



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (PCE), a California Joint Powers Authority, which comprise the statement of net position as of December 31, 2021, and the statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. PCE's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to PCE because we performed certain accounting services that impaired our independence.

*Maher Accountancy*

San Rafael, CA  
January 24, 2022

# PENINSULA CLEAN ENERGY AUTHORITY

## STATEMENT OF NET POSITION

As of December 31, 2021

### ASSETS

Current assets	
Cash and cash equivalents	\$ 16,855,236
Accounts receivable, net of allowance	19,032,395
Accrued revenue	9,426,663
Investments	21,557,015
Other receivables	851,214
Prepaid expenses	1,613,894
Deposits	7,947,593
Restricted cash	500,000
Total current assets	<u>77,784,010</u>
Noncurrent assets	
Capital assets, net of depreciation	302,488
Intangible assets	2,008,801
Investments	116,580,034
Deposits and other assets	248,976
Total noncurrent assets	<u>119,140,299</u>
Total assets	<u>196,924,309</u>

### LIABILITIES

Current liabilities	
Accrued cost of electricity	23,975,772
Accounts payable	846,248
Other accrued liabilities	586,728
User taxes and energy surcharges due to other governments	773,472
Supplier deposits - energy suppliers	85,319
Lease liability	453,803
Total current liabilities	<u>26,721,342</u>
Noncurrent liabilities	
Supplier deposits - energy suppliers	1,593,433
Lease liability	2,004,329
Total noncurrent liabilities	<u>3,597,762</u>
Total liabilities	<u>30,319,104</u>

### NET POSITION

Investment in capital assets	302,488
Restricted for security collateral	500,000
Unrestricted	165,802,717
Total net position	<u>\$ 166,605,205</u>

**PENINSULA CLEAN ENERGY AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION**

**Six Months Ended December 31, 2021**

**OPERATING REVENUES**

Electricity sales, net	\$	101,940,979
Green electricity premium		1,467,578
Liquidated damages revenue		493,183
Total operating revenues		<u>103,901,740</u>

**OPERATING EXPENSES**

Cost of electricity		107,605,516
Contract services		5,019,372
Staff compensation		2,919,388
General and administration		989,066
Depreciation and amortization		252,604
Total operating expenses		<u>116,785,946</u>
Operating income (loss)		<u>(12,884,206)</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest and investment income (loss)		(813,909)
Finance costs		(40,079)
Nonoperating revenues (expenses), net		<u>(853,988)</u>

**CHANGE IN NET POSITION**

Net position at beginning of period (as restated)		<u>180,343,399</u>
Net position at end of period	\$	<u><u>166,605,205</u></u>

**PENINSULA CLEAN ENERGY AUTHORITY**

**STATEMENT OF CASH FLOWS**  
**Six Months Ended December 31, 2021**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 106,618,363
Receipts from supplier security deposits	25,320
Payments to suppliers for electricity	(105,120,227)
Payments for other goods and services	(6,672,591)
Payments for staff compensation	(2,968,395)
Payments of taxes and surcharges to other governments	(1,786,188)
Net cash provided (used) by operating activities	<u>(9,903,718)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Finance costs paid	(40,079)
Deposits and collateral paid	(4,165,700)
Net cash provided (used) by non-capital financing activities	<u>(4,205,779)</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Payments on lease assets and to acquire capital assets	<u>263,805</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from investment sales	31,419,989
Investment income received	1,012,096
Purchase of investments	(17,384,760)
Net cash provided (used) by investing activities	<u>15,047,325</u>

Net change in cash and cash equivalents	1,201,633
Cash and cash equivalents at beginning of period	16,153,603
Cash and cash equivalents at end of period	<u>\$ 17,355,236</u>

**Reconciliation to the Statement of Net Position**

Cash and cash equivalents (unrestricted)	\$ 16,855,236
Restricted cash	500,000
Cash and cash equivalents	<u>\$ 17,355,236</u>

**PENINSULA CLEAN ENERGY AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**Six Months Ended December 31, 2021**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET  
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (12,884,206)
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation and amortization expense	252,604
Revenue adjusted for allowance for uncollectible accounts	781,425
(Increase) decrease in:	
Accounts receivable	(1,403,824)
Accrued revenue	1,528,348
Other receivables	3,487,024
Prepaid expenses	1,957,318
Increase (decrease) in:	
Accrued cost of electricity	401,520
Accounts payable	(400,860)
Other accrued liabilities	(997,474)
User taxes and energy surcharges due to other governments	24,485
Supplier security deposits	(2,650,078)
Net cash provided (used) by operating activities	<u>\$ (9,903,718)</u>