

Financial Dashboard

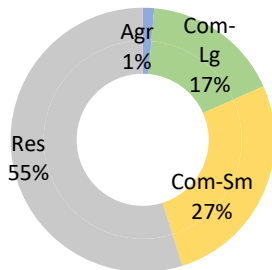
YTD
Sep
2022

Active Accounts
1,001,716

Participation Rate
96.04%

YTD Sales Volume
3,666 GWh

Sep Sales Volume
1,290 GWh



Summary of Financial Results

in \$000,000's	Sep				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Energy Revenues	127.4	115.6	11.8	10%	377.5	360.2	17.4	5%
Cost of Energy	143.3	100.9	42.3	42%	372.9	324.0	48.9	15%
Net Energy Revenue	-15.8	14.7	-30.5	-208%	4.7	36.2	-31.5	-87%
Operating Expenses	3.0	4.3	-1.4	-31%	8.0	11.5	-3.4	-30%
Operating Income	-18.8	10.3	-29.1	-282%	-3.4	24.7	-28.1	-114%

Note: Numbers may not sum up due to rounding.

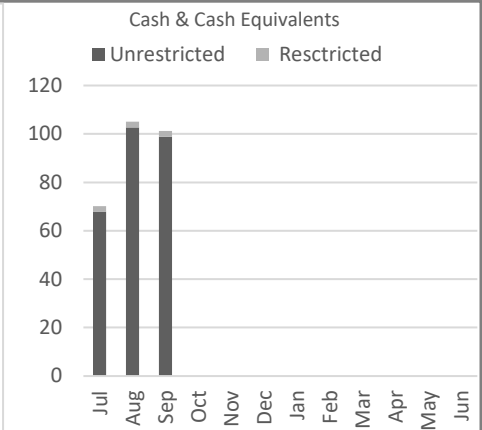
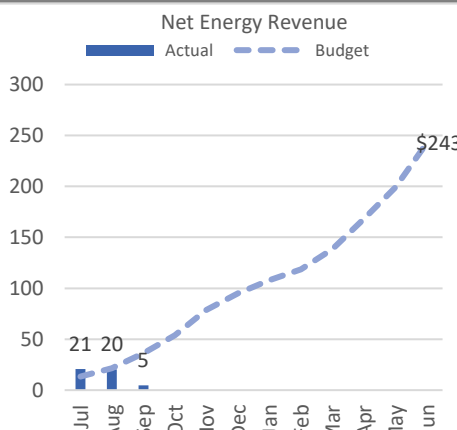
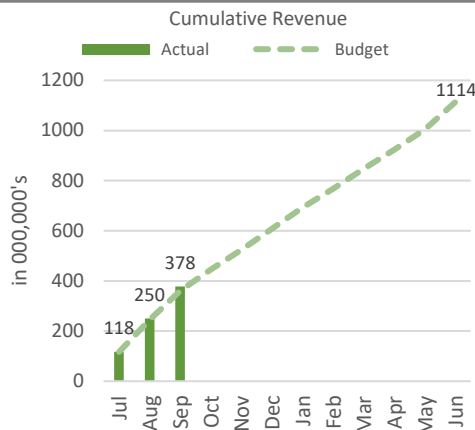
CPA recorded an operating loss of \$18.8 million in September 2022 which was \$29.1 million less than the budgeted operating income of \$10.3 million. For the year to date, CPA has recorded an operating loss of \$3.4 million, \$28.1 million less than the budgeted operating income of \$24.7 million.

Year-to-date results were impacted by the following factors:

- Revenue was \$377.5 million or 5% higher than budgeted revenue as a result of warmer than normal temperatures and higher electricity use in CPA's service area.
- The cost of energy was \$372.9 million or 15% higher than budgeted as a result of warmer than normal temperatures, most notably an extreme heat event in the western United States that lasted from in the first two weeks of the month, higher electricity use by CPA customers, higher prices in the California Independent System Operator (CAISO) administered markets and higher charges imposed by the CAISO to operate the grid.
- Operating costs were lower than budgeted primarily as a result of lower General and Administration and other services costs than budgeted and the non-utilization of contingencies.

On September 26, 2022, CPA drew \$60 million on its \$80 million credit facility with JP Morgan. CPA paid \$20 million of the loan on September 29, 2022. The remaining loan balance was repaid in October 2022. As of September 30, 2022, CPA had total liquidity of \$138 million consisting of \$98.8 million in unrestricted cash and cash equivalents, and \$39.853 million available on its bank line of credit, up from \$133 million and \$134 million of liquidity as of September 30, 2021 and June 30, 2022 respectively

CPA is in sound financial health and compliance with its bank and other credit covenants.



Definitions:

Accounts: Active Accounts represent customer accounts of active customers served by CPA per Calpine Invoice.

Participation Rate %: Participation Rate represent active accounts divided by eligible CPA accounts

YTD Sales Volume: Year to date sales volume represents the amount of energy (in gigawatt hours) sold to retail customers

Revenues: Retail energy sales less allowance for doubtful accounts

Cost of energy: Cost of energy includes direct costs incurred to serve CPA's load

Operating expenses: Operating expenditures include general, administrative, consulting, payroll and other costs required to fund operations

Net operating income, also known as earnings before interest, depreciation and amortization (EBIDA), represents the difference between revenues and expenditures before depreciation expense, interest income and expense, and capital expenditures

Cash and Cash Equivalents: Includes cash held as bank deposits.

Year to date (YTD): Represents the fiscal period beginning July 1, 2022

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2022 AND 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 98,830,346	\$ 53,357,388
Accounts receivable, net of allowance	155,511,536	131,919,867
Accrued revenue	73,173,244	55,978,851
Other receivables	13,961,875	3,453,783
Prepaid expenses	10,512,598	3,580,033
Deposits	44,142,542	17,894,808
Restricted cash	2,400,000	3,614,700
Total current assets	398,532,141	269,799,430
Noncurrent assets		
Capital assets, net of depreciation	709,857	608,858
Intangible - right-to-use lease asset	2,488,924	-
Deposits	88,876	88,875
Total noncurrent assets	3,287,657	697,733
Total assets	\$ 401,819,798	\$ 270,497,163
LIABILITIES		
Current liabilities		
Accounts payable	\$ 2,989,330	\$ 4,611,547
Accrued cost of electricity	196,468,151	127,308,417
Other accrued liabilities	4,068,916	2,020,200
User taxes and energy surcharges due to other governments	10,139,202	8,353,140
Loans payable to County of Los Angeles	-	30,000,000
Security deposits from energy suppliers	259,675	5,769,400
Unearned program funds	3,930,813	2,005,420
Lease liability, current	363,658	-
Total current liabilities	218,219,746	180,068,125
Noncurrent liabilities		
Bank Loan	40,000,000	-
Supplier security deposits	3,132,849	6,904,000
Deferred rent	-	183,855
Lease liability, noncurrent	2,560,183	-
Total noncurrent liabilities	45,693,032	7,087,855
Total liabilities	\$ 263,912,778	\$ 187,155,980
NET POSITION		
Investment in capital assets	\$ 274,939	\$ 608,858
Restricted for collateral	2,400,000	3,614,700
Unrestricted	135,232,081	79,117,626
Total net position	\$ 137,907,020	\$ 83,341,183

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Electricity sales, net	\$ 377,176,853	\$ 297,566,657
Other revenue	361,189	225,638
Total operating revenues	<u>377,538,042</u>	<u>297,792,295</u>
OPERATING EXPENSES		
Cost of electricity	372,887,614	281,724,860
Contract services	4,697,629	4,340,088
Staff compensation	2,791,386	2,004,434
General and administration	555,035	505,528
Total operating expenses	<u>380,931,665</u>	<u>288,574,910</u>
Operating income (loss)	(3,393,623)	9,217,385
NONOPERATING REVENUES (EXPENSES)		
Interest income	190,780	8,746
Interest and related expenses	(125,492)	(114,247)
Interest expense - lease	(17,873)	-
Total nonoperating revenues (expenses)	<u>47,414</u>	<u>(105,501)</u>
CHANGE IN NET POSITION	(3,346,208)	9,111,884
Net position at beginning of period	141,253,228	74,207,784
Net position at end of period	<u>\$ 137,907,020</u>	<u>\$ 83,319,668</u>

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

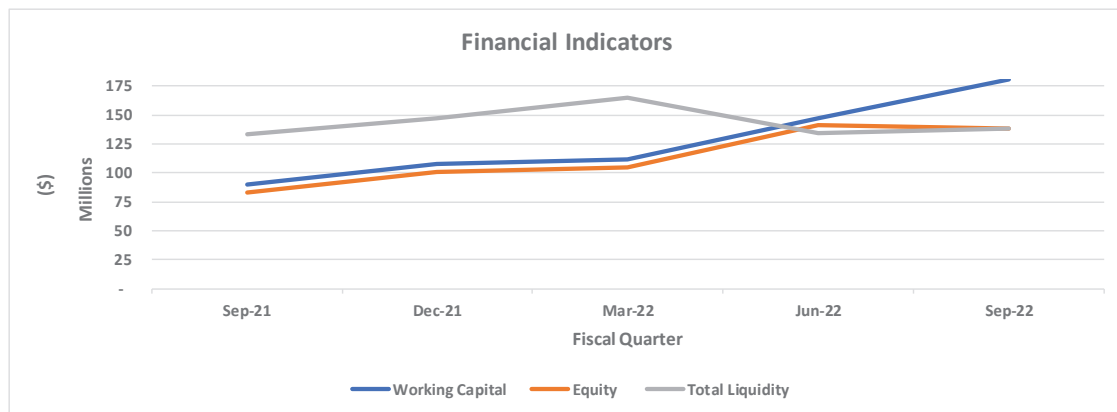
	<u>2022</u>	<u>2021</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Net operating income (loss)	\$ (3,393,623)	\$ 9,217,385
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	54,525	27,470
Amortization expense	95,727	-
Revenue adjusted for allowance for uncollectible accounts	5,495,854	4,696,311
(Increase) decrease in:		
Accounts receivable	(64,436,618)	(48,392,277)
Other receivables	(6,302,411)	(1,040,730)
Accrued revenue	(17,676,453)	(79,787)
Prepaid expenses	(4,374,194)	608,171
Deposits	(18,027,012)	(4,567,966)
Increase (decrease) in:		
Accounts payable	(1,536,984)	(172,600)
Energy market settlements payable	(8,623,026)	(6,719,550)
Accrued cost of electricity	121,461,970	45,869,635
Other accrued liabilities	1,631,290	295,746
User taxes due to other governments	4,112,844	3,024,040
Supplier security deposits	(4,524,976)	(37,789,000)
Unearned program funds	426,780	407,433
Net cash provided (used) by operating activities	<u>4,383,694</u>	<u>(34,615,719)</u>
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Loan proceeds	60,000,000	30,000,000
Principal payments on loan	(20,000,000)	-
Interest and related expense payments	(91,446)	(81,492)
Net cash provided (used) by non-capital financing activities	<u>39,908,554</u>	<u>29,918,508</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to acquire capital assets	(90,125)	(146,415)
Payments on lease (for both principal and interest)	(100,228)	-
Net cash provided (used) by capital and related financing activities	<u>(190,353)</u>	<u>(146,415)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	190,780	8,746
Net cash provided (used) by investing activities	<u>190,780</u>	<u>8,746</u>
 Net change in cash and cash equivalents	44,292,675	(4,834,880)
Cash and cash equivalents at beginning of period	56,937,672	61,806,968
Cash and cash equivalents at end of period	<u>\$ 101,230,346</u>	<u>\$ 56,972,088</u>
 Reconciliation to the Statement of Net Position		
Cash and cash equivalents (unrestricted)	\$ 98,830,346	\$ 53,357,388
Restricted cash	2,400,000	3,614,700
Cash and cash equivalents	<u>\$ 101,230,346</u>	<u>\$ 56,972,088</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
FOR THREE MONTHS ENDED SEPTEMBER 30, 2022**

	2022/23 YTD Budget	2022/23 YTD Actual	2022/23 YTD Budget Variance (Under) Over	2022/23 YTD Actual / Budget %	2022/23 Budget	2022/23 Remaining Budget	2022/23 Remaining Budget %
Operating revenues							
Revenue - electricity, net	\$ 359,469,732	\$ 377,176,853	\$ 17,707,121	105%	\$ 1,110,780,980	\$ 733,604,127	66%
Other revenues	713,510	361,189	(352,321)	51%	2,742,000	2,380,811	87%
Total operating revenues	360,183,242	377,538,042	17,354,800	105%	1,113,522,980	735,984,938	66%
Energy costs							
Energy procurement	324,031,365	372,887,614	48,856,250	115%	870,533,000	497,645,386	57%
Total energy costs	324,031,365	372,887,614	48,856,250	115%	870,533,000	497,645,386	57%
Operating revenues less energy costs	36,151,877	4,650,428	(31,501,450)	13%	242,989,980	238,339,553	98%
Operating Expenditures							
Staffing	3,217,190	2,791,386	(425,804)	87%	13,976,000	11,184,614	80%
Technical services	363,750	288,281	(75,469)	79%	1,436,000	1,147,719	80%
Legal services	356,060	168,409	(187,651)	47%	1,243,000	1,074,591	86%
Other professional services	566,754	164,261	(402,494)	29%	1,902,000	1,737,739	91%
Communications and outreach	506,995	210,779	(296,216)	42%	2,018,000	1,807,221	90%
Mailers	727,045	440,314	(286,731)	61%	1,346,000	905,686	67%
Billing data manager	2,602,735	2,601,884	(851)	100%	10,474,000	7,872,116	75%
SCE services	528,990	480,000	(48,990)	91%	2,116,000	1,636,000	77%
Customer programs	1,148,005	343,701	(804,304)	30%	4,663,000	4,319,299	93%
General and administrations	1,450,980	555,035	(895,945)	38%	5,877,000	5,321,965	91%
Total operating expenditures	11,468,504	8,044,050	(3,424,454)	70%	45,051,000	37,006,949	82%
Operating income	24,683,373	(3,393,623)	(28,076,996)	-14%	197,938,981	201,332,603	102%
Non-operating revenues (expenditures)							
Interest income	121,500	190,780	69,280	157%	486,000	295,220	61%
Finance and interest expense	(236,505)	(143,365)	93,140	61%	(562,000)	(418,635)	74%
Total non-operating revenues (expenditures)	(115,005)	47,414	162,419	-41%	(76,000)	(123,414)	
Change in net position	24,568,368	(3,346,208)	(27,914,577)		197,862,981	201,209,189	102%
Other uses							
Capital outlay	56,125	90,125	34,000	161%	224,500	134,375	60%
Depreciation and Amortization	(157,020)	(150,252)	6,768	96%	(622,000)	(471,748)	76%
Total other uses	(100,895)	(60,127)	40,768	60%	(397,500)	(337,373)	85%
Change in fund balance	\$ 24,669,263	\$ (3,286,081)	\$ (27,955,344)	-13%	\$ 198,260,481	\$ 201,546,562	

Select Financial Indicators

Note		Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
1	Working Capital	89,731,305	107,892,204	111,423,404	147,468,653	180,312,395
2	Current Ratio	1.5	1.8	1.9	2.5	1.8
3	Days Sales Outstanding	40	39	39	41	38
4	Equity	83,341,183	101,176,027	105,176,451	141,253,228	137,907,020
5	Equity to Assets %	31%	42%	44%	56%	34%
6	Available Cash	53,357,388	67,450,194	85,085,627	54,537,672	98,830,346
7	Available Line of Credit	80,000,000	79,853,000	79,853,000	79,853,000	39,853,000
8	Total Liquidity	133,357,388	147,303,194	164,938,627	134,390,672	138,683,346
9	Days Liquidity on Hand (TTM)	60	67	75	61	57
10	Gross Margin	5%	8%	8%	11%	1%
11	Net Margin	3%	6%	5%	8%	-1%
Percentage Change from Prior Quarter						
	Working Capital	12%	20%	3%	32%	22%
	Current Ratio	-4%	20%	6%	29%	-26%
	Days Sales Outstanding	0%	-4%	1%	3%	-8%
	Equity	12%	21%	4%	34%	-2%
	Equity to Assets %	-6%	35%	6%	27%	-39%
	Available Cash	-8%	26%	26%	-36%	81%
	Available Line of Credit	117%	0%	0%	0%	-50%
	Total Liquidity	40%	10%	12%	-19%	3%
	Days Liquidity on Hand (TTM)	37%	12%	11%	-18%	-7%



Note	Description	Note	Description
1	Current Assets less Current Liabilities	7	Total Line of Credit less Borrowing and Letters of Credit
2	Current Assets divided by Current Liabilities	8	Sum of Available Cash and Line of Credit
3	Accounts receivable divided by Sales divided by 365	9	Total Liquidity divided by trailing 12 month expenses divided by 365
4	Net Position plus Fiscal Stabilization Fund	10	Operating revenue less energy cost divided by operating revenue
5	Equity (Net Position + FSF) divided by Total Assets	11	Change in net position divided by operating revenue
6	Unrestricted cash and cash equivalents		