



Services of the San Francisco
Public Utilities Commission

CleanPowerSF



2023 1st Quarter Financial Report

Reporting Unaudited Financial Results

For the three months ending

September 30, 2022

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**HETCH HETCHY WATER AND POWER ENTERPRISE
CLEANPOWERSF**

STATEMENTS OF NET POSITION

As of September 30, 2022
(In thousands)

	Unaudited Q1 2023*
ASSETS	
Current assets	
Cash and investments with City Treasury	\$ 51,782
Charges for services receivables (net of allowance for doubtful accounts of \$7,049 as of September 30, 2022)	27,956
Interest receivables	61
Total current receivables	28,017
Prepaid charges and other receivables	35,056
Total current assets	114,855
Non-current assets:	
Net pension asset	1,833
Total non-current assets	1,833
Total assets	116,688
Deferred outflows of resources	
Pensions	852
Other post-employment benefits	442
Total deferred outflows of resources	1,294
LIABILITIES	
Current liabilities	
Accounts payable	8,075
Accrued vacation and sick leave, current portion	279
Damage claims liability, current portion	6
Unearned revenues, refunds, and other, current portion	5,015
Total current liabilities	13,375
Long-term liabilities	
Other post-employment benefits obligations	2,909
Accrued vacation and sick leave, less current portion	267
Unearned revenues, refunds, and other, less current portion	9,000
Total long-term liabilities	12,176
Total liabilities	25,551
Deferred inflows of resources	
Related to pensions	5,414
Other post-employment benefits	1,913
Total deferred inflows of resources	7,327
NET POSITION	
Unrestricted	85,104
Total net position	\$ 85,104

* FY 2023 1st quarter Statements of Net Position is prepared in accordance with partial accrual basis of accounting based on data as of November 3, 2022.

¹ Cash and investments with City Treasury included \$9,000 cash collateral received for power purchase agreement.

³ Included \$29,608 collateral payments made to CAISO scheduling coordinator, APX Inc. to satisfy CAISO's financial security requirements, and \$14,300 was refunded to CleanPowerSF on November 1, 2022.

**HETCH HETCHY WATER AND POWER ENTERPRISE
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STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

For three months ended September 30, 2022
(In thousands)

	Unaudited Q1 2023**
OPERATING REVENUES	
Charges for services	\$ 69,673
Total operating revenues	69,673
OPERATING EXPENSES	
Personnel services	1,251
Contractual services	1,294
Transmission/distribution and other power costs	70
Purchased electricity	63,264
Materials and supplies	1
Services provided by other departments	(9) ¹
General and administrative and other	1,981
Total operating expenses	67,852
Operating income	1,821
NON-OPERATING REVENUES (EXPENSES)	
Federal and state grants	3
Interest and investment income	1,653
Other non-operating revenues	1
Other non-operating expenses	(6)
Net non-operating revenues	1,651
Change in net position	3,472
Net position at beginning of year	81,632
Net position at end of period	\$ 85,104

* FY 2023 Statements of Net Position is prepared in accordance with partial accrual basis of accounting based on data as of November 3, 2022. Balances of the following items are not fully accounted for or adjusted until the fiscal year-end: (i) Damage and claim liability, (ii) other post-employment benefits obligation, (iii) payroll accrual, vacation and sick leave accrual for services earned but not taken, (iv) workers' compensation, and (v) pension liability.

¹ Abnormal balance in services provided by other departments due to printing and postage cost reimbursement received from PG&E.

**HETCH HETCHY WATER AND POWER ENTERPRISE
CLEANPOWERSF**

STATEMENTS OF CASH FLOWS

For three months ended September 30, 2022

(In thousands)

		<u>Unaudited Q1 2023*</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$	90,258
Cash paid to employees for services		(1,624)
Cash paid to suppliers for goods and services		(93,829)
Cash paid for judgments and claims		(1,479)
Net cash used in operating activities		<u>(6,674)</u>
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash received from grants		574
Cash received from miscellaneous revenues		1
Cash paid for rebates, program incentives, and other		(6)
Net cash provided by non-capital financing activities		<u>569</u>
Decrease in cash and cash equivalents		(6,105)
Cash and cash equivalents:		
Beginning of year		57,887
End of period	\$	<u><u>51,782</u></u>
Reconciliation of cash and cash equivalents to the statements of net position:		
Cash and investments with City Treasury:		
Unrestricted	\$	<u>51,782</u>
Cash and cash equivalents at end of period	\$	<u><u>51,782</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating loss	\$	<u>1,821</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for uncollectible accounts		719
Changes in operating assets and liabilities:		
Charges for service receivables		20,028
Prepaid charges, advances, and other		(13,668)
Accounts payable		(15,449)
Accrued payroll		(373)
Unearned revenues, refunds, and other liabilities		248
Total adjustments		<u>(8,495)</u>
Net cash used in operating activities	\$	<u><u>(6,674)</u></u>

* FY 2023 Statements of Cash Flows is prepared in accordance with cash basis of accounting. Three months to September 30, 2022 is preliminary unaudited based on data as of November 3, 2022.



Executive Management

Dennis J. Herrera

General Manager

Ronald P. Flynn

Deputy General Manager

Barbara Hale

Assistant General Manager, Power Enterprise

Gregory Norby

Assistant General Manager, Wastewater Enterprise

Masood Ordikhani

Assistant General Manager, External Affairs

Steve Ritchie

Assistant General Manager, Water Enterprise

Stephen D. Robinson

Assistant General Manager, Infrastructure

Nancy L. Hom,

*Assistant General Manager, Business Services & Chief
Financial Officer*

CleanPowerSF

Michael Hyams, Director

Financial Services Bureau

Charles Perl, Deputy Chief Financial Officer

Brendan Conran, Financial Reporting & Analysis Director

Laura Busch, Budget Director

Vivian Chen, Accounting Services Director

*Requests for additional information regarding this report
can be sent to:*

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