CLEAN ENERGY ALLIANCE

Members of the public can address the Board on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda.

Speakers are limited to three (3) minutes each. Please submit a Speaker's Slip to the Board Clerk prior to the announcement of the item to be heard. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

CLEAN ENERGY ALLIANCE

Board of Directors Meeting

June 25, 2026

CLEAN ENERGY ALLIANCE

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Item 6: CEO Operational and Administrative Report

CEA Enrollment Stats

Member City	Eligible Accounts	Clean Impact – 50% Renewable	Clean Impact Plus - 75% Carbon Free	Green Impact – 100% Renewable	Participation Rate
Carlsbad	55350	208	49449	659	91%
Del Mar	3027	9	2758	71	94%
Escondido	57321	182	53503	69	94%
Oceanside	74800	238	69381	103	93%
San Marcos	38157	131	35412	70	93%
Solana Beach	7994	18	7143	164	91%
Vista	39588	98	37007	343	94%
TOTAL	**276,237**	**884**	**254,653**	**1,479**	**93%**

CEA serves a total of 257,016 customer accounts across its seven member agencies

Metrics as of June 8, 2026.

Completed Community Events

DATE	DESCRIPTION	CITY
May 28, 2026	CEA 5-Year Anniversary	Carlsbad
May 30-31st, 2026	Fiesta Del Sol	Solana Beach
June 2, 2026	Del Mar City Council Presentation	Del Mar
June 18, 2026	San Onofre Nuclear Power Plant Tour	Pendleton
June 20, 2026	NSDC NAACP Juneteenth Festival	Oceanside
June 20, 2026	AD76 Family Palooza	Escondido

CLEAN ENERGY ALLIANCE

Upcoming Community Events

DATE	DESCRIPTION	CITY
July 25, 2026	Carlsbad Food and Wine Festival	Carlsbad
August 4, 2026	National Night Out	Oceanside
August 8, 2026	Flapjacks for Backpacks	San Marcos
August 11, 2026	Vista City Council Presentation	Vista
September 30, 2026	CPUC Small & Diverse Business Expo	San Francisco
October 1, 2026	CPUC - GO 156 Supplier Diversity En Banc	San Francisco

CLEAN ENERGY ALLIANCE

Webinar - Understanding Your Bill

- English and Spanish webinar(s) were held on May 21, 2026
- Participants learned where to find their bill, how to read their bill, bill assistance options and CEA program offerings including the Rate Relief Credit
- **Recordings are available on YouTube:**

English

Spanish

CLEAN ENERGY ALLIANCE

Solar Plus and Battery Bonus Update

Member City	Solar Plus		Solar Plus Connect		Battery Bonus		Battery Bonus Connect	
Status	Active	Complete	Active	Complete	Active	Complete	Active	Complete
Carlsbad	5	1	3	0	0	3	3	7
Del Mar	0	0	1	0	0	0	1	0
Escondido	5	5	13	0	0	0	3	9
Oceanside	6	2	6	0	0	0	3	11
San Marcos	7	2	3	0	1	0	2	5
Solana Beach	2	0	1	0	0	0	1	1
Vista	5	2	7	0	1	1	4	9
TOTAL	**30**	**12**	**34**	**0**	**2**	**4**	**17**	**42**

Metrics as of June 9, 2026.

CLEAN ENERGY ALLIANCE

Connect Programs SGIP Funding

Member City	Solar Plus Connect	Battery Bonus Connect
Carlsbad	$85,120	$178,200
Del Mar	$26,032	$0
Escondido	$398,748	$237,600
Oceanside	$180,315	$246,599
San Marcos	$89,877	$158,400
Solana Beach	$25,426	$39,600
Vista	$164,972	$271,596
TOTAL	**$970,490**	**$1,131,996**

Metrics as of June 9, 2026.

CLEAN ENERGY ALLIANCE

PeakSmart Savers Participants

Member City	PeakSmart Savers Participants
Carlsbad	12
Del Mar	1
Escondido	8
Oceanside	16
San Marcos	3
Solana Beach	0
Vista	15
TOTAL	**55**

Metrics as of June 9, 2026.

CLEAN ENERGY ALLIANCE

Rate Relief Credit Opt-Downs

Member City	Commercial	Residential	Total
Carlsbad		44	44
Del Mar		2	2
Escondido	1	27	28
Oceanside		39	39
San Marcos	1	17	18
Solana Beach		2	2
Vista		15	15
TOTAL	**2**	**146**	**148**

Metrics as of June 9, 2026.

CLEAN ENERGY ALLIANCE

Risk Oversight Committee (ROC)

- The Risk Oversight Committee (ROC) met on June 16, 2026
- Staff provided an update on CEA's portfolio including energy hedges and how CEA is meeting its renewable and carbon-free energy, resource adequacy and incremental capacity obligations
- CEA is looking good to meet remaining 2026 power supply needs across all categories
- At their March 2026 meeting, the ROC received additional information on CEA's consideration of prepayment bonds.
- Staff/ROC will provide a full report at the July 30th Board Meeting
- The next quarterly ROC meeting is scheduled for September 3, 2026

CLEAN ENERGY ALLIANCE

Questions/Discussion – Item 6

Item 7: AB 2561 Public Hearing Status of Vacancies, Recruitment and Retention Efforts

AB 2561 Public Hearing

- Assembly Bill (AB) 2561 created a new obligation beginning on January 1, 2025, for public agencies to present the status of vacancies and recruitment and retention efforts
- The public hearing will be held at least once per fiscal year prior to adopting an annual budget.
- During the hearing, the public agency is required to identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.
- The law also allows recognized employee organizations an opportunity to present at the public hearing, however, CEA does not have a recognized employee organization.

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AB 2561 Public Hearing

- For Fiscal Year (FY) 2025/2026, six (6) vacancies were filled and one (1) position was created following the recruitment process in FY 2024/2025 with no current vacancies:

Position	Department	Posted	Hired	Reason for Vacancy
Exec. Assistant/Office Manager	Operations	3/5/2025	Yes	New Position
Account Services & Data Analyst	Programs/Key Accounts	1/12/2026	Yes	New Position
Contracts & Compliance Analyst	Power Supply	1/12/2026	Yes	New Position
Finance Manager	Finance	1/12/2026	Yes	New Position
Programs Analyst	Programs/Key Accounts	1/12/2026	Yes	New Position
Programs Specialist	Programs/Key Accounts	1/12/2026	Yes	New Position
Regulatory & Legislative Affairs Analyst	Regulatory/Legislative	1/12/2026	Yes	New Position

CLEAN ENERGY ALLIANCE

AB 2561 Public Hearing

- The CEA Board is being asked to authorize four (4) additional positions with approval of the FY 2026/2027 Budget
- The four (4) positions include a Rates Specialist or Analyst, a Marketing Specialist or Analyst and an HR position; the fourth position is undetermined
- Staff will report on these vacancies and recruitments periodically during the next fiscal year as well as during the next annual AB 2561 public hearing for FY 2026/2027

CLEAN ENERGY ALLIANCE

AB 2561 Public Hearing

- CEA conducts an extensive and deliberate recruitment process designed to attract, interview and select the mostly highly-qualified candidates
- CEA began FY 2025/2026 with ten (10) full-time employees and now has a total of seventeen (17) full-time employees with no employee turnover the past fiscal year.
- CEA's retention efforts include offering competitive wages, generous retirement benefits, a technology allowance, flexible spending account, generous vacation and sick time, and 11 paid holidays including a winter break
- Because CEA has been successful in filling vacant positions year and retaining its employees, no changes are being recommended to its recruitment process and retention efforts.

CLEAN ENERGY ALLIANCE

AB 2561 Public Hearing

RECOMMENDATION:

That the Clean Energy Alliance (CEA) Board of Directors (Board):

1. Conduct the Public Hearing: Open the Public Hearing, Receive Public Testimony, and Close the Public Hearing; and
2. Accept this AB 2561 Report on the status of CEA employee vacancy rates and recruitment and retention efforts.

CLEAN ENERGY ALLIANCE

Questions/Discussion – Item 7

Item 8: Regulatory Update

Clean Energy Alliance: Regulatory Update

Tim Lindl – Keyes & Fox LLP

June 25, 2026

KEYES&FOX LLP

Overview

- Power Charge Indifference Adjustment (PCIA) Rulemaking (R.25-02-005)
- SDG&E General Rate Case (A.26-06-015)

PCIA Rulemaking

Track	Scope	Event	Date
One	RA Market Price Benchmark Methodology Change	Complete – D.25-06-049	June 27, 2025
Two	Pre-2019 Banked Renewable Energy Certificate Valuation	Evidentiary Hearing	June 2
		Briefing	June 16, 25
		Decision (PD by Aug 17)	September 17
Three	Broad review of PCIA methodology	Workshops	June 8-9, 15
		Comments	July 9, 16

PCIA Track 3 Workshops

- Day One: Whether blue sky ideas on indifference should be in scope
- Day Two: How to prioritize changes to the existing methodology
- Day Three: Equal access to IOU data on the PCIA

SDG&E Phase I General Rate Case

- Application 26-06-015 -- filed June 15 – a quadrennial filing
- Requests a base electric revenue requirement increase for 2028 of $72 million over its expected 2027 revenue requirement, which would increase its total electric revenue requirement to $2.9 billion, to be effective January 1, 2028.

SDG&E Phase I General Rate Case

Some issues of note:

- $314 million for capital expenses and $173.5 million in O&M expenses for wildfire mitigation and vegetation management.
- $683.6 million in distribution capital expenditures and $138.4 million for distribution O&M expenditures
- $36.06 million in capital expenditures for Grid Modernization, with $8.83 million being primarily driven by DER integration.
- SDG&E is proposing $12.1 million in capital expenditures and $48.7 million in O&M expenditures in 2028 related to electric generation, including two battery energy storage systems.

SDG&E Phase I General Rate Case

Customer Class	Total Rate Change (¢/kWh)[1]	Percentage Average Rate Change (%)
Residential	3.52	7.5%
Small Commercial	2.96	7.1%
Medium Commercial	1.11	2.8%
Large Commercial & Industrial	1.03	2.6%
Agriculture	1.33	4.9%
Streetlighting	0.67	2.4%
System Total	2.04	4.9%

QUESTIONS?

Tim Lindl
tlindl@keyesfox.com
(510) 314-8385

Questions/Discussion – Item 8

Item 9: Consider Adoption of Resolution No. 2026-033 Approving Clean Energy Alliance 2026 Integrated Resource Plan

Background

- SB 350 requires load-serving entities (LSEs) to file an Integrated Resource Plan (IRP) with the California Public Utilities Commission (CPUC) for certification. These IRPs ensure that LSEs have a plan to meet the Renewable Portfolio Standards (RPS) and greenhouse gas reduction targets established by SB 350 through 2045.
- PUC Section 454.52(b)(3) requires that the IRP of a CCA be submitted to its governing board for approval and shall achieve the following:

  (A) Economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the goals of achieving 40% reduction in GHG emissions from 1990 levels by 2030 and procure 60% renewable energy resources by December 31, 2030.

  (B) A diversified procurement portfolio consisting of both short-term and long-term electricity and electricity-related and demand reduction products.

  (C) Resource Adequacy requirements.

- CEA is submitting our IRP for Board approval today. **CEA may choose resources different from its IRP in the future, based on changing market and grid conditions.**

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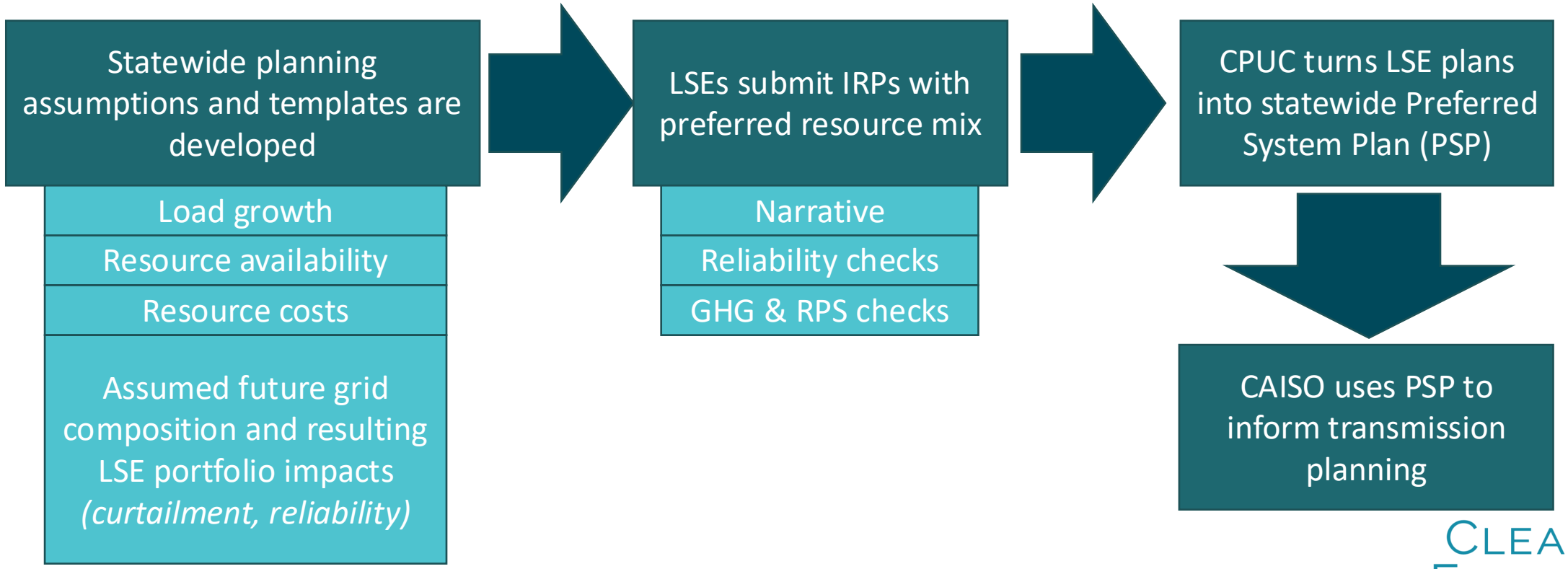
IRP Framework and Process



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CEA's Planned 2045 Resources

Resource Category	Statewide Portfolio (MW)	CEA's Proportional Share of Statewide New Resources (MW)	CEA's PCP (MW)
Geothermal	3,230	44	97
Geothermal (Enhanced)	674	9	0
Biomass	12	0	0
In-State Wind	10,949	148	104
Out-of-State Wind	19,036	257	109
Offshore Wind	-	0	0
Solar	82,732	1,117	1,395
Li-ion Battery (4-hr)	6,758	91	304
Li-ion Battery (8-hr)	21,102	285	800
Location Constrained Storage (12-hr)	8,499	115	0

CEA's IRP largely follows the State's PSP; modifications involved a slight increase in geothermal and decrease in wind, and adjustments between storage duration options.

CEA also provided context on how a lower load growth assumption would reduce procurement needs by 420MW of storage and 630Mw of solar.

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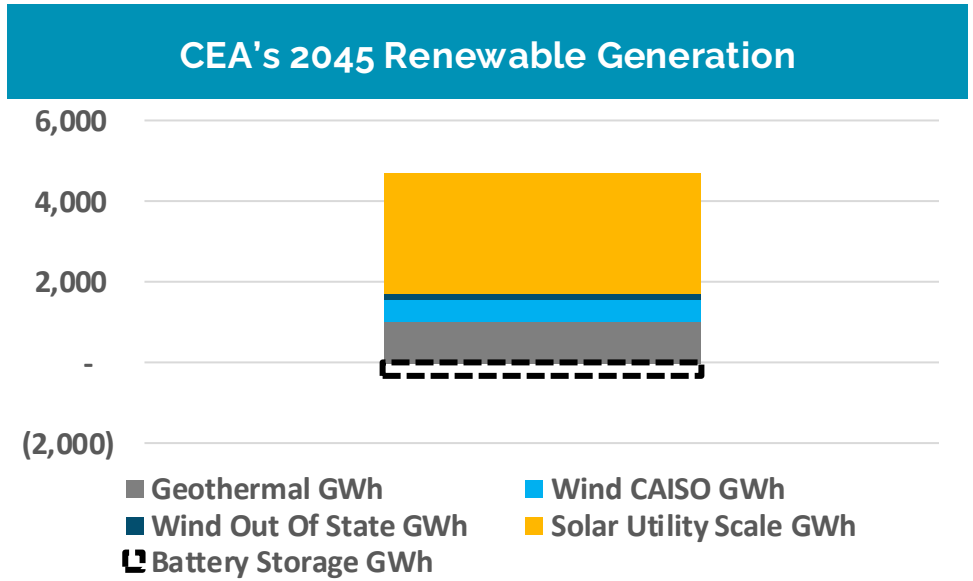
CEA's Planned Resources – RPS & Emissions



To meet CEA's projected ~4,500 GWh of demand in 2045, solar is the primary resource utilized, followed by geothermal and wind generation.

Storage charging inefficiency shows as a negative in this summary view.

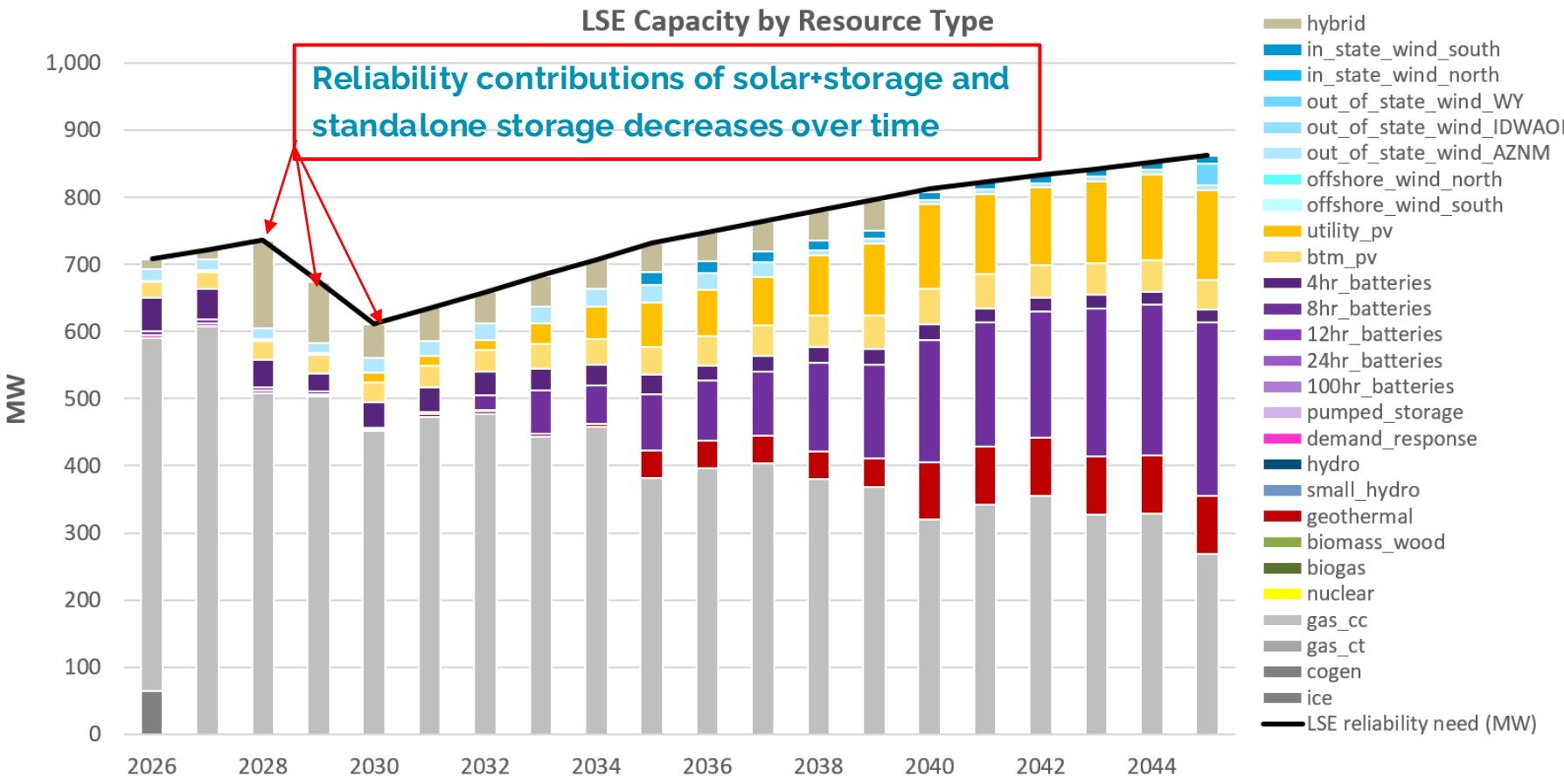
CEA's IRP meets required emissions reductions targets in 2030 through 2045.

IRP Emissions Targets (MMT/yr)

	2030	2035	2040	2045
CEA's Requirement	0.32	0.26	0.21	0.11
CEA's IRP	0.22	0.17	0.12	0.06

Clean Energy Alliance

CEA's Planned Resources - Reliability



CEA's planned resources meet reliability requirements.

Reliability requirements of the grid show continued need for 24/7 resources (currently primarily natural gas), though their day-to-day usage is anticipated to be very limited; these could be replaced in the future by clean firm resources or augmented with carbon capture.

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Questions/Discussion – Item 9

Item 10: Consider Adoption of Resolution No. 2026-034 Approving the Fiscal Year 2026/2027 Budget

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Fiscal Year 2026-2027 Operating Budget Recommendation

June 25, 2026

FY2026-2027 Budget Timeline

- Board Meeting May 28, 2026 – Initial Budget Review
  - With actual financial results through February 2026
- CAC Meeting June 11, 2026 – Final Budget Review
  - With actual financial results through February 2026
- Board Meeting June 25, 2026 – Final Budget Recommendation
  - With actual financial results through April 2026

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Financial Performance Projected through June 30, 2026

	Year-to-date			Full Year		
	YTD Actual through 4/30/2026	YTD Budget through 4/30/2026	Variance: Favorable / (Unfavorable)	Full Year Forecast FY2025-2026	Full Year Budget FY2025-2026	Variance: Favorable / (Unfavorable)
Total Operating Revenues	$322,435,204	$324,304,196	($1,868,992)	$381,090,001	$383,146,909	($2,056,908)
OPERATING EXPENSES						
Total Cost of Goods Sold (Energy Expense)	260,511,175	285,382,303	24,871,127	311,418,164	333,540,321	22,122,157
Other Operating Expenses (excluding COGS)	9,171,027	11,162,665	1,991,638	11,198,765	13,363,246	2,164,480
Total Operating Expenses	$269,682,202	$296,544,967	$26,862,766	$322,616,930	$346,903,567	$24,286,637
OPERATING INCOME/(LOSS)	$52,753,002	$27,759,229	$24,993,773	$58,473,071	$36,243,342	$22,229,730
NON-OPERATING REVENUES (EXP.)			-			-
Total Nonoperating Income/(Expense)	603,088	(318,611)	921,699	912,714	(380,692)	1,293,405
			-			-
CHANGE IN NET POSITION	$53,356,090	$27,440,618	$25,915,472	$59,385,785	$35,862,650	$23,523,135
Beginning Net Position	$21,379,112			$21,379,112	$14,787,266	
Ending Net Position	$74,735,203			$80,764,898	$50,649,916	
Days Liquidity on Hand	116			112	81	

Key Observations for Full Year (FY2026)

- Current forecast is to end the year with Change in Net Assets of $59.4 million
  - $23.5 million above Budget
  - End year with positive $80.8 million of Net Position
  - DLOH at 112 versus Budget of 81
- Revenues slightly below Budget
  - $2.1 million (0.5% below Budget)
- Energy expenses
  - Forecast of $22.1 million below Budget
  - Some components above Budget and some below Budget
  - Contingency mostly not needed this fiscal year as prices stayed unusually low for most of the year
- Other Expenses
  - Forecast of $2.2 million below Budget
  - Expenses at 2.9% of revenues

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FY2026-2027 Budget Detail

Key Assumptions

- Rates
  - Assuming no change in rates from current levels through the 5-year projection
  - Note: CalCCA rate projections show potential for significant SDG&E generation rate decrease next year
- Revenues
  - Assumes $0.8 million of rate credit per month through December 2026 related to Rate Relief credit
  - No load growth (for conservatism)
  - Customers – number, mix and usage all flat
- Programs Budget –
  - Targeting 3% of Revenues at end of 5 years (other CCAs are 3-5%)
  - FY2027 - $0.5 million (0.1% of revenues)
  - FY2028 - $2.5 million (0.7%)
  - FY2029 - $5.0 million (1.3%)
  - FY2030 - $8.0 million (2.1%)
  - FY2031 - $11.7 million (3.1%)

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Key Assumptions – Staffing

- Staffing and Administration
  - Today – 17 positions

  Assume: 4 new positions in Budget year
  - Rates Specialist or Analyst
  - HR Part-time
  - Marketing Specialist or Analyst
  - Employee 4 (TBD)

Key Assumptions – Energy Costs

- Contingency
  - Includes 10% contingency
  - Approximately $25-28 million per year
- NEM Expenses
  - Assuming 20% growth in FY27 over FY26 estimate
  - FY25 growth was 40%
  - FY26 growth forecasted to be 40%
  - FY28 to FY31 - 10% growth

Other Observations – Energy Costs

- RA – Had to buy 2 years ahead when prices were high – impact expected to be seen in higher prices in FY2026/27
- Base Energy costs – similar to RA in that we are still impacted by hedge contracts bought 2 years earlier when prices were much higher
- RECs
  - Higher in FY27 and FY28 reflecting higher RE percentage
    - CY26 – 55%
    - CY27 – 60%
    - CY28 – 75%
    - CY31 – 90%
  - FY29 jump related to Darden project starting

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Bad Debt Assumptions

- CEA has been accruing 1% of revenues as bad debt expense for accounting/audit purposes
  - More than adequate accrual to cover any bad debts or write-off
- Arrearages for slow collections remain low

Arrearages Update

Clean Energy Alliance
Residential Account Aged Receivables Analysis
June 9, 2026 Aging Report

Table 1 - Outstanding Balances By Aging Groups For Active and Closed Accounts

# of Days	Active Account Outstanding Balances		Closed Account Outstanding Balances		Total	
	#	$	#	$	#	$
31-60	32,104	$ 1,175,277	2,956	$ 73,133	35,060	$ 1,248,410
61-90	29,456	$ 1,104,973	3,041	$ 84,274	32,497	$ 1,189,248
91-120	26,312	$ 1,214,407	3,411	$ 112,521	29,723	$ 1,326,928
121-150	19,792	$ 992,977	3,082	$ 94,566	22,874	$ 1,087,544
151-180	17,147	$ 810,858	3,088	$ 115,446	20,235	$ 926,303
181-210	14,345	$ 1,149,068	2,823	$ 232,085	17,168	$ 1,381,153
>210	11,988	$ 3,842,232	19,697	$ 5,662,168	31,685	$ 9,504,399
TOTAL	**151,144**	**$ 10,289,792**	**38,098**	**$ 6,374,193**	**189,242**	**$ 16,663,985**

Table 2 - Active and Closed Accounts With Balances Over 30 Days Past Due

City	# Active Accounts	Active ($)	# Closed Accounts	Closed ($)	# Total Accounts	Total ($)
Carlsbad	5,724	$ 1,775,157	5,137	$ 1,109,554	10,861	$ 2,884,712
Del Mar	209	$ 64,221	248	$ 61,131	457	$ 125,352
Escondido	10,546	$ 3,095,284	6,912	$ 2,345,507	17,458	$ 5,440,791
Oceanside	10,006	$ 2,115,240	5,616	$ 1,036,266	15,622	$ 3,151,506
San Marcos	5,869	$ 1,614,827	3,596	$ 931,420	9,465	$ 2,546,247
Solana Beach	576	$ 142,735	791	$ 132,865	1,367	$ 275,600
Vista	6,295	$ 1,482,327	3,635	$ 757,450	9,930	$ 2,239,777
TOTAL	**39,225**	**$ 10,289,792**	**25,935**	**$ 6,374,193**	**65,160**	**$ 16,663,985**

- **Table 1** includes the count of outstanding balances and dollar amount by aging group.
- **Table 2** includes the number of account holders and balances with outstanding balances in any of the aging groups in Table 1 by City. A single account holder could have balances in more than one or all aging buckets.
- The total **189,242** outstanding balances are from **65,160** accounts – only **39,225** active accounts.

Of the **39,225** Active accounts, only **15,859** (40%) are not on a payment plan and have not made a payment in the last 90 days. 60% of account holders are still actively making payments.

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Arrearages Update – 91+ Days Past Due

Table 1 - Accounts With Balances 91+ Days Past Due

City	# Days	# Active Accounts	# Closed Accounts	Total Residential CEA Customers	% of Active in Arrears 91+ days
Carlsbad	91+	4,456	4,861	43,483	10.25%
Del Mar	91+	141	234	2,415	5.84%
Escondido	91+	7,258	6,472	46,864	15.49%
Oceanside	91+	6,777	4,913	63,465	10.68%
San Marcos	91+	4,142	3,279	30,875	13.42%
Solana Beach	91+	308	729	6,161	5.00%
Vista	91+	4,324	3,197	32,586	13.27%
TOTAL		**27,406**	**23,685**	**225,849**	**12.13%**

Table 2 - Active Accounts With No Payment in Last 90 Days

City	# Days	# Active Accounts	Total Residential CEA Customers	% of Active in Arrears 91+ days
Carlsbad	91+	2,746	43,483	6.32%
Del Mar	91+	96	2,415	3.98%
Escondido	91+	3,112	46,864	6.64%
Oceanside	91+	3,171	63,465	5.00%
San Marcos	91+	2,222	30,875	7.20%
Solana Beach	91+	175	6,161	2.84%
Vista	91+	1,894	32,586	5.81%
TOTAL		**13,416**	**225,849**	**5.94%**

- **Table 1** includes the number of accounts with a balance 91+ days outstanding and the percentage active accounts make up of the total residential customer base by City.
- **Table 2** includes the number of account holders by City not on a payment plan that have not made a payment in the last 90 days.
- Of the total **27,406** active accounts with a balance 91+ days outstanding, **13,416** (49%) are not on a payment plan and have not made a payment in the last 90 days.

CLEAN ENERGY ALLIANCE

Arrearages Update – Write Offs

- **CEA Collections Policy 5.3:** Any overdue CEA charges totaling $19.99 or less which have not been paid by the customer and are no longer being collected by SDG&E may be considered bad debt and written off.

Clean Energy Alliance
Residential Account Aged Receivables Analysis
June 9, 2026 Aging Report

Outstanding Balances By Aging Groups For Active and Closed Accounts

# of Days	Active Account Outstanding Balances		Closed Account Outstanding Balances		Total	
	#	$	#	$	#	$
31-60	32,104	$ 1,175,277	2,956	$ 73,133	35,060	$ 1,248,410
61-90	29,456	$ 1,104,973	3,041	$ 84,274	32,497	$ 1,189,248
91-120	26,312	$ 1,214,407	3,411	$ 112,521	29,723	$ 1,326,928
121-150	19,792	$ 992,977	3,082	$ 94,566	22,874	$ 1,087,544
151-180	17,147	$ 810,858	3,088	$ 115,446	20,235	$ 926,303
181-210	14,345	$ 1,149,068	2,823	$ 232,085	17,168	$ 1,381,153
>210	11,988	$ 3,842,232	19,697	$ 5,662,168	31,685	$ 9,504,399
TOTAL	**151,144**	**$ 10,289,792**	**38,098**	**$ 6,374,193**	**189,242**	**$ 16,663,985**

# of Days	Active Account Outstanding Balances			
	Under $19.99	Balance	*Under $49.99*	*Balance*
31-60	11,356	$ 120,675	*25,136*	*$ 568,408*
61-90	9,720	$ 106,242	*22,825*	*$ 534,035*
91-120	6,570	$ 74,169	*18,126*	*$ 459,515*
121-150	3,986	$ 45,800	*12,513*	*$ 335,400*
151-180	3,765	$ 42,978	*11,451*	*$ 303,293*
181-210	2,100	$ 21,102	*5,635*	*$ 144,953*
>210	1,239	$ 11,117	*2,657*	*$ 60,066*
TOTAL	**38,736**	**$ 422,083**	***98,343***	***$ 2,405,670***
	26%	4%	*65%*	*23%*

# of Days	Closed Account Outstanding Balances			
	Under $19.99	Balance	*Under $49.99*	*Balance*
31-60	1,852	$ 14,121	*2,625*	*$ 38,672*
61-90	1,730	$ 13,410	*2,647*	*$ 42,943*
91-120	1,824	$ 14,475	*2,840*	*$ 47,498*
121-150	1,565	$ 12,669	*2,557*	*$ 44,884*
151-180	1,387	$ 11,720	*2,475*	*$ 46,955*
181-210	523	$ 5,163	*1,245*	*$ 30,120*
>210	945	$ 7,935	*5,206*	*$ 149,523*
TOTAL	**9,826**	**$ 79,493**	***19,595***	***$ 400,595***
	26%	1%	*51%*	*6%*

Arrearages Update - Summary

- **151,144** active residential balances with 30+ days past due outstanding
  - **Of those, there are only 39,225** active residential account holders with those balances because most of those accounts have balances in multiple buckets
  - **Only 15,859 accounts,** or 40% of them, are not on a payment plan and/or have not made a payment in the past 90 days.
  - 60% of those with 30+ days balances are making payments.
- **27,406** (just 12.1%) of active residential account holders have a balance 91+ days past due
  - 51% of those are on a payment plan and/or have made a payment in the past 90 days
- CEA Collections Policy allows write-off for balances $19.99 or less.
  - Of the **151,144** outstanding balances, **38,736** or 26% are less than $19.99
  - If the threshold was raised to 49.99, **98,343** of the accounts with outstanding balances, or 65% of the total outstanding balances would be under that level
- CEA has been accruing 1% of revenues as bad debt expense for accounting/audit purposes
  - More than adequate accrual to cover any bad debts or write-off

CLEAN ENERGY ALLIANCE

FY 2025/2026 Year End Estimates and FY 2026/2027 Proposed Budget

	Current Year Forecast	Proposed Budget
	Total Year FY26	FY2026/2027
Total Operating Revenues	$381,090,001	$378,512,223
OPERATING EXPENSES		
Total Cost of Energy	311,418,164	337,941,430
Other Operating Expenses (excluding COGS)	11,198,765	14,344,118
Total Operating Expenses	322,616,930	352,285,548
Operating Income (Loss)	58,473,071	26,226,675
Total Nonoperating Income/(Expense)	912,714	2,032,385
CHANGE IN NET POSITION	$59,385,785	$28,259,061
Total Cash	59,077,827	85,550,324
	-	-
Days Liquidity on Hand	112	130

CLEAN ENERGY ALLIANCE

5-Year Outlook

	Proposed Budget FY2026/2027	Forecast FY2028	Forecast FY2029	Forecast FY2030	Forecast FY2031
Total Operating Revenues	$378,512,223	$383,132,856	$382,378,004	$382,220,984	$382,047,909
OPERATING EXPENSES					
Total Cost of Energy	337,941,430	311,884,458	306,977,547	303,948,011	321,881,198
Other Operating Expenses (excluding COGS)	14,344,118	17,232,154	20,689,236	24,774,243	29,591,416
Total Operating Expenses	352,285,548	329,116,611	327,666,783	328,722,254	351,472,614
Operating Income (Loss)	26,226,675	54,016,245	54,711,221	53,498,730	30,575,295
Total Nonoperating Income/(Expense)	2,032,385	2,971,049	4,242,703	5,542,096	6,614,981
CHANGE IN NET POSITION	$28,259,061	$56,987,294	$58,953,924	$59,040,826	$37,190,276
Net Position at the beginning of period	$80,764,898	$109,023,958	$166,011,252	$224,965,176	$284,006,002
Net Position at the end of period	$109,023,958	$166,011,252	$224,965,176	$284,006,002	$321,196,278
Days Liquidity on Hand	130	203	266	330	349

Recommendation

That the Clean Energy Alliance (CEA) Board of Directors (Board) adopt Resolution No. 2026-034 approving the Fiscal Year 2026/2027 Budget.

Questions/Discussion – Item 10