



Memorandum

April 23, 2025

To: Board of Trustees

From: Michael Stoddard, Executive Director
Peter Eglinton, Deputy Director

Re: FY 2026 Request for Electric Efficiency Procurement

Proposed Motion

Move to find a good-faith forecast of \$9,600,000 in uncommitted carryforward of budget in the FY2025 Electric Efficiency Procurement fund and apply that amount to next year's budget, resulting in an adjusted request for FY 2026 Electric Efficiency Procurement of \$77,943,489.

Background

Staff has reviewed the most recent accounting of expenditures and the available budget for the Electric Efficiency Procurement fund for the current fiscal year and prepared a good-faith forecast of the amount of this fund that will remain unspent and uncommitted by June 30. In conducting this forecast, Staff has taken into consideration this year's trends in program activity for programs funded by Electric Efficiency Procurement, seasonality of certain measures, recent program design changes, observable macro-economic factors, and performance of these programs in past years. Staff estimate the year-end carryforward of unspent, uncommitted Electric Efficiency Procurement funds for FY 2025 of \$9,600,000.

It is customary at this point in the fiscal year to inform the PUC of the estimated uncommitted carryforward that it is available to offset the following fiscal year's Procurement assessment.

On April 10, 2025, the Staff filed a Stipulation that, if approved by the Commission, would achieve a full resolution of the issues in the Triennial Plan VI proceeding. This would include approval of the Budget and Performance Metrics approved by the Board on October 3, 2024, and submitted in the initial filing. The total procurement budget currently pending PUC approval is \$87,543,489. The Staff estimates that the uncommitted electric procurement funds from FY 2025 will be close to, but not less than, \$9,600,000.

Recommendation

Staff recommends making a finding that \$9,600,000 is a reasonable, good-faith forecast of the amount of Electric Efficiency Procurement that will be unspent and uncommitted by year-end, and that this amount be applied to offset the amount the Trust will request from this fund for the coming year. This would result in a request for the Electric Efficiency Procurement for FY2026 in the amount of \$77,943,489.