

**VALLEY CLEAN ENERGY ALLIANCE****Staff Report – Item 15**

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**TO:** Board of Directors

**FROM:** Edward Burnham, Director of Finance & Internal Operations  
Mitch Sears, Executive Officer

**SUBJECT:** Mid-Year Customer Rates Review

**DATE:** September 8, 2022

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**RECOMMENDATION**

Receive Mid-Year update on 2022 Customer Rates

**BACKGROUND/ANALYSIS**

The Board adopted the 2022 VCE Budget and Customer Rates on February 10, 2022. The Board rates and budget priorities for 2022 are to rebuild financial reserves and provide financial relief to VCE's low income customers. The February 2022 Board staff reports associated with adoption of the for budget and rates adoption can be found here:

[Item-16-2022-Operating-Budget-2-10-22.pdf \(valleycleanenergy.org\)](#)

[Item-15-2022-Customer-Rates-2-10-22.pdf \(valleycleanenergy.org\)](#)

As part of its Customer Rates action, the Board directed staff to monitor 2022 financial performance and recommend, if warranted, mid-year 2022 adjustments to customer rates/credits and/or allocation of additional financial resources for programs and renewable energy credits.

The unaudited financials ending June 30, 2022, are in general alignment with the financial projections used to structure the 2022 adopted budget. Since year-to-date financial performance is in-line with projections, staff has reached the conclusion that 2022 mid-year adjustments to customer rates (up or down) or allocation of additional financial resources for programs and renewable energy credits are not advisable.

Staff presented the mid-year financial overview at the August 25, 2022 CAC meeting and received feedback to evaluate additional possibilities to increase the RPS content. Staff will continue to evaluate and present possible solutions when identified.

**CONCLUSION**

Based on year-to-date financial performance in-line with projections, staff believes it is prudent to maintain the Board adopted 2022 customer rates and budget allocations for programs and renewable energy credits.