

Local Development Fund Reconciliation

Annie Henderson | March 2025



Methodology

- **Budget time frame start date** : starting FY20 with first specific budget allocation to the Local Development Fund, year in which fund was established
 - FY18 and FY19 had funding for local development but it was not placed into a fund and unspent budget did not roll over
- **Budget time frame end date**: through FY25
- **Expenses time frame**: Starting in July 2019 through September 2024
- This presentation focuses on budget, actual expenses through September 2024, and anticipated spending (called "Earmarked") under current contracts and programs in development or already launched.

Methodology/Assumptions: Budget Notes

- Some "spent" and/or "earmarked" funds will eventually be reimbursed
 - Expenses are eligible for reimbursement under a CPUC program
 - Disadvantaged Community Green Tariff (DAC-GT)
 - Building Efficiency Accelerator
 - Expenses that will be repaid as part of a loan
 - Residential Electrification Program Loan (BlocPower)
 - MHD Drayage Loan (Forum Mobility)
 - Beneficial Municipal Electrification Loan (City of Piedmont)

Original Budget Allocation FY19/20 through FY24/25

Category	Total
Transportation Electrification	\$42,070,000
Building Electrification	\$24,790,000
Resilience**	\$13,740,000
Grants	\$7,400,000
Other*	\$1,565,000
Grand Total	\$89,565,000

* legal, marketing, sponsorships and memberships, admin

**Does NOT include any surplus budget allocations

Major Budget Centers - Original

Category	Program Area	Total
Transportation Electrification	Ava Charge (DCFC)	\$14,350,000
	Ava Bike Electric	\$6,000,000
	Drayage Loan	\$5,250,000
	EV Adoption	\$5,000,000
	CaleVIP	\$3,896,000
	Municipal Fleet CaaS	\$2,000,000
Building Electrification	Health-e Communities	\$10,000,000
	Electrification Incentives	\$3,850,000
	Electrification Install Network	\$2,000,000
	Municipal Electrification	\$2,000,000
Resilience	Critical Municipal Facilities	\$8,140,000
	Resilience Hub Tech Asst	\$2,000,000
	VPP Manager	\$2,000,000
Grants	Grants: Community	\$7,400,000

- Total of **\$73,886,00**, accounting for ~**83%** of the original budget.
- Remaining budget covers individual items <\$2M such as:
 - Workforce Training
 - Energy Efficiency
 - Managed Charging
 - Legal expenses
 - Induction lending

Original Budget Allocation, YoY

Category FY	20	21	22	23	24	25	Total
Building Electrification	\$1,250,000	\$1,340,000	\$2,000,000	\$4,700,000	\$8,500,000	\$7,000,000	\$24,790,000
Resilience**	\$600,000	\$400,000	\$580,000	\$660,000	\$4,000,000	\$7,500,000	\$13,740,000
Transportation Electrification	\$2,000,000	\$4,600,000	\$5,470,000	\$12,250,000	\$11,750,000	\$6,000,000	\$42,070,000
Grants	\$600,000	\$-	\$-	\$4,200,000	\$1,400,000	\$1,200,000	\$7,400,000
Other*	\$65,000	\$-	\$300,000	\$250,000	\$250,000	\$700,000	\$1,565,000
Grand Total	\$4,515,000	\$6,340,000	\$8,350,000	\$22,060,000	\$25,900,000	\$22,400,000	\$89,565,000

* legal, marketing, sponsorships and memberships, admin

**Does NOT includes any surplus budget allocations

Why an Updated Budget?

- Over time some initially proposed budget areas:
 - Achieved savings through efficient execution
 - Did not go beyond a pilot project
 - Were not relevant/necessary due to changes in regulatory policy
 - Transitioned to other departments/SG&A related budget line items
 - Were better allocated to a different category within the Local Development Fund
 - Were consolidated
 - Did not end up being an execution priority
 - Additional budget assigned as part of surplus budget allocation
- This reconciliation is intended to identify and report changes between original budget presentation to the board and current strategy and priorities.

Cumulative Comparison of Original to Updated Budgets

Category	Original	Updated	Differential
Transportation Electrification	\$42,070,000	\$41,870,000	\$(200,000)
Building Electrification	\$24,790,000	\$22,190,000	\$(2,600,000)
Resilience*	\$13,740,000	\$28,603,130	\$14,863,130
Grants**	\$7,400,000	\$10,100,000	\$2,700,000
Other***	\$1,565,000	\$1,765,000	\$200,000
Grand Total	\$89,565,000	\$104,528,130	\$14,963,130

*Includes \$14,963,130 in FY24 from surplus budget allocation as indicated in Nov-2024 board meeting

**Grants may be associated with Ava Program areas like Resilience

*** legal, marketing, sponsorships and memberships, admin

Details of Original to Updated Budget

Building Electrification		
Original		\$24,790,000
Resilience	Municipal Electrification to CMF	-\$150,000
	Rate Pilot to Medical Baseline Battery	-\$50,000
Grants	Workforce Training to Workforce	-\$1,650,000
	Electrical Showcase to COVID	-\$50,000
	NEM Enhancements to COVID	-\$350,000
	Demand Response to COVID	-\$250,000
	Connected Communities to AMP	-\$100,000
Updated		\$22,190,000

Resilience		
Original		\$13,740,000
Building Electrification	Municipal Electrification to CMF	\$150,000
	Rate Pilot to Medical Battery	\$50,000
Grants	Collaborative Procurement to COVID	-\$300,000
FY24 Budget Surplus	Solar + Storage Upfront Incentives	\$14,963,130
Updated		\$28,603,130

Grants		
Original		\$7,400,000
Building Electrification	Workforce Training to Workforce	\$1,650,000
	Electrical Showcase to COVID	\$50,000
	NEM Enhancements to COVID	\$350,000
	Demand Response to COVID	\$250,000
	Connected Communities to AMP	\$100,000
Resilience	Collaborative Procurement to COVID	\$300,000
Updated		\$10,100,000

Transportation Electrification		
Original		\$42,070,000
Other	Asset Ownership to Legal	-\$200,000
Updated		\$41,870,000

Other		
Original		\$1,565,000
Transportation Electrification	Asset Ownership to Legal	\$200,000
Updated		\$1,765,000

This slide shows the details on how funding was moved between categories and program areas from original budget to updated budget.

Major Budget Centers - Updated

Category	Program Area	Total
Transportation Electrification	Ava Charge	\$14,350,000
	Managed Charging	\$6,000,000
	Ava Bike Electric	\$6,000,000
	Drayage Loan	\$5,250,000
	EV Adoption	\$5,000,000
	CaleVIP	\$3,896,000
	Other	\$4,624,000
Building Electrification	Health-e Communities	\$10,000,000
	Other	\$5,500,000
Resilience	Critical Municipal Facilities	\$8,850,000
	Resilience Hub Tech Asst	\$2,000,000
	VPP Manager	\$2,000,000
	Upfront S+S Incentives	\$14,963,130
Grants	Grants: Community	\$7,400,000

- Total of **\$90,833,000**, accounting for **~87%** of the updated budget.
- Remaining budget covers items <\$2M such as:
 - Legal Expenses
 - Energy Efficiency
 - COVID Grants
 - Workforce Grants
 - Municipal Fleet Electrification
 - Municipal Electrification Loan

Updated Budget Allocation, YoY

Category FY	20	21	22	23	24	25	Total
Building Electrification	\$550,000	\$1,040,000	\$1,900,000	\$4,700,000	\$7,000,000	\$7,000,000	\$22,190,000
Resilience**	\$350,000	\$550,000	\$580,000	\$660,000	\$18,963,130	\$7,500,000	\$28,603,130
Transportation Electrification	\$2,000,000	\$4,400,000	\$5,470,000	\$12,250,000	\$11,750,000	\$6,000,000	\$41,870,000
Grants	\$1,550,000	\$150,000	\$100,000	\$4,200,000	\$2,900,000	\$1,200,000	\$10,100,000
Other*	\$65,000	\$200,000	\$300,000	\$250,000	\$250,000	\$700,000	\$1,765,000
Grand Total	\$4,515,000	\$6,340,000	\$8,350,000	\$22,060,000	\$40,863,130	\$22,400,000	\$104,528,130

* legal, marketing, sponsorships and memberships, admin

**Includes \$14,963,130 in FY24 from surplus budget for solar and storage incentives allocation as indicated in Nov-2024 board meeting

NOTE: figures do not include any forecasted budget surplus allocation from FY 2025

Original Budget that is not currently planned for deployment

Other	Program Area	Budget
Transportation Electrification	EV admin/staffing	\$704,000
	L2 Workplace/Public Charging	\$500,000
	Medium-Heavy Duty Vehicles	\$1,420,000
	Muni Fleet Charging as a Service	\$2,000,000
Transportation Electrification Total		\$4,624,000
Building Electrification	Electrification	\$400,000
	Electrification Incentives	\$3,150,000
	Electrification Install Network	\$1,950,000
Building Electrification Total		\$5,500,000

Cumulative Comparison of Original to Updated Budgets with Expenses and Earmarks

- There are deficits in individual line items that result in an overall negative remaining budget. The most significant is within the Other category because of legal expenses.
- **Take away:** There is approximately **\$9.5M** in un-earmarked funding.

Category	Total Budget	Expenses through		Variance
		Sep-24	Earmarked	
Transportation Electrification	\$41,870,000	-\$4,478,000	-\$32,800,000	\$4,592,000
Building Electrification	\$22,190,000	-\$5,818,000	-\$10,540,000	\$5,832,000
Resilience	\$28,603,130	-\$3,204,000	-\$25,399,130	\$0
Grants*	\$10,100,000	-\$1,436,000	-\$8,664,000	\$0
Other**	\$1,765,000	-\$2,720,000		-\$955,000
Grand Total	\$104,528,130	-\$17,656,000	-\$77,403,130	\$9,469,000

Earmarked Funds

Category	Program Area	Earmarked	Status
Transportation Electrification	CALeVIP	-\$2,400,000	Committed per grant
	Ava Charge (DCFC)	-\$13,150,000	Initial phase launched
	MHD Drayage Loan	-\$5,250,000	Contracted but not dispersed
	Ava Bike Electric	-\$6,000,000	Program launch in FY25
	Ava SmartHome Charging (Managed Charging)	-\$6,000,000	Program launch in FY25
Building Electrification	BlocPower Loan	-\$540,000	In repayment
	Health-e Communities	-\$10,000,000	~\$2M committed to Pilot
Resilience	Resilience Hub TA	-\$1,940,000	Contracted
	Virtual Power Plant manager	-\$2,000,000	Contracted
	Critical Municipal Facilities	-\$5,960,000	Program in progress
	Ongoing Solar + Storage Incentives	-\$500,000	Program launch in FY26
	Upfront Solar + Storage Incentives	-\$14,963,130	Program launch in FY26
Grants	Grants: Community	-\$6,650,000	Contracted and planned
	Grants: Workforce	-\$1,650,000	Contracted and planned
TOTAL		-\$77,003,130	

Next Steps

- March-May: Staff will be working on overall FY25/26 budget, including any funding for Local Development work
 - Staff will bring a proposal to the board on how to allocate the ~\$9.5M in funds as part of the next budget cycle discussions.
 - Additional longer term strategic planning is also underway through calendar year