



TREASURER REPORT

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

(Preliminary & Unaudited)

Issue Date: February 14, 2018

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

Financial Highlights for the month of December 2017:

SVCE has concluded its initial financial audit for FY 2016-17 and March 2016 through September 2017 in December. Results of the audit will be presented in February 2018.

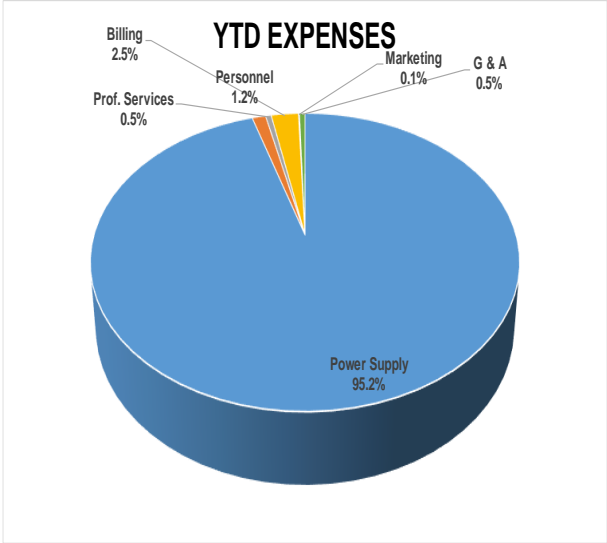
- > SVCE operations resulted in net gain for the month of \$0.6 million and year-to-date of \$9.1 million.
 - o Year-to-date energy sales has an unfavorable variance of 8% compared to budget mostly due to Oct/Nov performance.
 - o Year-to-date contribution margin is \$10.2 million.
- > Retail MWh sales had an unfavorable variance to budget of 8%.
 - o Preliminary meter data shows consumption up over November beyond forecasted seasonality.
 - o Sales volumes includes some favorable catch up from prior period meter data
- > Power Supply
 - o SVCE was a net seller of power to CAISO during the month.
 - o Power Supply costs has a favorable variance year-to-date of 8% mostly due to less than anticipated load to serve.
- > Programs/Capital
 - o There was no programs investment during the month.
 - o A Customer Program Advisory Group has been initiated.
- > Financing - SVCE has retired the line of credit.
 - o The \$2.7 million Member Agency loan will be paid off in January 2018.
 - o The \$2.9 million balance from advances on the revolving line of credit was paid off in December.

Change in Net Position	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Actual	6,742	1,818	578	-	-	-	-	-	-	-	-	-	9,137	42,634

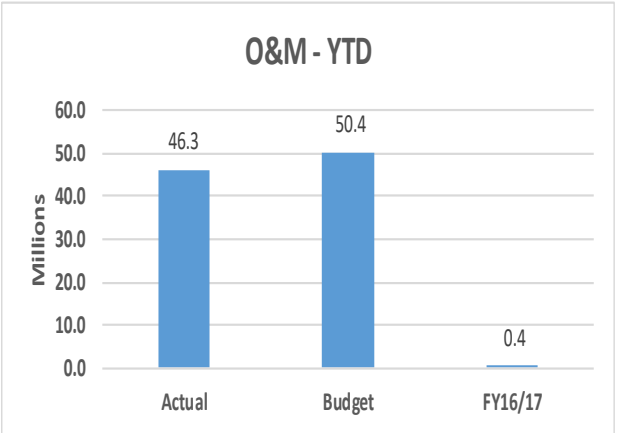
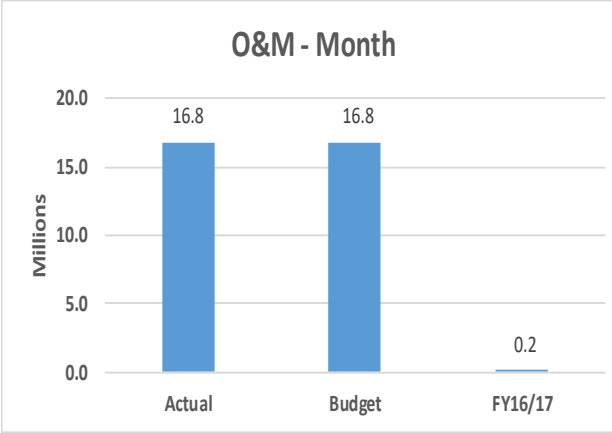
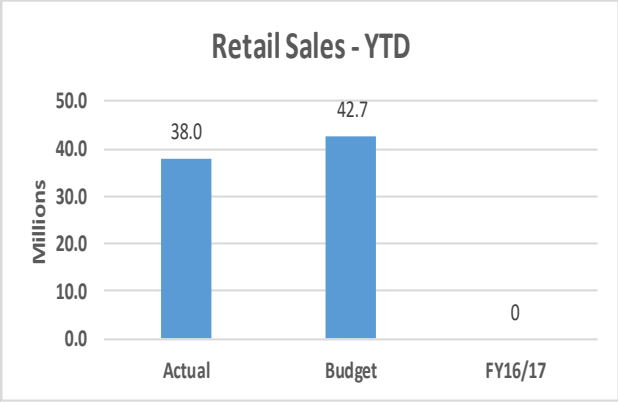
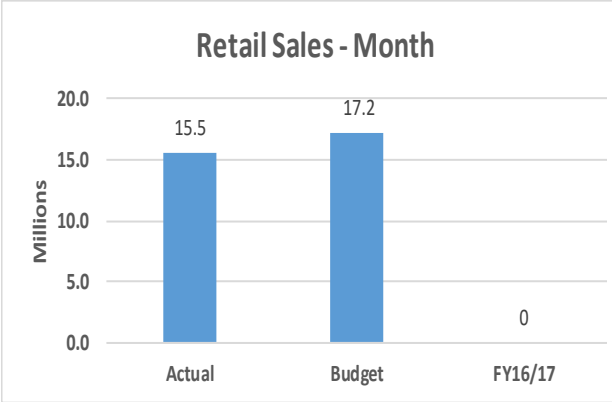
Power Supply Costs	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Energy & REC's	13,251	12,727	14,439	-	-	-	-	-	-	-	-	-	40,417	-
Capacity	275	743	657	-	-	-	-	-	-	-	-	-	1,675	-
CAISO Charges	1,034	534	2,813	-	-	-	-	-	-	-	-	-	4,381	-
NEM Expense	44	(19)	(47)	-	-	-	-	-	-	-	-	-	(22)	-
Charge/Credit (IST/Net Rev)	591	(1,127)	(1,828)	-	-	-	-	-	-	-	-	-	(2,364)	-
Net Power Costs	15,195	12,859	16,034	-	-	-	-	-	-	-	-	-	44,088	181,368

Other	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Capital Expenditures	-	-	9	-	-	-	-	-	-	-	-	-	9	50
Energy Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	4,780

Load Statistics - MWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total	Budget
Retail Sales Actual	278,214	265,874	290,540	-	-	-	-	-	-	-	-	-	834,628	-
Retail Sales Budget	301,503	299,963	302,928	-	-	-	-	-	-	-	-	-	904,394	3,553,990



Other Statistics and Ratios	
Working Capital	\$39,885,801
Current Ratio	2.3
Contribution Margin	\$10,230,750
Expense Coverage Days	62
Return on Assets	53%
Long-Term Debt	\$2,730,000
Total Accounts	242,315
Opt-Out Accounts	7,120
Opt-Up Accounts	2,369



SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION

As of December 31, 2017

ASSETS

Current Assets

Cash & Cash Equivalents	\$	38,135,725
Accounts Receivable, net of allowance		14,499,290
Energy Settlements Receivable		401,162
Accrued Revenue		11,410,848
Other Receivables		203,000
Prepaid Expenses		259,357
Deposits		2,900,000
Restricted cash - lockbox		2,500,000

Total Current Assets		70,309,382
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Noncurrent assets

Capital assets, net of depreciation		167,591
Deposits		129,360

Total Noncurrent Assets		296,951
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Total Assets		70,606,333
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LIABILITIES

Current Liabilities

Accounts Payable		511,434
Accrued Cost of Electricity		27,594,852
Accrued Payroll & Benefits		149,827
Other Accrued Liabilities		200,000
User Taxes and Energy Surcharges due to other gov'ts		782,468
Supplier Security Deposits		1,185,000

Total Current Liabilities		30,423,581
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Noncurrent Liabilities

Loans Payable to JPA members		2,730,000
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Total Noncurrent Liabilities		2,730,000
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Total Liabilities		33,153,581
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NET POSITION

Net investment in capital assets		167,591
Unrestricted (deficit)		37,285,161
Total Net Position	\$	37,452,752

SILICON VALLEY CLEAN ENERGY AUTHORITY

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

October 1, 2017 through December 31, 2017

OPERATING REVENUES

Electricity Sales, Net	\$ 55,274,017
GreenPrime electricity premium	158,135
Other income	24,450

TOTAL OPERATING REVENUES **55,456,602**

OPERATING EXPENSES

Cost of Electricity	44,089,126
Staff Compensation and benefits	561,918
Data Management	831,516
Service Fees - PG&E	305,210
Consultants and Other Professional Fees	235,357
Communications & Noticing	39,937
General & Administrative	232,092
Depreciation	8,525

TOTAL OPERATING EXPENSES **46,303,681**

OPERATING INCOME(LOSS) **9,152,921**

NONOPERATING REVENUES (EXPENSES)

Interest Income	-
Interest and related expenses	(15,666)

TOTAL NONOPERATING EXPENSES **(15,666)**

CHANGE IN NET POSITION 9,137,255

Net Position at beginning of period 28,315,497

Net Position at end of period **\$ 37,452,752**

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2017 through December 31, 2017**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from electricity sales	\$ 65,812,394
Receipts from other income	21,450
Receipts from supplier security deposits	1,185,000
Tax and surcharge receipts from customers	1,396,955
Energy settlements received	1,101,579
Payments to purchase electricity	(40,464,574)
Payments for staff compensation and benefits	(495,114)
Payments for consultants and other professional services	(1,553,496)
Payments for communications and noticing	(45,600)
Payments for general and administrative	(394,219)
Energy settlements paid	(3,254,225)
Tax and surcharge payments to other governments	(1,323,520)
Net cash provided (used) by operating activities	<u>21,986,630</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Payments of deposits and collateral	(663,000)
Principal payments on loan	(2,900,000)
Deposits and collateral received	1,000,000
Interest and related expense payments	(22,892)
Net cash provided (used) by non-capital financing activities	<u>(2,585,892)</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Acquisition of capital assets	<u>(8,610)</u>
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CASH FLOWS FROM CAPITAL AND RELATED

Interest income received	<u>-</u>
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Net change in cash and cash equivalents	19,392,128
Cash and cash equivalents at beginning of year	<u>21,243,597</u>
Cash and cash equivalents at end of period	<u>\$ 40,635,725</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)

October 1, 2017 through December 31, 2017

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

Operating Income (loss)	\$ 9,152,921
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	8,525
Revenue reduced for uncollectible accounts	280,711
(Increase) decrease in net accounts receivable	6,640,349
(Increase) decrease in energy settlements receivable	(134,834)
(Increase) decrease in other receivables	(3,000)
(Increase) decrease in accrued revenue	3,565,474
(Increase) decrease in prepaid expenses	(187,515)
Increase (decrease) in accounts payable	(338,788)
Increase (decrease) in accrued payroll & benefits	64,804
Increase (decrease) in supplier security deposits	1,185,000
Increase (decrease) in accrued cost of electricity	1,606,741
Increase (decrease) in accrued liabilities	179,100
Increase (decrease) taxes and surcharges due to other governments	(32,858)
Net cash provided (used) by operating activities	<u>\$ 21,986,630</u>

SILICON VALLEY CLEAN ENERGY
BUDGETARY COMPARISON SCHEDULE
October 1, 2017 through December 31, 2017

	FYTD Actual	FYTD Budget	Variance \$	%	FY 2017-18 Budget	% Budget Spent
REVENUES & OTHER SOURCES						
Energy Sales	\$ 55,274,017	\$ 60,078,201	\$ (4,804,184)	-8%	\$ 239,014,712	
Green P rime Premium	158,135	110,751	47,384	43%	443,005	
Other Income	24,450	-	(50,000)	-100%	200,000	
Investment Income	-	50,000	(50,000)		<u>200,000</u>	
TOTAL REVENUES & OTHER SOURCES	<u>55,456,602</u>	<u>60,238,952</u>	<u>(4,806,800)</u>	<u>-8%</u>	<u>239,657,717</u>	
EXPENDITURES & OTHER USES						
CURRENT EXPENDITURES						
Power Supply	44,089,126	47,688,765	3,599,639	8%	181,368,117	24%
Data Management	831,516	796,025	(35,491)	-4%	3,114,882	27%
PG&E Fees	305,210	304,566	(644)	0%	1,218,265	25%
Salaries & Benefits	561,918	1,046,808	484,890	46%	4,187,232	13%
Professional Services	235,357	350,750	115,393	33%	1,325,100	18%
Marketing & Promotions	28,805	73,750	44,945	61%	295,000	10%
Notifications	11,132	7,500	(3,632)	-48%	100,000	11%
Lease	77,258	76,125	(1,133)	-1%	314,650	25%
General & Administrative	154,834	44,025	(110,809)	-252%	251,100	62%
TOTAL CURRENT EXPENDITURES	<u>46,295,156</u>	<u>50,388,314</u>	<u>4,093,158</u>	<u>8%</u>	<u>192,174,346</u>	<u>24%</u>
OTHER USES						
Customer Programs	-	1,195,074	1,195,074	0%	4,780,294	0%
Office Equipment	8,610	12,500	3,890	31%	50,000	17%
CPUC Deposit	-	-	-		-	
TOTAL OTHER USES	<u>8,610</u>	<u>1,207,574</u>	<u>1,198,964</u>	<u>99%</u>	<u>4,830,294</u>	<u>0%</u>
DEBT SERVICE						
Interest	15,666	33,000	17,334	53%	32,625	48%
Principal	2,900,000	-	(2,900,000)		2,730,000	106%
TOTAL DEBT SERVICE	<u>2,915,666</u>	<u>33,000</u>	<u>(2,882,666)</u>	<u>-8735%</u>	<u>2,762,625</u>	<u>106%</u>
Total Expenditures, Other Uses & Debt Service	<u>49,219,432</u>	<u>51,628,888</u>	<u>2,409,456</u>	<u>5%</u>	<u>199,767,265</u>	<u>25%</u>
Net Increase(Decrease) in Available Fund Balance	<u>\$ 6,237,170</u>	<u>\$ 8,610,064</u>	<u>\$ (2,372,894)</u>	<u>-28%</u>	<u>\$ 39,890,452</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 \$ 6,237,170

Adjustments needed to reconcile to the changes
in net position in the Statement of Revenues,
Expenses and Changes in Net Position

Subtract depreciation expense	(8,525)
Add back capital asset acquisitions	8,610
Add back principal payments on debt	<u>2,900,000</u>
Change in Net Position	<u>9,137,255</u>

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

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	\$ 22,523,034	\$ 15,426,854	\$ 17,324,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,274,017
Green electricity premium	32,946	63,341	61,848										158,135
Other income	-	-	24,450										24,450
Total operating revenues	22,555,980	15,490,195	17,410,427	-	-	-	-	-	-	-	-	-	55,456,602
OPERATING EXPENSES													
Cost of electricity	15,195,616	12,859,048	16,034,462										44,089,126
Staff compensation and benefits	196,743	168,026	197,149										561,918
Data manager	276,838	277,564	277,114										831,516
Service fees - PG&E	920	200,000	104,290										305,210
Consultants and other professional fees	78,816	90,373	106,105										275,294
General and administration	55,285	66,571	110,236										232,092
Depreciation	2,762	2,762	3,001										8,525
Total operating expenses	15,806,980	13,664,344	16,832,357	-	-	-	-	-	-	-	-	-	46,303,681
Operating income (loss)	6,749,000	1,825,851	578,070	-	-	-	-	-	-	-	-	-	9,152,921
NONOPERATING REVENUES (EXPENSES)													
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and related expense	(7,442)	(8,224)	-										(15,666)
Total nonoperating revenues (expenses)	(7,442)	(8,224)	-	-	-	-	-	-	-	-	-	-	(15,666)
CHANGE IN NET POSITION	\$ 6,741,558	\$ 1,817,627	\$ 578,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,137,255

PERSONNEL REPORT

HEADCOUNT			
Position	<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	3	2	1
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 Manager	1	1	0
Power Resource Planning & Programs Analyst	2	0	2
Manager of Regulatory & Legislative Affairs	1	1	0
Associate Regulatory Analyst	<u>1</u>	<u>0</u>	<u>1</u>
Total	<u>21</u>	<u>13</u>	<u>8</u>

CONTINGENT POSITIONS			
Position	Dollars		% YTD Spent
	FY2017-18 Budget	FY2017-18 Actual	
Climate Fellows / Part-Time	\$144,000	70,257	49%

FINANCING REPORT

CREDIT AGREEMENT

The credit agreement with River City Bank expired at the end of December.

SVCE advanced \$1.5 million of the available \$2.0 million from the non-revolving line of credit. All advances were paid in August.

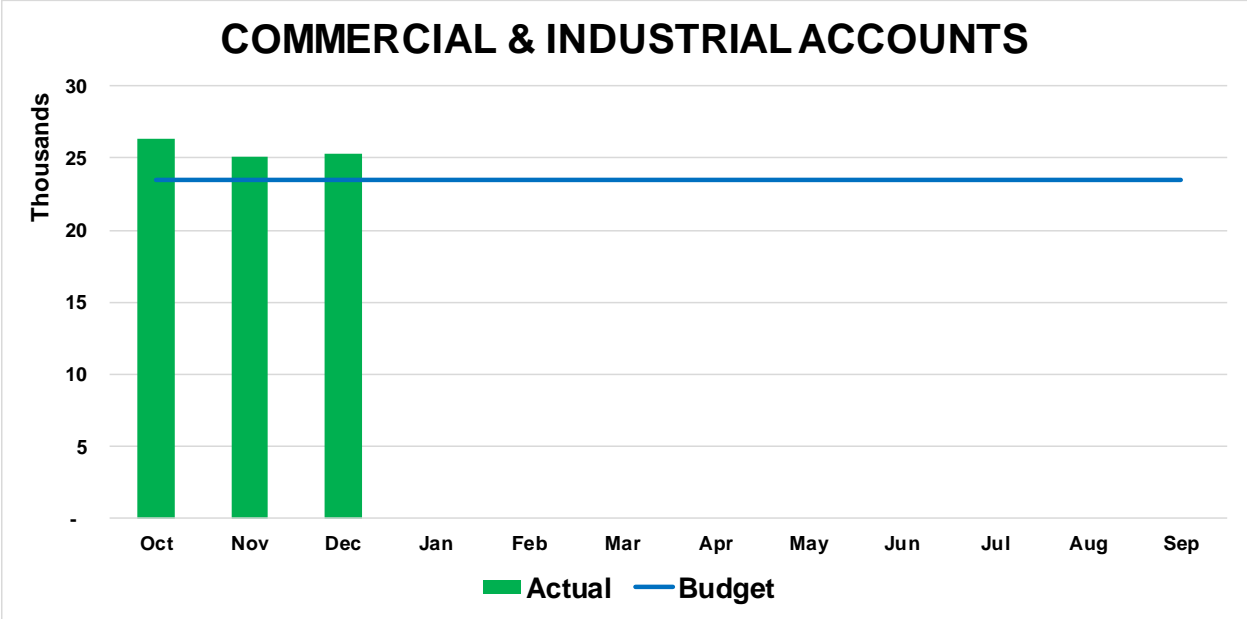
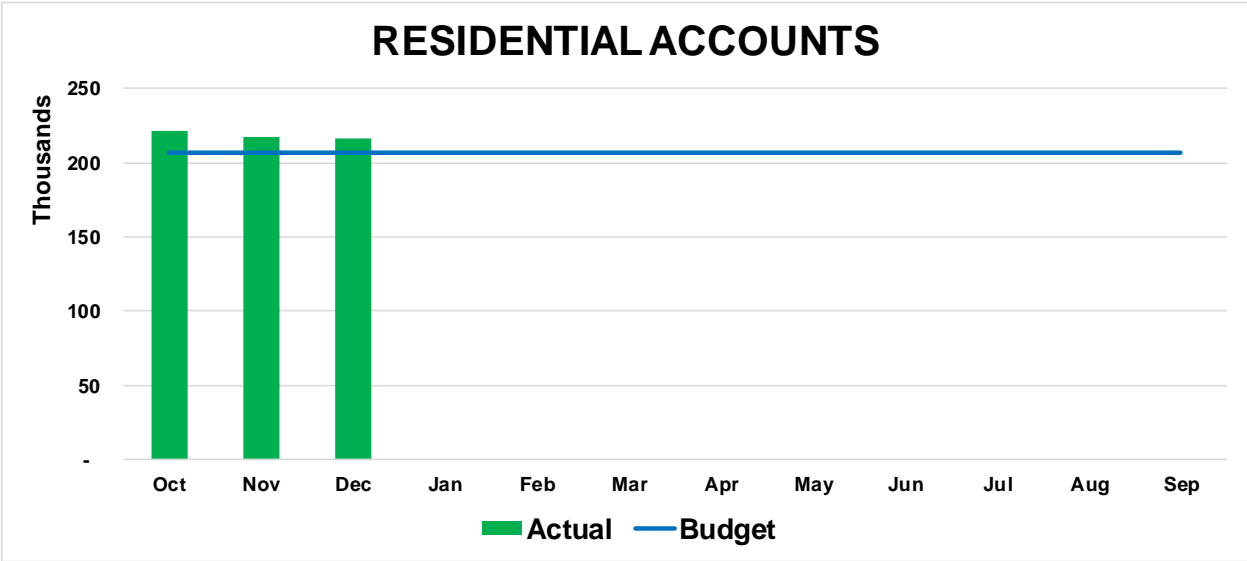
SVCE advanced \$2.9 million of the available \$18.0 million revolving line of credit. The balance was paid in December.

MEMBER AGENCY LOAN

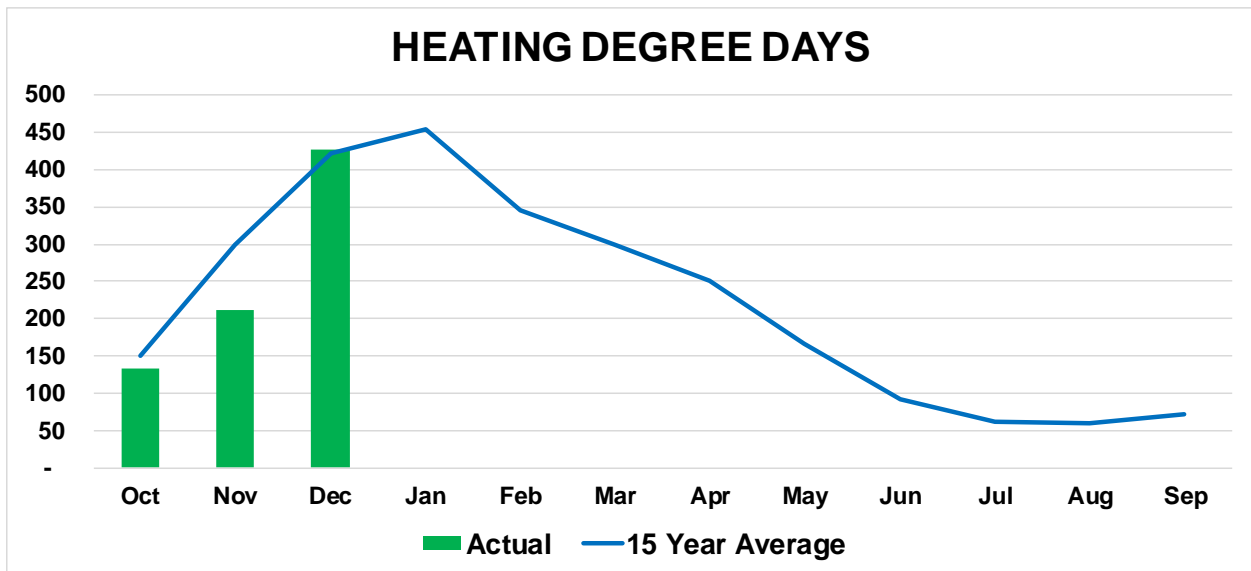
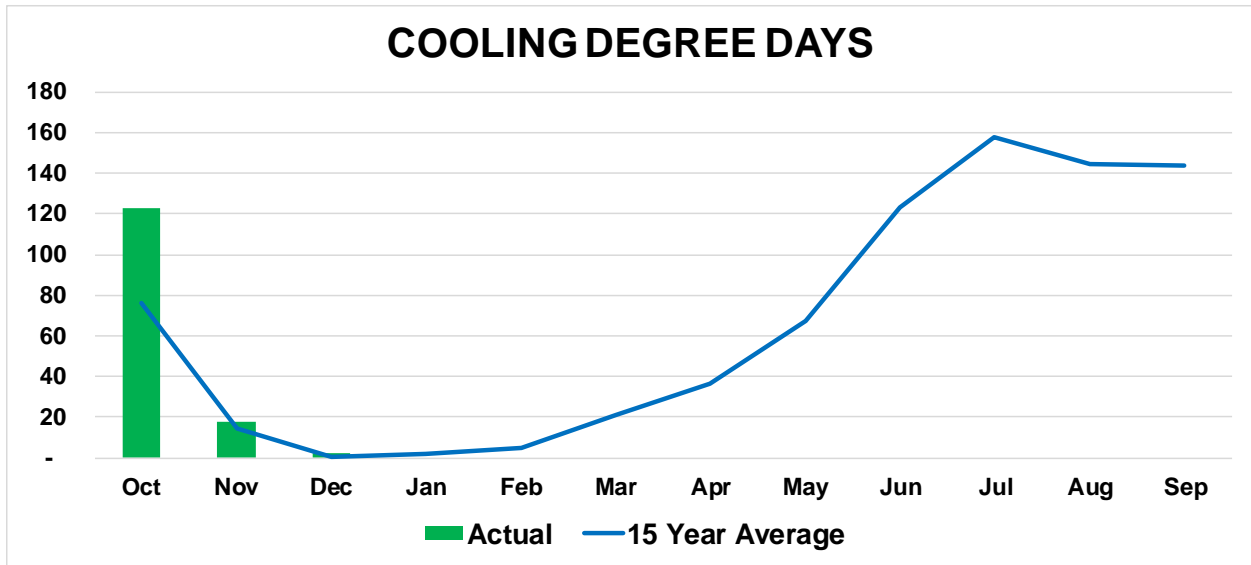
The Board authorized SVCE to pay back the \$2.7 million loan to our agencies in January 2018.

No new debt is anticipated for remainder of fiscal year.

CUSTOMER ACCOUNTS



WEATHER STATISTICS



**SILICON VALLEY CLEAN ENERGY AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT**

		Days				
	Total	0-30	31-60	61-90	90-120	Over 120
Accounts Receivable	\$16,002,340	\$14,638,302	\$640,964	\$380,996	\$239,399	\$102,678
Period %	100%	91.5%	4.0%	2.4%	1.5%	0.6%