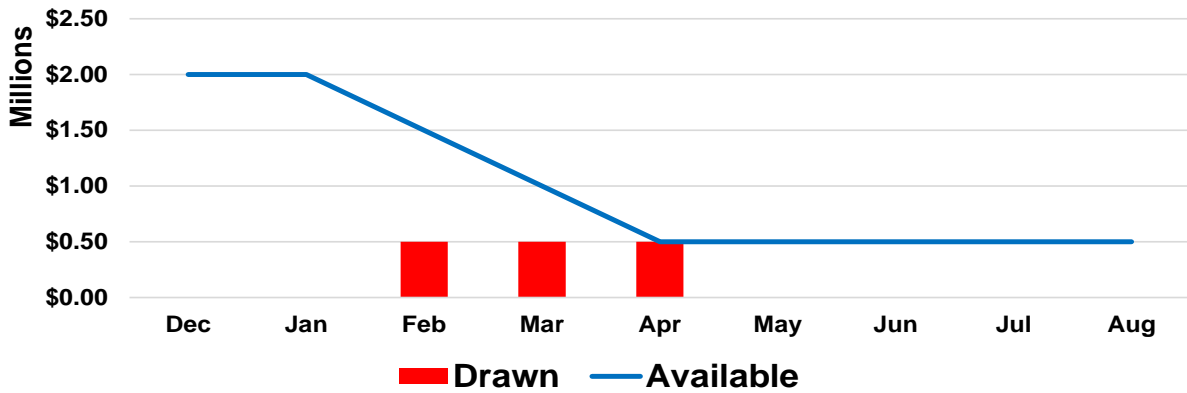
PERSONNEL REPORT

| HEADCOUNT | | | | |
|---|---------------|---------------|-----------------|--|
| <u>Position</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> | |
| Chief Executive Officer | 1 | 0 | 1 | |
| Account Representative I / II | 2 | 2 | 0 | |
| Account Services Manager | 1 | 1 | 0 | |
| Administrative Analyst | 2 | 2 | 0 | |
| Administrative Assistant | 1 | 1 | 0 | |
| Board Clerk/Executive Assistant | 1 | 1 | 0 | |
| Community Outreach Manager | 1 | 1 | 0 | |
| Community Outreach Specialist | 1 | 1 | 0 | |
| Director of Administration & Finance | 1 | 1 | 0 | |
| Director of Marketing & Public Affairs | 1 | 1 | 0 | |
| Director of Power Resources | 1 | 0 | 1 | |
| Finance Manager | 1 | 0 | 1 | |
| General Counsel & Director of Government Affairs | 1 | 0 | 1 | |
| Power Contracts & Compliance Specialist | 1 | 1 | 0 | |
| Power Resource Planning & Programs Analyst | 2 | 0 | 2 | |
| Regulatory/Legislative Analyst | 1 | 1 | 0 | |
| Total | 19 | 13 | 6 | |

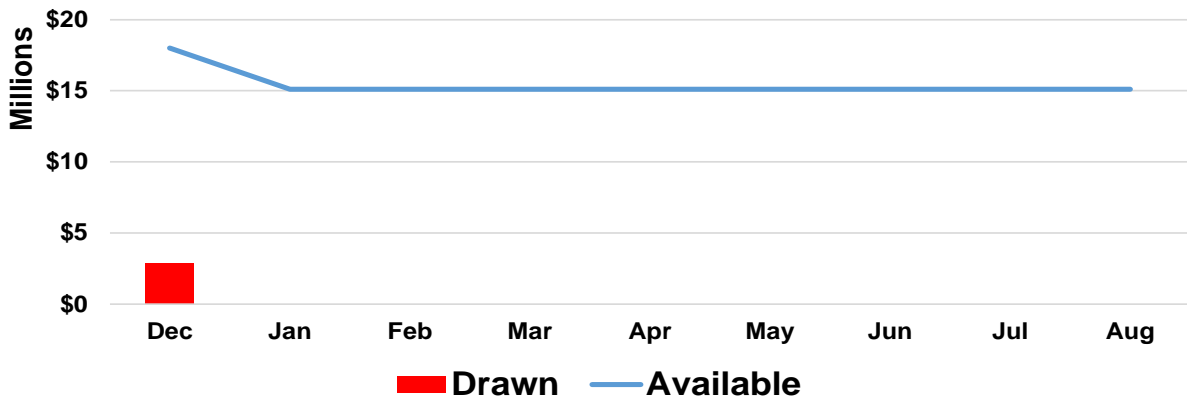
| CONTINGENT POSITIONS | | | |
|----------------------|-----------------------------|-----------------------------|--------------------|
| <u>Position</u> | <u>Hours</u> | | <u>% YTD Spent</u> |
| | <u>FY2016-17 Budget</u> | <u>FY2016-17 Actual</u> | |
| Interns / Part-Time | 4,300 | 1,552 | 36% |

FINANCING REPORT

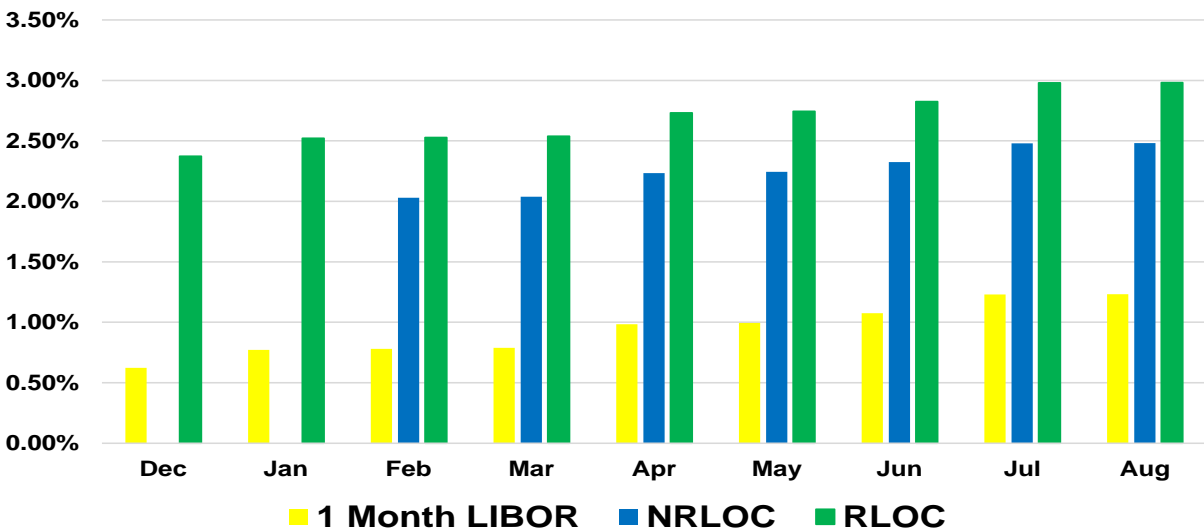
NON-REVOLVING LINE OF CREDIT



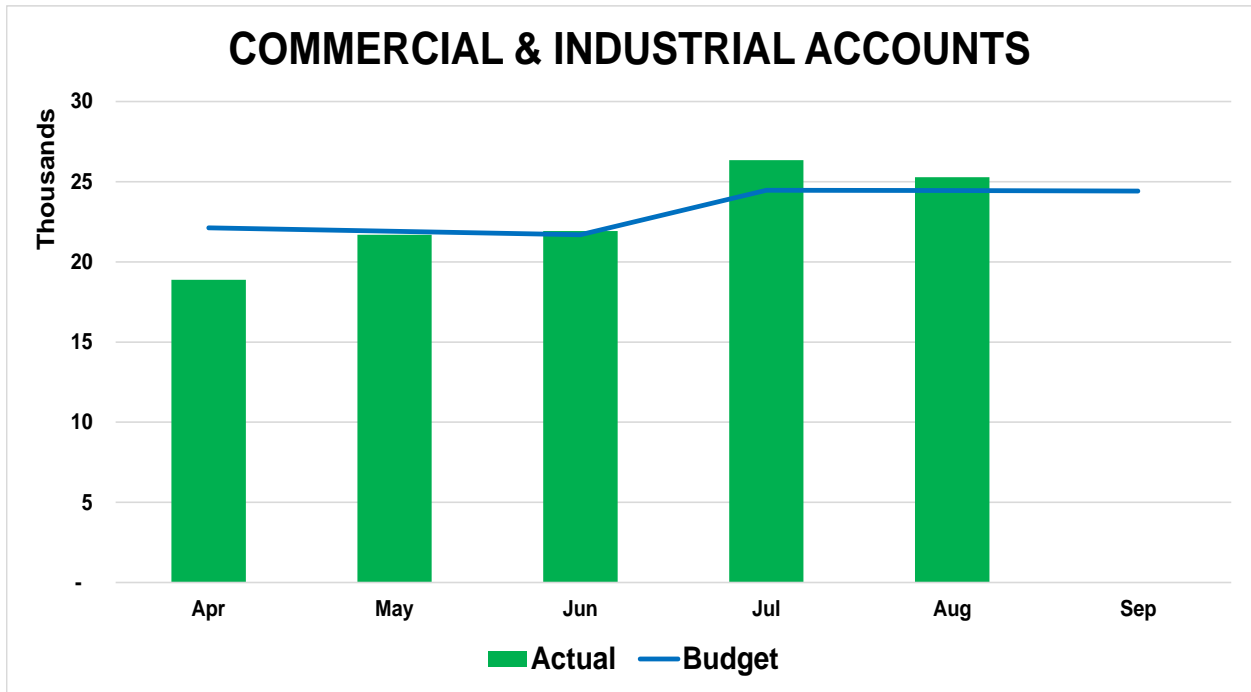
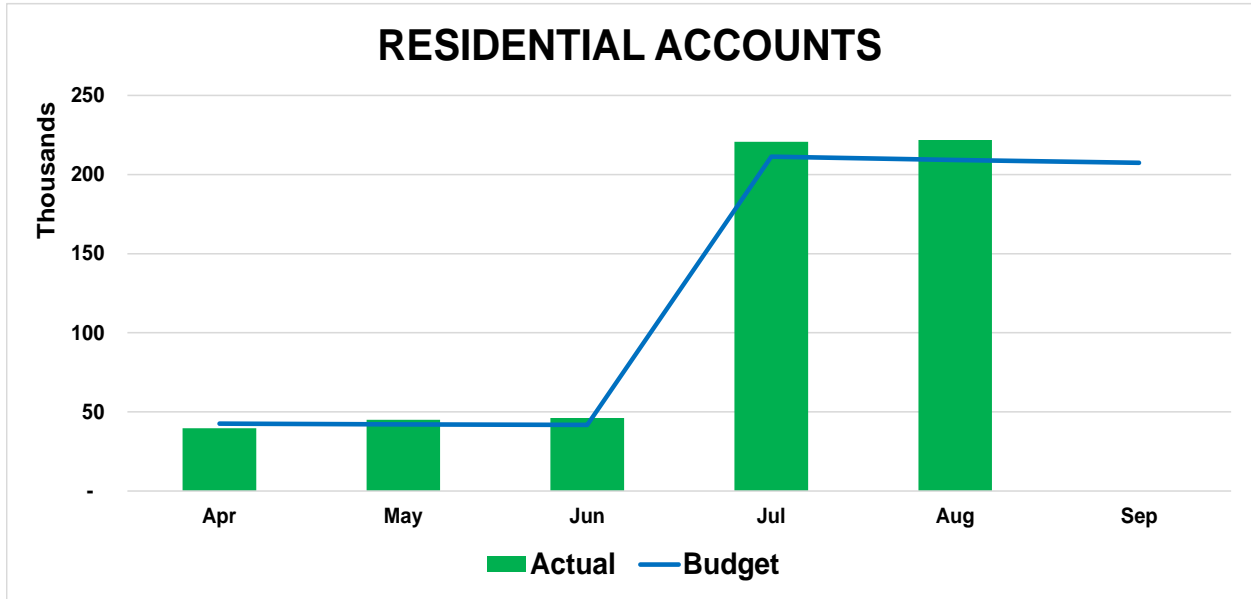
REVOLVING LINE OF CREDIT



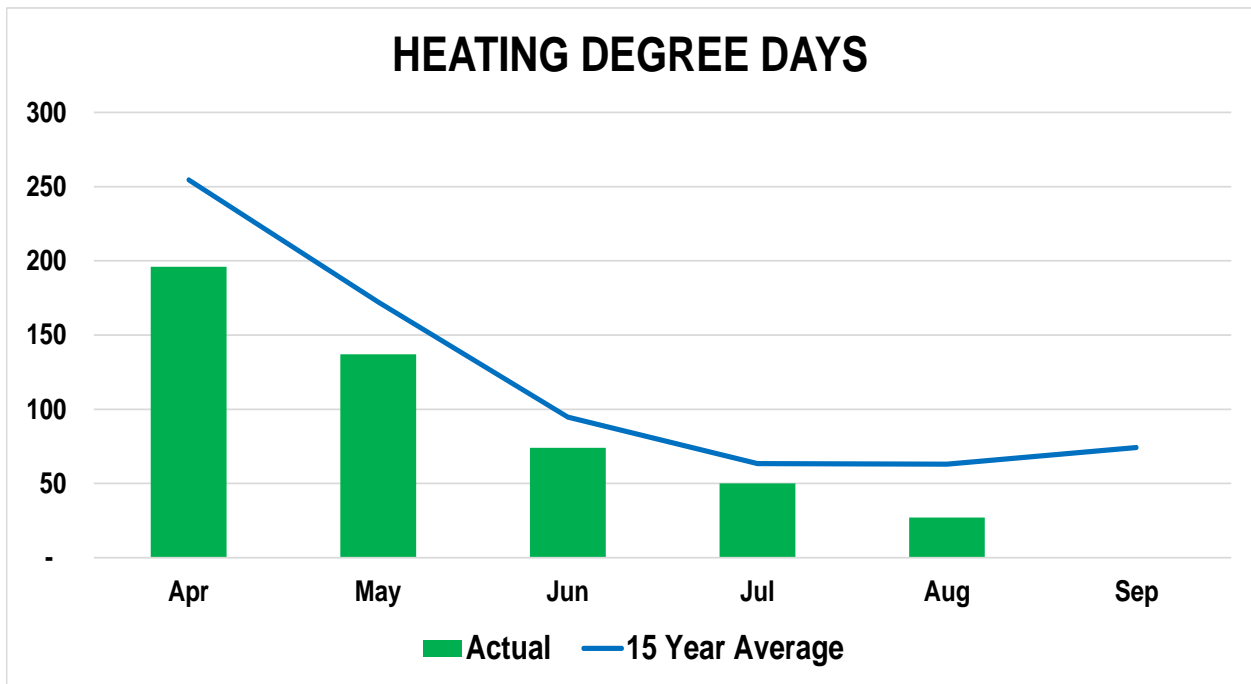
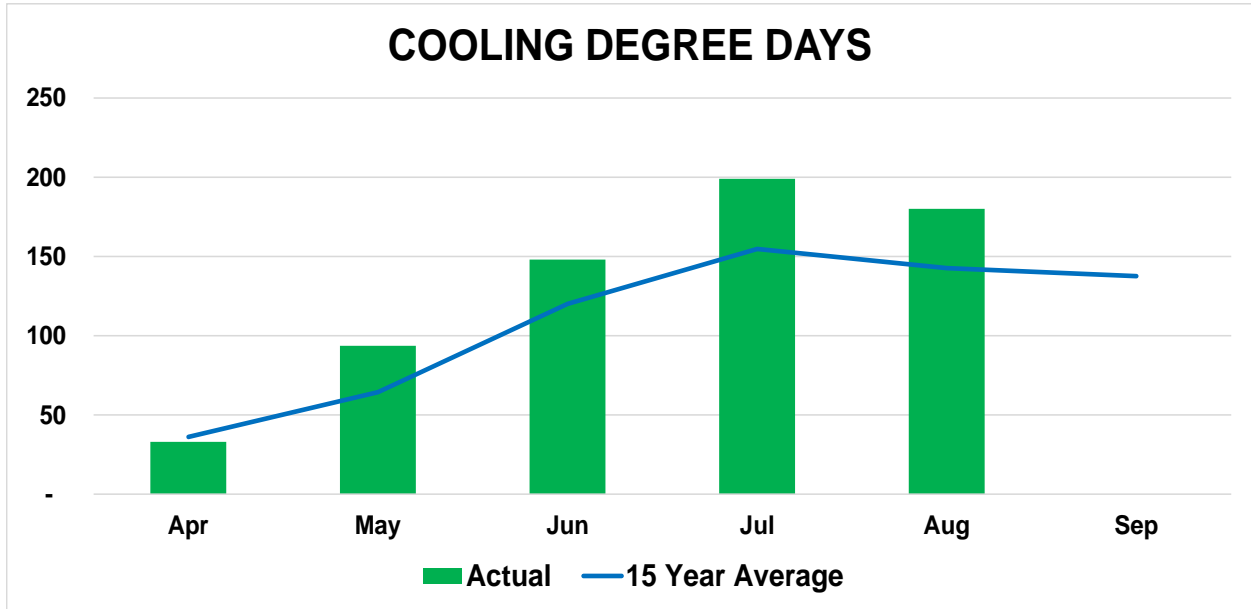
Interest Rates of Lines of Credit



CUSTOMER ACCOUNTS



WEATHER STATISTICS



**SILICON VALLEY CLEAN ENERGY AUTHORITY
 ACCOUNTS RECEIVABLE AGING REPORT
 October 1, 2016 through August 31, 2017**

| | Total | Days | | | | |
|----------------------------|---------------------|--------------|-----------|----------|----------|----------|
| | | 0-30 | 31-60 | 61-90 | 90-120 | Over 120 |
| Accounts Receivable | \$17,671,938 | \$17,324,797 | \$269,266 | \$64,129 | \$13,743 | \$3 |
| Period % | 100% | 98.0% | 1.5% | 0.4% | 0.1% | 0.0% |