



## Memorandum

January 22, 2025

To: Board of Trustees

From: Greg Leclair, Director of Finance and Administration  
Peter Eglinton, Deputy Director

Re: Proposed Adjustments to the FY2025 Budget

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### Proposed Motion

Move to adjust the Trust's FY2025 budgets as described in this memorandum, resulting in a total FY2025 source of funding (revenue) and expenditure budgets of \$253,142,710 and \$251,234,396, as shown in the tables below, respectively.

### Background and Recommendations

Shift Electric Procurement from Commercial and Industrial (C&I) Custom Program to C&I Prescriptive Initiatives

Activity in the C&I Custom Program has been relatively slow, due in part to a saturated market for distributed generation projects and snow-gun projects. A number of large projects approved in the prior fiscal year are underway at the sites of typical customers, postponing interest in new upgrades. Meanwhile, the C&I Prescriptive Program is experiencing strong activity and may be able to commit \$1 million to \$3 million in new projects by the end of the fiscal year. Staff proposes to shift \$1 million in electric procurement from Custom to Prescriptive to support its growing pipeline of pending projects. The program will reassess projections closer to the fourth quarter to determine if additional funding is needed.

### Incorporate Funding from the Greenhouse Gas Reduction Fund (GGRF)

On June 26, 2024, the Board approved the acceptance of funding from the GGRF, as a sub-grant from the Coalition for Green Capital (CGC), using funds from the Inflation Reduction Act (IRA), in an amount not less than \$15 million. Now that we have a signed agreement with the CGC, Staff proposes to add \$1.5 million to the FY2025 revenue budget to support loan administration costs (platform and servicing), allocating \$600,000 to the expenditure budget at this time. Note that the \$200,000 in the table below is for residential loan servicing, which is under the Home Energy Savings Program budget category.

### Correct Typographical Error

At its December 18, 2024, meeting, the Board approved adding funds to the Bipartisan Infrastructure Law (BIL) Energy Efficiency Revolving Loan Fund. Although the fund name was correct, the Staff's memorandum referenced an incorrect fund code, which referred to the Small Business Revolving Loan Fund. Our accounting system uses fund codes. Staff proposes to correct the typographical error by explicitly moving the funds from the Small Business Revolving Loan Fund to the BIL Energy Efficiency Revolving Loan Fund.

See the tables below for details on the budget adjustments.

**Proposed Amendment to the FY2025 Revenue/Source of Funding**

<b>Funding Source</b>	<b>Electric Procurement Fund</b>	<b>Small Business RLF Fund</b>	<b>BIL Energy Efficiency Revolving Loan Fund</b>	<b>Greenhouse Gas Reduction Fund</b>	<b>Total</b>
Greenhouse Gas Reduction Fund	-	-	-	1,500,000	1,500,000
<b>Total - Funding Source</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>

**Proposed Amendment to the FY2025 Expenditure Budget**

<b>Program Budgets</b>	<b>Electric Procurement Fund</b>	<b>Small Business RLF Fund</b>	<b>BIL Energy Efficiency Revolving Loan Fund</b>	<b>Greenhouse Gas Reduction Fund</b>	<b>Total</b>
Home Energy Savings Program	-	-		200,000	200,000
C&I Prescriptive Program	1,000,000	(125,000)	125,000	-	1,000,000
C&I Custom Program	(1,000,000)	-	-	-	(1,000,000)
Administrative	-	(50,000)	50,000	400,000	400,000
<b>Total- Program Budgets</b>	<b>\$ -</b>	<b>\$ (175,000)</b>	<b>\$ 175,000</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>