

October 23, 2020

TO: OC CCA Interested Cities
FROM: Gary Saleba; Amber Nyquist
SUBJECT: OC CCA Preliminary *Pro Forma*
CC: Ryan Baron, Mark Steuer

Introduction

EES has completed a draft preliminary 10-year financial *pro forma* for the proposed Orange County CCA (OC CCA) joint powers authority. This *pro forma* utilizes population assumptions for the interested Orange County cities to develop CCA-wide load data, and is contingent on a final SCE 2021 PCIA amount forthcoming from the CPUC in November. Upon receiving the final PCIA, this *pro forma* will be updated and used to draft an Implementation Plan and obtain necessary financing. Key assumptions and updates for this version of the *pro forma* are summarized below.

1. The 2018 load data that was analyzed in the City of Irvine's feasibility study was the basis for this analysis and scaled based on the residential/non-residential split for potential participant scenarios, participating City populations, and non-residential usage per capital assumptions.¹ Impacts from COVID are not modeled.
2. There will be a phased launch of the JPA as is customary for all CCAs. Non-residential customers (commercial & industrial) are assumed to begin taking CCA service in April 2022 and residential customers will take service beginning October 2022. The later launch of residential customers significantly reduces the costs of resource adequacy and cash for working capital requirements.
3. 2020 SCE generation and delivery rates have been updated based on current SCE 2020 filings at the CPUC, including SCE's preliminary 2021 Energy Resource Recovery Account ("ERRA") filing. SCE's ERRA filing projects the following year's fuel and energy purchase costs. SCE generation rates for 2021 are estimated to increase by 2%.
4. Current PCIA rates and CTC rates are used as input (2020 vintage) and forecast to increase by 5% in 2021 and 2% per year after. As SCE's vintaged power contracts expire, the PCIA will decrease. This decrease is likely to occur over a 10-year period but was not modeled such that the PCIA in these *pro formas* remains conservatively high. Final 2021 Vintage PCIA rates will be available from the CPUC in November 2020.
5. Power costs for market (SCE area), resource adequacy, long-term renewable and short-term renewable energy having been updated to current levels. The approved 2021 PCIA will be included in the next *pro forma* update which will be used in any OC CCA Implementation Plan filing.

¹ The assumptions to prepare the load scenarios are based both on accounts and usage assumptions; however, there is a significant amount of uncertainty in non-residential usage assumptions in particular. The uncertainty will be eliminated when SCE provides the load data per city requests.

6. Power supply is assumed to be 38.5% renewable at launch then increases to 60% by 2030 to meet State mandates.
7. Start-up costs are \$2.5 million and repaid starting in 2026 over a 3-year period. This assumption is made to comport with anticipated lending covenants.
8. Cash working capital requirements are estimated at \$10-\$18 million depending on the participation scenario. This cash working capital requirement is repaid 5 years from launch.
9. It is assumed that the CCA employs 5 full time staff at launch ramping up to 10 full time staff in 2023.

These updates and assumptions are described in more detail below.

Load Forecast

The OC CCA load forecast is based on 2018 usage for the City of Irvine scaled to participating city populations. Residential customer accounts and loads are scaled based on population data. Non-residential usage and accounts are scaled based on a kWh per capita assumption of 5,000 kWh per capita. The City of Irvine loads are 71% non-residential. This load distribution is higher compared to average City load characteristics. Therefore, other participating City non-residential loads are added assuming a smaller share of total City load is non-residential. The assumptions above result in all Cities except Irvine are modeled at 58% non-residential and 42% residential load shares. Table 1 shows the populations and Cities included in each Scenario.

TABLE 1
LOAD SCALING ASSUMPTIONS FOR OC CCA SCENARIOS

Potential Member	2018 Population
Scenario 1	
Irvine	282,572
Huntington Beach	200,641
Total	483,213
Scenario 2 = Scenario 1 Plus:	
Fullerton	139,640
Costa Mesa	113,615
Added population	253,255
Total	736,468
Scenario 3 = Scenario 2 Plus:	
Santa Ana	332,725
Lake Forest	85,623
Tustin	79,795
Yorba Linda	67,787
Villa Park	21,695
Laguna Woods	16,046
Added population	603,671
Total	1,340,139

In all Scenarios, load growth for energy is forecast assuming 0.62% annual growth. Table 2 below shows annual customer counts and energy forecasts developed for this update.

TABLE 2
OC CCA LOAD FORECAST **PRELIMINARY**

	Scenario 1		Scenario 2		Scenario 3	
	Load, GWh	Service Accounts	Load, GWh	Service Accounts	Load, GWh	Service Accounts
2022	1,547	191,183	1,992	286,132	3,055	512,458
2023	2,641	192,371	3,546	287,911	5,704	515,643
2024	2,657	193,564	3,568	289,696	5,740	518,840
2025	2,674	194,764	3,590	291,492	5,775	522,057
2026	2,690	195,972	3,613	293,299	5,811	525,294
2027	2,707	197,187	3,635	295,117	5,847	528,550
2028	2,724	198,409	3,658	296,947	5,884	531,827
2029	2,741	199,639	3,680	298,788	5,920	535,125
2030	2,758	200,877	3,703	300,641	5,957	538,443
2031	2,775	202,122	3,726	302,505	5,994	541,781

Power Costs

The largest expense item for a CCA is power supply costs. The power cost forecast assumes OC CCA meets California renewables portfolio standard (RPS) requirements, purchases resource adequacy consistent with California Public Utilities Commission (CPUC) requirements and meets requirements for all other applicable regulations. Total all-in RA prices range from \$4/kW-month in winter to \$13/kW-mo in summer months. For reference, the 85th percentile for RA costs in 2018 for 2020-2022 local and system RA were in the range of \$3 to \$5/kW-mo. The maximum price was \$10/kW-mo.² Thus, the RA forecast used both reflects current trends and is conservatively high.

Market purchases are priced around \$38/MWh (all hours), and short-term renewables are an additional \$16/MWh (PCC1 RECs). PCC2 RECs are priced at an additional \$6/MWh. Carbon free energy is priced as an adder of \$6/MWh. In addition to these costs, OC CCA will have CAISO costs of approximately \$1.75/MWh for transmission related services. Starting in 2021, OC CCA will need to procure 65% of the State mandated RPS from contracts that are 10 years or longer. Recent long-term contracts have been signed by CCAs for \$20-\$34/MWh. The *pro forma* assumes OC CCA will be able to purchase these contracts for \$30/MWh which would include a mix of solar, wind, and solar plus storage. This price for long-term renewable power is also conservatively high.

² CPUC Energy Division. 2018 Resource Adequacy Report. August 2019.

https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Energy/Energy_Programs/Electric_Power_Procurement_and_Generation/Procurement_and_RA/RA/2018%20RA%20Report%20re v.pdf

Staffing, Consulting, and Overhead

Consultant costs were updated to reflect recent consultant agreements negotiated by CCAs with their service providers. Upfront consulting costs for 2021 consist of legal/regulatory assistance, administration, marketing and outreach, financial services, technical consultants and initial CCA staff hires.

Staffing costs include salary and benefits for an Executive Director beginning in 2021, Executive Secretary beginning in April 2021, for a total of 5 full time staff members beginning in March 2022 ramping up to 10 full time staff members by January 2023. It should be noted that CCA staff do not typically participate in the State Cal PERS retirement program. Rather, they are offered a traditional 401k-type of retirement program.

Start-Up Cost Estimates

The amount needed prior to program launch varies depending on the size of the CCA. Table 3 below provides a range of estimated costs based on small, medium and large Scenarios. The *pro forma* assumes \$2.5 million in start-up costs (medium Scenario). The actual cost will depend on decisions made by the JPA board and Executive Director such as timing of staff ramp-up, phased launch approach, office space, and any unforeseen changes in implementation due to SCE operational issues with billing and data management.

TABLE 3
OC CCA START-UP COST ESTIMATES **PRELIMINARY**

Task	Small (City-Only)	Medium (2 – 10 Members)	Large (20 → Members)
Solicit Members/Initial Outreach	\$0	\$50,000	\$150,000
Form JPA	\$0	\$100,000	\$200,000
CPUC Bond	\$100,000	\$140,000	\$100,000
SCE Deposit	\$200,000	\$200,000	\$200,000
Consultants			
Legal	\$150,000	\$400,000	\$1,200,000
Technical	\$30,000	\$400,000	\$1,000,000
Financial Advisor	\$10,000	\$150,000	\$250,000
Marketing/Outreach	\$10,000	\$200,000	\$200,000
CCA Staffing	\$200,000	\$550,000	\$900,000
Infrastructure	\$0	\$300,000	\$500,000
Total 18-Month Cash Outlay	\$700,000	\$2,490,000	\$4,700,000

Debt Service

Two debt service payments are assumed. The first is for \$2.5 million in start-up costs. Repayment of this loan begins in 2025 and will conclude in 3 years. In addition, a total of \$10-18 million will be needed to bridge the gap in cash for working capital depending on participation Scenario. This amount is assumed to be financed over 5 years with repayment beginning at program launch. Operating CCAs have typically repaid these in 3-5 years. Table 4 shows the cash needs by participation Scenario.

TABLE 4
FINANCING NEEDS **PRELIMINARY**

Participation Scenario	Start-Up Costs, Millions	Cash for Working Capital, Millions
Scenario 1	\$2.5	\$10
Scenario 2	\$2.5	\$13
Scenario 3	\$2.5	\$18

OC CCA Revenues

Retail rate revenues are calculated based on forecast SCE generation rates and PCIA by class. OC CCA revenue is calculated based on an assumed 4% discount off the SCE generation rate. This translates to a 2% total discount off a CCA customer's total electric bill.

Summary

It is anticipated the OC CCA will be able to repay the start-up and working capital loans within 5-7 years and likely sooner. OC CCA will build financial reserves over the first 5-7 years of 120 days of operating expenses (\$50M - \$110M depending on participation Scenario but subject to JPA Board direction). After debt service is repaid, it is estimated that a significant amount of net income (\$12-\$38 million per year on average depending on Scenario) will be available to OC CCA for customer programs. All assumptions will need to be updated before the *pro forma* can populate the OC CCA Implementation Plan. In particular, the PCIA in SCE's 2021 ERRA filings must be incorporated into the final *pro formas*. EES is confident the level of all other *pro forma* estimates are more than acceptably accurate for feasibility study purposes.

TABLE 5
SCENARIO 1 OC CCA PROFORMA, ACCRUAL BASIS **PRELIMINARY**

Scenario 1: Irvine, Huntington Beach	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenues from Operations (\$)											
Electric Sales Revenues for CCE	\$0	\$95,324,639	\$163,054,533	\$169,611,264	\$170,634,813	\$177,106,647	\$184,903,274	\$193,592,357	\$202,958,962	\$212,450,467	\$222,675,481
Less Uncollected Accounts	\$0	\$476,623	\$815,273	\$848,056	\$853,174	\$885,533	\$924,516	\$967,962	\$1,014,795	\$1,062,252	\$1,113,377
Total Revenues for CCA	\$0	\$94,848,016	\$162,239,260	\$168,763,208	\$169,781,639	\$176,221,114	\$183,978,758	\$192,624,395	\$201,944,168	\$211,388,214	\$221,562,104
Cost of Operations (\$)											
Block Energy Purchases		\$52,845,903	\$80,371,111	\$79,370,597	\$73,623,023	\$71,296,183	\$65,188,122	\$62,603,799	\$59,951,277	\$58,002,795	\$58,110,184
RPS Adders and Long-Term Energy		\$9,918,063	\$22,394,234	\$23,422,226	\$26,866,970	\$30,359,961	\$32,771,581	\$35,393,444	\$37,916,048	\$39,844,611	\$40,092,252
Resource Adequacy		\$22,533,340	\$39,133,021	\$41,272,923	\$43,682,118	\$46,151,290	\$48,760,034	\$51,516,240	\$54,428,243	\$57,504,849	\$60,755,364
Everything Else		\$3,247,947	\$5,188,945	\$5,181,338	\$5,243,486	\$5,219,974	\$5,822,651	\$6,211,025	\$6,572,387	\$6,906,666	\$7,172,200
Total Cost of Power Supply	\$0	\$88,545,254	\$147,087,312	\$149,247,084	\$149,415,597	\$153,027,408	\$152,542,388	\$155,724,508	\$158,867,954	\$162,258,922	\$166,130,000
Operating & Administrative											
Data Management	\$0	\$509,494	\$2,407,049	\$2,470,450	\$2,541,039	\$2,607,968	\$2,676,661	\$2,747,163	\$2,819,522	\$2,893,786	\$2,970,007
Scheduling Coordinator	\$0	\$340,000	\$516,800	\$527,136	\$538,563	\$549,334	\$560,321	\$571,527	\$582,958	\$594,617	\$606,509
SCE Fees (includes billing)	\$0	\$4,897	\$22,720	\$22,861	\$23,015	\$23,158	\$23,302	\$23,447	\$23,592	\$23,739	\$23,887
Consulting Services	\$586,500	\$993,582	\$923,251	\$941,716	\$960,550	\$979,761	\$999,357	\$1,019,344	\$1,039,731	\$1,060,525	\$1,081,736
Staffing	\$656,370	\$1,248,010	\$2,103,498	\$2,166,460	\$2,213,406	\$2,257,674	\$2,302,828	\$2,348,884	\$2,395,862	\$2,443,779	\$2,492,655
General & Administrative expenses	\$24,480	\$302,548	\$207,682	\$244,446	\$249,743	\$254,738	\$259,833	\$265,029	\$270,330	\$275,737	\$281,251
Debt Service Payment on Financing	\$0	\$1,763,734	\$2,116,481	\$2,116,481	\$2,645,602	\$2,645,602	\$881,867	\$529,120	\$529,120	\$0	\$0
Total O&A Costs	\$1,267,350	\$5,162,265	\$8,297,481	\$8,489,550	\$9,171,918	\$9,318,236	\$7,704,168	\$7,504,514	\$7,661,115	\$7,292,183	\$7,456,045
Total Cost of Operations	\$1,267,350	\$93,707,519	\$155,384,792	\$157,736,634	\$158,587,515	\$162,345,644	\$160,246,556	\$163,229,022	\$166,529,069	\$169,551,105	\$173,586,045
Net Income	(\$1,267,350)	\$1,140,498	\$6,854,468	\$11,026,574	\$11,194,124	\$13,875,470	\$23,732,202	\$29,395,373	\$35,415,099	\$41,837,109	\$47,976,059
Cash From Operations and Financing											
Net Income From Operations	(\$1,267,350)	\$1,140,498	\$6,854,468	\$11,026,574	\$11,194,124	\$13,875,470	\$23,732,202	\$29,395,373	\$35,415,099	\$41,837,109	\$47,976,059
Cash from Financing	\$2,500,000	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Available	\$1,232,650	\$11,140,498	\$6,854,468	\$11,026,574	\$11,194,124	\$13,875,470	\$23,732,202	\$29,395,373	\$35,415,099	\$41,837,109	\$47,976,059
Net Income Allocation											
Reserve Fund Contribution	\$416,663	\$11,140,498	\$6,854,468	\$11,026,574	\$11,194,124	\$13,875,470	\$1,235,033	\$0	\$0	\$0	\$1,326,555
Money Available for Discretionary Programs	\$475,987	\$0	\$0	\$0	\$0	\$0	\$22,497,170	\$29,395,373	\$35,415,099	\$41,837,109	\$46,649,504
Total Cash Outlays	\$1,232,650	\$0	\$0	\$0	\$0	\$0	\$22,497,170	\$29,395,373	\$35,415,099	\$41,837,109	\$46,649,504
Rate Stabilization Reserve Balance	\$416,663	\$11,557,161	\$18,411,629	\$29,438,203	\$40,632,326	\$54,507,797	\$55,742,829	\$55,742,829	\$55,742,829	\$55,742,829	\$57,069,385
Reserve Balance Target	\$416,663	\$30,807,951	\$51,085,411	\$51,858,619	\$52,138,361	\$53,373,910	\$52,683,799	\$53,664,336	\$54,749,283	\$55,742,829	\$57,069,385
CCA Total Bill		\$279,474,284	\$510,745,006	\$526,459,718	\$536,882,464	\$553,001,065	\$570,698,550	\$588,035,363	\$606,268,066	\$624,849,728	\$644,394,803
SCE Total Bill		\$284,690,269	\$519,677,013	\$535,777,773	\$546,134,433	\$563,047,972	\$580,499,052	\$598,505,181	\$617,084,452	\$636,255,560	\$656,037,825
Difference		\$5,215,985	\$8,932,007	\$9,318,056	\$9,251,969	\$10,046,907	\$9,800,501	\$10,469,818	\$10,816,386	\$11,405,832	\$11,643,021
Total Bill Savings		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Generation Rate Discount		4%	4%	4%	4%	4%	4%	4%	4%	4%	4%

TABLE 6
SCENARIO 2 OC CCA PROFORMA, ACCRUAL BASIS **PRELIMINARY**

Scenario 2: Irvine, Huntington Beach, Fullerton, Costa Mesa	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenues from Operations (\$)											
Electric Sales Revenues for CCE	\$0	\$123,324,586	\$221,244,900	\$230,141,636	\$232,020,313	\$240,820,375	\$251,421,821	\$263,236,782	\$275,973,004	\$288,879,056	\$302,782,497
Less Uncollected Accounts	\$0	\$616,623	\$1,106,224	\$1,150,708	\$1,160,102	\$1,204,102	\$1,257,109	\$1,316,184	\$1,379,865	\$1,444,395	\$1,513,912
Total Revenues for CCA	\$0	\$122,707,963	\$220,138,675	\$228,990,928	\$230,860,211	\$239,616,273	\$250,164,712	\$261,920,598	\$274,593,139	\$287,434,660	\$301,268,584
Cost of Operations (\$)											
Block Energy Purchases		\$68,135,864	\$108,070,301	\$106,744,781	\$99,030,454	\$95,911,148	\$87,680,026	\$84,191,906	\$80,610,040	\$77,974,359	\$78,104,105
RPS Adders and Long-Term Energy		\$12,776,330	\$30,072,299	\$31,452,746	\$36,078,425	\$40,769,456	\$44,007,645	\$47,528,441	\$50,915,944	\$53,505,734	\$53,838,281
Resource Adequacy		\$28,733,869	\$52,625,728	\$55,504,090	\$58,743,312	\$62,063,831	\$65,572,047	\$69,278,567	\$73,194,602	\$77,331,994	\$81,703,256
Everything Else		\$4,183,966	\$6,968,027	\$6,957,811	\$7,031,071	\$6,990,287	\$7,819,005	\$8,340,537	\$8,825,795	\$9,274,686	\$9,631,261
Total Cost of Power Supply	\$0	\$113,830,029	\$197,736,355	\$200,659,429	\$200,883,261	\$205,734,722	\$205,078,723	\$209,339,451	\$213,546,381	\$218,086,773	\$223,276,902
<i>Operating & Administrative</i>											
Data Management	\$0	\$733,267	\$3,602,344	\$3,697,228	\$3,802,870	\$3,903,036	\$4,005,840	\$4,111,351	\$4,219,642	\$4,330,785	\$4,444,856
Scheduling Coordinator	\$0	\$340,000	\$516,800	\$527,136	\$538,563	\$549,334	\$560,321	\$571,527	\$582,958	\$594,617	\$606,509
SCE Fees (includes billing)	\$0	\$7,048	\$34,002	\$34,213	\$34,444	\$34,658	\$34,873	\$35,090	\$35,308	\$35,528	\$35,748
Consulting Services	\$586,500	\$993,582	\$923,251	\$941,716	\$960,550	\$979,761	\$999,357	\$1,019,344	\$1,039,731	\$1,060,525	\$1,081,736
Staffing	\$656,370	\$1,248,010	\$2,103,498	\$2,166,460	\$2,213,406	\$2,257,674	\$2,302,828	\$2,348,884	\$2,395,862	\$2,443,779	\$2,492,655
General & Administrative expenses	\$24,480	\$302,548	\$207,682	\$244,446	\$249,743	\$254,738	\$259,833	\$265,029	\$270,330	\$275,737	\$281,251
Debt Service Payment on Financing	\$0	\$2,292,855	\$2,751,426	\$2,751,426	\$3,280,546	\$3,280,546	\$987,691	\$529,120	\$529,120	\$0	\$0
Total O&A Costs	\$1,267,350	\$5,917,310	\$10,139,001	\$10,362,625	\$11,080,122	\$11,259,747	\$9,150,742	\$8,880,346	\$9,072,951	\$8,740,971	\$8,942,755
Total Cost of Operations	\$1,267,350	\$119,747,339	\$207,875,356	\$211,022,054	\$211,963,383	\$216,994,469	\$214,229,465	\$218,219,797	\$222,619,332	\$226,827,743	\$232,219,657
Net Income	(\$1,267,350)	\$2,960,624	\$12,263,319	\$17,968,874	\$18,896,828	\$22,621,804	\$35,935,248	\$43,700,801	\$51,973,807	\$60,606,917	\$69,048,927
Cash From Operations and Financing											
Net Income From Operations	(\$1,267,350)	\$2,960,624	\$12,263,319	\$17,968,874	\$18,896,828	\$22,621,804	\$35,935,248	\$43,700,801	\$51,973,807	\$60,606,917	\$69,048,927
Cash from Financing	\$2,500,000	\$13,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Available	\$1,232,650	\$15,960,624	\$12,263,319	\$17,968,874	\$18,896,828	\$22,621,804	\$35,935,248	\$43,700,801	\$51,973,807	\$60,606,917	\$69,048,927
Net Income Allocation											
Reserve Fund Contribution	\$416,663	\$15,960,624	\$12,263,319	\$17,968,874	\$18,896,828	\$9,067,197	\$0	\$0	\$0	\$0	\$1,772,684
Money Available for Discretionary Programs	\$475,987	\$0	\$0	\$0	\$0	\$13,554,607	\$35,935,248	\$43,700,801	\$51,973,807	\$60,606,917	\$67,276,243
Total Cash Outlays	\$1,232,650	\$0	\$0	\$0	\$0	\$13,554,607	\$35,935,248	\$43,700,801	\$51,973,807	\$60,606,917	\$67,276,243
Rate Stabilization Reserve Balance	\$416,663	\$16,377,287	\$28,640,606	\$46,609,480	\$65,506,308	\$74,573,505	\$74,573,505	\$74,573,505	\$74,573,505	\$74,573,505	\$76,346,189
Reserve Balance Target	\$416,663	\$39,368,988	\$68,342,583	\$69,377,114	\$69,686,592	\$71,340,647	\$70,431,605	\$71,743,495	\$73,189,917	\$74,573,505	\$76,346,189
CCA Total Bill		\$363,396,838	\$696,866,831	\$718,291,195	\$733,027,469	\$755,023,792	\$779,169,081	\$802,822,656	\$827,696,499	\$853,046,976	\$879,709,646
SCE Total Bill		\$369,970,820	\$708,661,908	\$730,601,721	\$745,446,071	\$768,519,048	\$792,324,916	\$816,887,534	\$842,231,557	\$868,382,460	\$895,366,568
Difference		\$6,573,982	\$11,795,078	\$12,310,526	\$12,418,602	\$13,495,257	\$13,155,835	\$14,064,878	\$14,535,058	\$15,335,484	\$15,656,922
Total Bill Savings		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Generation Rate Discount		4%	4%	4%	4%	4%	4%	4%	4%	4%	4%

TABLE 7
SCENARIO 3 OC CCA PROFORMA, ACCRUAL BASIS **PRELIMINARY**

Scenario 3: Irvine, Huntington Beach, Santa Ana, Fullerton, Costa Mesa, Lake Forest, Tustin, Yorba Linda, Villa Park, Laguna Woods											
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenues from Operations (\$)											
Electric Sales Revenues for CCE	\$0	\$190,066,626	\$359,950,302	\$374,424,791	\$378,341,790	\$392,691,531	\$409,978,682	\$429,244,639	\$450,012,842	\$471,057,977	\$493,729,495
Less Uncollected Accounts	\$0	\$950,333	\$1,799,752	\$1,872,124	\$1,891,709	\$1,963,458	\$2,049,893	\$2,146,223	\$2,250,064	\$2,355,290	\$2,468,647
Total Revenues for CCA	\$0	\$189,116,293	\$358,150,551	\$372,552,667	\$376,450,081	\$390,728,073	\$407,928,789	\$427,098,416	\$447,762,778	\$468,702,687	\$491,260,848
Cost of Operations (\$)											
Block Energy Purchases		\$104,581,763	\$174,095,443	\$171,995,225	\$159,592,847	\$154,584,581	\$141,285,689	\$135,636,472	\$129,832,905	\$125,552,907	\$125,729,266
RPS Adders and Long-Term Energy		\$19,589,435	\$48,373,802	\$50,594,685	\$58,035,254	\$65,582,036	\$70,790,477	\$76,454,011	\$81,903,132	\$86,069,055	\$86,603,988
Resource Adequacy		\$43,513,752	\$84,787,603	\$89,426,198	\$94,643,909	\$99,993,743	\$105,645,982	\$111,617,718	\$117,927,012	\$124,592,945	\$131,635,676
Everything Else		\$6,415,108	\$11,204,422	\$11,192,301	\$11,289,147	\$11,210,092	\$12,577,612	\$13,416,545	\$14,197,129	\$14,919,214	\$15,492,797
Total Cost of Power Supply	\$0	\$174,100,057	\$318,461,270	\$323,208,409	\$323,561,157	\$331,370,453	\$330,299,759	\$337,124,746	\$343,860,178	\$351,134,120	\$359,461,728
<i>Operating & Administrative</i>											
Data Management	\$0	\$1,266,665	\$6,451,506	\$6,621,435	\$6,810,633	\$6,990,021	\$7,174,135	\$7,363,097	\$7,557,038	\$7,756,086	\$7,960,377
Scheduling Coordinator	\$0	\$340,000	\$516,800	\$527,136	\$538,563	\$549,334	\$560,321	\$571,527	\$582,958	\$594,617	\$606,509
SCE Fees (includes billing)	\$0	\$12,175	\$60,894	\$61,273	\$61,686	\$62,069	\$62,455	\$62,843	\$63,234	\$63,627	\$64,022
Consulting Services	\$586,500	\$993,582	\$923,251	\$941,716	\$960,550	\$979,761	\$999,357	\$1,019,344	\$1,039,731	\$1,060,525	\$1,081,736
Staffing	\$656,370	\$1,248,010	\$2,103,498	\$2,166,460	\$2,213,406	\$2,257,674	\$2,302,828	\$2,348,884	\$2,395,862	\$2,443,779	\$2,492,655
General & Administrative expenses	\$24,480	\$302,548	\$207,682	\$244,446	\$249,743	\$254,738	\$259,833	\$265,029	\$270,330	\$275,737	\$281,251
Debt Service Payment on Financing	\$0	\$3,174,722	\$3,809,666	\$3,809,666	\$4,338,787	\$4,338,787	\$1,164,065	\$529,120	\$529,120	\$0	\$0
Total O&A Costs	\$1,267,350	\$7,337,702	\$14,073,297	\$14,372,133	\$15,173,368	\$15,432,385	\$12,522,992	\$12,159,846	\$12,438,272	\$12,194,371	\$12,486,550
Total Cost of Operations	\$1,267,350	\$181,437,759	\$332,534,567	\$337,580,541	\$338,734,525	\$346,802,838	\$342,822,751	\$349,284,592	\$356,298,450	\$363,328,491	\$371,948,278
Net Income	(\$1,267,350)	\$7,678,535	\$25,615,984	\$34,972,126	\$37,715,556	\$43,925,235	\$65,106,038	\$77,813,824	\$91,464,328	\$105,374,197	\$119,312,570
Cash From Operations and Financing											
Net Income From Operations	(\$1,267,350)	\$7,678,535	\$25,615,984	\$34,972,126	\$37,715,556	\$43,925,235	\$65,106,038	\$77,813,824	\$91,464,328	\$105,374,197	\$119,312,570
Cash from Financing	\$2,500,000	\$18,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Available	\$1,232,650	\$25,678,535	\$25,615,984	\$34,972,126	\$37,715,556	\$43,925,235	\$65,106,038	\$77,813,824	\$91,464,328	\$105,374,197	\$119,312,570
Net Income Allocation											
Reserve Fund Contribution	\$416,663	\$25,678,535	\$25,615,984	\$34,972,126	\$32,767,155	\$0	\$0	\$0	\$0	\$0	\$2,833,903
Money Available for Discretionary Programs	\$475,987	\$0	\$0	\$0	\$4,948,401	\$43,925,235	\$65,106,038	\$77,813,824	\$91,464,328	\$105,374,197	\$116,478,667
Total Cash Outlays	\$1,232,650	\$0	\$0	\$0	\$4,948,401	\$43,925,235	\$65,106,038	\$77,813,824	\$91,464,328	\$105,374,197	\$116,478,667
Rate Stabilization Reserve Balance	\$416,663	\$26,095,198	\$51,711,182	\$86,683,308	\$119,450,463	\$119,450,463	\$119,450,463	\$119,450,463	\$119,450,463	\$119,450,463	\$122,284,365
Reserve Balance Target	\$416,663	\$59,650,770	\$109,326,433	\$110,985,383	\$111,364,775	\$114,017,371	\$112,708,850	\$114,833,291	\$117,139,216	\$119,450,463	\$122,284,365
CCA Total Bill		\$563,438,742	\$1,140,515,913	\$1,175,550,082	\$1,200,568,293	\$1,236,575,040	\$1,276,089,631	\$1,314,800,151	\$1,355,504,140	\$1,396,989,095	\$1,440,617,611
SCE Total Bill		\$573,249,711	\$1,159,135,546	\$1,194,993,608	\$1,220,535,037	\$1,258,289,952	\$1,297,243,403	\$1,337,434,389	\$1,378,903,205	\$1,421,691,488	\$1,465,842,264
Difference		\$9,810,969	\$18,619,633	\$19,443,526	\$19,966,743	\$21,714,912	\$21,153,772	\$22,634,238	\$23,399,065	\$24,702,393	\$25,224,652
Total Bill Savings		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Generation Rate Discount		4%	4%	4%	4%	4%	4%	4%	4%	4%	4%