

A photograph of a wind farm on a grassy hill. Two large white wind turbines are visible against a bright blue sky with scattered white clouds. The foreground is a green, grassy slope. A semi-transparent blue rectangular overlay covers the middle portion of the image, containing the title and date. A thin green vertical bar is on the left edge of this overlay.

# General Updates

April 2024

CALIFORNIA  
COMMUNITY POWER

# Financials - 3/31/24 (Unaudited)

**CALIFORNIA COMMUNITY POWER  
BUDGETARY COMPARISON SCHEDULE  
JULY 1, 2023 THROUGH MARCH 31, 2024**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>
<b>OPERATING REVENUES</b>			
Member contributions (general)	\$ 759,044	\$ 759,044	\$ -
Project participation (FCR/LDS)	1,028,413	1,028,413	-
Total revenues	<u>1,787,457</u>	<u>1,787,457</u>	-
<b>OPERATING EXPENSES</b>			
Personnel and benefits	792,100	522,359	269,741
Professional services	490,500	164,004	326,496
Other operational expenses	99,857	43,201	56,656
Travel and events	15,000	10,902	4,098
Contract Admin (project flow-throughs)	215,000	59,640	155,360
Total operating expenses	<u>1,612,457</u>	<u>800,106</u>	<u>812,351</u>
Operating income	<u>175,000</u>	<u>987,351</u>	<u>(812,351)</u>
<b>NONOPERATING REVENUES</b>			
Investment income	-	4,746	(4,746)
<b>OTHER USES</b>			
Contribution to reserves	<u>(175,000)</u>	<u>-</u>	<u>\$ (175,000)</u>
<b>TOTAL CHANGE</b>	<u>\$ -</u>	<u>\$ 992,096</u>	

# 3/31 YTD Financial Performance<sup>1</sup>

Budget Category	Budget	Year-to-Date	Performance <sup>2</sup>
Revenues	\$1,787,457	1,787,457 (invoiced)	ON TRACK
Expenses			
Personnel and Benefits	\$792,100	\$522,359	ON TRACK
Professional Services	\$490,500	\$164,004	ON TRACK or OUTPERFORM
Other Operational Expenses, Travel and Events	\$114,857	\$54,103	ON TRACK
Contract Admin Flow-Throughs	\$215k	\$33k	ON TRACK or OUTPERFORM
G&A Reserves	\$175k	\$175k	ON TRACK

1. Unaudited financial updates provided quarterly. Member project accounts tracked, and updated quarterly.

2. Year-End Financial Forecasts will be provided for 2024-2025

# Report on General Manager Activity

## April 2024

- Contract: HR Advisory and Handbook development
  - Monthly Retainer, \$525/month
  - Solicitation: Sole-source (Bizhaven)
  - Budget Category: G&A

# Offshore Wind Updates

- CC Power *Resolution 23-06-05* approved recommendations for strategic actions towards offshore wind, potentially leading to an eventual RFO.
- MOU executed with CADEMO (March 26, 2024)
  - CADEMO: 60 MW floating offshore wind project in CA waters (near Lompoc off coast from Vandenberg Space Force Base) with 2028 anticipated COD
- MOU enables collaboration.
  - Project updates
  - Review of financial models
  - Discussion on policy activity
  - Identify supporting incentive opportunities and/or barriers
  - Collaborate on stakeholder engagement
  - Explore pathways towards an offshore wind PPA
- Parties drafting press release and will kick off collaboration meetings soon.

The background of the slide is a photograph of a wind farm. Several white wind turbines are visible, with their blades extending into a bright blue sky filled with soft, white clouds. The turbines are situated on a grassy, rolling hillside. A semi-transparent blue rectangular box is overlaid on the upper portion of the image, containing the main title and date. A thin green vertical bar is located on the left edge of this blue box.

# BTA Phase 2a Update

April 2024

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# BTA Phase 2A Project Status

- Recently Completed Activities:
  - Selected Latham & Watkins as Build Transfer Agreement (BTA) counsel
  - Selected The Energy Authority as Solicitation Vendor
  - Selected Dash Clean Energy and Panorama Energy Partners acting jointly as Owner's Engineer
- In Progress:
  - Negotiation of contracts with vendors
  - Development of pro forma PPAs and tolling agreements
  - Setting up bond financing sub-team meeting to discuss plans for bond issuance preparation
- Forthcoming Deliverables:
  - Negotiate agreement with Owner's Engineer
  - Develop BTA agreement first draft
  - Kick off meetings with vendors

# Target Project Schedule

- Secure vendors under contract – late-April
- Finalize Pro Forma Agreements – June
- Launch RFP – late-June
- Offers due – mid-August
- Shortlisting – mid-October



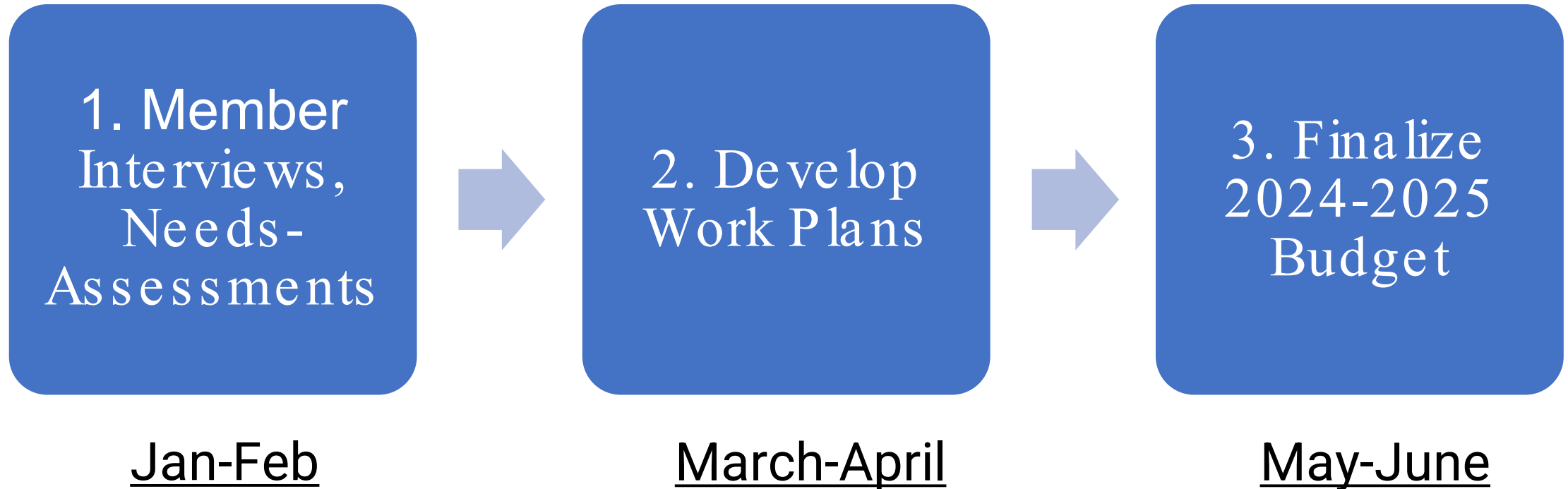
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# 2024-2025 Work-Plan and Preliminary Budget Estimate

April 2024

# Work-Planning and Budgeting Process

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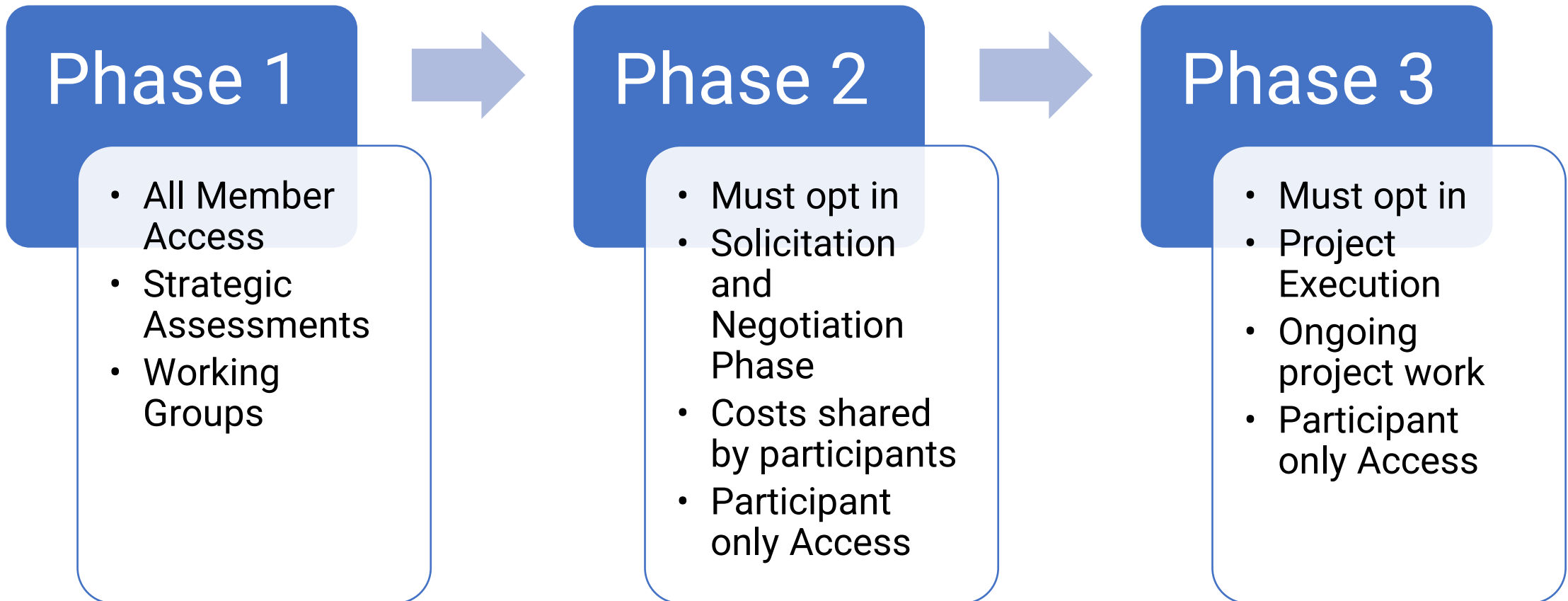


# 2024-25 Priorities

- Support and Build deal flow:
  - BTA solicitation
  - Additional RPS procurement
  - Emerging Tech explorations
  - Offshore Wind MOU Implementation
- Joint Actions, Contract Management, and Master-Service Agreements
  - RA-related projects
  - Scheduling Coordinator Agreement
  - Pre-pay preparation
  - Bulk buys
  - Grant pursuit and cost-savings actions
  - Other
- Bond issuance and credit maturation work and preparation
- Solidify CC Power in-house capabilities and long-term design:
  - More origination
  - Financial valuation / analysis
  - Project Management and Member Support
  - RA-related support
  - Operations
  - Finance

# Work-Plan Structure

Workplans fall across Phases 1, 2, and 3. Budget includes estimates of Phase 2 and 3 work (costs), even if not yet authorized.



# Work Areas for '24-'25

Work-areas were directed via the work-planning interviews and surveys.

## Phase 1

- Strategic Assessments for Power Supply related projects
- Roadmaps for supporting members with MSAs and Trainings
- Assessments of 1-2 possible program activities
- Working Groups

## Phase 2

- BTA Phase 2a and possible Phase 2b
- Pre-pay preparatory work
- Offshore Wind – further inquiry and pre-procurement work
- MSAs and RA Power Pool concepts
- Expected Bulk-Buys (Information Services)

## Phase 3

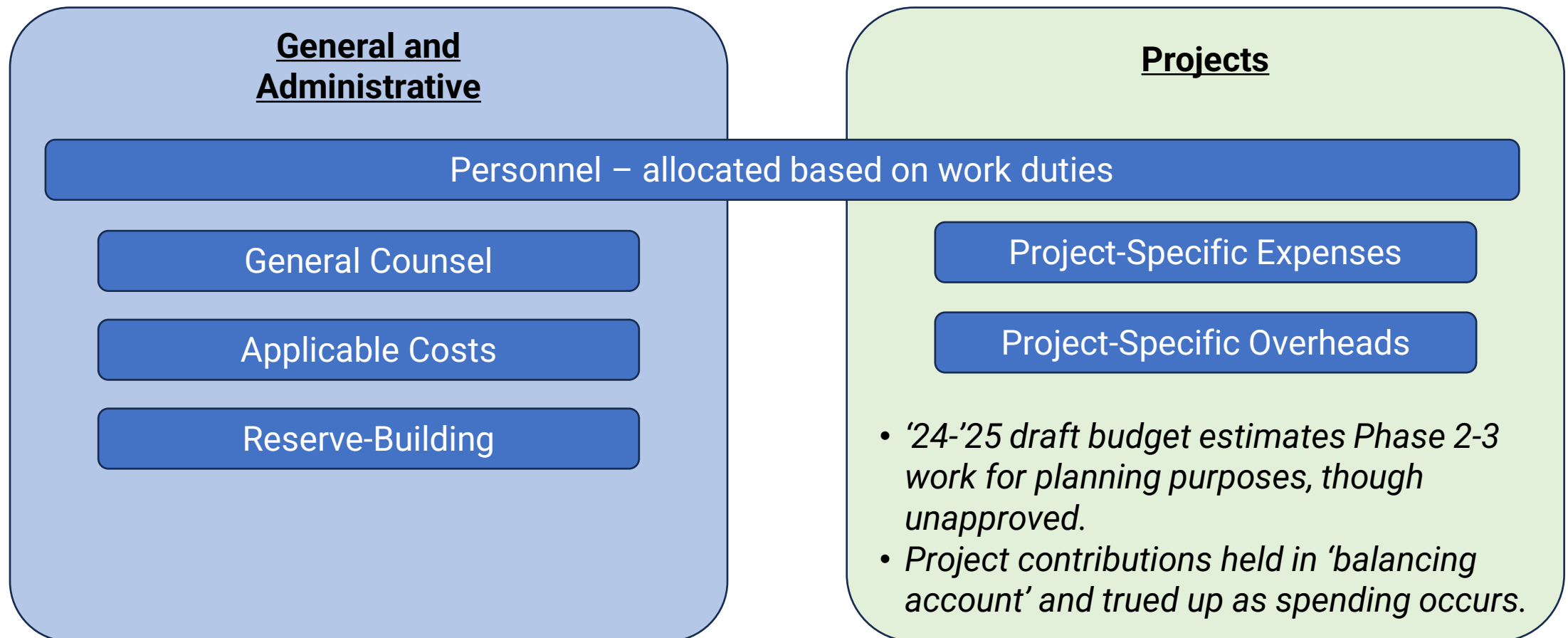
- Project and Contract Management (FCR, LDS)
- Training Services
- Recurring Project execution (Information Services)

# Additional Work Areas

- Board Event in Fall
- Continued External Engagement
- Site tours and pre-origination work
- Organizational enhancements

# CC Power Budget Approach

CC Power Budget allocates costs to both G&A and Project accounts.



# Preliminary Budget

Prelim budget includes expected Phase 2 and Phase 3 project spending. '24-'25 budget likely last budget before power projects come online.

- Prelim Budget: \$6.2M
  - \$5.0M Project (81% of proposed budget)
  - \$1.2M G&A (19% of proposed budget)
- G&A Costs include \$175k reserve-building
- Project Costs include:
  - Already approved BTA Phase 2a project (\$440k)
  - Phase 2 and 3 Workplans; example BTA Phase 2b
  - Expanded FTEs



# Comparing Proposed to Previous budget

	2024 (Prelim.)	2023	2022
G&A	\$1.2M	\$0.4M	\$0.6M
Project (budget)	\$5.0M	\$1.4M	\$0.6M
Mid-Year Project	\$0.0	\$0.6M	n/a
Total	\$6.2M	\$2.4M	\$1.1M

## Budget Details:

- \$175k in reserves
- 7.25 total FTE by end of budget cycle (5.25 increase over 2023)
- Fall Event and Board Offsite
- Project fund in 'balancing account'

## Project Budget includes:

- \$2.9M in direct cost for projects
  - Project costs allocated by project share or other criteria as appropriate (equal share, size-based share).

# FTE Considerations

Budget positions CC Power for staff increases in areas to match work-plan and improves capabilities/readiness.

- Power Supply & Origination:
  - Analyst (1)
  - Project and Contract Managers (2)
  - Director (filled)
- Operations (1)
- Finance (1)
- Data – (1)
- GM (filled)

# Draft G&A and Project Costs by Member

Project costs include BTA Phase 2a, potential Phase 2b, and other items as described earlier.

	24-25 DRAFT Budget			23-'24 Budget		
	G&A	Project Participation	Total	G&A	Project Participation	Total
<b>3CE</b>	\$132,239	\$571,893	<b>\$704,132</b>	\$84,338	\$107,469	<b>\$191,807</b>
<b>Ava</b>	\$132,239	\$456,999	<b>\$589,238</b>	\$84,338	\$-	<b>\$84,338</b>
<b>CPSF</b>	\$132,239	\$676,098	<b>\$808,337</b>	\$84,338	\$161,872	<b>\$246,210</b>
<b>PCE</b>	\$132,239	\$649,265	<b>\$781,504</b>	\$84,338	\$130,866	<b>\$215,204</b>
<b>RCEA</b>	\$132,239	\$234,632	<b>\$366,870</b>	\$84,338	\$34,503	<b>\$118,841</b>
<b>SCP</b>	\$132,239	\$570,055	<b>\$702,293</b>	\$84,338	\$130,403	<b>\$214,741</b>
<b>SJCE</b>	\$132,239	\$810,965	<b>\$943,204</b>	\$84,338	\$210,053	<b>\$294,392</b>
<b>SVCE</b>	\$132,239	\$795,658	<b>\$927,897</b>	\$84,338	\$214,116	<b>\$298,454</b>
<b>VCE</b>	\$132,239	\$268,785	<b>\$401,024</b>	\$84,338	\$39,234	<b>\$123,572</b>
	\$1,190,149	\$5,034,350	<b>\$6,224,499</b>	\$759,044	\$1,028,516	<b>\$1,787,457</b>

**DRAFT – Not Approved**

# Discussion and Next Steps

CC Power will seek final budget approval in May-June.

## Questions:

- Does the workplan seem appropriate and in line with longer-term goals/functionalities for CC Power?
- Is budgeting for Phase 2 projects helpful?

## Next Steps:

- Further tuning and vetting of cost estimates
- As appropriate, finalization and Board approval