

Financial Dashboard

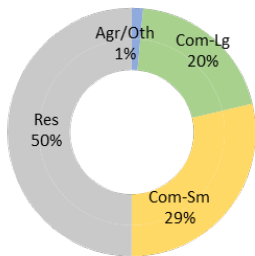
YTD
Sept
2023

Active Accounts
1,006,407

Participation Rate
93.3%

YTD Sales Volume
3,079 GWh

Sept Volume
895 GWh



Summary of Financial Results

in \$000,000's	September				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Operating Revenues	141.8	161.6	-19.8	-12%	483.4	512.0	-28.6	-6%
Cost of Energy	152.1	164.7	-12.6	-8%	467.0	469.0	-2.0	0%
Revenues Less Energy Cost	-10.3	-3.1	-7.2	234%	16.5	43.0	-26.5	-62%
Operating Expenses	3.5	4.3	-0.7	-17%	10.0	12.8	-2.8	-22%
Operating Income	-13.8	-7.3	-6.5	89%	6.5	30.3	-23.8	-79%

Note: Numbers may not sum up due to rounding.

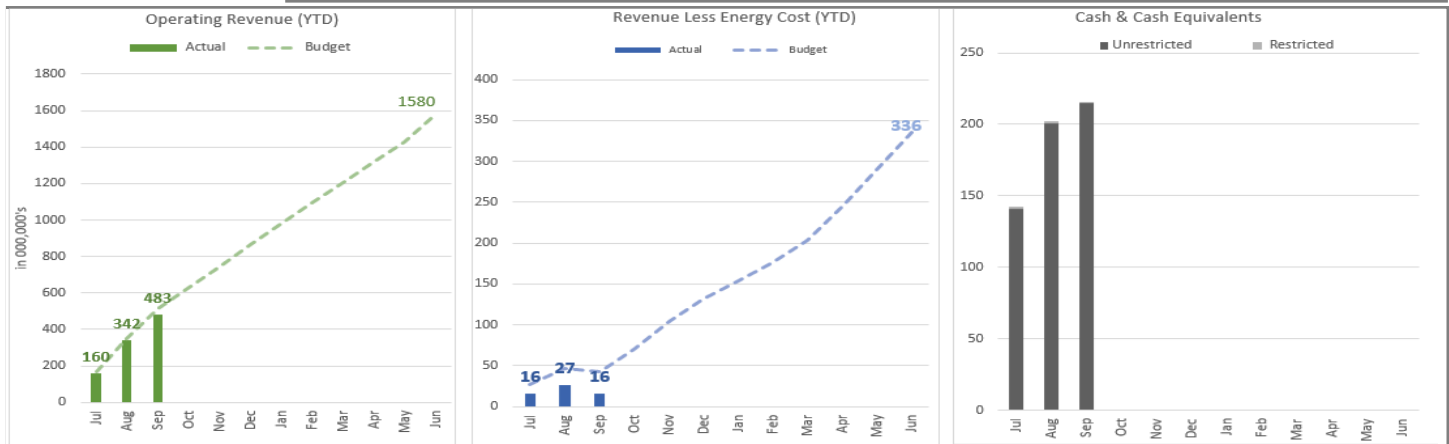
CPA recorded an operating loss of \$13.8 million in September 2023 which was \$6.5 million more than the budgeted operating loss of \$7.3 million. For the year to date, CPA recorded an operating gain of \$6.5 million, \$23.8 million or 79% less than the budgeted operating gain of \$30.3 million provided in the FY 2023/24 budget.

Year to date results were impacted by the following factors:

1. Revenues were \$483.5 million or 6% lower than budget primarily as a result of cooler than normal temperatures and less electricity used in CPA's service area in September 2023.
2. The cost of energy was \$467 million or 0.4% below the FY2023/24 budget. Cost of energy was primarily impacted by September CAISO spot market prices that were significantly lower than energy forward prices that were used for budgeting purposes and the absence of significant heat events or price spikes in CPA's service area.
3. Operating costs were 22% below budget for the year to date due to lower than budgeted spending on general and administrative expenses, customer programs and other services, and the non-utilization of contingencies.

As of September 30, 2023, CPA had \$214.6 million in unrestricted cash and cash equivalents and \$159.853 million available in its bank line of credit representing 114 Days Liquidity on Hand.

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



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 represents the difference between revenues and expenditures before interest income and expense, and capital expenditures

Cash and Cash Equivalents: Includes bank accounts and marketable securities with maturities of less than 90 days.

Year to date (YTD): Represents the fiscal period beginning July 1, 2023

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 214,637,920	\$ 98,830,346
Accounts receivable, net of allowance	178,053,347	155,511,536
Accrued revenue	95,598,809	73,173,244
Market settlements receivable	6,018,812	-
Other receivables	4,535,918	13,961,875
Prepaid expenses	2,438,081	10,512,598
Deposits	6,757,546	44,142,542
Restricted cash	1,200,000	2,400,000
Total current assets	<u>509,240,433</u>	<u>398,532,141</u>
Noncurrent assets		
Capital assets, net of depreciation	523,126	709,857
Intangible - right-to-use lease asset	2,106,016	2,488,924
Deposits	88,875	88,876
Total noncurrent assets	<u>2,718,017</u>	<u>3,287,657</u>
Total assets	<u>\$ 511,958,450</u>	<u>\$ 401,819,798</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 3,659,186	\$ 2,989,330
Accrued cost of electricity	252,430,863	196,468,151
Other accrued liabilities	3,040,288	4,068,916
User taxes and energy surcharges due to other governments	12,838,356	10,139,202
Security deposits from energy suppliers	374,700	259,675
Unearned program funds	4,592,822	3,930,813
Lease liability, current	409,017	363,658
Counterparty collateral deposit	233,280	-
Total current liabilities	<u>277,578,511</u>	<u>218,219,746</u>
Noncurrent liabilities		
Supplier security deposits	3,149,860	3,132,849
Lease liability, noncurrent	2,151,166	2,560,183
Accrued Retention Incentive-N/C	129,072	-
Total noncurrent liabilities	<u>5,430,099</u>	<u>45,693,032</u>
Total liabilities	<u>\$ 283,008,609</u>	<u>\$ 263,912,778</u>
NET POSITION		
Investment in capital assets	\$ 68,959	\$ 274,939
Restricted for collateral	1,200,000	2,400,000
Unrestricted	227,680,881	135,232,081
Total net position	<u>\$ 228,949,840</u>	<u>\$ 137,907,020</u>

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THREE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Electricity sales, net	\$ 483,041,606	\$ 377,176,853
Other revenue	408,245	361,189
Total operating revenues	<u>483,449,851</u>	<u>377,538,042</u>
OPERATING EXPENSES		
Cost of electricity	466,950,144	372,887,614
Contract services	5,288,028	4,697,629
Staff compensation	4,069,451	2,791,386
General and administration	663,951	555,035
Total operating expenses	<u>476,971,573</u>	<u>380,931,665</u>
Operating income (loss)	6,478,277	(3,393,623)
NONOPERATING REVENUES (EXPENSES)		
Interest income	1,124,252	190,780
Interest and related expenses	(184,451)	(125,492)
Interest expense - lease	(15,758)	(17,873)
Total nonoperating revenues (expenses)	<u>924,043</u>	<u>47,414</u>
CHANGE IN NET POSITION	7,402,320	(3,346,208)
Net position at beginning of period	221,547,520	141,253,228
Net position at end of period	<u>\$ 228,949,840</u>	<u>\$ 137,907,020</u>

CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED SEPTEMBER 30, 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)	\$ 6,478,277	\$ (3,393,623)
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	50,390	54,525
Amortization expense	95,727	95,727
Revenue adjusted for allowance for uncollectible accounts	6,853,739	5,495,854
(Increase) decrease in:		
Accounts receivable	(61,648,032)	(64,436,618)
Energy market settlements receivable	(6,018,812)	-
Other receivables	(3,707,502)	(6,302,411)
Accrued revenue	(8,369,145)	(17,676,453)
Prepaid expenses	43,714,769	(4,374,194)
Deposits	9,193,760	(18,027,012)
Increase (decrease) in:		
Accounts payable	(3,349,775)	(1,536,984)
Energy market settlements payable	(988,634)	(8,623,026)
Accrued cost of electricity	93,433,613	121,461,970
Other accrued liabilities	320,072	1,631,290
User taxes due to other governments	4,267,499	4,112,844
Supplier security deposits	180,000	(4,524,976)
Unearned program funds	240,338	426,780
Counterparty collateral deposit	233,280	-
Net cash provided (used) by operating activities	<u>80,979,563</u>	<u>4,383,694</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Loan proceeds	-	60,000,000
Principal payments on loan	-	(20,000,000)
Interest and related expense payments	(109,446)	(91,446)
Net cash provided (used) by non-capital financing activities	<u>(109,446)</u>	<u>39,908,554</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to acquire capital assets	(28,544)	(90,125)
Payments on lease (for both principal and interest)	(114,784)	(100,228)
Net cash provided (used) by capital and related financing activities	<u>(143,327)</u>	<u>(190,353)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	1,124,252	190,780
Net cash provided (used) by investing activities	<u>1,124,252</u>	<u>190,780</u>
Net change in cash and cash equivalents	81,851,041	44,292,675
Cash and cash equivalents at beginning of period	133,986,879	56,937,672
Cash and cash equivalents at end of period	<u>\$ 215,837,920</u>	<u>\$ 101,230,346</u>
Reconciliation to the Statement of Net Position		
Cash and cash equivalents (unrestricted)	\$ 214,637,920	\$ 98,830,346
Restricted cash	1,200,000	2,400,000
Cash and cash equivalents	<u>\$ 215,837,920</u>	<u>\$ 101,230,346</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
FOR THREE MONTHS ENDED SEPTEMBER 30, 2023**

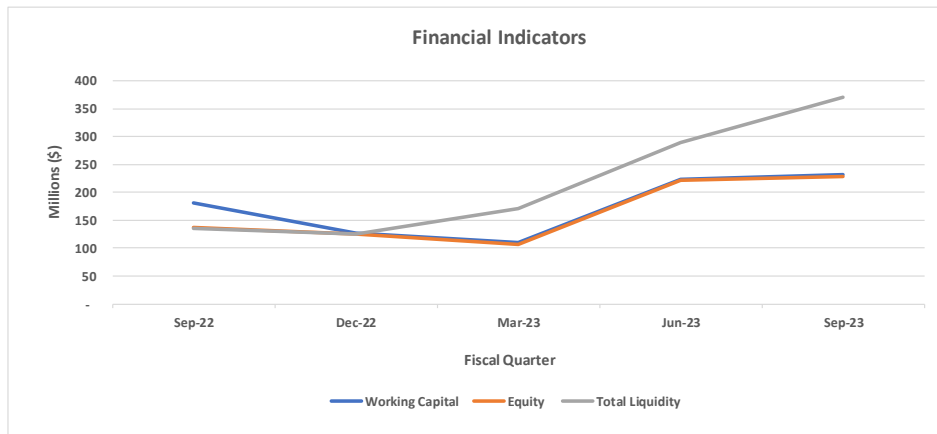
	2023/24 YTD Budget	2023/24 YTD Actual	2023/24 YTD Budget Variance (Under) Over	2023/24 YTD Actual / Budget %	2023/24 Budget	2023/24 Remaining Budget	2023/24 Remaining Budget %
Operating revenues							
Revenue - electricity, net	\$ 511,206,712	\$ 483,041,605	\$ (28,165,107)	94%	\$ 1,576,284,820	\$ 1,093,243,215	69%
Other revenues	795,854	408,245	(387,609)	51%	3,238,179	2,829,934	87%
Total operating revenues	512,002,566	483,449,850	(28,552,716)	94%	1,579,523,000	1,096,073,149	69%
Energy costs							
Energy procurement	468,958,089	466,950,144	(2,007,945)	100%	1,243,338,000	776,387,856	62%
Total energy costs	468,958,089	466,950,144	(2,007,945)	100%	1,243,338,000	776,387,856	62%
Operating revenues less energy costs	43,044,477	16,499,706	(26,544,771)	38%	336,185,000	319,685,294	95%
Operating Expenditures							
Staffing	4,694,260	4,069,451	(624,809)	87%	20,072,000	16,002,549	80%
Technical services	526,075	419,648	(106,427)	80%	1,809,000	1,389,352	77%
Legal services	263,490	144,771	(118,719)	55%	1,054,000	909,229	86%
Other professional services	622,900	241,653	(381,248)	39%	1,975,000	1,733,348	88%
Communications and outreach	544,910	509,924	(34,986)	94%	2,157,000	1,647,076	76%
Mailers	355,200	250,105	(105,095)	70%	1,023,000	772,895	76%
Billing data manager	2,782,960	2,626,637	(156,323)	94%	11,262,000	8,635,363	77%
SCE services	528,075	525,601	(2,474)	100%	2,165,000	1,639,399	76%
Customer programs	1,401,720	569,688	(832,032)	41%	9,643,000	9,073,312	94%
General and administrations	1,071,137	663,951	(407,186)	62%	4,501,000	3,837,049	85%
Total operating expenditures	12,790,727	10,021,429	(2,769,298)	78%	55,661,000	45,639,571	82%
Operating income	30,253,750	6,478,277	(23,775,473)	21%	280,524,000	274,045,723	98%
Non-operating revenues (expenditures)							
Interest income	585,900	1,124,252	538,352	192%	4,314,000	3,189,748	74%
Finance and interest expense	(393,760)	(200,209)	193,551	51%	(1,563,000)	(1,362,791)	87%
Total non-operating revenues (expenditures)	192,140	924,043	731,903	481%	2,751,000	1,826,957	
Change in net position	30,445,890	7,402,320	(23,043,570)		283,275,000	275,872,679	97%
Other uses							
Capital outlay	94,500	28,544	(65,956)	30%	378,000	349,456	92%
Depreciation and Amortization	(181,640)	(146,117)	35,523	80%	(719,000)	(572,883)	80%
Total other uses	(87,140)	(117,574)	(30,434)	135%	(341,000)	(223,426)	66%
Change in fund balance	\$ 30,533,030	\$ 7,519,894	\$ (23,013,137)	25%	\$ 283,616,000	\$ 276,096,106	

Select Financial Indicators

Note		Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
1	Working Capital	180,312,395	126,977,470	109,673,582	224,117,857	231,661,922
2	Current Ratio	1.8	1.8	1.7	2.2	1.8
3	Days Sales Outstanding	38	34	33	39	34
4	Equity	137,907,020	124,519,649	107,148,653	221,547,520	228,949,840
5	Equity to Assets %	34%	44%	39%	54%	45%
6	Adjusted Unrestricted Cash	95,697,497	46,324,615	91,975,742	129,442,319	210,880,080
7	Available Line of Credit	39,853,000	79,853,000	79,853,000	159,853,000	159,853,000
8	Total Liquidity	135,550,497	126,177,615	171,828,742	289,295,319	370,733,080
9	Days Liquidity on Hand (TTM)	55	48	59	97	114
10	Gross Margin	1%	-0.1%	-1%	10%	3%
11	Net Margin	-1%	-3%	-4%	7%	2%

Percentage Change from Prior Quarter

Working Capital	22%	-30%	-14%	104%	3%
Current Ratio	-26%	0%	-8%	33%	-17%
Days Sales Outstanding	-8%	-9%	-4%	17%	-13%
Equity	-2%	-10%	-14%	107%	3%
Equity to Assets %	-39%	28%	-11%	39%	-17%
Adjusted Unrestricted Cash	101%	-52%	99%	41%	63%
Available Line of Credit	-50%	100%	0%	100%	0%
Total Liquidity	6%	-7%	36%	68%	28%
Days Liquidity on Hand (TTM)	-5%	-14%	25%	64%	18%



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 less supplier deposits		