

Financial Dashboard

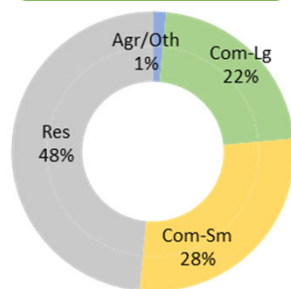
YTD
Mar
2023

Active Accounts
1,004,523

Participation Rate
93.1%

YTD Sales Volume
8,535 GWh

Mar Sales Volume
838 GWh



Summary of Financial Results

in \$000,000's	Mar				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Operating Revenues	79.9	76.7	3.2	4%	849.6	846.0	3.7	0%
Cost of Energy	75.0	68.3	6.8	10%	859.1	854.3	4.8	1%
Revenues Less Energy Cost	4.9	8.5	-3.6	-42%	-9.4	-8.3	-1.1	13%
Operating Expenses	3.0	3.7	-0.7	-20%	25.2	33.9	-8.6	-26%
Operating Income	1.9	4.7	-2.8	-60%	-34.6	-42.2	7.6	-18%

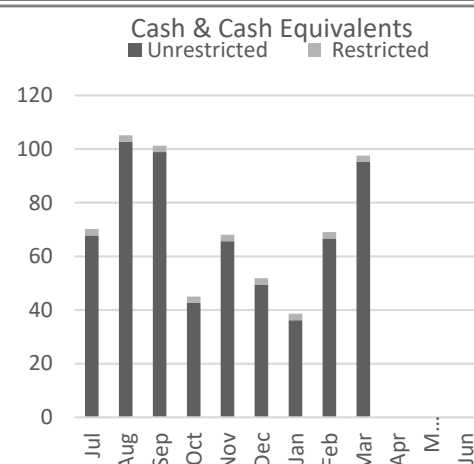
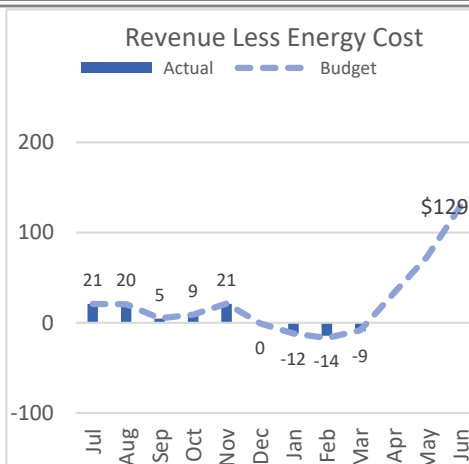
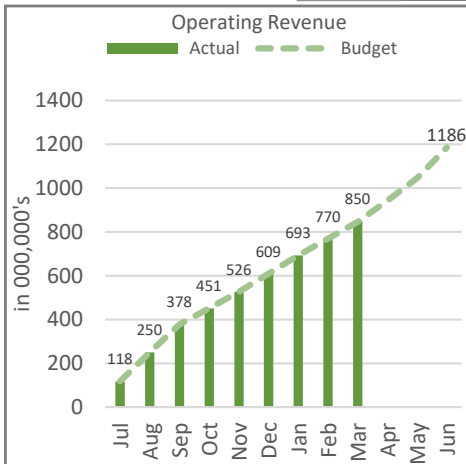
Note: Numbers may not sum up due to rounding.

In March 2023 CPA recorded an operating gain of \$1.9 million, \$2.8 million less than a budgeted operating gain of \$4.7 million as provided for in the FY 2022/23 Amended Budget. March results were negatively impacted by customer electricity use that was 2.5% higher than forecast and higher wholesale market prices than assumed in the budget.

CPA recorded a loss of \$17.8 million in the 3rd quarter and a fiscal year-to-date (YTD) loss of \$34.6 million, which was \$7.6 million less than the budgeted operating loss of \$42.2 million. Financial results were negatively impacted by the September 2022 heat wave, gas and energy price shocks beginning in December 2022, higher than budgeted renewable energy costs, prior period costs that were recorded in the current fiscal year, and an expected by yet to be assessed RA compliance penalty. Operating costs were 26% below budget for the YTD primarily as a result of lower spending on general administrative and other service costs and the non-utilization of contingencies.

As of March 31, 2023, CPA had \$95.1 million in unrestricted cash and cash equivalents and \$79.853 million available on its bank line of credit.

CPA is in sound financial health and in compliance with its bank and other credit covenants. CPA remains on track to contribute \$84 million to the net position in FY 2022/23 consistent with the FY 2022/23 Amended Budget.



Definitions:

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

Participation Rate %: Participation Rate represents 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 MARCH 31, 2023 AND 2022

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 95,125,602	\$ 85,085,627
Accounts receivable, net of allowance	102,442,948	94,222,512
Accrued revenue	44,010,961	35,819,365
Other receivables	3,624,420	2,835,722
Prepaid expenses	5,120,347	2,111,968
Deposits	19,709,451	11,064,754
Restricted cash	2,400,000	3,600,000
Total current assets	<u>272,433,729</u>	<u>234,739,948</u>
Noncurrent assets		
Capital assets, net of depreciation	598,926	645,437
Intangible - right-to-use lease asset	2,297,470	2,680,378
Deposits	88,875	88,875
Total noncurrent assets	<u>2,985,271</u>	<u>3,414,691</u>
Total assets	<u>\$ 275,419,000</u>	<u>\$ 238,154,639</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 5,243,787	\$ 4,975,049
Accrued cost of electricity	140,562,061	82,199,576
Other accrued liabilities	4,440,480	2,983,879
User taxes and energy surcharges due to other governments	7,837,616	5,996,396
Loans payable to County of Los Angeles	-	20,000,000
Security deposits from energy suppliers	299,700	1,087,150
Unearned program funds	3,979,199	3,028,735
Lease liability, current	397,303	295,759
Total current liabilities	<u>162,760,147</u>	<u>123,316,544</u>
Noncurrent liabilities		
Supplier security deposits	3,149,860	6,904,000
Lease liability, noncurrent	2,360,341	2,757,643
Total noncurrent liabilities	<u>5,510,201</u>	<u>9,661,643</u>
Total liabilities	<u>\$ 168,270,348</u>	<u>\$ 132,978,188</u>
NET POSITION		
Investment in capital assets	\$ 138,753	\$ 272,412
Restricted for collateral	2,400,000	3,600,000
Unrestricted	104,609,900	101,304,039
Total net position	<u>\$ 107,148,653</u>	<u>\$ 105,176,451</u>

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR NINE MONTHS ENDED MARCH 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Electricity sales, net	\$ 848,032,202	\$ 656,153,817
Other revenue	1,614,413	718,014
Total operating revenues	<u>849,646,615</u>	<u>656,871,831</u>
OPERATING EXPENSES		
Cost of electricity	859,076,843	604,861,713
Contract services	13,785,029	13,068,850
Staff compensation	9,657,249	6,245,107
General and administration	1,775,827	1,278,669
Total operating expenses	<u>884,294,948</u>	<u>625,454,339</u>
Operating income (loss)	<u>(34,648,333)</u>	<u>31,417,492</u>
NONOPERATING REVENUES (EXPENSES)		
Interest income	1,071,529	35,091
Interest and related expenses	(475,641)	(483,917)
Interest expense - lease	(52,131)	-
Total nonoperating revenues (expenses)	<u>543,757</u>	<u>(448,825)</u>
CHANGE IN NET POSITION	<u>(34,104,575)</u>	<u>30,968,667</u>
Net position at beginning of period	141,253,228	74,207,784
Net position at end of period	<u><u>\$ 107,148,653</u></u>	<u><u>\$ 105,176,451</u></u>

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF CASH FLOWS
FOR NINE MONTHS ENDED MARCH 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Net operating income (loss)	\$ (34,648,333)	\$ 31,417,492
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	165,456	104,990
Amortization expense	287,181	287,181
Revenue adjusted for allowance for uncollectible accounts	13,850,740	14,361,784
(Increase) decrease in:		
Accounts receivable	(19,722,917)	(20,360,396)
Other receivables	4,035,045	(422,670)
Accrued revenue	11,485,830	20,079,699
Prepaid expenses	1,018,057	2,076,236
Deposits	6,406,079	2,262,088
Increase (decrease) in:		
Accounts payable	717,473	190,902
Energy market settlements payable	(8,815,110)	(3,513,911)
Accrued cost of electricity	65,747,964	(2,444,846)
Other accrued liabilities	2,041,593	946,384
User taxes due to other governments	1,811,258	667,297
Supplier security deposits	(4,467,940)	(42,471,250)
Unearned program funds	475,166	1,430,749
Counterparty collateral deposit	-	2,750,000
Net cash provided (used) by operating activities	<u>40,387,543</u>	<u>7,361,729</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Loan proceeds	95,000,000	30,000,000
Principal payments on loan	(95,000,000)	(10,000,000)
Interest and related expense payments	(480,333)	(267,013)
Net cash provided (used) by non-capital financing activities	<u>(480,333)</u>	<u>19,732,987</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to acquire capital assets	(90,125)	(260,514)
Payments on lease (for both principal and interest)	(300,684)	9,366
Net cash provided (used) by capital and related financing activities	<u>(390,809)</u>	<u>(251,148)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	1,071,529	35,091
Net cash provided (used) by investing activities	<u>1,071,529</u>	<u>35,091</u>
Net change in cash and cash equivalents	40,587,930	26,878,659
Cash and cash equivalents at beginning of period	56,937,672	61,806,968
Cash and cash equivalents at end of period	<u>\$ 97,525,602</u>	<u>\$ 88,685,627</u>
Reconciliation to the Statement of Net Position		
Cash and cash equivalents (unrestricted)	\$ 95,125,602	\$ 85,085,627
Restricted cash	2,400,000	3,600,000
Cash and cash equivalents	<u>\$ 97,525,602</u>	<u>\$ 88,685,627</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
FOR NINE MONTHS ENDED MARCH 31, 2023**

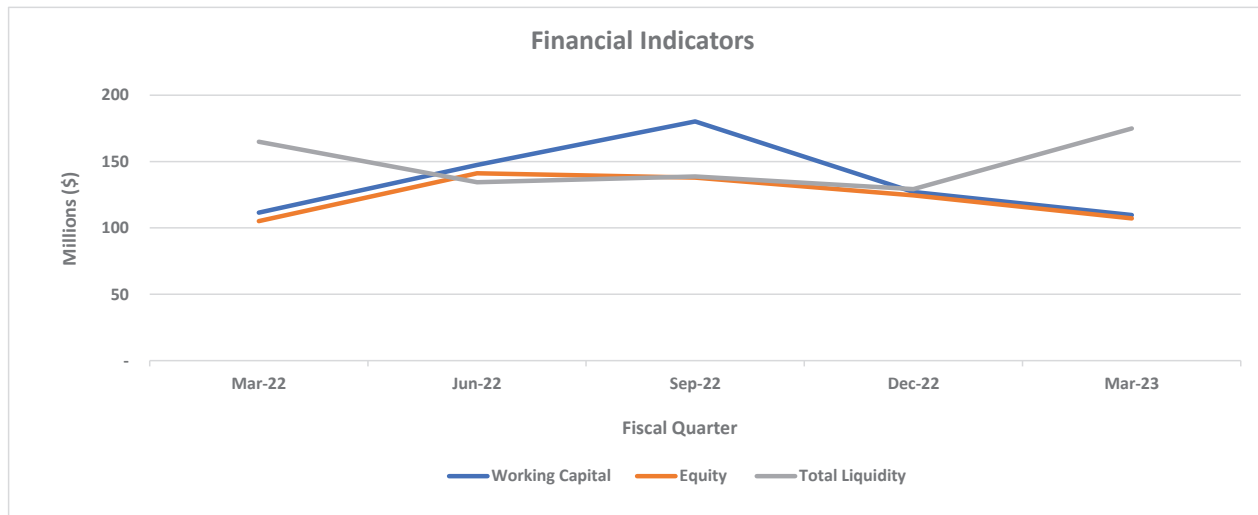
	2022/23 YTD Amended Budget	2022/23 YTD Actual	2022/23 YTD Budget Variance (Under) Over	2022/23 YTD Actual / Budget %	2022/23 Budget	2022/23 Remaining Budget	2022/23 Remaining Budget %
Operating revenues							
Revenue - electricity, net	\$ 844,059,431	\$ 848,032,202	\$ 3,972,771	100%	\$ 1,182,868,805	\$ 334,836,603	28%
Other revenues	1,910,268	1,614,413	(295,855)	85%	2,742,000	1,127,587	41%
Total operating revenues	845,969,699	849,646,615	3,676,916	100%	1,185,610,805	335,964,190	28%
Energy costs							
Energy procurement	854,309,942	859,076,843	4,766,901	101%	1,056,282,260	197,205,416	19%
Total energy costs	854,309,942	859,076,843	4,766,901	101%	1,056,282,260	197,205,416	19%
Operating revenues less energy costs	(8,340,243)	(9,430,228)	(1,089,985)	113%	129,328,545	138,758,773	107%
Operating Expenditures							
Staffing	10,303,370	9,657,249	(646,121)	94%	13,976,000	4,318,751	31%
Technical services	1,137,050	896,062	(240,988)	79%	1,436,000	539,938	38%
Legal services	1,037,450	442,428	(595,022)	43%	1,243,000	800,572	64%
Other professional services	1,559,735	597,926	(961,809)	38%	1,902,000	1,304,074	69%
Communications and outreach	1,510,995	680,666	(830,328)	45%	2,018,000	1,337,333	66%
Mailers	1,171,441	581,106	(590,335)	50%	1,346,000	764,894	57%
Billing data manager	7,867,868	7,851,637	(16,231)	100%	10,518,057	2,666,420	25%
SCE services	1,586,995	1,440,000	(146,995)	91%	2,116,000	676,000	32%
Customer programs	3,308,450	1,295,203	(2,013,247)	39%	4,663,000	3,367,797	72%
General and administrations	4,384,073	1,775,827	(2,608,246)	41%	5,877,000	4,101,173	70%
Total operating expenditures	33,867,426	25,218,105	(8,649,321)	74%	45,095,057	19,876,952	44%
Operating income	(42,207,669)	(34,648,333)	7,559,336	82%	84,233,489	118,881,822	141%
Non-operating revenues (expenditures)							
Interest income	364,500	1,071,529	707,029	294%	486,000	(585,529)	
Finance and interest expense	(554,393)	(527,772)	26,622	95%	(732,430)	(204,659)	28%
Total non-operating revenues (expenditures)	(189,893)	543,757	733,651		(246,430)	(790,188)	
Change in net position	(42,397,563)	(34,104,576)	8,292,987		83,987,058	118,091,634	141%
Other uses							
Capital outlay	168,750	90,125	(78,625)	53%	225,000	134,875	60%
Depreciation and Amortization	(467,580)	(452,637)	14,943	97%	(622,000)	(169,363)	27%
Total other uses	(298,830)	(362,513)	(63,683)	121%	(397,000)	(34,487)	9%
Change in fund balance	\$ (42,098,733)	\$ (33,742,063)	\$ 8,356,670	80%	\$ 84,384,058	\$ 118,126,121	

Select Financial Indicators

Note		Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
1	Working Capital	111,423,404	147,468,653	180,312,395	126,977,470	109,673,582
2	Current Ratio	1.9	2.5	1.8	1.8	1.7
3	Days Sales Outstanding	39	41	38	34	33
4	Equity	105,176,451	141,253,228	137,907,020	124,519,649	107,148,653
5	Equity to Assets %	44%	56%	34%	44%	39%
6	Available Cash	85,085,627	54,537,672	98,830,346	49,457,464	95,125,602
7	Available Line of Credit	79,853,000	79,853,000	39,853,000	79,853,000	79,853,000
8	Total Liquidity	164,938,627	134,390,672	138,683,346	129,310,464	174,978,602
9	Days Liquidity on Hand (TTM)	75	61	57	49	60
10	Gross Margin	8%	11%	1%	-0.1%	-1%
11	Net Margin	5%	8%	-1%	-3%	-4%

Percentage Change from Prior Quarter

Working Capital	3%	32%	22%	-30%	-14%
Current Ratio	6%	29%	-26%	0%	-8%
Days Sales Outstanding	1%	3%	-8%	-9%	-4%
Equity	4%	34%	-2%	-10%	-14%
Equity to Assets %	6%	27%	-39%	28%	-11%
Available Cash	26%	-36%	81%	-50%	92%
Available Line of Credit	0%	0%	-50%	100%	0%
Total Liquidity	12%	-19%	3%	-7%	35%
Days Liquidity on Hand (TTM)	11%	-18%	-7%	-14%	24%



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		