



DISCUSSION

The pro forma incorporates draft FY 2024 budget information developed in preparation for the budget workshop. The budget provides the revenue requirement for the first year and the pro forma provides the Board with financial information to consider when establishing the rate adjustment plan for the upcoming fiscal year and beyond.

The pro forma is showing a rate increase of approximately 7 percent for FY 2024, with additional rate increases needed in the following years. The recommended rate increase will be finalized based on the final power budget from the Northern California Power Agency (NCPA) and presented at the April Board meeting. As summarized in Table 2 below, staff estimates that AMP will not be able to sustain its reserve levels and debt coverage ratio while planning for future capital expenditures without an exception to the annual 5 percent rate increase guidance.

The adjusted debt coverage ratio is calculated using the operating expenses funded by rates and does not include projects that are funded by designated reserves. Staff is providing this information to illustrate that many of AMP’s customer programs and other operating expenses included in the debt coverage ratio calculation ultimately utilize various designated reserves as funding sources.

**Table 2 –Pro Forma Analysis Results**

<b>FY</b>	<b>Rate Increase %</b>	<b>Avg Rate (¢/kWh)</b>	<b>Debt Coverage Ratio</b>	<b>Debt Coverage Ratio Adjusted</b>	<b>Days of Operating Reserves</b>	<b>Net Operating Surplus (Deficit) (\$000s)</b>	<b>Operating Reserves (\$000s)</b>
2024	7.0%	20.93	2.22	3.72	266	(\$9,113)	\$51,742
2025	4.0%	21.77	2.28	3.61	233	(\$5,288)	\$46,494
2026	4.0%	22.64	2.79	4.13	201	(\$5,021)	\$41,512
2027	4.0%	23.55	3.34	4.69	179	(\$3,249)	\$38,303
2028	4.0%	24.49	3.53	4.82	167	(\$982)	\$37,362
2029	3.0%	25.22	4.01	5.18	162	(\$435)	\$36,967
2030	2.5%	25.85	4.19	5.37	157	(\$120)	\$36,888
2031	1.0%	26.11	NA	NA	165	\$1,615	\$38,544
2032	1.0%	26.37	NA	NA	161	\$226	\$38,812
2033	1.0%	26.64	NA	NA	155	(\$601)	\$38,254

*Development of Pro Forma Analysis*

A pro forma statement summarizes the projected future financial status of a company; particularly, projected cash flows and net revenues based on current financial statements. A long-term financial pro forma is developed using projections of revenues, operating and non-operating expenses, interest payments, and other income.

AMP’s revenue requirements are made up of power costs, transmission costs, materials, services and labor, debt payments, capital expenditures, and other non-operating expenses, e.g.: transfers to the City, transfers to reserves, etc. Long-term estimates of each of these individual

components are developed using assumptions based on the best judgement from staff using the latest information available. After that, sources of funding are determined for the revenue requirements. Revenue requirements can be funded from rates, debt, or designated funds, e.g., Renewable Energy Credit (REC) sales revenue or Cap and Trade (C&T) auction proceeds, Undergrounding Reserves, etc. Revenue requirements are also defined as total budget costs.

Using the Financial Guidelines adopted by the Board, a rate increase trajectory is determined that will be necessary to maintain AMP's financial health in the long term. In this case, AMP staff will recommend a one-time waiver to the 5 percent limit on rate increases to better position AMP to address future cost increases.

### *Assumptions*

Key assumptions used in developing the FY 2024 pro forma are discussed below:

- **Power Costs**

AMP's \$40.4 million power cost is the total cost of providing power to serve its customer load. Staff used preliminary budget estimates from NCPA's budget for FY 2024 and the FY 2024 Load Forecast recently adopted at the January 23, 2023, Board meeting to forecast all direct and indirect costs related to its generation resources, transmission, power management, resource adequacy market values, and market transactions.

- **Capital Expenditures**

AMP's capital expenditures are an estimate of costs related to the improvement and replacement of existing infrastructure and new infrastructure projects. For the FY 2024 pro forma analysis, staff included \$18.6 million in improvements, with \$10 million funded by Underground Utility District reserves. This includes investment towards new customer connections, advanced inventory purchases, replacing aging infrastructure and equipment, and improving the overall resiliency of the distribution grid.

- **Labor, Materials, and Service Costs**

A simple escalator that can vary by fiscal year is used to develop estimates for labor, materials, and service costs from the current fiscal year budget. Staff aligned escalators for labor costs with executed labor agreements where appropriate.

- **Other Costs and Expenditures**

In addition to operating and capital expenses, AMP has other non-operating expenses which include, but are not limited to, its debt payments, rebates to customers, transfers to the City, including Payment in Lieu of Taxes (PILOT), and Return on Investment (ROI) transfers to reserves.

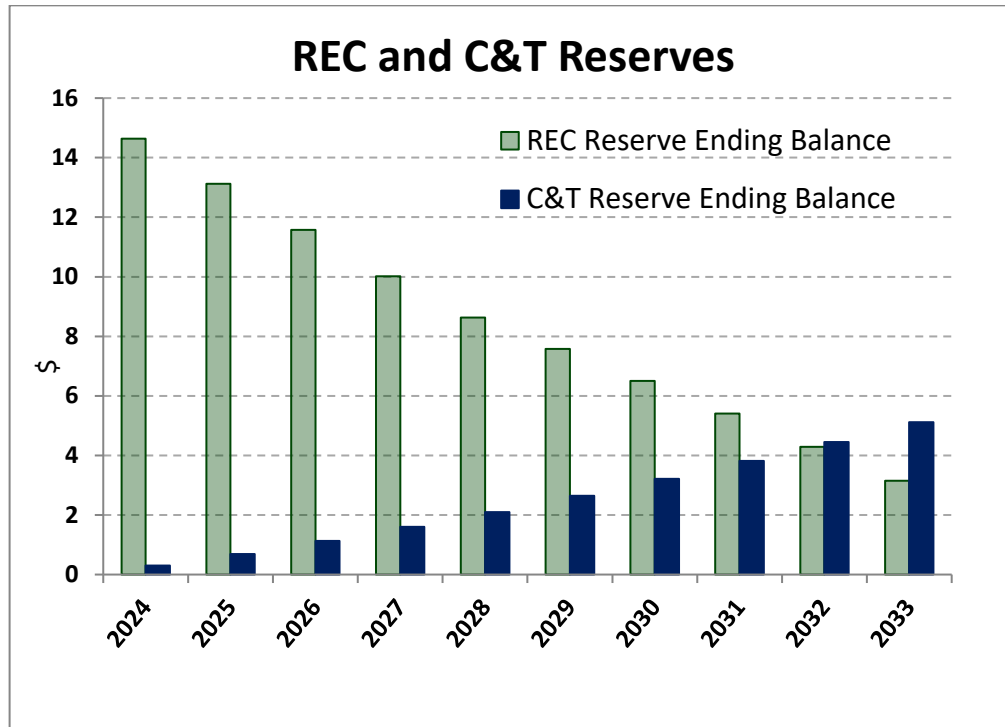
- **Funding sources**

Revenue requirements may be funded by rates, debt, or designated reserves. Designated reserves may be used to fund special projects subject to Board policies that define limitations on the use of such funds. Staff assumes expanded use of designated funds to cover certain customer programs (e.g., energy efficiency, electrification, etc.) and a portion

of renewable power purchases above and beyond the renewable portfolio standard (RPS) mandate. Formal Board review and approval of FY 2024 designated reserves spending will occur at the FY 2024 budget workshop on April 17, 2023.

As shown in Figure 1, staff plans for moderate use of REC reserves, anticipating continued REC reserve expenses past FY 2033 on designated uses allowed by the Board and program regulations. Staff assumes a moderate replenishment of C&T proceeds through the quarterly auctions and staff plans to use AMP’s annual allocation for the following reasons;

- The C&T reserve is currently more flexible and can be used on a wider range of designated uses unlike REC, Low Carbon Fuel Standards (LCFS), and Undergrounding Reserves.
- Given the changing regulatory environment at California Air Resources Board (CARB), the agency that administers the C&T program, staff anticipates future changes to the program will impact the allowed uses of the program.



**Figure 1 – Designated Reserve Drawdown Analysis**

*Comparison of Key Assumptions from last year*

Table 3 shows a detailed comparison of last year’s forecast of FY 2024 costs to this year’s forecast of FY 2024 costs and highlights a total estimated gross revenue requirement for FY 2024 that is \$14.0 million higher than last year’s estimate.

**Table 3 – FY 2024 Cost Comparison**

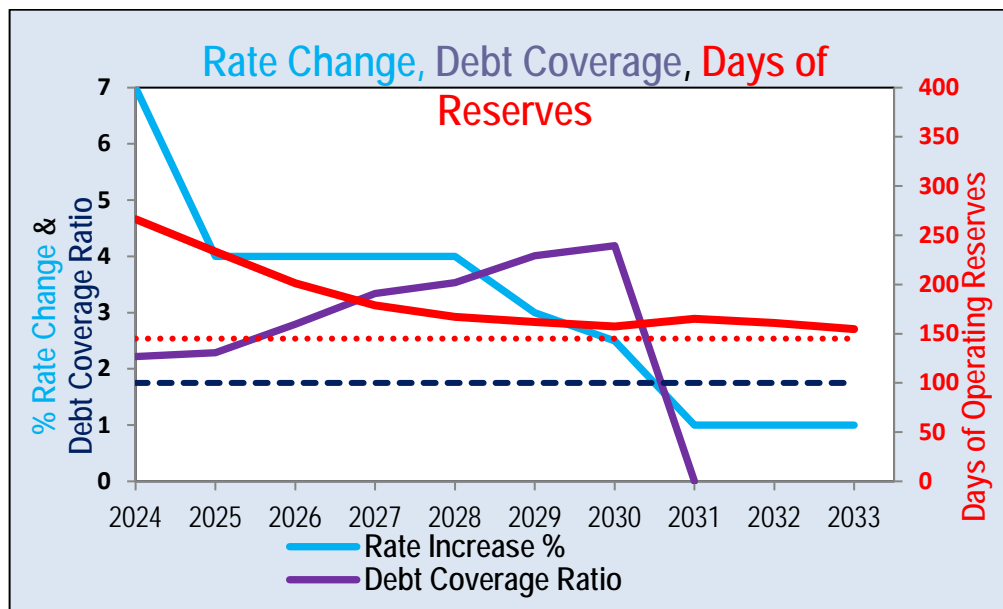
	FY 2023 Forecast for FY 2024 (Million)	FY 2024 Forecast for FY 2024 (Million)	Difference (Million)
Power Costs (including transmission)	\$38.0	\$40.4	2.4
Capital Costs	\$8.3	\$18.6	10.3
Material, Services and Labor Costs	\$26.9	\$27.9	1.0
Non-Operating Expenses	\$1.4	\$1.4	0.0
Debt Service	\$2.7	\$2.7	0.0
Contribution to City	\$6.0	\$6.3	0.3
<b>Gross Revenue Requirement</b>	<b>\$83.3</b>	<b>\$97.3</b>	<b>14.0</b>

Key drivers for FY 2024 revenue requirements as compared to last year’s forecast are higher capital costs, power costs, and labor/materials/services costs. The bulk of the capital costs are the underground utility district spending that has been delayed from FY2023 into FY2024.

Staff receives detailed information from NCPA’s budgets and 10-year forecast, allowing for a deeper analysis of the underlying cost determinants. Power costs increased year over year driven largely by load aggregation increases and additional investments in the geothermal project intended to enhance reliability. These increases were partially offset by higher expected generation revenues.

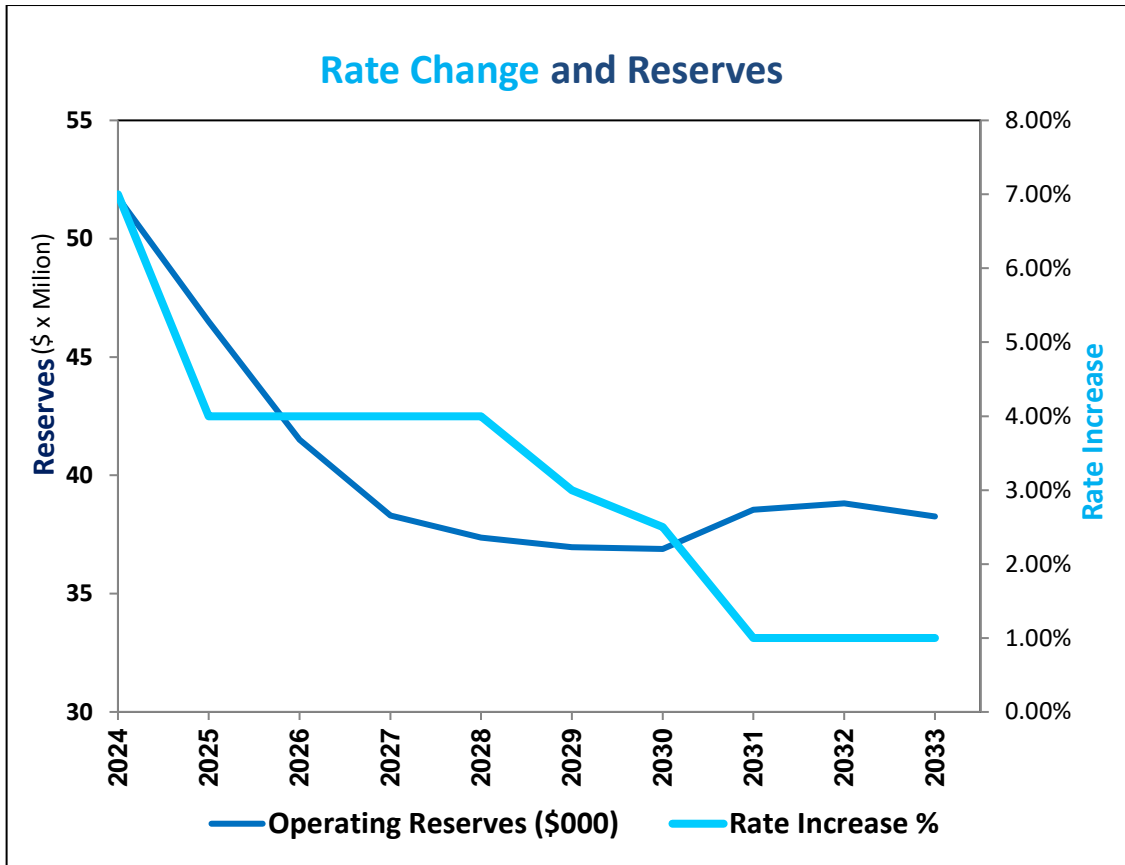
*Results*

As shown in Figure 2, AMP needs a 7 percent rate increase in FY 2024 and subsequent rate increases to sustain sufficient operating reserves and maintain its debt coverage ratio above the targets established in the Board adopted Financial Guidelines.



**Figure 2 – FY 2024 Pro Forma Model Results - Key Financial Criteria**

Additionally, as shown in Figure 3, staff estimates that AMP can maintain sufficient operating reserves to plan for future capital projects and other unexpected expenditures with decreasing rate increases in later years.

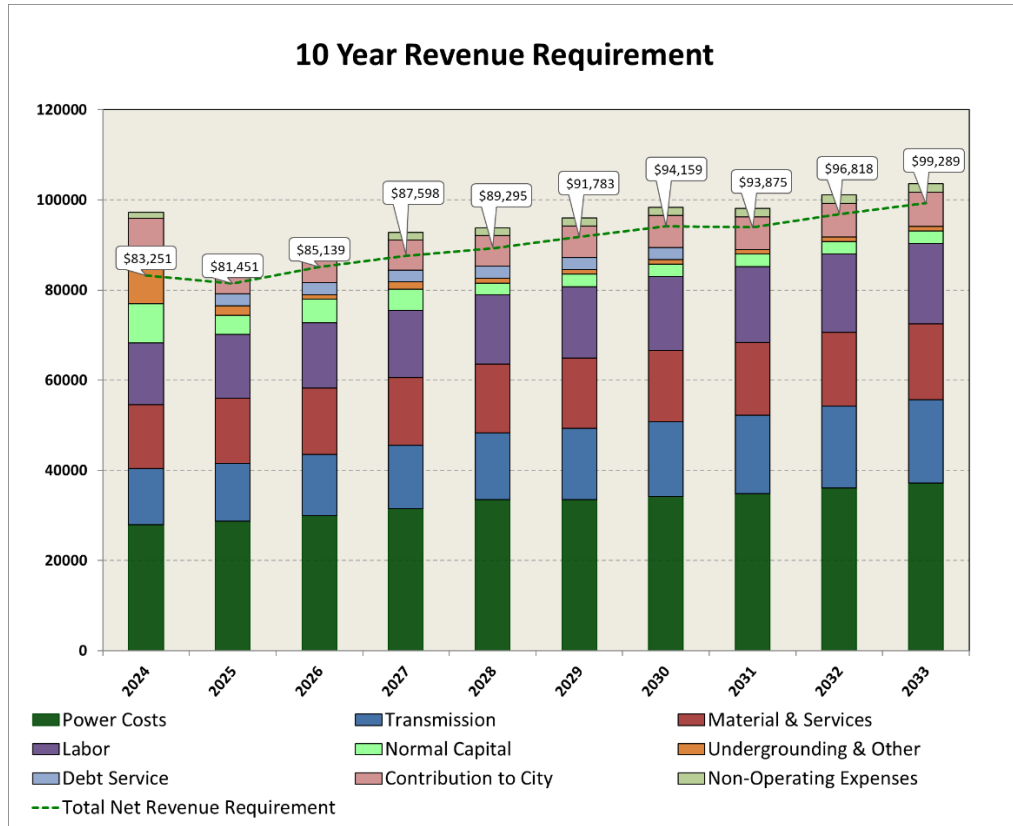


**Figure 3 – FY 2024 Pro Forma Analysis Results – Rate Increase and Reserves**

Figure 4 shows the estimated revenue requirements for the next 10 years. As can be seen from the graph, variation in revenue requirements across the years is primarily caused by changes in power costs and capital costs.

Power costs will continue to increase largely due to increasing Transmission Access Charge (TAC) and typical inflation uplift. For the capital budget, the projections include significant spending on undergrounding, interconnection of new loads, and substation and other distribution upgrades.

Finally, labor, services, and materials costs steadily increase over time based on a cost escalator linked to interest rates, contracts, and inflation.



**Figure 4 – Ten-Year Pro Forma Revenue Requirement**

CONCLUSION

The pro forma is showing a recommended rate increase of 7 percent for FY 2024, based on preliminary budget inputs. Staff will finalize the rate increase target when final budget numbers become available.

FINANCIAL IMPACT

Staff projects a draw from operating reserves and designated reserves to cover increases in revenue requirements in FY 2024. A 7 percent rate increase exceeds AMP’s current financial guidelines and would require the Board approve a one-time waiver to the policy at the April Board meeting.

NEXT STEPS

Staff will present the final budget and rate adjustments for approval on April 17, 2023.

LINKS TO STRATEGIC PLAN AND METRICS

Business Resiliency

Strategy 2: AMP will develop financial planning processes that provide fiscal stability and clearly communicate service priorities with their associated costs.

- T1: Include a longer-term outlook of the Capital Improvement Plan in the annual budget.
- T2: Improve rate design to reflect AMP's Strategic Plan.
- KPI: Maintain rates at 15 percent or more below PG&E and 10 percent or more below local CCAs.

**EXHIBITS**

- A. Power Point Presentation
- B. Financial Guidelines for Rates and Revenue, and Reserves, adopted at the May 17, 2010, Board meeting
- C. Ratemaking Policy for FY 2021 Through FY 2025 – Resolution No. 5165



# Ten-year Pro Forma Fiscal Years 2024 – 2033

March 20, 2023

# Overview

- Background and Methodology
- Summary of Pro Forma Analysis
- Key Drivers and Assumptions
- Results
- Recommendations and Next Steps

# Background and Methodology

# AMP's Strategic Plan

- In January 2019, the Board approved the Strategic Plan.
  - Strategy 2 of the Business Resiliency Issue reads, “AMP will develop financial planning processes that provide fiscal stability and clearly communicate service priorities with their associated costs.”
  - Tracking progress is primarily through the key performance indicator – “Maintain rates at 15 percent or more below Pacific Gas & Electric and 10 percent or more below local Community Choice Aggregators.”

# Pro Forma Analysis - Methodology

*Step 1: Develop revenue requirement (total budget costs)*

Key Components of revenue requirement are:

- Power costs
- Labor, services, and materials
- Debt service
- Transfers
- Capital projects
  - Regular maintenance projects
  - Undergrounding
  - Non-routine projects e.g., development of Alameda Point

# Pro Forma Analysis – Methodology cont.

## *Step 2: Determine how revenue requirement is financed*

- Revenue requirement funding:
  - Rates
  - Debt
  - Operating reserves
  - Designated reserves
    - Renewable Energy Credit (REC)
    - Cap and Trade (C&T)
    - Underground
    - Low Carbon Fuel Standard (LCFS)
- Designated reserves can only be used to fund specific projects

## *Step 3: Determine rate increases required to meet financial metrics as per the ratemaking policy*

# Key Drivers and Assumptions

# Prior Year's FY 2024 Forecast Comparison

The table below is **not** a comparison to the FY2023 budget.

	<b>FY 2023 Forecast for FY 2024 (Million)</b>	<b>FY 2024 Forecast for FY 2024 (Million)</b>	<b>Difference (Million)</b>
Power Costs (including transmission)	\$38.0	\$40.4	2.4
Capital Costs	\$8.3	\$18.6	10.3
Material, Services and Labor Costs	\$26.9	\$27.9	1.0
Non-Operating Expenses	\$1.4	\$1.4	0.0
Debt Service	\$2.7	\$2.7	0.0
Contribution to City	\$6.0	\$6.3	0.3
<b>Gross Revenue Requirement</b>	<b>\$83.3</b>	<b>\$97.3</b>	<b>14.0</b>



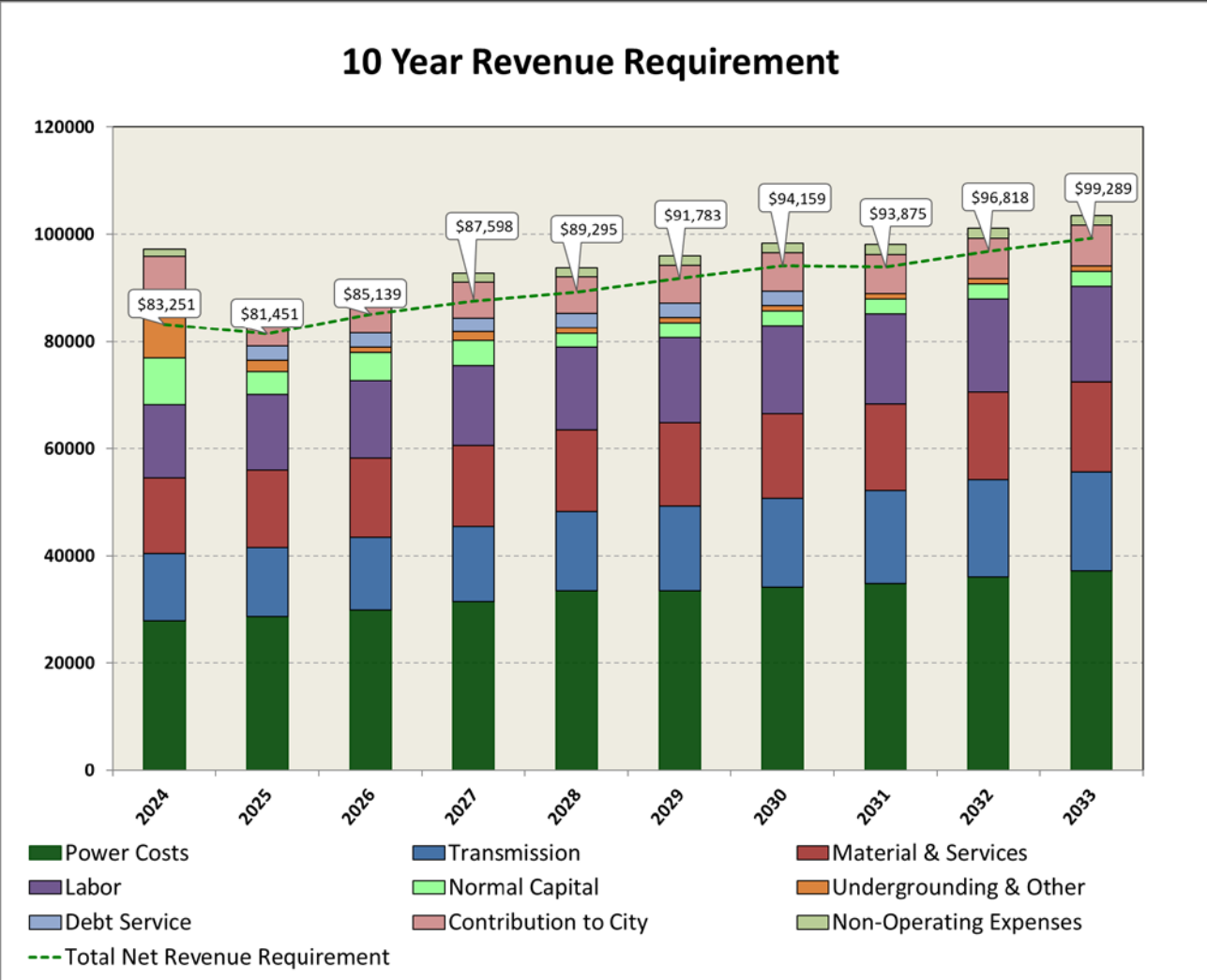
# Assumptions: Capital Expenditures

## Capital Improvement Plan

- Distribution Projects for New Loads/New Development
- Underground Projects
- Substation and Distribution Work
- Advanced material purchases to help address supply chain issues.

# Summary of Analysis and Detailed Results

# FY2024 - 2033 Revenue Requirements



# Summary of FY2024 Pro Forma Analysis

*In FY2024, AMP projects a 7 percent rate increase will be necessary to maintain its financial metrics. This would require Board approval for a one-time waiver to the 5 percent rate increase limitation in AMP's ratemaking policy.*

FY	Rate Increase %	Avg Rate (¢/kWh)	Debt Coverage Ratio	Debt Coverage Ratio Adjusted	Days of Operating Reserves	Net Operating Surplus (Deficit) (\$000s)	Operating Reserves (\$000s)
2024	7.0%	20.93	2.22	3.72	266	(\$9,113)	\$51,742
2025	4.0%	21.77	2.28	3.61	233	(\$5,288)	\$46,494
2026	4.0%	22.64	2.79	4.13	201	(\$5,021)	\$41,512
2027	4.0%	23.55	3.34	4.69	179	(\$3,249)	\$38,303
2028	4.0%	24.49	3.53	4.82	167	(\$982)	\$37,362
2029	3.0%	25.22	4.01	5.18	162	(\$435)	\$36,967
2030	2.5%	25.85	4.19	5.37	157	(\$120)	\$36,888
2031	1.0%	26.11	NA	NA	165	\$1,615	\$38,544
2032	1.0%	26.37	NA	NA	161	\$226	\$38,812
2033	1.0%	26.64	NA	NA	155	(\$601)	\$38,254

\* The adjusted debt-coverage ratio doesn't include expenses that are funded by special reserves

# Rate Adjustment Plan

- AMP's Ratemaking Policy outlines a strategy to avoid rate spikes in a typical year while maintaining good financial standing
  - Comply with adopted financial policies.
    - $\leq 5\%$  annual rate increase
    - 1.75 x debt coverage ratio
    - 145 days of operating reserves
- This year AMP staff recommends a one-time waiver to the five percent annual rate increase limitation to address rising costs driven by inflation, supply chain issues, and energy cost increases.

# Next Steps

## Upcoming events:

- April 17 PUB Meeting:
  - FY 2024 Budget Workshop
  - FY 2024 Cost of Service and Rates Update PUB Meeting\*
    - \* - Staff will request a one-time waiver of the 5 percent rate increase limitation.
- June Meeting:
  - Adoption of FY 2024 Budget, Investment Policy, and Budget Policy

# Questions

Alan Harbottle  
Supervisor Energy Resources  
(510) 814-6403  
[harbottle@alamedamp.com](mailto:harbottle@alamedamp.com)



To: Honorable Public Utilities Board

Submitted by: \_\_\_\_\_/s/\_\_\_\_\_

Robert J. Orbeta  
AGM - Administration

From: Robert J. Orbeta  
AGM - Administration

Approved by: \_\_\_\_\_/s/\_\_\_\_\_

Girish Balachandran  
General Manager

Subject: Financial Guidelines for Rates and Revenue, and Reserves

---

### RECOMMENDATION

*By motion*, it is recommended that the Public Utilities Board (Board) accept the financial guidelines for rates and revenue and that the Board accept the financial guidelines for reserves.

### BACKGROUND

Alameda Municipal Power (AMP) hired Sandra McDonald of McDonald Partners as its Financial Advisor (FA) for financial planning, and to review the Series 2000A and 2000AT Certificates of Participation (COPs). The FA has been conducting a comprehensive review of financial planning goals, the COPs, and bond coverage requirements. Additionally, staff has developed a series of assumptions and scenarios with the FA to generate a Ten Year Financial Plan that will be used to balance revenue with expenses while maintaining adequate reserves.

As a result of the work performed with the FA, the financial policies that are being proposed by staff at this time are intended to document some of the financial planning guidelines that will be used in the rate, revenue and reserve planning process, and to support the refinancing efforts of the Series 2000A and 2000AT COPs. AMP is establishing these financial guidelines to ensure that finances are managed in a manner that will continue to provide for the delivery of reliable electric service as the community grows, manage the organization so that it lives within its means, and to establish reserves necessary to meet unanticipated expenditures and service level emergencies.

At the January 25, 2010 Board meeting, the FA discussed financial planning goals, importance of AMP's credit rating, primary drivers for credit ratings, and credit implications of reserves. The FA highlighted that the goal of financial planning was to maintain adequate reserves and liquidity, maintain or improve credit ratings, comply with bond covenants, enhance transparency, reduce debt expense and minimize rate impacts.



At the February 22, 2010 Board meeting, the FA provided a market update, a debt refunding analysis, an alternative structuring of reserves, and the credit implications of implementing the debt/reserve alternatives.

At the March 15, 2010 Board meeting, the FA recapped the financial planning discussions and recommended financial guidelines:

- The FA recommended that the financial guideline for unrestricted operating cash should have a target of 145 days, a low of 100 days, and a high of 270 days.
- The FA highlighted that this recommendation was contingent on no significant change in AMP's power portfolio risk.
- The FA recommended that the debt service coverage ratio should have a target of 1.75x.
- The FA highlighted that this recommendation is at the low end of range for the entire WECC peer group, but that it was appropriate for AMP's level of debt and capital expenses.
- The FA concluded that:
  - Pro forma results should include, at a minimum, sufficient revenues to meet both the 145 days of operating cash on hand and a 1.75x debt service coverage ratio;
  - Rates may be set to collect additional funds for future planned expenditures while avoiding, or minimizing, future debt issuances and providing rate stabilization; and
  - Mid-year rate increases should be considered when there is less than 100 days of operating cash on hand or when there is less than the minimum bond coverage ratio.

In addition to the FA presentation and recommendations at the March 15, 2010 Board meeting, staff presented a 10-year pro forma financial plan and introduced recommendations for rate principles and guidelines for ratemaking purposes.

During the 10-year pro forma financial plan presentation, staff highlighted the purpose behind creation of the pro forma, indicated the key drivers that impact the results of the planning model, identified factors that are causing operating costs to rise, discussed assumptions contained in the planning model, identified a sampling of questions to be addressed in the scenario analysis, and provided an analysis of findings resulting from each of the scenarios. The conclusion was that, over the long term, there are only small differences between the scenario options, and that excess renewable power sales only forestall future revenue requirements. The analysis confirmed that a steady, gradual basis for rate adjustments will meet the needs of AMP.

During the rate principles and guidelines presentation, staff highlighted some of the existing policy directives and strategies related to ratemaking. Additionally, staff discussed development of the ratemaking principles and highlighted that development of a rate structure must reach reasonable compromises between conflicting and competing objectives.

## DISCUSSION

*The following financial guidelines are recommended to the Public Utilities Board for implementation by staff:*

### General

1. AMP shall manage its financial assets in a sound and prudent manner.
2. AMP shall maintain sound financial practices in accordance with applicable law and regulations.
3. AMP shall allocate its available financial resources toward meeting goals identified in the Board adopted strategies.
4. AMP shall ensure long-term fiscal sustainability in funding all direct and indirect costs necessary to provide reliable electric service.
5. AMP shall maintain accounting systems in conformance with generally accepted accounting principles (GAAP).
6. AMP shall establish and maintain investment policies in accordance with State law and sound investment principles, ensuring safety and liquidity of principal over yield.
7. AMP shall ensure compliance with all financial covenants contained in any bond indenture, lease, installment sale agreement, letter of credit or other financing document.

### Rates & Revenues

1. AMP shall at least annually review all rates and charges.
2. AMP shall seek approval of any required rate increase to:
  - a. ensure that the current rates and charges and any other revenues, together with any planned transfer from a Rate Stabilization Fund or the Operating Reserve, recover the full cost of operating AMP, including all operating costs, payments in lieu of taxes, general fund transfers, debt service and capital projects that are not expected to be paid with the proceeds of bonds,
  - b. provide a target coverage of ratio of 1.75X (based on calculations in accordance with AMP's bond documents).

3. AMP shall bill customers for electric service in a timely manner. No customers shall receive free service.
4. AMP shall aggressively pursue revenue collection and auditing to ensure that monies due are received in a timely manner.
5. AMP shall establish connection fees, development fees or other user fees that fully support the total direct and indirect cost of any activity that benefits only specific customers or individuals, including administrative overhead and depreciation, except as provided by other specific policy criteria.
6. AMP shall prepare periodic financial reports of actual revenues and expenditures for review by the Public Utilities Board, in order to provide information on the status of AMP's financial condition, as required by the City Charter.
7. AMP shall maintain and further develop methods to monitor major revenue sources and evaluate financial trends, assisted by outside technical consultants as necessary.

### **Reserves**

1. AMP shall establish, dedicate and maintain reserves annually to meet known and estimated future obligations.
2. In preparing each Annual Budget and Annual Rate Review, AMP shall target a projected Operating Reserve fund balance at the end of each fiscal year shall be at least equal to:
  - a. 145 days of all operating expenses including any payment-in-lieu of taxes/ROI.
  - b. It is understood that the target set forth above is a guideline and the Board may adopt a budget and establish rates such that the projected operating reserve fund balance is higher or lower than the target amount; however, in no case shall the projected operating reserve balance be less than 100 days of all operating expenses including any payment-in-lieu of taxes.
  - c. Operating expenses shall include costs for purchased power, maintenance, operations, customer accounts, sales, administration & general, and PILOT/ROI. Specifically excluded from the definition are depreciation, non-operating revenue and expenses, debt related charges, the transfer to the General Fund, capitalized equipment costs, and capital project work including outside billing to 3<sup>rd</sup> parties.
3. AMP shall establish Board designated reserve accounts which include, but are not limited to, designated reserves for the following:
  - a. Reserve for solar rebates;
  - b. Reserve for undergrounding;
  - c. Reserves for insurance.

FINANCIAL IMPACT

None.

LINK TO STRATEGIC PLAN AND METRICS

Strategy No. 2: Ensure utility financial health is preserved through short and long term risk management planning.

EXHIBIT

None.

CITY OF ALAMEDA  
**ALAMEDA MUNICIPAL POWER**

RESOLUTION NO. 5165

**APPROVE ALAMEDA MUNICIPAL POWER'S  
RATEMAKING POLICY  
FOR FISCAL YEAR 2021 THROUGH FISCAL YEAR 2025**

---

WHEREAS, the Public Utilities Board (Board) hereby finds that the following policy provides reasonable principles and guidelines for the determination of rates;

NOW THEREFORE BE IT RESOLVED that the Board hereby approves the following Ratemaking Policy:

AMP shall align previous principles and guidelines with current strategies and practices to assure that rates:

1. Provide adequate revenue
  - Cover operating, non-operating, and capital expenditures
  - Ensure a reasonable level of working capital is available for unexpected events
  - Provide 145 days operating cash on hand
  - Provide 1.75 debt service coverage ratio
2. Consider equity
  - Support equity between and within customer classes
  - Support equity in discount, incentive, and rebate programs
3. Send price signals to customers
  - Reflect the cost of service
    - Fixed customer or meter charge for each rate class to help recover the costs of customer billing and overhead independent of energy usage
  - Be simple yet understandable
  - Encourage customer response to energy usage and consider different rate structures
    - Time-dependent rates
    - Tiered rates
    - Demand charges
4. Reflect the community's social priorities
  - Consider the social priorities found in the Strategic Plan
    - 100% carbon-free portfolio
    - Energy efficiency and building electrification
    - Transportation electrification

- Low-income and disadvantaged community programs
  - Customer assistance programs
  - Utility Underground Districts
  - Promote economic development
  - Include appropriate public goods charges (i.e. surcharge mandated by the Public Utilities Code to generate funds for (i) energy efficiency & conservation, (ii) new investment in renewables and related technologies, (iii) research, development, and demonstration programs to advance science and technology, and (iv) services for low-income electricity customers)
  - Consider additional funding sources (e.g. Renewable Energy Credit sales, Cap & Trade auction proceeds, and Low Carbon Fuel Standard credit sales)
5. Strive to be competitive
- Continue to be competitive with rates for equivalent customers in neighboring communities
6. Are adjusted based on annual projections
- Review financial projections, rates, and charges annually
  - Base rate changes on first five years of 10-year financial model results
    - Account for longer-term outlook of the Capital Improvement Plan (CIP) and other planning documents
  - Adjust rates to reflect changes in costs
    - Rate increases should be gradual (slow and steady)
    - No more than 5 percent on average per year, if possible
  - Enact annual rate changes effective July 1, unless otherwise required
  - Provide advance notice to customers
7. Utilize successive five-year rate plans to implement the preceding rate principles.

**AYES:** President McCormick, Vice President Serventi, Commissioner Giuntini, Commissioner Gould, and City Manager Eric Levitt

**NOES:** None

**ABSENT:**

**IN WITNESS WHEREOF**, I have set my hand on this 22nd day of October 2019.

\_\_\_\_\_  
Date

***/s/***  
\_\_\_\_\_  
Nicolas Procos  
Public Utilities Board Secretary