

FINANCIAL RESERVE POLICY

It is in the interest of Clean Energy Alliance (CEA) to establish financial reserves that support long-term financial viability, provide a contingency to provide rate stability to customers, provide a source of funds for unanticipated expenditures.

Policy Guidelines

CEA shall strive to contribute 5% of revenues into an operating reserve annually with a goal of achieving a minimum 25% of revenues operating reserve.

Once the 25% operating reserve is achieved, CEA will strive to continue contributing to the operating reserve to achieve a balance of 40% of revenues.

Exceptions to this policy and spending from the operating reserves must be approved by the CEA Board.