CLEAN ENERGY ALLIANCE

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Clean Energy Alliance

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

*Carlsbad, California*

*Prepared by the Interim Treasurer/Chief Financial Officer*

CLEAN ENERGY ALLIANCE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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# INTRODUCTORY SECTION

CLEAN ENERGY ALLIANCE

December 9, 2021

To the Clean Energy Alliance Board of Directors (Board) and Residents/Businesses within CEA territory:

We are pleased to submit the Annual Comprehensive Financial Report (Report) of Clean Energy Alliance (CEA) for the fiscal year ended June 30, 2021.

The Interim Treasurer/Chief Financial Officer prepared the data in this Report. Lance, Soll & Lunghard, LLP (LSL) independently audited the financial statements and related notes. Nonetheless, CEA bears the responsibility for the accuracy of all data presented in this Report. We, CEA's Chief Executive Officer and Interim Treasurer/Chief Financial Officer, assume the responsibility for the Report's completeness and fairness of presentation including all disclosures. We affirm that, to the best of our knowledge and belief, information in the Report provides an accurate and fair representation of CEA's financial position and the status of its operations during the fiscal year ended June 30, 2021. We believe that this Report contains all information and disclosures needed to clearly understand CEA's Fiscal Year 2021 financial activities.

LSL has issued an unmodified opinion on CEA's financial statements for the fiscal year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this Report.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. CEA's management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

**BACKGROUND**

California Assembly Bill 117 allows local governments to form Community Choice Aggregations (CCAs), which are also referred to as Community Choice Energy (CCE) programs, that offer an alternative electric power option to constituents currently served electric power by investor owned utilities (IOUs). Under the CCE model, local governments purchase and manage their community's electric power supply by sourcing power from a preferred mix of traditional and renewable generation sources, while the incumbent IOU continues to provide distribution service. CCEs face the same requirements for renewable energy purchases as the incumbent IOUs and public utilities; however, many CCE programs can offer power content that has a greater share of renewable energy compared with the incumbent utility and at lower retail rates.


Marin County was the first to create a California CCE utility in 2008. Today there are 24 CCE programs operating throughout California. In San Diego County, Solana Beach began using this model in 2018 with Solana Energy Alliance (SEA), and other cities are currently exploring CCE formations. The cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, and San Diego formed a CCE named San Diego Community Power (SDCP). The IOU for both CEA and SDCP is San Diego Gas and Electric (SDG&E).

**GOVERNMENT PROFILE**

A feasibly study was completed in April 2019 that evaluated the financial feasibility of a potential CCE, and based on this study, the cities of Carlsbad, Del Mar, and Solana Beach partnered in November 2019 to form CEA. CEA is organized under the Joint Powers Act (California Government Code 6500 et seq). By law, as a joint powers authority (JPA), CEA is a separate legal entity from its member agencies. Its budget is separate from the member cities' general funds. In addition, CEA is funded by program revenues and reserves.

Senate Bill 350, adopted in 2015, mandates a reduction in greenhouse gas emissions to 40 percent below 1990 levels by 2030 and to 80 percent below 1990 levels by 2050. In 2018, the State Legislature adopted SB 100, which directs the Renewable Portfolio Standard to be increased to 60% renewable by 2030 and establishes a policy for eligible renewable energy resources and zero-carbon resources to supply 100 percent of electricity retail sales to California end-use customers by 2045. Each city has adopted a Climate Action Plan to help the city meet the state goals for reducing greenhouse gasses and a CCA is expected to help the cities meet those goals.

Among other goals, the agreement seeks to meet the following objectives:

- Default energy product from a minimum 50% renewable sources, increasing to 100% renewable by 2035.
- Voluntary 100% renewable energy service at a premium above the default service rate.
- Default rates that are set to provide a minimum target of 2% discount below San Diego Gas & Electric (SDG&E) comparable service offerings.

Each member city has equal voting power and JPA board meetings are held monthly, rotating between the cities of Carlsbad, Del Mar and Solana Beach. CEA is operated under the direction of a Chief Executive Officer (CEO) appointed by the Board, with legal and regulatory support provided by a Board-appointed General Counsel. In the future, CEA's service area may expand to include additional regional agencies.

There are approximately 58,000 eligible customer accounts within CEA's boundaries as shown in the table below:

| | |
|---|---|
| Residential | 50,400 |
| Commercial & Agriculture | 8,300 |
| Street Lighting & Traffic | 200 |
| | 58,900 |

**BUDGETARY PROCESS AND CONTROLS**

An annual budget is adopted by the Board before the fiscal year begins and can be amended during the fiscal year by the Board as needed. All expenditures are made in accordance with the approved budget.

While CEA's year of operations reported a deficit net position of $2,707,414, as explained in Note 2 to the financial statements, the reason for the deficit is that CEA has not yet established a revenue stream selling energy to customers that has exceeded operating expenses associated with startup costs. In the fiscal year ended June 30, 2021, these startup costs were funded by a short-term line of credit with JPMorgan Chase of $5 million. From a budgetary comparison, the budget to actual variance was a net positive variance of $1,301,772 as shown in the schedule on the following page.

**CLEAN ENERGY ALLIANCE**
**BUDGETARY COMPARISON SCHEDULE**
**For the twelve months ended June 30, 2021**

| | BUDGET | ACTUALS | VARIANCE |
|---|---|---|---|
| **Operating Revenues** | | | |
| Energy Sales | **$ 8,000,000** | **$ 7,309,663** | **$ 690,337** |
| **Operating Expenses** | | | |
| Power Supply | 8,000,000 | 8,388,484 | (388,484) |
| Professional Services | | | |
| Legal | 320,000 | 414,633 | (94,633) |
| Technical/Power Consultant | 198,200 | 265,902 | (67,702) |
| Data Manager | 105,400 | 119,193 | (13,793) |
| Forecasting and Scheduling | 24,800 | 24,800 | - |
| Marketing | 102,238 | 101,440 | 798 |
| SDG&E Service Fees & Deposit | 83,800 | 17,118 | 66,682 |
| Other | 9,562 | 24,851 | (15,289) |
| Total Professional Services | 844,000 | 967,937 | (123,937) |
| General and Administrative | 329,500 | 300,376 | 29,124 |
| **Total Operating Expenses** | **9,173,500** | **9,656,797** | **(483,297)** |
| **Operating (Loss)** | **(1,173,500)** | **(2,347,134)** | **1,173,634** |
| **Nonoperating Expenses** | | | |
| Interest Expense | (10,000) | (81,596) | 71,596 |
| **Other Sources and Uses** | | | |
| Sources | | | |
| JPMorgan Revolving Credit Agreement | 5,000,000 | 5,000,000 | - |
| Calpine Promissory Note | 650,000 | - | 650,000 |
| Total Sources | 5,650,000 | 5,000,000 | 650,000 |
| Uses | | | |
| CCA Bond(Financial Security Reqmt-FSR) | 47,000 | 147,000 | (100,000) |
| CAISO Deposit | 500,000 | 500,000 | - |
| Lock Box Reserves/Cash Flow | 2,500,000 | - | 2,500,000 |
| Calpine Promissory Note Repayment | 650,000 | - | 650,000 |
| Collateral Deposits-SDG&E | 585,000 | 585,000 | - |
| Financial Security Requirement | 147,000 | - | 147,000 |
| Total Uses | 4,429,000 | 1,232,000 | 3,197,000 |
| **Total Sources and Uses** | 1,221,000 | 3,768,000 | (2,547,000) |
| **Net Increase (Decrease) in Available Fund Balance** | $ 37,500 | $ 1,339,270 | $ (1,301,770) |

## INTERNAL CONTROLS

The management of CEA is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of CEA are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the costs of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. The internal control structure is subject to periodic evaluation by the management of CEA.

## ANNUAL AUDIT

LSL has audited CEA's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of CEA for the fiscal year ended June 30, 2021, are free of material misstatement. As part of CEA's annual audit, reviews are made to determine the adequacy of the internal control structure as well as to determine that CEA has complied with applicable laws and regulations.

The results of CEA's annual audit for the fiscal year ended June 30, 2021, provided no instances of material weaknesses in the internal control structure and no violations of applicable laws and regulations. The independent auditor concluded there was a basis for rendering an unmodified opinion and CEA's financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this Report.

## ADMINISTRATIVE AND OPERATIONAL POLICIES

The policies listed below were approved by the end of the fiscal year and are based on government code or regulatory requirements and best practices of successfully operational CCAs:

- Unsolicited Proposal Policy
- Non-Energy Procurement Policy
- Inclusive and Sustainable Workforce Policy
- Financial Reserve Policy
- 2020 Legislative and Regulatory Platform
- Records Retention Schedule
- Bid Evaluation Criteria Policy
- Energy Risk Management Policy
- Social Media Policy
- Debt Management Policy
- Conflict of Interest Code
- Renewable Energy Self-Generation Bill Credit Transfer Program Policy
- New Member Addition Policy

## IMPLEMENTATION TIMELINE AND LAUNCH

To meet the goal of a May 2021 launch, pertinent action items needed to be completed by the end of the fiscal year. These tasks were tracked on a timeline to ensure they were being completed on time and in compliance with regulatory requirements. The action items were grouped into four general categories:

- Board Actions/Activity
- Staff/Consultant Activity
- Marketing/Customer Outreach
- CCA Launch

Board Actions and Activity tasks included actions specific to the operations of CEA, such as adoption of policies and procedures, approving line of credit to cover startup costs, and rate setting. Staff and Consultant activities included tasks related to systems testing with SDG&E, establishing a call center with scripting, interactive voice response systems, and customer enrollment notices. Marketing and Customer Outreach included various communication mechanisms including the required noticing of new customers. CCA launch activities were steps taken to begin CEA's enrollment of customers and providing electrical service to the.

By the end of the fiscal year, all actions listed on the timeline were successfully completed as shown in the schedule below:

**Clean Energy Alliance Timeline of Action Items**
**CCA Program Related**

| Timing | Description | Status | 3rd Qtr '20 | 4th Qtr '20 | 1st Qtr '21 | Apr-21 | May-21 | Jun-21 |
|---|---|---|---|---|---|---|---|---|
| 09/01/20 | Marketing/Customer Outreach Plan Development & Kickoff | Complete | | | | | | |
| | Marketing Strategic Plan | Complete | | | | | | |
| | Logo Design | Complete | | | | | | |
| | Website Refresh | Complete | | | | | | |
| 09/17/20 | Bid Evaluation and Criteria Scoring System | Complete | | | | | | |
| 09/17/20 | Award Scheduling Coordinator Services | Complete | | | | | | |
| 11/19/20 | Introduce/Adopt Energy Risk Management Policy | Complete | | | | | | |
| 10/15/20 | Records Retention Policy | Complete | | | | | | |
| | System Testing with SDG&E | Complete | | | | | | |
| 01/21/21 | Credit Solution | Complete | | | | | | |
| 01/21/21 | CEA Default Products/programs/renewable energy policies | Complete | | | | | | |
| 02/01/21 | Create Customer Pre- and Post-Enrollment Notices | Complete | | | | | | |
| 01/21/21 | Social Media Policy | Complete | | | | | | |
| 01/21/21 | Debt Issuance Policy | Complete | | | | | | |
| 02/01/21 | Set up Call Center/Scripting/IVR Recordings | Complete | | | | | | |
| 02/18/21 | Rate Setting | Complete | | | | | | |
| 02/18/21 | Investment Policy | Complete | | | | | | |
| | Energy Supply Procurement - Short Term Renewable & Conventional | Complete | | | | | | |
| 03/01/21 | Customer Noticing | Complete | | | | | | |
| 05/01/21 | Launch- 2 phases May & June 2021 | Complete | | | | | | |

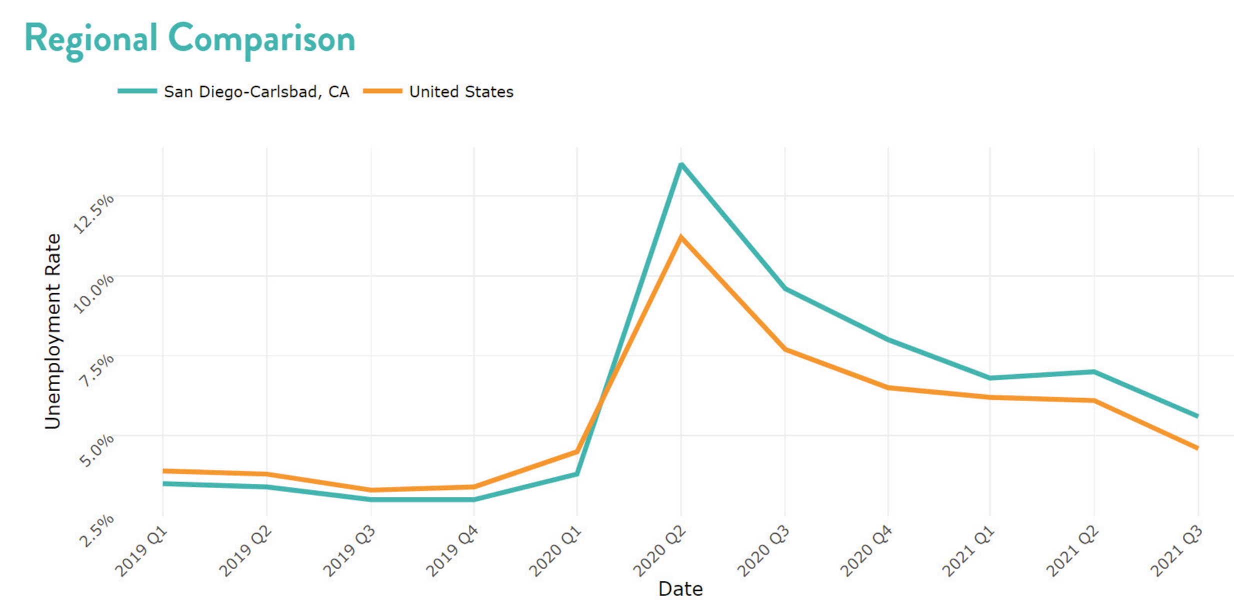
**Key:**
- Board Actions/Activity
- Staff/Consultant Activity
- Marketing/Customer Outreach
- CCA Launch

CEA began enrolling customers in May 2021 and completed the mass enrollment of its customers in June 2021.

**LOCAL ECONOMY**

The San Diego economy is rebounding after the effects of the COVID-19 pandemic that began in March 2019 but there are areas of concern.

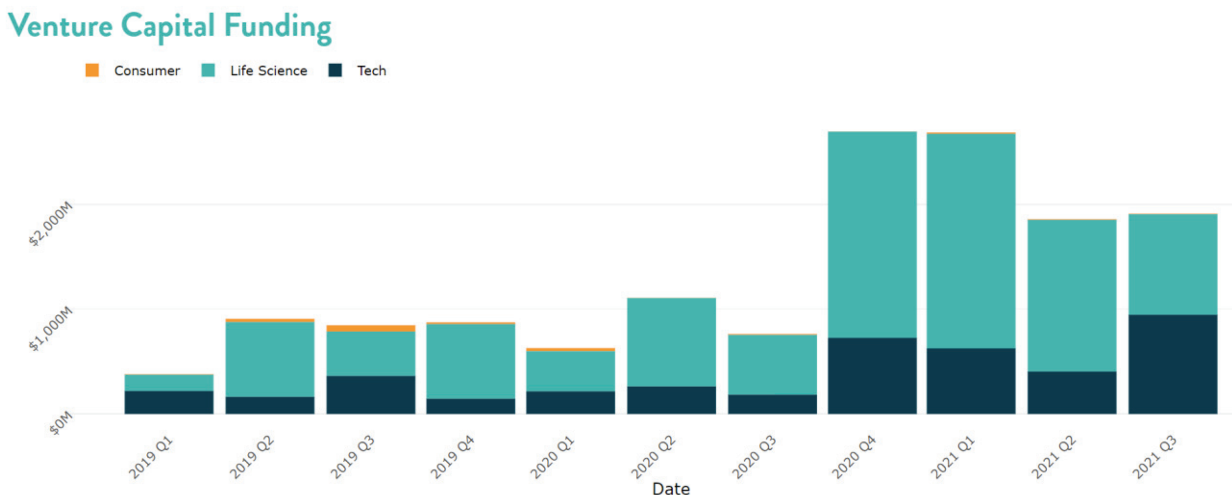
The local unemployment rate has come down from a high of 13.5% in the 2nd quarter 2020 to 5.6% in the 3rd quarter 2021 though the employment rates were still higher than the national figures at 11.2% and 4.6% for the 2nd quarter 2020 and 3rd quarter 2021, respectively, as illustrated in the following graph:




Source: San Diego Regional Economic Development Corporation

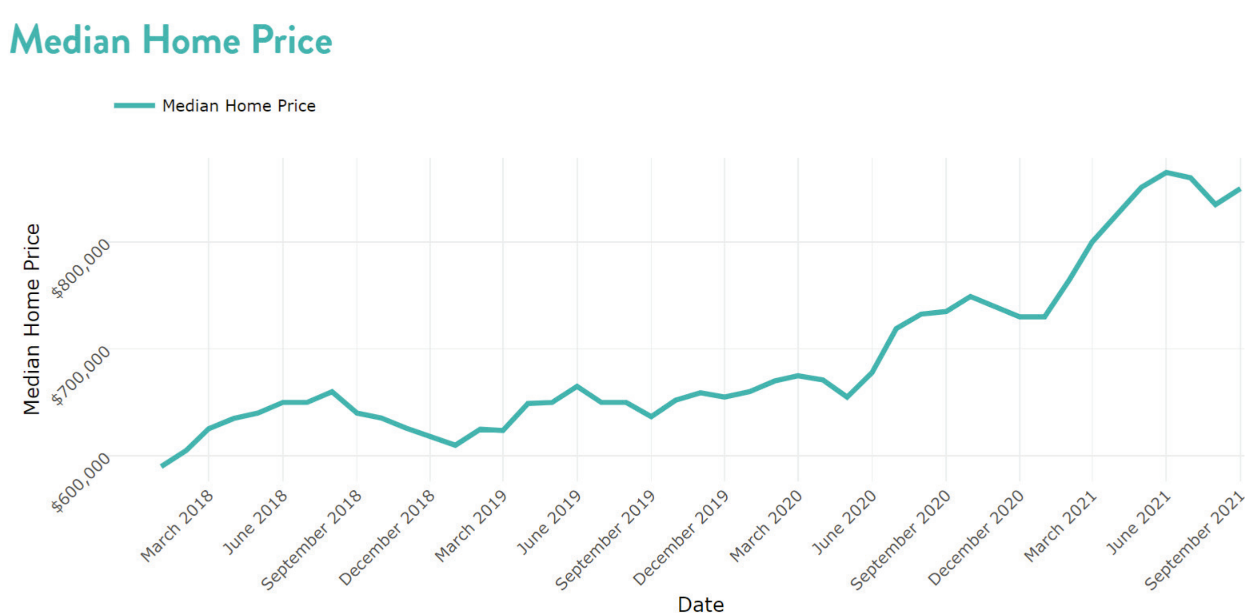
Total nonfarm employment increased by 6,200 during the 3rd quarter 2021 and is up 51,300 compared to a year ago, however, gains are not consistent across all industries. The sector with the largest increase in jobs was Leisure and Hospitality with 7,900 jobs as hotels and restaurants expanded their availability to the general public. Another industry with a positive outlook on hiring was Professional and Business with 3,200 jobs being added to the local economy.

A factor driving local hiring in some sectors was the infusion of venture capital financing into life sciences and technology companies. In the 3rd quarter 2021, San Diego companies attracted $1.9 billion, an increase of $52 million compared to the 2nd quarter 2021, and $1.1 billion more than the same quarter last year. Life sciences companies attracted almost $1 billion via 23 agreements and twenty technology companies brought in more than $940 million. An illustration of the increase in venture capital financing in the region can be seen in the graph on the following page:



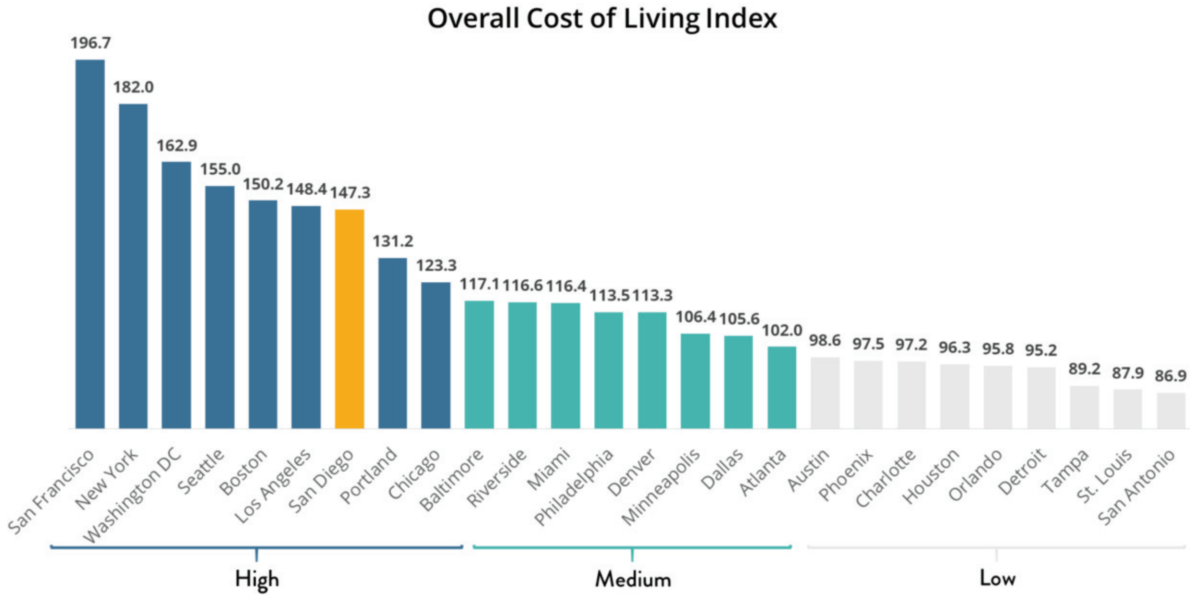

Historically low mortgage rates, and a lack of housing inventory on the market, have driven housing prices in the San Diego to increase over the last two years at rates that are close to the highest in the nation. In September 2019, the medium home price in the region was $636,750, and twelve months later, it had increased to $735,000 or by 15%. By September 2021, another 15% increase raised the medium home price by $115,000 to $850,000. These historically high annual increases do not appear to dissuade prospective home buyers. Through the past summer, over 45% of available homes in the area were selling above list price. It is not just the low inventory that is pushing up the cost of buying a house. The construction of new housing units is low and it is uncertain if construction figures will improve.

The dramatic rise of median home prices in San Diego is illustrated in the following graph:




Source: San Diego Regional Economic Development Corporation

San Diego has the fifth highest medium home price in the nation which is a main contributor to the region having the seventh highest overall cost of living as shown in the graph below:




Source: San Diego Regional Economic Development Corporation

These statistics, along with other economic factors such as a lack of transportation options and long commute times, and a shortage of childcare, is creating an affordability gap in the region. Local economists are concerned that this affordability gap may act as a barrier for attracting new talent and businesses to the region and impact the area's economic competitiveness.

**FUTURE GOALS AND PLANS**

Expansion of CEA

Interest in joining CEA continues to be high, with the City of Escondido City Council considering membership at its October 27 meeting, the City of San Marcos discussing joining CEA at a workshop on November 3, both looking at a 2023 CCE implementation. The City of Vista is considering joining CEA with a potential 2024 CCE implementation. At its October 19 meeting, the City of San Clemente City Council selected CEA as the option to bring community choice energy to their community, which would also be a 2024 launch.

On October 27, 2021, the City of Escondido voted to partner with CEA to bring community choice energy to their city's residents and local businesses. The CEA Board authorized the City of Escondido to join CEA at its November 18, 2021, special Board meeting. Similarly, on November 9, 2021, the City of San Marcos adopted a resolution to join CEA and the Board will consider authorizing the addition of the City of San Marcos to join CEA at its December 17, 2021 special meeting. The addition of the two cities to CEA will require CEA to develop and submit an Amendment Implementation Plan to the California Public Utilities Commission by January 1, 2022, for a 2023 CCE implementation. Both programs are expected to launch in Escondido in Spring 2023.

CEA may recruit additional North County cities in the near future. This process is already underway, as two other cities in North San Diego County—Oceanside and Vista—are considering joining CEA and launching programs in 2024. Additionally, the City of San Clemente has expressed interest in joining CEA, with a potential launch in 2024.

**Acknowledgments**

We would like to thank the Board of Directors for their continued support for maintaining the highest standards of professionalism in the management CEA's finances and acknowledge the professional work and advice of Lance, Soll & Lunghard, LLP.

Respectfully submitted,

Barbara Boswell
Chief Executive Officer

Respectfully submitted,

Marie Marron Berkuti
Interim Treasurer/Chief Financial Officer

# CLEAN ENERGY ALLIANCE

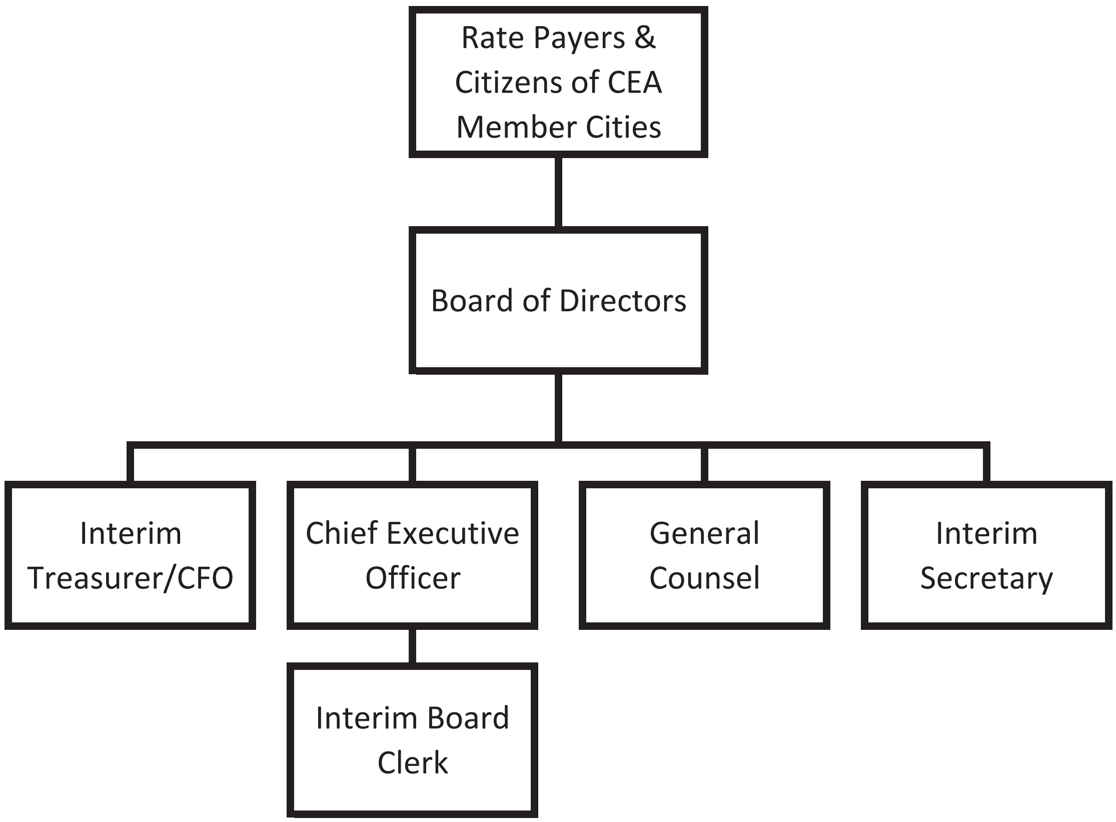
## Members and officers of the Board of Directors on June 30, 2021

| Member Agency | Representative | Alternate |
|---|---|---|
| City of Carlsbad | Priya Bhat-Patel - Vice Chair<br>Council Member | Teresa Acosta<br>Council Member |
| City of Del Mar | Dave Druker<br>Council Member | Dwight Worden<br>Council Member |
| City of Solana Beach | Kristi Becker - Chair<br>Deputy Mayor | David A. Zito<br>Council Member |

## CEA Staff

Barbara Boswell – Chief Executive Officer
Gregory W. Stepanicich – General Counsel
Marie Marron Berkuti – Interim Treasurer/Chief Financial Officer
Sheila Cobian – Interim Board Secretary
Susan Caputo – Interim Board Clerk

# CLEAN ENERGY ALLIANCE
# ORGANIZATION CHART



# FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Clean Energy Alliance
Carlsbad, California

**Report on the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of Clean Energy Alliance (CEA) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise CEA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CEA as of June 30, 2021, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the date of the financial statements.

To the Board of Directors
Clean Energy Alliance
Carlsbad, California

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Responsibilities***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors
Clean Energy Alliance
Carlsbad, California

*Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021 on our consideration of CEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CEA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CEA's internal control over financial reporting and compliance.

Lance, Soll & Lunghard, LLP

Brea, California
December 8, 2021

This section provides an overview and analysis of key data presented in the basic financial statements for the year ended June 30, 2021. Information within this section should be used in conjunction with the basic financial statements and accompanying notes.

## OVERVIEW OF THE FINANCIAL STATEMENTS

Clean Energy Alliance (CEA) accounts for its financial activities within a single proprietary fund and its financial activities are comprised of the purchase and sale of electric energy. In accordance with requirements set forth by the Governmental Accounting Standards Board (GASB), CEA's financial statements employ the accrual basis of accounting in recognizing increases and decreases in economic resources. Accrual accounting recognizes all revenues and expenses incurred during the year, regardless of when cash is received or paid.

The basic financial statements consist of:

**Statement of Net Position**:

CEA presents its Statement of Net Position using the net position format. The Statement of Net Position reflects the assets, liabilities, and net position (equity) of CEA at year-end. For the fiscal years ended June 30, 2021, net position is reported as unrestricted net position.

**Statement of Revenues, Expenses, and Changes in Net Position**:

This statement reflects the transactions and events that have increased or decreased CEA's total economic resources during the period. Revenues and expenses are classified as operating or nonoperating based on the nature of the transaction.

**Statement of Cash Flows**:

The Statement of Cash Flows reflects the sources and uses of cash separated into two categories of activities: operating and noncapital financing.

The notes to the financial statements, presented at the end of the basic financial statements, are considered an integral part of CEA's presentation of financial position, results of operations, and changes in cash flows.

## FINANCIAL ANALYSIS

The following table is a summary of CEA's assets, liabilities and net position and a discussion of significant changes for the years ending June 30:

### Statements of Net Position

| | 2021 | 2020 * |
|---|---|---|
| Assets | | |
| Current assets | $ 9,138,544 | $ 303,530 |
| Total Assets | 9,138,544 | 303,530 |
| Liabilities | | |
| Current liabilities | 11,845,958 | 582,214 |
| Total Liabilities | 11,845,958 | 582,214 |
| Net position: | | |
| Unrestricted | (2,707,414) | (278,684) |
| Total net position | $ (2,707,414) | $ (278,684) |

* 11/04/19-06/30/20

### Current Assets

CEA began operations on November 4, 2019, and at the end of fiscal year 2020, or after approximately eight months of operations, CEA had current assets of $303,530 which consisted of $203,530 in cash and $100,000 in deposits. Each of the three members of CEA - Carlsbad, Del Mar, and Solana Beach - contributed $150,000 each for a total of $450,000 to pay for initial startup costs. As part of CEA's submission of its Community Choice Aggregation (CCA) Implementation Plan and Statement of Intent to the California Public Utilities Commission (CPUC), and subsequent certification by the CPUC, CEA was required to pay a $100,000 CCA bond.

In the fiscal ending June 30, 2021, current assets increased by $8,835,014 to $9,138,544 as compared to the prior fiscal year. Current assets consisted of $710,368 in cash, $7,196,176 in accounts receivable and $1,232,000 in deposits. Cash increased by $506,838 to $710,368 as compared to the previous fiscal year mainly due to the drawdown of funds from the JPMorgan line of credit that was established in February 2021. CEA began providing electricity to its customers in May 2021 and accounts receivable were invoices billed to customers through June 30, 2021, that were still outstanding at the end of the fiscal year and electricity used by customers through the end of the fiscal year that had not yet been invoiced.

Deposits increased by $1,132,000 to $1,232,000 as compared to the previous fiscal year. Part of the increase was due to cash collateral deposits totaling $585,000 paid by CEA to San Diego Gas & Electric (SDG&E) to satisfy credit requirements as part of its Resource Adequacy (RA) procurement. The deposits will be returned once the contracts are complete. A deposit in the amount of $500,000 was paid to the California Independent System Operator Corporation (CASIO) as financial security for CEA to apply as a Candidate Congestion revenue rights (CRR) Holder by CAISO in accordance with the CAISO Tariff.

**Current Liabilities**

Current liabilities at the end of the fiscal year ended June 30, 2020, equaled $582,214 and consisted of $78,197 in accounts payable and $504,017 as due to member agencies. The accounts payable of $78,197 consisted primarily of amounts due at the end of the fiscal year for administrative and technical and power consultants' costs. The amounts due to the member agencies consisted of the $450,000 in cash advanced by Carlsbad, Del Mar, and Solana Beach at $150,000 by each city and $54,017 in amounts due to the cities for services provided to CEA during the fiscal year for a total of $504,017. The initial cash advance of $450,000 is refundable back to the cities three years after CEA begins providing services to customers.

In the fiscal ending June 30, 2021, current liabilities increased by $11,263,744 to $11,845,958 as compared to the prior fiscal year. Current liabilities primarily consisted of $6,242,455 in accounts payable and $5 million in an amount due to JPMorgan. Accounts payable consists mainly of amounts due for energy delivered to customers that were not yet paid as of the end of the fiscal year and totaled $5,858,502. A line of credit for $6 million at a 3.7 percent interest rate was established with JPMorgan on February 3, 2021. At the fiscal year end, $5 million had been drawn down to finance general operations.

The table on the following page is a summary of CEA's revenues, expenses and changes in net position and a discussion of significant changes for the years ending June 30:

**Statements of Revenues, Expenses and Changes in Net Position**

| | 2021 | 2020 * |
|---|---|---|
| Operating Revenues | $ 7,309,663 | $ - |
| Operating Expenses | 9,656,797 | 278,684 |
| Nonoperating Expenses | 81,596 | - |
| Total Expenses | 9,738,393 | 278,684 |
| Change in Net Position | (2,428,730) | (278,684) |
| Net Position - Beginning | (278,684) | - |
| Net Position - Ending | $ (2,707,414) | $ (278,684) |

* 11/04/19-06/30/20

**Operating Revenues**

CEA began operations on November 4, 2021, and through the end of the fiscal year ending June 30, 2021, received no revenues.

For the fiscal year ending June 30, 2021, revenues increased to $7,309,663 and consisted of sales and service charges to customers. CEA began serving customers in May 2021 with final enrollments being completed in June 2021. Revenues included invoicing through June 30, 2021, and electricity provided to customers through the end of the fiscal year but not yet invoiced.

**Operating Expenses**

Operating expenses for fiscal year ending June 30, 2020, equaled $278,684 and consisted primarily of costs for technical and power consultants, legal fees, and administrative services.

For the fiscal year ending June 30, 2021, expenses increased by $9,378,113 to $9,656,797 as compared to the prior fiscal year and consisted of costs of sales and services at $8,388,484 which were the cost of electricity delivered to customers, professional services at $967,937 and administrative services at $300,376. Professional services included consultant costs for forecasting and scheduling, data management, technical and power, marketing and legal services and service fees paid to SDG&E.

**Nonoperating Expenses**

Interest expense at $81,596 for the fiscal year ending June 30, 2021, was interest paid on the JPMorgan borrowing.

**ECONOMIC OUTLOOK**

CEA serves approximately 92% of all eligible customers in the cities of Carlsbad, Del Mar, and Solana Beach or 58,859 customer accounts. The core mission is to provide electric from minimum 50% renewable sources at stable and competitive electric rates with a target 2% generation savings as compared to San Diego Gas & Electric (SDG&E). The fiscal year ended June 30, 2021, saw CEA reporting a net deficit for the year due to CEA incurring start-up and energy purchase costs during the year with electrical sales to its customers beginning May 1 and completing its enrollment of customers in June. It is expected in future fiscal years that this deficit will be eliminated as CEA becomes fully operational and revenues increase.

The Board has approved an operating budget for fiscal year 2022 which will be CEA's first full year of operation with revenues projected at $53,573,000 and expenses projected at $51,547,500 with a net result of operations projected at $2,025,500. The budget provides funding for a full year of power supply, on-going regulatory compliance requirements and professional and legal services required to support operations. Assumptions used to develop the proposed budget were:

- Revenue based on 7% opt out rate
- Power supply costs based on actual executed contracts and April forward price curves
- Consulting services based on approved contracts
- Reserves to achieve minimum 5% of FY 2022 revenues

Sufficient revenues are projected to cover costs based on the current assumptions. Energy forward price curves have been increasing, driven by concerns about summer reliability, impacts of the Texas winter events on gas prices, low California water reservoir levels and Diablo Canyon Unit 2 concerns. Should this trend continue, CEA rates would need to be adjusted to reflect the increased costs. Staff continues to monitor the market and anticipates bringing forward a market update in late fall, along with an update on SDG&E 2022 rates proceedings.

One of the goals of CEA is to expand and offer its community choice energy service to eligible communities within San Diego Gas & Electric territory. The cities of Escondido and San Marcos have been evaluating options related to bringing community choice energy to residents and businesses with the two cities and the results of those efforts identified joining CEA was the best option for both cities. As part of CEA's evaluation of Escondido and San Marcos joining, CEA received historical electric usage data from SDG&E for Escondido and San Marcos loads. CEA's technical team analyzed the usage, prepared a financial pro forma utilizing CEA's revenue and expense assumptions and an assessment report. The assessment report concluded that CEA expansion into both cities would have a positive financial impact on CEA.

Using a base assumption of enrolling customers in April 2023, which was determined to be the optimal enrollment date, and serving 90% of eligible customers, the assessment concluded that with the additions of Escondido and San Marcos, CEA's net operating margin would increase by approximately 85% and 52%, respectively, beginning in fiscal year ended 2024 which would be the first full fiscal year of service.

CEA currently has 58,859 customer accounts. The addition of Escondido would add potentially another 56,348 customer accounts and the addition of San Marcos would add potentially another 36,820 accounts for a total of 93,168 additional accounts, or a combined 158% increase in accounts as compared to the number of CEA's existing accounts.

Accommodating this expansion will require careful consideration of resource availability, particularly for RA and long-term renewable energy products. When Escondido and San Marcos customers transition to CEA service, SDG&E should have surplus RA and long-term renewable energy supply. CEA intends to work closely with SDG&E to acquire the surplus supply SDG&E holds to ensure CEA can meet its new obligations.

Based on the results of the assessments, the CEA Board approved the addition of Escondido at its November 18, 2021, special meeting and is expected to approve the addition of San Marcos at its December 17, 2021, special meeting.

## REQUEST FOR INFORMATION

This financial report is designed to provide CEA's board members, stakeholders, customers, and creditors with a general overview of the CEA's finances and to demonstrate CEA's accountability for the funds under its stewardship. If you have any questions about this report or have requests for additional financial information please contact CEA at 1200 Carlsbad Village Dr, Carlsbad, California 92008.

**CLEAN ENERGY ALLIANCE**

**STATEMENT OF NET POSITION**
**JUNE 30, 2021**

| | | |
|---|---|---|
| **Assets:** | | |
| Current Assets: | | |
| Cash and cash equivalents | $ | 710,368 |
| Accounts receivable | | 7,196,176 |
| Deposits | | 1,232,000 |
| Total Current Assets | | 9,138,544 |
| **Total Assets** | | **9,138,544** |
| **Liabilities:** | | |
| Current Liabilities: | | |
| Accounts payable | | 6,242,455 |
| Accrued liabilities | | 12,923 |
| Accrued interest | | 11,563 |
| Deposits payable | | 75,000 |
| Due to member agencies | | 504,017 |
| Short-term debt | | 5,000,000 |
| Total Current Liabilities | | 11,845,958 |
| **Total Liabilities** | | **11,845,958** |
| **Net Position:** | | |
| Unrestricted | | (2,707,414) |
| **Total Net Position** | **$** | **(2,707,414)** |

**The notes to financial statements are an integral part of this statement.**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2021**

| | |
|---|---|
| **Operating Revenues:** | |
| Sales and service charges | $ 7,309,663 |
| **Total Operating Revenues** | **7,309,663** |
| **Operating Expenses:** | |
| Cost of sales and services | 8,388,484 |
| Professional services | 967,937 |
| General and administrative | 300,376 |
| **Total Operating Expenses** | **9,656,797** |
| Operating (Loss) | (2,347,134) |
| **Nonoperating Expenses:** | |
| Interest expense | (81,596) |
| **Total Nonoperating Expenses** | **(81,596)** |
| Change in Net Position | (2,428,730) |
| Net Position - Beginning | (278,684) |
| **Net Position - Ending** | **$ (2,707,414)** |

**The notes to financial statements are an integral part of this statement.**

CLEAN ENERGY ALLIANCE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

| | |
|---|---|
| **Cash Flows from Operating Activities:** | |
| Cash received from customers and users | $ 188,487 |
| Payments to suppliers and service providers | (4,611,616) |
| **Net Cash (Used for) Operating Activities** | **(4,423,129)** |
| **Cash Flows from Noncapital Financing Activities:** | |
| Proceeds from short-term borrowings | 5,000,000 |
| Interest paid on short-term borrowings | (70,033) |
| **Net Cash Provided by Noncapital Financing Activities** | **4,929,967** |
| Net Increase in Cash and Cash Equivalents | 506,838 |
| Cash and Cash Equivalents, July 1 | 203,530 |
| **Cash and Cash Equivalents, June 30** | **$ 710,368** |
| **Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activites:** | |
| Operating (Loss) | $ (2,347,134) |
| Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities: | |
| (Increase) in accounts receivable | (7,196,176) |
| (Increase) in deposits | (1,057,000) |
| Increase in accounts payable | 6,164,258 |
| Increase in accrued liabilities | 12,923 |
| Total Adjustments | (2,075,995) |
| Net Cash (Used for) Operating Activities | $ (4,423,129) |

**The notes to financial statements are an integral part of this statement.**

## Note 1: Summary of Significant Accounting Policies

### a. Reporting Entity

Clean Energy Alliance, ("CEA"), is a joint exercise of powers agency organized under the laws of the State of California by agreements dated November 4, 2019, and entered into by the cities of Carlsbad, Del Mar, and Solana Beach, California. CEA was formed to operate a Community Choice Energy program to provide alternative energy resources within those three cities. CEA's powers are exercised through a Board of Directors (the "Board"), which is the governing body of CEA. The Board is responsible for the legislative and executive control of CEA. The governmental reporting entity consists of CEA, which reports no component units.

### b. Basis of Presentation

CEA's financial statements are prepared in accordance with accounting principles generally accepted in the U.S (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

### c. Basis of Accounting/Measurement Focus

The basic financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows.

The basic financial statements are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

The basic financial statements distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with CEA's principal ongoing operations. The principal operating revenues of CEA are charges to customers for energy sales. Operating expenses include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### d. Net Position Flow Assumption

Sometimes CEA will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is CEA's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

## Note 1: Summary of Significant Accounting Policies (Continued)

### e. Implementation of GASB Statement No. 98

CEA early adopted GASB Statement No. 98, the *Annual Comprehensive Financial Report*, which establishes the term *annual comprehensive financial report* and its acronym *ACFR*. The new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

## Note 2: Stewardship, Accountability, and Compliance

At June 30, 2021, CEA reported a deficit net position of $2,707,414. It is not unusual for organizations in early years of operation to report a deficit. The reason for the deficit is that CEA's revenue stream has not exceeded operating expenses associated with continuing startup costs. This deficit is expected to be eliminated in future years as resources are obtained and sales operations increase.

## Note 3: Cash and Cash Equivalents

At June 30, 2021, the reported amount of CEA's deposits was $710,368, which equaled the bank balance. Of the bank balance, $250,000 was covered by federal depository insurance and $460,368 was covered by collateral held in the pledging bank's trust department in accordance with California Government Code.

## Note 4: Deposits

The CEA deposited $147,000 with the California Public Utilities Commission (CPUC) for the purpose of covering costs borne by San Diego Gas & Electric (SDG&E) in the event of a mass involuntary return of CEA customers to SDG&E, such as the decertification of CEA or a community choice aggregation failure.

The CEA deposited $500,000 with the California Independent System Operator Corporation (CAISO) for the purpose of applying to become a Candidate Congestion Revenue Rights (CRR) Holder. CRR Holders are eligible to participate in the CRR Allocation process which offset congestion charges for the scheduled load serving obligation of the CEA.

The CEA deposited $585,000 with SDG&E pursuant to the CEA's Resource Adequacy Agreement with SDG&E for purposes of collateral in accordance with the agreement.

The total amount of deposits held with other agencies at June 30, 2021 is $1,232,000.

**Note 5: Related Party Transactions**

CEA received funding from the cities of Carlsbad, Del Mar, and Solana Beach for the initial startup costs associated with commencing operations. These amounts are refundable back to the cities within three years after operating revenues commence. These advances and services are reported as Due to Member Agencies in the basic financial statements. Amounts due to each of the cities are as follows:

| Member | Cash Advances | Services Provided | Total |
|---|---|---|---|
| City of Carlsbad | $ 150,000 | $ 36,572 | $ 186,572 |
| City of Del Mar | 150,000 | 1,893 | 151,893 |
| City of Solana Beach | 150,000 | 15,552 | 165,552 |
| Total | $ 450,000 | $ 54,017 | $ 504,017 |

**Note 6: Short-term Debt**

On February 3, 2021, CEA entered into an agreement with JP Morgan Chase Bank for a $6 million 3.7 percent interest rate line of credit. Of the funds borrowed during the year, $5 million was used to finance general operations. At June 30, 2021, the CEA has $1,000,000 in available, but unused line of credit.

| | |
|---|---|
| Beginning Balance | $ - |
| Additions | 5,000,000 |
| Reductions | - |
| Ending Balance | $ 5,000,000 |

## STATISTICAL SECTION

**Statistical Section**

*This part of CEA's ACFR presents detailed information as a context for understanding what the information in the accompanying financial statements and notes to the basic financial statements says about CEA's overall financial health.*

**Contents**

**Financial Trends**

*These schedules contain trend information to help the reader understand how CEA's financial performance and well-being have changed over time.*

* **Net Position by Component**
* **Operating Information**

**Revenue Capacity**

*These schedules contain information to help the reader assess the factors affecting CEA's ability to generate revenue*

* **Principal Rate Payers**

**Debt Capacity**

*These schedules present information to help the reader assess the affordability of CEA's current levels of outstanding debt and CEA's ability to issue additional debt in the future.*

* **Ratios of Outstanding Debt by Type**

**Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which CEA's financial activities take place and to help make comparisons over time and with other governments.*

* **Demographic and Economic Statistics**
* **Major Employers-San Diego County**

**Operating Information**

*These schedules contain information about CEA's operations and resources to help the reader understand how CEA's financial information relates to the services CEA provides and the activities*

* **Two-Year Summary of Retail Sales and Usage by Type of Customer**

**CLEAN ENERGY ALLIANCE**

**Net Position by Component**
**Last Two Fiscal Years***
**(Accrual Basis of Accounting)**

| | Fiscal Year 2020** | Fiscal Year 2021*** |
|---|---|---|
| **Business-type activities** | | |
| Unrestricted | (278,684) | (2,707,414) |
| **Total Business-type activities net position** | **$ (278,684)** | **$ (2,707,414)** |

* 2020 was the first year of operations of CEA. More years will be added to this schedule as they become available.

** Inception (11/4/2019 - 6/30/2020)
*** Delivery of electrical service to customers began May 1, 2021.

Source: Financial Statements

**CLEAN ENERGY ALLIANCE**

**Operating Information**
**Two-Year Summary of Changes in Net Position***
**(Accrual Basis of Accounting)**

| | 2020** | 2021*** |
|---|---|---|
| **Operating Revenues** | | |
| Sales and service charges | $ - | $ 7,309,663 |
| **Operating Expenses** | | |
| Cost of sales and services | - | 8,388,484 |
| Professional services | 156,265 | 967,937 |
| General and administrative | 122,419 | 300,376 |
| Total Operating Expenses | 278,684 | 9,656,797 |
| Operating Activities | (278,684) | (2,347,134) |
| **Nonoperating Activities** | | |
| Interest expense | - | (81,596) |
| Total Nonoperating Activities | - | (81,596) |
| **Change in Net Position** | $ (278,684) | $ (2,428,730) |

* 2020 was the first year of operations of CEA. More years will be added to this
** 11/04/19-06/30/20
*** Delivery of electrical service to customers began May 1, 2021

Source: Financial Statements

**CLEAN ENERGY ALLIANCE**

**Principal Rate Payers**
**Fiscal Year ended June 30 (unaudited)**
**(in dollars)**

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | **2021** | | | |
| **Ratepayer's Rate Class[1]** | | **Rank** | **Retail Sales[2]** | **Percentage of Total Retail Electric Sales** | **KWh** | **Percentage of Total kWh** |
| Commercial | AL-TOU-S | 1 | $ 61,248 | 1.6% | 650,778 | 1.50% |
| Commercial | AL-TOU-S | 2 | 38,242 | 1.0% | 422,759 | 0.98% |
| Commercial | AL-TOU-2-S | 3 | 35,863 | 0.9% | 380,109 | 0.88% |
| Commercial | AL-TOU-2-P | 4 | 34,074 | 0.9% | 368,184 | 0.85% |
| Commercial | AL-TOU-2-S | 5 | 32,711 | 0.8% | 356,862 | 0.82% |
| Commercial | AL-TOU-S | 6 | 30,515 | 0.8% | 298,106 | 0.69% |
| Commercial | TOU-A-S | 7 | 28,988 | 0.7% | 283,212 | 0.65% |
| Commercial | AL-TOU-S | 8 | 28,658 | 0.7% | 277,612 | 0.64% |
| Commercial | AL-TOU-S | 9 | 28,440 | 0.7% | 288,960 | 0.67% |
| Commercial | AL-TOU-S | 10 | 27,850 | 0.7% | 285,632 | 0.66% |
| | | | $ 346,589 | 9.0% | 3,612,214 | 8.35% |
| Total all Ratepayers[3] | | | $ 3,865,824 | | 43,261,773 | |

(1) To preserve confidentiality, individual ratepayer names are not disclosed
(2) Retail sales are before unbilled revenue
(3) CEA began serving customers in mid-May 2021

for billing rate information go to: www.thecleanenergyalliance.org/billing-rates/

**CLEAN ENERGY ALLIANCE**

**Ratios of Outstanding Debt by Type**
**Last Two Fiscal Years***
**(dollars in thousands, except per capita)**

| Fiscal Year | Business-type Activities: Short-Term Loans | Percentage of Personal Income [a] | Per Capita [a] |
|---|---|---|---|
| 2020 | $ - | 0.00% | - |
| 2021 | - | 0.00% | - |

**Notes:** Details regarding the CEA's outstanding debt can be found in the notes to the financial statements.

* 2020 was the first year of operations of CEA. More years will be added to this schedule as they become available

[a] See Demographic and Economic Statistics schedule for personal income and poopulation data

**CLEAN ENERGY ALLIANCE**

**Demographic and Economic Statistics**
**Last Two Calendar Years**

| Calendar Year | Population: Carlsbad | Population: Del Mar | Population: Solana Beach | Population: Total | Personal Income *(thousands of dollars)* | Per Capita Personal Income | Unemployment Rate |
|---|---|---|---|---|---|---|---|
| 2020 | 114,664 | 4,271 | 13,872 | 132,807 | $ 8,080,642 | $ 60,845 | 3.4% |
| 2021 | 115,501 | 4,258 | 13,827 | 133,586 | 8,852,210 | 66,266 | 8.0% |

**Note:** Certain economic indicators such as unemployment rate and personal income are not calculated separately for CEA. Therefore, CEA has chosen to use the County of San Diego data, which is representative of the conditions and experiences of CEA

**Source:** Population - State of California Department of Finance
Per Capita Personal Income and Unemployment Rate - U.S. Bureau of Economic Analysis

## CLEAN ENERGY ALLIANCE

## 25 MAJOR EMPLOYERS - SAN DIEGO COUNTY
## AS OF 2020

| Employer | Category | Business category |
|---|---|---|
| Barona Resort & Casino | 1 | Casinos |
| Employee's Association SDG&E | 1 | Associations |
| General Dynamics Nassco | 1 | Ship Builders & Repairers (Mfrs) |
| Illumina Inc | 1 | Biotechnology Products & Services |
| Kaiser Permanente Zion Med C | 1 | Health Services |
| Merchants Building Maintenanc | 1 | Janitor Service |
| Palomar Medical Ctr Downtown | 1 | Hospitals |
| Palomar Pomerodo Health Reh | 1 | Rehabilitation Services |
| Rady's Children's Hospital | 1 | Hospitals |
| San Diego County Sheriff | 1 | Police Departments |
| Scripps Mercy Hospital | 1 | Hospitals |
| Scripps Research Institute | 1 | Laboratories-Research & Development |
| Sea World-San Diego | 1 | Amusement & Theme Parks |
| Sharp Mary Birch Hospital | 1 | Hospitals |
| Sharp Memorial Hospital | 1 | Hospitals |
| Sony Electronics | 1 | Electronic Equipment & Supplies-Retail |
| US Navy Med Ctr- OrthoPedics | 1 | Clinics |
| Kaiser Permanente Vandever M | 2 | Physicians & Surgeons |
| San Diego Community College | 2 | Junior-Community College- Tech Institutes |
| UC San Diego Health | 2 | Hospitals |
| 32nd St Naval Station | 3 | Federal Government-National Security |
| Mccs Mcrd | 3 | Military Bases |
| UCSD | 3 | College & University Placement Svc |
| University of California | 3 | University-College Dept/Facility/Office |
| Univesity-Calfornia Sn Diego | 3 | University-College Dept/Facility/Office |

**Source**:
State of California- Employee Development Department- Major Employers in San Diego for 2020

**Categories**

| | |
|---|---|
| 1 | 1,000-4,999 Employees |
| 2 | 5,000-9,999 Employees |
| 3 | 10,000+ Employees |

Employer information specific to the juristications in CEA are not readily available*

## CLEAN ENERGY ALLIANCE

### Two-Year Summary of Retail Sales and Usage (kWh) by Type of Customer
### Fiscal Year ended June 30 (unaudited)

| | 2021** | | 2020 * | |
|---|---|---|---|---|
| **Type of Customer** | **Retail Sales*** ** | **Usage (kWh)** | **Retail Sales*** ** | **Usage (kWh)** |
| Residential | $ 1,251,226 | 15,186,669 | $ - | - |
| Commercial | 2,611,655 | 28,023,204 | - | - |
| Agricultural | 2,622 | 46,028 | - | - |
| Street Lighting | 321 | 5,872 | - | - |
| **Total** | **$ 3,865,824** | **43,261,773** | **$ -** | **-** |

* 11/04/19-06/30/20

** Delivery of electrical service to customers began May 1, 2021

*** Retail sales are before unbilled revenue

Source: Invoice Summary Report