

RACHEL PEREZ, CFO

MassCEC FY 2024 Budget Presentation



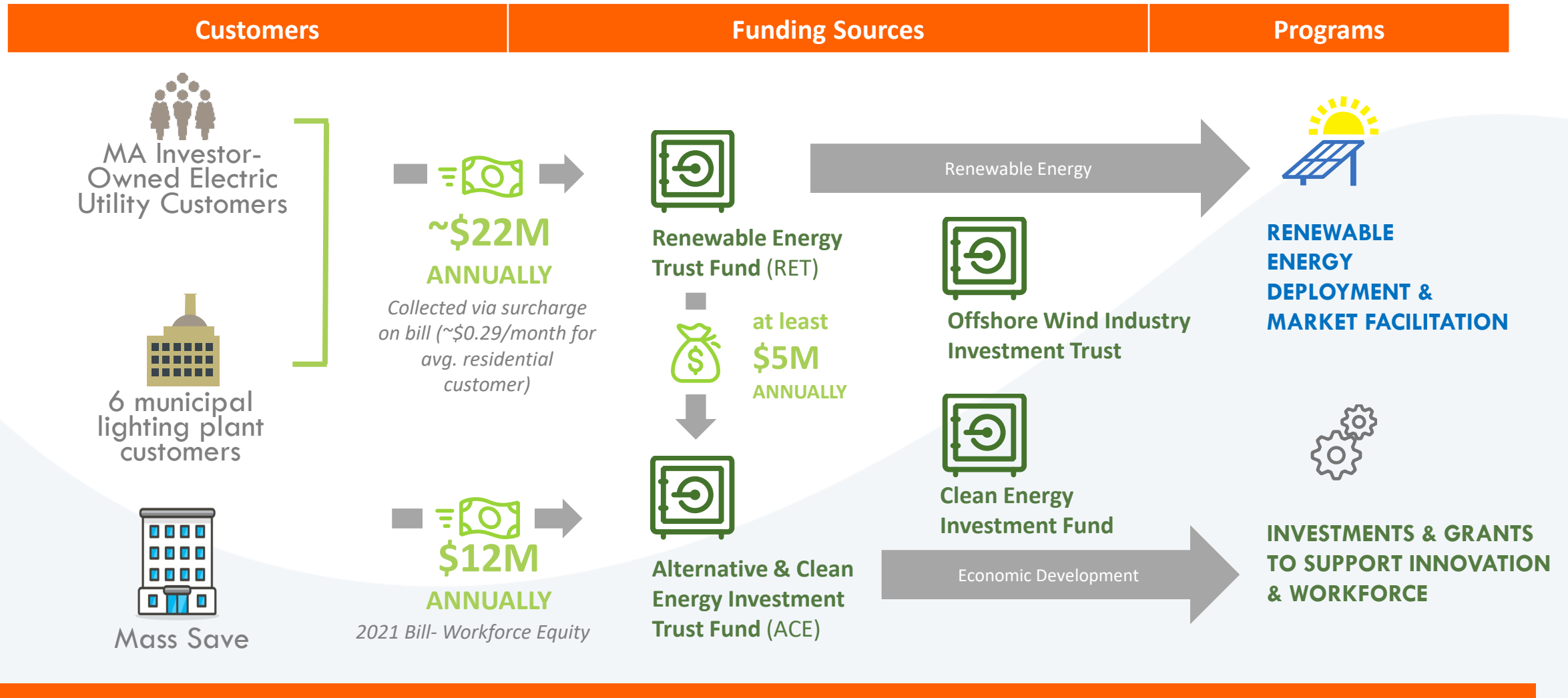
FY24 Budget Executive Summary

CONSOLIDATED BUDGET	FY 2024	FY 2023	
	Budget	Budget	FY 2023 Q3 Estimated Actual
REVENUE / OTHER INCOME	\$ 81,215,648	\$ 64,126,757	\$ 248,479,778
AWARDS	\$ 130,696,461	\$ 118,971,000	\$ 214,988,514
PROGRAM OPERATING EXPENSES	\$ 11,507,326	\$ 7,749,329	\$ 8,730,471
BUSINESS UNIT OPERATING EXPENSES	\$ 8,970,792	\$ 9,087,804	\$ 7,983,072

The FY24 budget reflects the following:

- Revenue: Systems Benefit Charge in line with actual funding received in FY23 (\$22M), Equity Workforce (\$12M), Trust investment interest income (\$10M), Intergovernmental funding (\$23.8M), WTTC and Terminal revenue
- Awards: Awards in FY24 driven largely by external sources of funding (\$40M ARPA, \$17.6M DEP)
- Operating Expenses: Increase in FY24 operating expenses compared to prior year due to filling open positions and additional positions to support increased funding/programming.

How MassCEC is Funded



FY24 Revenue Budget

CONSOLIDATED BUDGET	FY 2024	FY 2023	
	Budget	Budget	FY 2023 Q3 Estimated Actual
REVENUE / OTHER INCOME			
System Benefit Charges	\$ 22,000,000	\$ 21,500,000	\$ 21,500,000
Equity Workforce Development Funding	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Offshore Energy Career Training Trust	\$ -	\$ 3,500,000	\$ 10,500,000
Clean Energy Investment Fund	\$ -	\$ -	\$ 50,000,000
Offshore Wind Ports Funding	\$ -	\$ -	\$ 100,000,000
Networked Geothermal	\$ -	\$ 5,000,000	\$ 5,000,000
Trust Interest & Dividend Income	\$ 10,000,000	\$ 3,000,000	\$ 3,494,910
Trust Realized/Unrealized Gains / (Losses)	\$ -	\$ -	\$ 1,407,956
Investment Division Income	\$ 57,000	\$ 38,490	\$ 125,767
Intergovernmental Revenue	\$ 23,801,584	\$ 4,552,450	\$ 29,137,207
Renewable Energy Certificate Income / (Loss)	\$ 112,000	\$ 110,000	\$ 46,242
Other Gain / (Loss)	\$ 2,269,000	\$ 5,813,490	\$ 5,572,009
Wind Technology Testing Center Revenue	\$ 2,424,000	\$ 2,500,000	\$ 3,989,662
Marine Commerce Terminal - Port Fee Revenue	\$ 8,721,064	\$ 6,260,817	\$ 5,878,034
TOTAL REVENUE / OTHER INCOME	\$ 81,215,648	\$ 64,126,757	\$ 248,479,778

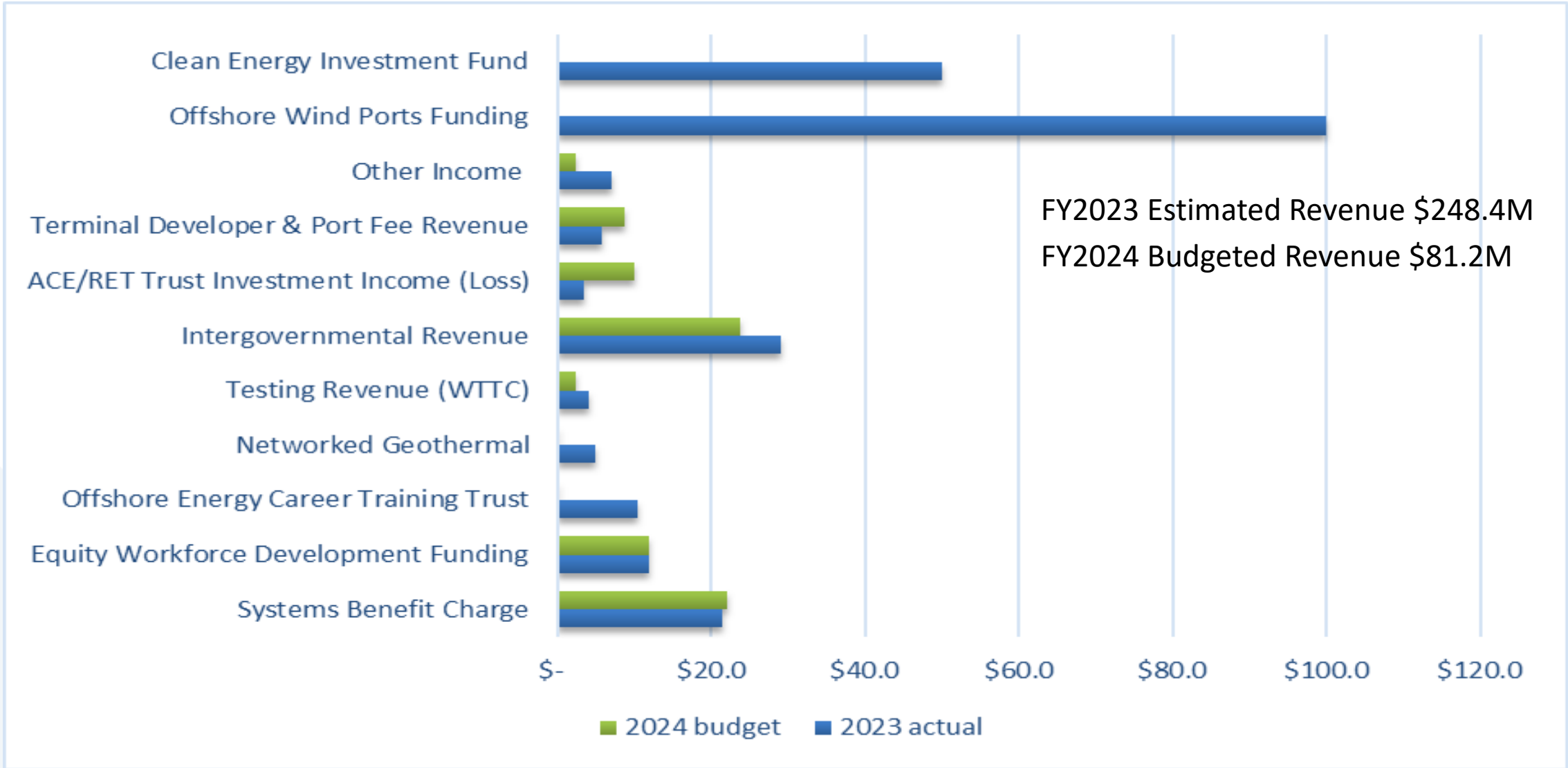
► FY24 Revenue highlights:

- Systems Benefit Charge: In line with actual funding received in FY23
- Trust Interest & Gains: based on Trust investments; increase due to higher interest rates and one time revenue deposited in money market funds
- Intergovernmental Revenue: comprised of PTS (DOER), Buildings (DOER), Clean Transportation (DEP)
- Other Gain / (Loss): Vineyard Wind economic development funding
- Marine Commerce Terminal - Developer Revenue: Vineyard Wind lease + expense reimbursement

* In addition to the FY24 Governor’s Budget Proposal, MassCEC has several pending federal funding applications which are not included in FY24 budget due to uncertainty.

Revenue Sources

(in millions)



FY24 Awards Budget

CONSOLIDATED BUDGET	FY 2024	FY 2023	
	Budget	Budget	FY 2023 Q3 Estimated Actual
AWARDS AND INVESTMENTS			
Market Development			
<i>High Performance Buildings</i>	\$ 24,650,000	\$ 17,150,000	\$ 17,622,784
<i>Offshore Wind</i>	\$ 20,658,000	\$ 56,500,000	\$ 147,795,364
<i>Clean Transportation</i>	\$ 31,617,238	\$ 12,000,000	\$ 15,116,743
<i>Net Zero Grid</i>	\$ 7,857,023	\$ 2,000,000	\$ 2,285,000
<i>Other</i>	\$ 375,000	\$ 255,000	\$ 120,904
Market Development Total	\$ 85,157,261	\$ 87,905,000	\$ 182,940,795
Technology-to-Market	\$ 10,400,000	\$ 7,876,000	\$ 6,851,116
Investments	\$ 8,000,000	\$ 5,000,000	\$ 2,250,000
Workforce Development	\$ 27,139,200	\$ 18,190,000	\$ 22,946,603
TOTAL AWARDS AND INVESTMENTS	\$ 130,696,461	\$ 118,971,000	\$ 214,988,514

FY24 Awards – Decrease from FY23 Est. Actuals

Awards Decrease - FY23 Estimated Actuals vs. FY24 Budgeted		
FY24 Budgeted Awards	\$	130,696,461
FY23 Estimated Award Total	\$	214,988,514
Decrease year over year	\$	(84,292,053)

Detail of Awards Decrease		
Offshore Wind Ports Funding	\$	(135,000,000)
ARPA Funding Awards	\$	40,000,000
Other increases	\$	10,707,947
Total Decrease FY23 - FY24	\$	(84,292,053)

FY23 One-time Ports Funding

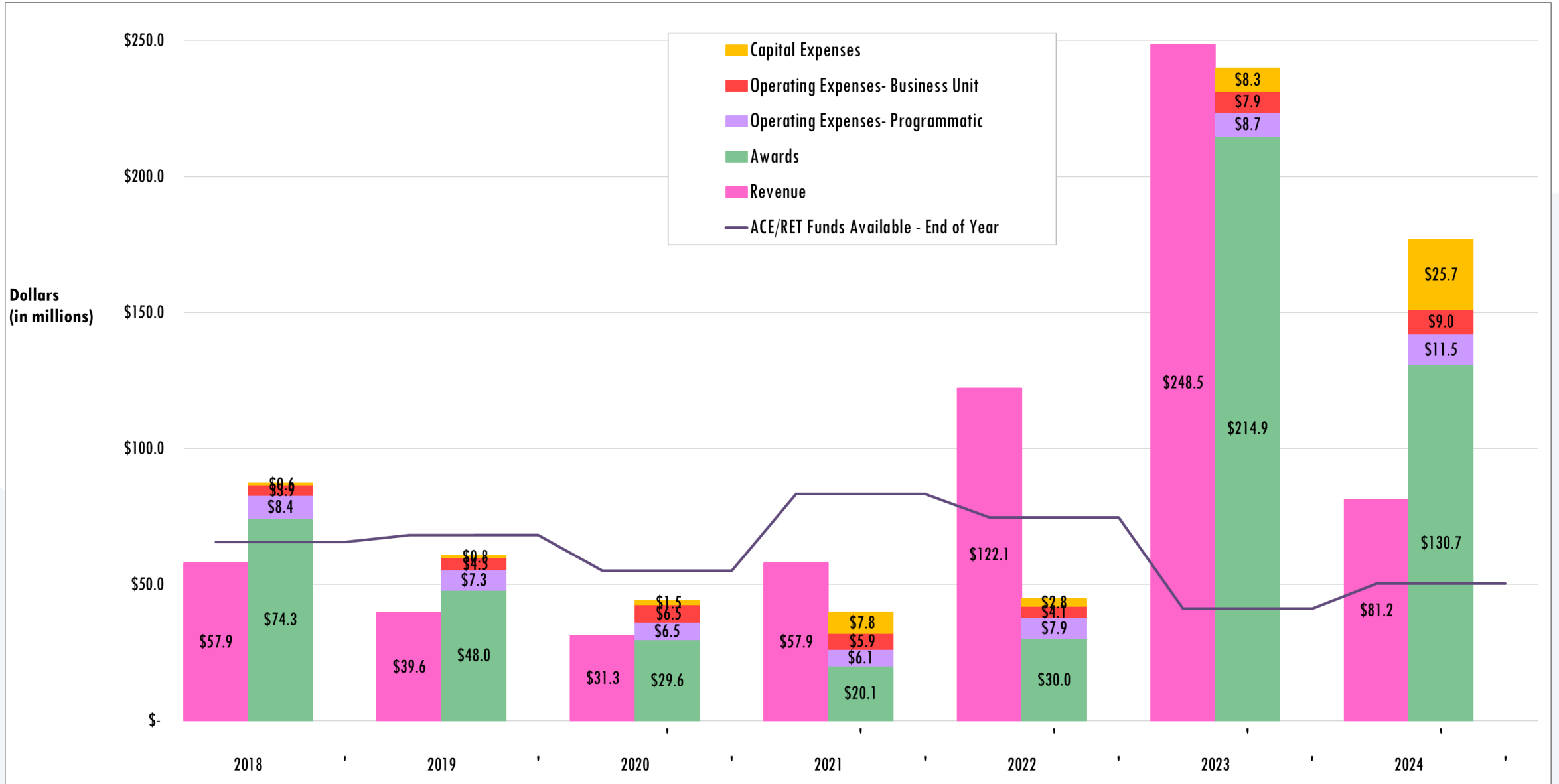
Other increases line includes the following higher program award volume:

- \$6.5M Clean Transportation
- \$5.6M Net Zero Grid

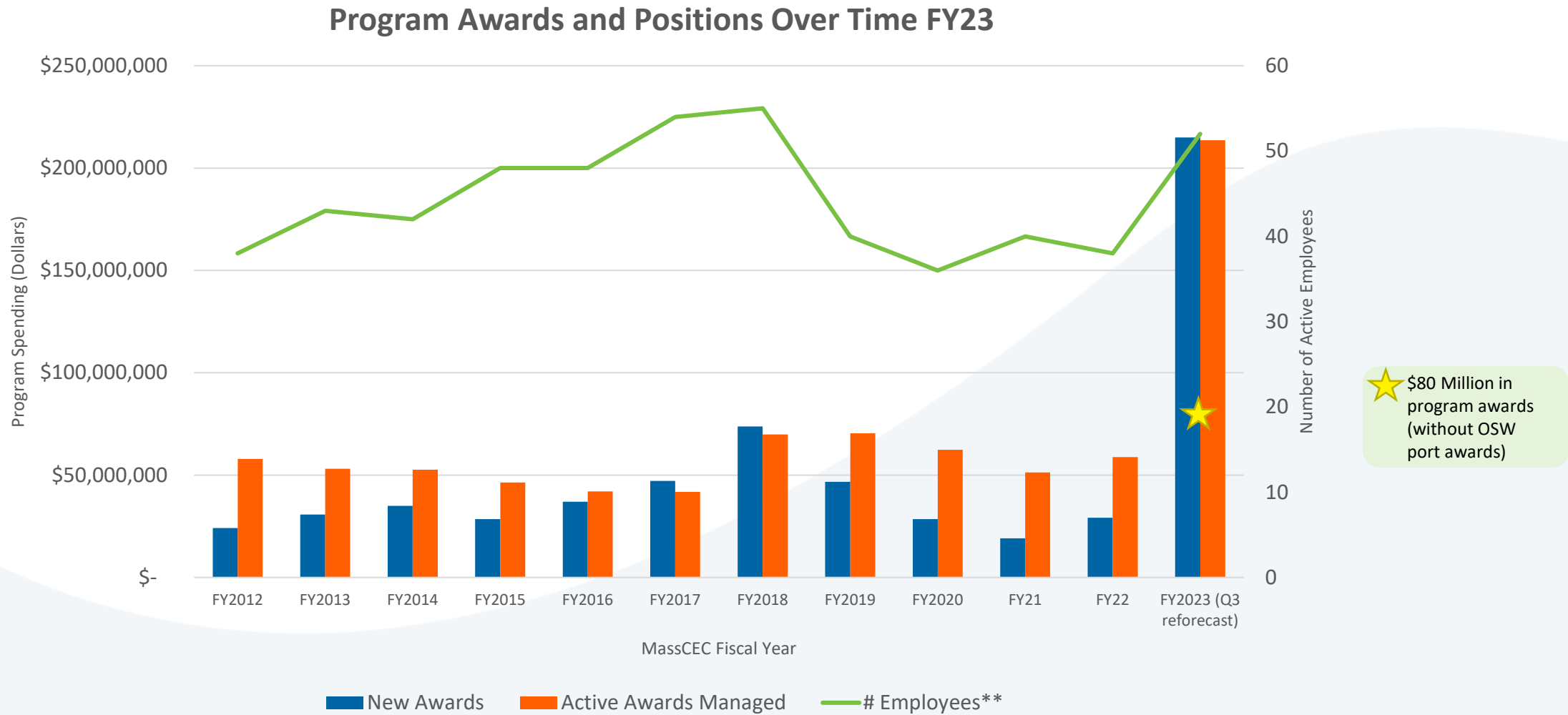
The increases are offset by small decreases in other areas.

HISTORICAL RESULTS

Note: FY23 reflects reforecast data as of Q3. FY24 reflects budgeted data.



Program Awards and Positions Over Time



** Includes only active positions for programmatic and corporate staff (excludes staff from WTTC, Terminal, and PTS)