

Financial Dashboard

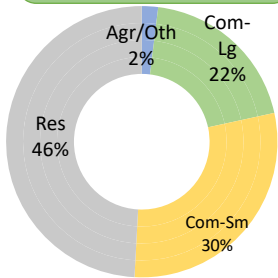
YTD
Dec
2023

Active Accounts
1,007,478

Participation Rate
93.3%

YTD Sales Volume
5,701 GWh

Dec Volume
839 GWh



Summary of Financial Results

in \$000,000's	December				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Operating Revenues	107.4	120.2	-12.9	-11%	814.4	862.9	-48.5	-6%
Cost of Energy	94.6	92.5	2.2	2%	742.6	731.1	11.5	2%
Revenues Less Energy Cost	12.7	27.8	-15.0	-54%	71.8	131.8	-60.0	-46%
Operating Expenses	3.3	4.2	-0.9	-21%	20.0	25.8	-5.8	-23%
Operating Income	9.4	23.6	-14.1	-60%	51.8	106.0	-54.2	-51%

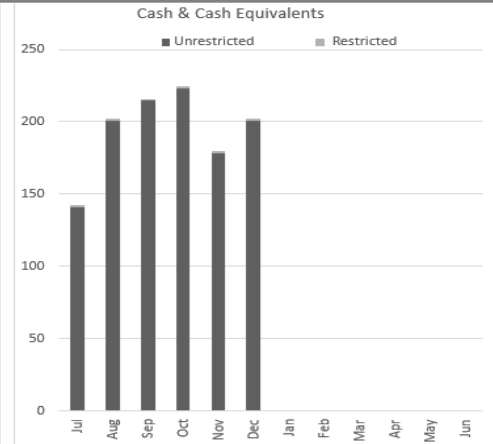
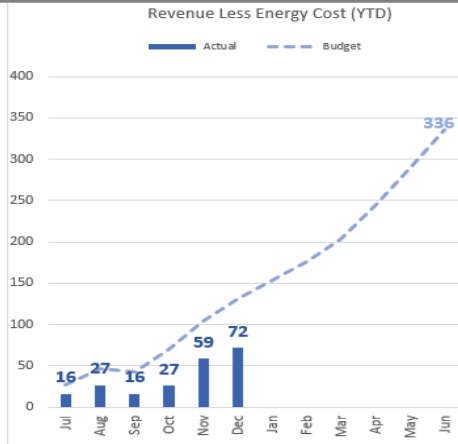
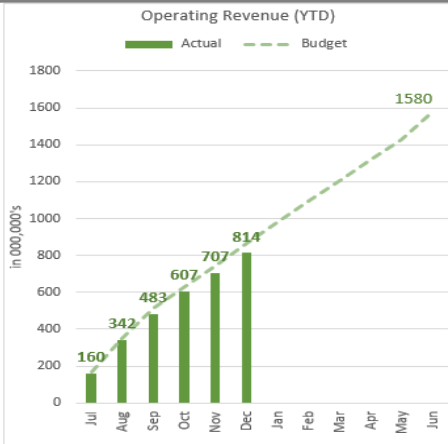
Note: Numbers may not sum up due to rounding.

In December 2023, CPA recorded an operating gain of \$9.4 million, 60% or \$14.1 million less than the budgeted operating gain of \$23.6 million. The financial results were negatively impacted lower electric use and revenue than budgeted resulting from warmer than normal weather which reduced electric heating use and fewer cloudy days than normal which increased behind the meter solar production.

For the year-to-date CPA recorded net income of \$51.8 million, 51% or \$54.2 million below budget. CPA's financial results were negatively impacted by cooler than normal temperatures in August, September, November and December 2023 which reduced revenues and resulted in losses on certain energy hedges and by an increase in the 2023 Market Price Benchmark promulgated by the CPUC in early October 2023 which is used to calculate certain renewable energy purchase costs in calendar year of 2023. Absent of the CPUC price benchmark adjustment, the cost of energy would have been \$715 million or 2% below budget. Operating costs were 23% 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 December 31, 2023, CPA had unrestricted cash, cash equivalents, and investments of \$240.9 million, and \$159.853 million available in its bank line of credit representing 118 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 DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 200,966,884	\$ 49,457,464
Accounts receivable, net of allowance	143,049,005	114,647,063
Accrued revenue	75,149,613	53,579,027
Other receivables	2,915,486	20,717,137
Prepaid expenses	2,231,976	4,869,439
Deposits	15,195,259	34,849,518
Investments	40,000,000	-
Restricted cash	1,200,000	2,400,000
Total current assets	<u>480,708,225</u>	<u>280,519,647</u>
Noncurrent assets		
Capital assets, net of depreciation	703,152	653,517
Intangible - right-to-use lease asset	2,010,289	2,393,197
Deposits	88,875	88,875
Total noncurrent assets	<u>2,802,316</u>	<u>3,135,589</u>
Total assets	<u>\$ 483,510,541</u>	<u>\$ 283,655,236</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 2,678,412	\$ 4,245,080
Accrued cost of electricity	178,265,605	134,730,208
Other accrued liabilities	3,114,561	2,748,289
User taxes and energy surcharges due to other governments	10,812,496	8,045,585
Security deposits from energy suppliers	3,145,500	297,915
Unearned program funds	4,218,633	3,094,669
Lease liability, current	414,926	380,430
Counterparty collateral deposit	116,640	-
Total current liabilities	<u>202,766,772</u>	<u>153,542,177</u>
Noncurrent liabilities		
Supplier security deposits	2,440,060	3,132,849
Lease liability, noncurrent	2,045,635	2,460,561
Accrued Retention Incentive-N/C	261,561	-
Total noncurrent liabilities	<u>4,747,257</u>	<u>5,593,410</u>
Total liabilities	<u>\$ 207,514,029</u>	<u>\$ 159,135,587</u>
NET POSITION		
Investment in capital assets	\$ 252,880	\$ 205,723
Restricted for collateral	1,200,000	2,400,000
Unrestricted	274,543,632	121,913,926
Total net position	<u>\$ 275,996,512</u>	<u>\$ 124,519,649</u>

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

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Electricity sales, net	\$ 813,632,690	\$ 608,016,496
Other revenue	813,169	1,197,332
Total operating revenues	<u>814,445,859</u>	<u>609,213,828</u>
OPERATING EXPENSES		
Cost of electricity	742,637,969	609,676,090
Contract services	10,220,112	9,369,926
Staff compensation	8,476,909	5,930,953
General and administration	1,321,704	1,119,257
Total operating expenses	<u>762,656,694</u>	<u>626,096,226</u>
Operating income (loss)	51,789,165	(16,882,397)
NONOPERATING REVENUES (EXPENSES)		
Interest income	3,010,977	520,945
Interest and related expenses	(320,230)	(336,877)
Interest expense - lease	(30,920)	(35,251)
Total nonoperating revenues (expenses)	<u>2,659,827</u>	<u>148,818</u>
CHANGE IN NET POSITION	54,448,992	(16,733,580)
Net position at beginning of period	221,547,520	141,253,228
Net position at end of period	<u>\$ 275,996,512</u>	<u>\$ 124,519,648</u>

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

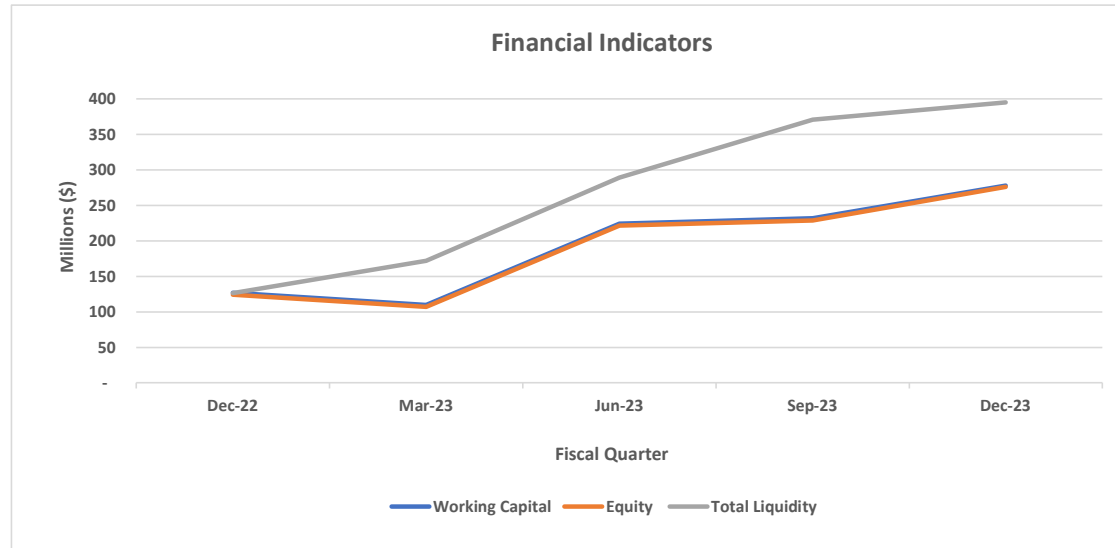
	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Net operating income (loss)	\$ 51,789,165	\$ (16,882,397)
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation expense	105,422	110,866
Amortization expense	191,454	191,454
Revenue adjusted for allowance for uncollectible accounts	18,606,127	10,601,906
(Increase) decrease in:		
Accounts receivable	(38,396,078)	(28,678,197)
Other receivables	(2,087,070)	(13,057,672)
Accrued revenue	12,080,051	1,917,764
Prepaid expenses	43,920,873	1,268,965
Deposits	756,047	(8,733,988)
Increase (decrease) in:		
Accounts payable	(4,330,550)	(281,235)
Energy market settlements payable	2,617,484	11,928,247
Accrued cost of electricity	15,662,236	39,172,754
Other accrued liabilities	575,856	355,205
User taxes due to other governments	2,241,639	2,019,228
Supplier security deposits	2,241,000	(4,486,736)
Unearned program funds	(133,851)	(409,364)
Counterparty collateral deposit	116,640	-
Net cash provided (used) by operating activities	<u>105,956,444</u>	<u>(4,963,200)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Loan proceeds	-	60,000,000
Principal payments on loan	-	(60,000,000)
Interest and related expense payments	(294,247)	(347,372)
Net cash provided (used) by non-capital financing activities	<u>(294,247)</u>	<u>(347,372)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to acquire capital assets	(263,602)	(90,125)
Payments on lease (for both principal and interest)	(229,567)	(200,456)
Net cash provided (used) by capital and related financing activities	<u>(493,169)</u>	<u>(290,581)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(40,000,000)	
Interest income received	3,010,977	520,945
Net cash provided (used) by investing activities	<u>(36,989,023)</u>	<u>520,945</u>
Net change in cash and cash equivalents	68,180,005	(5,080,207)
Cash and cash equivalents at beginning of period	133,986,879	56,937,672
Cash and cash equivalents at end of period	<u>\$ 202,166,884</u>	<u>\$ 51,857,464</u>
Reconciliation to the Statement of Net Position		
Cash and cash equivalents (unrestricted)	\$ 200,966,884	\$ 49,457,464
Restricted cash	1,200,000	2,400,000
Cash and cash equivalents	<u>\$ 202,166,884</u>	<u>\$ 51,857,464</u>

**CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
FOR SIX MONTHS ENDED DECEMBER 31, 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	\$ 861,337,804	\$ 813,632,690	\$ (47,705,114)	94%	\$ 1,576,284,820	\$ 762,652,131	48%
Other revenues	1,591,709	813,169	(778,540)	51%	3,238,179	2,425,011	75%
Total operating revenues	862,929,513	814,445,859	(48,483,654)	94%	1,579,523,000	765,077,141	48%
Energy costs							
Energy procurement	731,106,137	742,637,969	11,531,832	102%	1,243,338,000	500,700,031	40%
Total energy costs	731,106,137	742,637,969	11,531,832	102%	1,243,338,000	500,700,031	40%
Operating revenues less energy costs	131,823,375	71,807,890	(60,015,485)	54%	336,185,000	264,377,110	79%
Operating Expenditures							
Staffing	9,614,000	8,476,909	(1,137,091)	88%	20,072,000	11,595,091	58%
Technical services	899,225	651,163	(248,062)	72%	1,809,000	1,157,837	64%
Legal services	526,990	315,702	(211,288)	60%	1,054,000	738,298	70%
Other professional services	1,148,980	495,167	(653,813)	43%	1,975,000	1,479,833	75%
Communications and outreach	1,089,840	755,401	(334,439)	69%	2,157,000	1,401,599	65%
Mailers	796,440	456,536	(339,905)	57%	1,023,000	566,465	55%
Billing data manager	5,587,660	5,357,069	(230,591)	96%	11,262,000	5,904,931	52%
SCE services	1,056,150	1,053,676	(2,474)	100%	2,165,000	1,111,324	51%
Customer programs	2,987,980	1,135,399	(1,852,581)	38%	9,643,000	8,507,601	88%
General and administrations	2,133,044	1,321,704	(811,340)	62%	4,501,000	3,179,296	71%
Total operating expenditures	25,840,309	20,018,725	(5,821,584)	77%	55,661,000	35,642,275	64%
Operating income	105,983,066	51,789,165	(54,193,901)	49%	280,524,000	228,734,835	82%
Non-operating revenues (expenditures)							
Interest income	1,472,430	3,010,977	1,538,547	204%	4,314,000	1,303,023	30%
Finance and interest expense	(958,210)	(351,150)	607,060	37%	(1,563,000)	(1,211,850)	78%
Total non-operating revenues (expenditures)	514,220	2,659,827	2,145,607	517%	2,751,000	91,173	3%
Change in net position	106,497,286	54,448,992	(52,048,294)	51%	283,275,000	228,826,008	81%
Other uses							
Capital outlay	189,000	263,602	74,602	139%	378,000	114,398	30%
Depreciation and Amortization	(361,310)	(296,876)	64,434	82%	(719,000)	(422,124)	59%
Total other uses	(172,310)	(33,275)	139,035	19%	(341,000)	(307,725)	90%
Change in fund balance	\$ 106,669,596	\$ 54,482,267	\$ (52,187,330)	51%	\$ 283,616,000	\$ 229,133,733	81%

Select Financial Indicators

Note		Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
1	Working Capital	126,977,470	109,673,582	224,117,857	231,661,922	277,941,452
2	Current Ratio	1.8	1.7	2.2	1.8	2.4
3	Days Sales Outstanding	34	33	39	34	32
4	Equity	124,519,649	107,148,653	221,547,520	228,949,840	275,996,512
5	Equity to Assets %	44%	39%	54%	45%	57%
6	Adjusted Unrestricted Cash	46,324,615	91,975,742	129,442,319	210,880,080	235,264,684
7	Available Line of Credit	79,853,000	79,853,000	159,853,000	159,853,000	159,853,000
8	Total Liquidity	126,177,615	171,828,742	289,295,319	370,733,080	395,117,684
9	Days Liquidity on Hand (TTM)	48	59	97	114	118
10	Gross Margin	-0.1%	-1%	10%	3%	9%
11	Net Margin	-3%	-4%	7%	2%	7%
Percentage Change from Prior Quarter						
	Working Capital	-30%	-14%	104%	3%	20%
	Current Ratio	0%	-8%	33%	-17%	29%
	Days Sales Outstanding	-9%	-4%	17%	-13%	-5%
	Equity	-10%	-14%	107%	3%	21%
	Equity to Assets %	28%	-11%	39%	-17%	28%
	Adjusted Unrestricted Cash	-52%	99%	41%	63%	12%
	Available Line of Credit	100%	0%	100%	0%	0%
	Total Liquidity	-7%	36%	68%	28%	7%
	Days Liquidity on Hand (TTM)	-14%	25%	64%	18%	3%



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		