

California Energy Resources Scheduling

**A Division of
California Department of Water Resources**

**Activities and Expenditures Report
Quarter Ended September 30, 2011**

(Provides Data as Required by Section 80250 of the California Water Code)



Activities and Expenditures Report For The Quarter Ended September 30, 2011

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Activities and Expenditures Report

Preface

Pursuant to the reporting requirement in Section 80250 of the California Water Code, the following information reflects energy acquisition activities and expenditures incurred by the California Energy Resources Scheduling Division (CERS) of the Department of Water Resources (DWR) for the quarter ended September 30, 2011. Included are all costs related to energy acquisition and administration.

CERS purchases power under the terms of its existing contracts, all of which were entered into prior to January 1, 2003. The scheduling, dispatch and certain other administrative functions for the existing contracts are managed by the investor owned utilities. CERS continues to have financial and legal responsibility for its contract portfolio and will oversee repayment of the revenue bonds.

The audited financial statements for the years ended June 30, 2011 and 2010, and the un-audited financial statements for the quarter ended September 30, 2011, prepared in accordance with generally accepted accounting principles, can be referenced at the following link: http://www.cers.water.ca.gov/financial_bonds.cfm

This report is available on the DWR website at www.cers.water.ca.gov.

Cash Balances

September 30, 2011

(in millions)

Power Accounts

Operating and Priority Contract Accounts	\$	870
Operating Reserve Account		288
Total Power Account Balances	\$	<u>1,158</u>

Bond Accounts

Bond Charge Collection Account		238
Bond Charge Payment Account		604
Debt Service Reserve Account	\$	919
Total Bond Account Balances	\$	<u>1,761</u>

Note: All cash balances met the requirements of the Bond Indenture at quarter end and for each day during the quarter.

Revenues from IOU Ratepayers

Quarter Ended September 30, 2011

(in millions)

	<u>Pacific Gas & Electric</u>	<u>San Diego Gas & Electric</u>	<u>Southern California Edison</u>	<u>Total</u>
<u>Power Charges</u>				
Quarter Ended September 30, 2011	\$ 77	\$ 23	\$ 205	\$ 305
<u>Bond Charges</u>				
Quarter Ended September 30, 2011	\$ 103	\$ 22	\$ 103	\$ 228

DWR Contract Expenditures for the Benefit of Ratepayers

Quarter Ended September 30, 2011 (in millions)

<u>Utility</u>	<u>Total Power Costs*</u>	<u>Total MWh</u>	<u>Total Gas Costs</u>	<u>Total MMBtu</u>
Pacific Gas & Electric	\$ 62	0.88	\$ 1	1.68
Southern California Edison	199	5.00	92	14.86
San Diego Gas & Electric	80	0.57	19	4.30
Total	\$ 340	6.45	\$ 113	\$ 20.84

*Contract expenditures do not include the net costs of prior period refunds and adjustments or settlement revenues.

Power Revenue Bonds

September 30, 2011

(in millions)

<u>Series</u>	<u>Initial Principal Amount</u>	<u>September 30, 2011 Outstanding Principal Amount</u>	<u>Interest Rate Mode</u>
Initial Issues			
Series 2002A	\$ 6,314	\$ 314	Fixed
Series 2002B	1,000		
Series 2002C	2,750		
Series 2002D	500		
Series 2002E (Taxable)	700		
Total	<u>\$ 11,264</u>		
Refunding Issues			
Series 2005F	\$ 759	\$ 348	Fixed
Series 2005G	1,835	173	Fixed
Series 2008H	1,007	1,007	Fixed
Series 2008I	150		
Series 2008J	130		
Series 2008K	279	279	Fixed
Series 2010L	2,919	2,919	Fixed
Series 2010M	1,684	1,684	
Series 2010N	960	960	Fixed
Total	<u>\$ 9,722</u>		
Total Bonds Outstanding		<u>\$ 7,684</u>	

Appropriated Costs

Fiscal Year Ending September 30, 2011

(in millions)

	Annual Budget for Fiscal Year Ended September 30, 2011	Pro rated Budget for Three months Ended September 30, 2011	Actual Expenditures through September 30, 2011
Salaries, Benefits and Distributed Administrative Costs	\$ 6.2	\$ 1.6	\$ 1.4
Consulting Companies and Personal Service Consultant:	8.8	2.2	1.4
Other Operating Expenses and Equipment	3.5	0.9	0.4
Subtotal	18.5	4.6	3.3
Allocation of State Wide Pro-Rata Costs	9.9	2.5	2.5
TOTAL ADMINISTRATIVE COSTS	\$ 28.4	\$ 7.1	\$ 5.8