



**AGENDA**  
**COMMUNITY ADVISORY COMMITTEE**  
**Tuesday, April 17, 2018**  
**9:00 A.M.**

---

50 Santa Rosa Avenue, 5<sup>th</sup> Floor, Santa Rosa, California

**I. CALL TO ORDER**

**II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA**

(Comments are restricted to matters within the Committee jurisdiction. The Committee will hear public comments at this time for up to thirty minutes. Please limit your comments to three minutes.)

**III. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

1. Review and approve the March 22, 2018 meeting minutes of the Community Advisory Committee
2. Receive Operations Report
3. Receive State Legislative and Regulatory updates
4. Review and make a recommendation on the proposed FY 18/19 annual budget
5. Review and make a recommendation on the proposed FY18/19 customer rates effective July 1, 2018

**IV. COMMITTEE MEMBER ANNOUNCEMENTS**

**V. ADJOURN**

*DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Clerk at (707) 978-3463, as soon as possible to ensure arrangements for accommodation.*



**MINUTES  
COMMUNITY ADVISORY COMMITTEE  
Thursday, March 22, 2018**

**I. CALL TO ORDER**

The meeting was called to order by Committee Member Nicholls at 9:00 a.m.

Committee Members present: Guthrie, Chaban, Sizemore, Baldwin, Wells, Mattinson, Nicholls, Brophy and Como.

Staff present: Geof Syphers, Chief Executive Officer and Stephanie Reynolds, Director of Internal Operations

**II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA**

CM Nicholls mentioned the Redwood Fire Rebuild Expo in Ukiah on March 24. He stated that CM Guthrie was a leader at a Schools for Climate Action workshop at the Sebastopol Grange following a formal resolution supporting the student climate activists of the West Sonoma County High School District. CM Guthrie provided an update on Schools for Climate Action.

Woody Hastings welcomed new committee members and introduced Nina Turner, new Program Associate for the Center for Climate Protection.

CM Brophy asked about exposure that PG&E has with the fires, possible bankruptcy, and if SCP has looked into what the implications are.

CEO Syphers stated there is potential liability if the principle of inverse condemnation is upheld. This principle is based on the idea that since there is no other source of insurance that covers this scale of disaster, utilities can be held financially liable even if they are not otherwise culpable. He stated there is also an argument over whether a utility can recover damages from ratepayers when the utility is not at fault. He stated the effect on SCP of the delivery utility's financial liabilities would probably not be significant, but this is difficult to know.

Stephanie Reynolds, Director of Internal Operations requested that Item 6 be taken prior to Item 5. There were no objections from the committee.

Steven Pierce commended the work of the Committee and staff and stated there is a critical need for the SCP programs and he wants to see a programmatic roadmap and explicit, measurable criteria for evaluating programs. He asked if there was a Committee or Board decision to prioritize storage and would like more transparency on the programs.

CM Mattinson stated that there is a sub-committee directly working on these topics with the Director of Programs.

### III. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

#### 1. Elect Chair and Vice Chair

CM Mattinson nominated CM Dowd as Chair for another term.  
Second: CM Como

Public Comment: None

Motion approved: 8-0-0

CM Brophy nominated CM Mattinson for Vice Chair.  
Second: CM Sizemore

Public Comment: None

Motion approved: 8-0-0

*Newly appointed Vice Chair Mattinson began chairing the meeting at 9:15 a.m.*

#### 2. Review and approve the January 16, 2018 meeting minutes of the Community Advisory Committee

CM Brophy asked to have the word "earthquake" added to his comment on Page 10 of the minutes.

Public Comment: None

Motion to approve the minutes, as amended, of the January 16, 2018 Community Advisory Committee as amended by CM Baldwin  
Second: CM Sizemore  
Motion approved: 8-0-0

### 3. Receive Operations Report

Stephanie Reynolds, Director of Internal Operations provided an update on Customer statistics and outreach to member cities regarding upgrading municipal accounts to EverGreen. CEO Syphers asked for assistance in getting the message out and that signing up for EverGreen is one of the most cost-effective ways to cut emissions compared to other measures cities can take.

CM Nicholls asked about outreach to special districts and stated as being the president of a community services district he welcomes a presentation of SCP at a board meeting to discuss converting street lighting, fire protective services and park and recreation to EverGreen.

CM Como asked about other cities not going all-in with regards to EverGreen. Nate Kinsey, Account Executive explained that information was provided to all cities and he is waiting to hear back as the cities are evaluating their budget planning.

CM Brophy asked if there is a broader program that we can establish for EverGreen in terms of pushing it to businesses, large manufacturing companies, etc. CEO Syphers stated we have prioritized the broader marketing of EverGreen behind electric cars and other programs because of the success of those programs and the GHG value.

CM Brophy asked staff to provide a set of talking points to Committee members.

Director Reynolds stated that SCP won an approximate \$10 million grant from the California Energy Commission (CEC) that will span work over a three-year period.

CEO Syphers provided an update on RED (Renewable Enterprise District) and its purpose.

CM Baldwin asked if the RED is attached in some way to some other government agency so that the bond rating is sufficient to get low interest rate financing. CEO Syphers stated the purpose of the JPA is to shield liability to members' general funds. This also means there is no access to the credit ratings of member agencies. Currently, there are attorneys working on this topic.

Director Reynolds provided an update on the Energy Education

Program that the Sonoma County Water Agency is managing as an SCP contractor.

CM Nicholls asked for an update on the Golden Hills wind project at a future meeting.

CEO Syphers noted the budget comparison on Page 24. He stated the budgeted amounts on this table now reflect a corrected version. He stated that when first going through the process of deciding of whether to fund the Advanced Energy Rebuild, the Board was presented a "worst case scenario" to consider when making the decision to dedicate funds for fire relief. He stated this was accidentally interpreted as a change in the budget rather than a hypothetical. These figures are now corrected back to what they were previously in the Budget Comparison, and no changes were made to the Financial Statements.

CM Brophy asked about Noncurrent and Current assets on Page 19. CEO Syphers stated he will follow up with CM Brophy after discussing with the CPA.

Public Comment:

Woody Hastings commented on the status of existing programs and suggested a standard item on the operations report that would provide a brief update on existing programs.

Steven Pierce stated the cities switching to EverGreen could be a good interim strategy and while it is the easiest strategy to lower their GHGs, it does not result in significant savings. He stated this points to the critical need to get programs up and running so the cities can help fund these more cost-effective efforts.

#### 4. Receive State Legislative and Regulatory updates

CEO Syphers provided an update on legislative activities and noted in particular AB 813, AB 1745 and SB 1136.

CB Hall, Compliance Analyst provided a regulatory update on the Integrated Resource Plan (IRP) and explained the high-level outline for IRP and the schedule for the process. He stated this will be re-done every two years.

CM Brophy stated he would like to see legislative goals no further than 10 years in advance.

Public Comment:

Woody Hastings stated the Center for Climate Protection is hosting the Clean Cars Campaign tonight in downtown Santa Rosa.

Deb Emerson, Director of Power Services provided an update on the RFO that was initiated in January and stated 81 offers were solicited, some projects included storage and wind development. SCP is looking at long-term contracts.

Public Comment:

June Brashares asked about labor contracts.

Director Emerson stated all developers have contracts in place.

*Item 6 taken out of order, prior to Item 5.*

6. Review and make recommendation on Revised Financial Policy B.2, governing reserves

CEO Syphers provided an update on the Financial Policy B.2. and what staff proposes.

Vice Chair Mattinson read Chair Dowd's comments on this item in his absence.

CM Brophy asked about how we handle deposits that are on the books as collateral and can they be moved into this new reserve classification. CEO Syphers stated that he does not believe that is allowed and that needs to be held distinct and this will be verified.

Public Comment: None

Motion to approve recommendation on Revised Financial Policy B2, governing reserves by CM Brophy

Second: CM Nicholls

Motion approved: 8-0-0

5. Review and make recommendations on draft FY 18/19 budget and rates

CEO Syphers provided background on the Fiscal Year 2018-19 draft budget and customer electric generation rates. He explained the calendar for this process and provided budget scenarios.

CM Brophy stated he would look at 3% savings less than PG&E and recommends going with the 2.5% savings.

CM Wells suggested shifting customer programs lower so that there is more flexibility in the future.

MINUTES  
SONOMA CLEAN POWER  
COMMUNITY ADVISORY COMMITTEE  
MARCH 22, 2018

CM Chaban asked about opt-ins. Erica Torgerson, Director of Customer Service stated an average it is about 7%, mainly due to customers moving from one residence to another. She stated SCP's general marketing focus is in retaining current customers.

CM Brophy recommended writing a memo to the Board that describes and outlines the opinions and views of the Committee on the proposed budget.

CEO Syphers recommended the Vice Chair report out at the Board meeting.

After a significant discussion, the Committee members were polled to ask their preferences for setting the budget and rates to provide savings on total electric charges:

CM Guthrie: 2%  
CM Chaban: 2%  
CM Sizemore: 2%  
CM Baldwin: 2%  
CM Wells: 2%  
CM Mattinson: 2%  
CM Nicholls: 2.5%  
CM Brophy: 2.5%

Public Comment:

Steven Pierce stated he would err on the side of simplicity.  
Junes Brashares stated we should say we are a bit lower and her number is 1.5% as far as having adequate money for programs and we need the money for the future.

Motion to convey to the Board of Directors staff's recommendation of 2% and to support aggressive savings for customers by CM Baldwin

Second: CM Sizemore

Motion approved: 8-0-0

7. Review and recommend approval of new residential time-of-use rates

Director Torgerson provided background on the new, proposed residential time-of-use rates required to participate in a pilot program by PG&E.

CM Baldwin asked about the rate change of solar. Director Torgerson stated there are no solar customers involved in the pilot.

CM Nicholls asked about GridSavvy customers. Nelson Lomeli, Programs Specialist stated there are approximately 300.

Public Comment: None

Motion to recommend approval of new time-of-use rates by CM Wells

Second: CM Nicholls

Motion approved: 8-0-0

#### **IV. COMMITTEE MEMBER ANNOUNCEMENTS**

CM Sizemore asked if the meetings could be moved to the P.M. The Committee agreed to the change. Future meetings will generally start at 1:00 p.m. beginning in May.

#### **V. ADJOURN**

Vice Chair Mattinson adjourned the meeting at 11:48 a.m.

Respectfully Submitted,

Braiden Gugel  
Executive Assistant/Clerk



## Staff Report – Item 02

---

To: Sonoma Clean Power Authority Community Advisory Committee

From: Stephanie Reynolds, Director of Internal Operations  
Geof Syphers, CEO

Issue: Operations Report

Date: April 17, 2018

---

### **OPEN RECRUITMENTS**

After consultation with the Chair and Vice Chair of the Board of Directors, SCP recently opened a recruitment for a full-time General Counsel position. The goal is to have the position filled by June, but the position will remain open until filled. We are also recruiting for a part-time, temporary Programs Intern position.

### **LONG-TERM POWER SERVICE CONTRACTS**

At the end of January, SCP concluded a Request for Offers for long-term (10 years or longer) Category 1 RPS-eligible renewable resources. We received 81 offers ranging from wind, solar, and geothermal all over the Western Interconnect. SCP short-listed 10 developers and settled on three projects to enter into a Purchasing Power Agreement (PPA) with three separate developers. On two projects we have executed term sheets (an intent to sign a PPA), and on a third we are negotiating the terms of such agreement. All projects are located in Northern California.



One project is a 20 MW solar project. Another project is an 80 MW wind facility. The third project is a 50 MW solar project with 5 MWs of energy storage. The projects are staggered to begin generating from late December 2020 thru mid-2023. We anticipate executing all PPAs by summer 2018 so that we may include the resources in our Integrated Resource Plan.

In the last meeting, Committee Member Nicholls asked for an update on the Golden Hills wind facility, and this will be provided at the meeting. Updates were prepared too late to include in the packet.

## **PROGRAM UPDATES**

### **ProFIT**

SCP's feed-in tariff, ProFIT, currently has six projects in the queue: four in unincorporated Petaluma (Sonoma County), one in unincorporated Cloverdale (Sonoma County), and one in unincorporated Willits (Mendocino County). This means that the queue is fully subscribed.

Staff anticipates two of the projects in unincorporated Petaluma, including the Lavo Solar project that broke ground in 2017, will go operational by the end of April 2018. The developers are waiting on PG&E to complete their upgrades and finish their testing.

### **Drive EverGreen 3.0**

At the urging of SCP's Board of Directors, the electric car discounts of Drive EverGreen will return for one last time. Staff will be releasing the RFP to dealers on April 24, 2018. Staff will be reaching out to all the dealers in Sonoma and Mendocino County to make sure they receive the RFP. Proposals are due May 11, 2018 by 4:00pm. Staff anticipates a launch date in August 2018.

### **Energy Education Program**

SCP contracted with the Sonoma County Water Agency (SCWA) for educational programming at the elementary level. The program has been going well with 26 teachers from Mendocino, Sonoma, and Napa Counties having attended a climate literacy teacher workshop in December (in collaboration with the Center for Climate



Protection, University of California, Museum of Paleontology). More ZunZun assemblies have been completed since the update on March 22, 2018. Roughly 8,000 students are expected to attend an assembly by the end of the school year. Staff is working with SCWA staff on a cartoon map of Sonoma and Mendocino County showing local, renewable generation sources in our service territory.

### **Do-It-Yourself Energy and Water Saving Toolkits**

The Do-It-Yourself Energy and Water Saving Toolkits continue to be popular with library patrons. In 2018 alone, the kits have been checked out 68 times. Since the pilot in 2016, the kits have been checked out 308 times in Sonoma County. Staff has been finalizing a contract with Mendocino County for an expansion of the program into Mendocino libraries. In total, 11 kits will be circulated in Mendocino County library branches. Staff anticipates launching the program in Mendocino by early June 2018.

### **Induction cooktops**

SCP has been running an induction cooktop checkout program from the SCP Business Office for several months now. The cooktops are available to anyone that wishes to try out cooking with electricity or are hesitant to switch to cooking with electricity. The cooktops have been popular with 19 recorded check outs (one cooktop was checked out to the County's Energy and Sustainability Division, which has been letting their staff check it out). Staff has received positive feedback from users, many reporting overall pleasing with the experience with the technology. Staff is exploring methods to increase visibility and circulation to all residents of Sonoma County.

### **NetGreen**

As of April 1, 2018, SCP has over 11,800 accounts on SCP's net energy metering (NEM) program, NetGreen. Staff estimates that this year's NetGreen cash out total will be around \$670,000 to over 1,500 accounts for generating local, renewable energy. This amount is subject to change as the cash out amount is determined based on the credit balance at the end of the April billing period. Staff will provide a more accurate number once the cash out period has been finalized in June.



## **GridSavvy**

Sonoma Clean Power has incentivized a total of 1,545 residential electric vehicle chargers. Of these, 538 are participating in Sonoma Clean Power's GridSavvy Community, which allows SCP to send a signal to chargers to ramp up or down depending on grid needs. Staff continues to work on implementing additional technologies into the GridSavvy platform and make the process of signing up for demand response easy for customers.

## **Workplace Charging Pilot Program**

Sonoma Clean Power provided technical assistance to 7 workplaces looking to install commercial-grade charging equipment. Of those, 3 workplaces (5 total sites) are continuing the process by receiving an in-depth analysis of costs and feasibility. SCP continues to work with PG&E's EV Charge Network for large workplaces and apartment complexes that want electric vehicle chargers.

## **Advanced Energy Rebuild**

Staff is in final contract negotiations with TRC Energy Services (program administrator) and the Bay Area Air Quality Management District (program funder) and continues to work with PG&E on their ask for additional CPUC program funding. Staff anticipates the program will be able to officially launch late April or early May. PG&E, Sonoma County Energy and Sustainability, and Sonoma Clean Power have also partnered on a long-term associated contractor training effort that will take place during this summer at the North Coast Builder's Exchange.

## **Lead Locally (CEC Grant)**

Staff anticipates that between this CAC meeting and the next BOD meeting the California Energy Commission will approve a draft scope of work and contract. In order to facilitate a speedy contract start date, staff proposes that this contract is presented for comment to the committee via e-mail and is presented for board approval at the next board meeting. Staff is also in the final stages of interviews for a new SCP staff member that would assist with managing the Lead Locally effort.



## **WILDFIRE RECOVERY EFFORTS**

Staff continue to support the County of Sonoma, the City of Santa Rosa, the Sonoma County Transportation Authority, ABAG/MTC and the Governor's Office on their planning efforts to form a Renewal Enterprise District or "RED." No major progress to report at this meeting, beyond continued interest by all parties.

The Advanced Energy Rebuild (AER) is another major effort where SCP is working with partners to promote rebuilding homes destroyed in the 2017 wildfires to a high standard of energy efficiency. Interest in the program is high already, and a major outreach campaign is planned once the program is live.

## **MONTHLY COMPILED FINANCIAL STATEMENTS - FEBRUARY 2018**

The winter rate season continues to be in effect in February, a period where aggregate rates are less than in the summer season. The year-to-date growth in net position is above projections due primarily to lower than anticipated energy costs. Year-to-date operating revenues reached \$118,227,000.

Electricity sales (as reported on the Statement of Revenues, Expenses and Changes in Net Assets) is being offset by our estimate of uncollectible accounts, which is currently set at approximately 0.5% of electricity sales. As historical data is gathered on the collection patterns specific to SCP customers, this rate will be revisited and adjusted as necessary. Note that the accounts receivable line on the Statement of Net Position is presented net of allowance for uncollectibles.

SCP continues to procure electricity from multiple sources. Included in these purchases is energy that is being re-sold to other resellers. Net position reached a positive \$73,761,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals. Of this net position, approximately \$42,308,000 and \$7,466,000 is considered set aside for operating and project reserves, respectively.

Overall, other operating expenses continued near or slightly below planned levels for the year.



## **BUDGETARY COMPARISON SCHEDULE**

The accompanying budgetary comparison includes the 2017/18 budget approved by the Board of Directors in May 2017, and amended in November 2017.

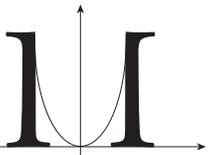
The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2017/18 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is under the year-to-date budget by approximately 1%.

The cost of electricity is also slightly under budget-to-date by approximately 1%. Variation in this account is typically due to fluctuating market cost of energy on open position purchases.

Major operating categories of Data Management fees and PG&E Service fees, which are tied to the customer account totals, are closely aligned to the annual budgeted amount.

In addition to the items mentioned above, SCP continues its trend of remaining near or under budget for most of its operating expenses.



## ACCOUNTANTS' COMPILATION REPORT

Management  
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of February 28, 2018, and the related statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

*Maher Accountancy*

San Rafael, CA  
March 20, 2018



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION As of February 28, 2018

### ASSETS

Current assets	
Cash and cash equivalents	\$ 58,862,066
Accounts receivable, net of allowance	16,515,959
Other receivables	31,100
Accrued revenue	7,167,113
Prepaid expenses	171,685
Deposits	523,063
Total current assets	<u>83,270,986</u>
Noncurrent assets	
Capital assets, net of depreciation	225,652
Deposits	4,114,666
Total noncurrent assets	<u>4,340,318</u>
Total assets	<u>87,611,304</u>

### LIABILITIES

Current liabilities	
Accounts payable	322,303
Accrued cost of electricity	12,348,913
Other accrued liabilities	599,997
User taxes and energy surcharges due to other governments	428,922
Total current liabilities	<u>13,700,135</u>
Noncurrent liabilities	
Supplier security deposits	<u>150,000</u>
Total liabilities	<u>13,850,135</u>

### NET POSITION

Net investment in capital assets	225,652
Unrestricted	<u>73,535,517</u>
Total net position	<u>\$ 73,761,169</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**July 1, 2017 through February 28, 2018**

**OPERATING REVENUES**

Electricity sales, net	\$ 117,555,597
Evergreen electricity premium	279,111
Electricity sales for resale	369,400
Liquidated damages	22,440
Total operating revenues	<u>118,226,548</u>

**OPERATING EXPENSES**

Cost of electricity	95,170,564
Staff compensation	1,946,339
Data manager	2,096,703
Service fees - PG&E	800,381
Consultants and other professional fees	1,143,185
Legal	169,182
Communications	919,940
General and administration	436,809
Program rebates and incentives	1,672,403
Depreciation	39,727
Total operating expenses	<u>104,395,233</u>
Operating income	<u>13,831,315</u>

**NONOPERATING REVENUES (EXPENSES)**

Interest income	315,210
Charitable contributions	(290,000)
Total nonoperating revenues (expenses)	<u>25,210</u>

**CHANGE IN NET POSITION**

	13,856,525
Net position at beginning of period	<u>59,904,644</u>
Net position at end of period	<u>\$ 73,761,169</u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS July 1, 2017 through February 28, 2018

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 118,464,836
Receipts from electricity sales for resale	553,577
Receipts from supplier for security deposits	2,325,000
Tax and surcharge receipts from customers	1,592,986
Payments to purchase electricity	(94,696,473)
Payments for staff compensation	(1,987,035)
Payments for contract services	(4,236,813)
Payments for communications	(966,142)
Payments for general and administration	(531,290)
Payments for program rebates and incentives	(1,779,403)
Return of security deposits to suppliers	(4,650,000)
Tax and surcharge payments to other governments	(1,640,797)
Deposits and collateral paid	(562,290)
Payments for charitable contributions	(290,000)
Net cash provided (used) by operating activities	<u>11,596,156</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(83,182)</u>
-------------------------------	-----------------

### CASH FLOWS FROM INVESTING ACTIVITIES

Return of certificate of deposit	7,028,428
Interest income received	285,210
Net cash provided (used) by investing activities	<u>7,313,638</u>

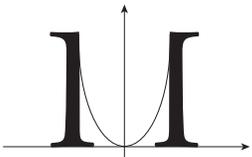
Net change in cash and cash equivalents	18,826,612
Cash and cash equivalents at beginning of year	40,035,454
Cash and cash equivalents at end of period	<u>\$ 58,862,066</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**July 1, 2017 through February 28, 2018**

**RECONCILIATION OF OPERATING INCOME TO NET  
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 13,831,315
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	39,727
Revenue reduced for uncollectible accounts	592,135
Charitable contributions considered an operating activity for cash flow purposes only	(290,000)
(Increase) decrease in net accounts receivable	(1,492,113)
(Increase) decrease in other receivables	183,077
(Increase) decrease in accrued revenue	1,526,367
(Increase) decrease in prepaid expenses	(124,894)
(Increase) decrease in current deposits	(646,709)
Increase (decrease) in accounts payable	(412,939)
Increase (decrease) in accrued cost of electricity	55,930
Increase (decrease) in accrued liabilities	703,332
Increase (decrease) in user taxes and energy surcharges due to other governments	(44,072)
Increase (decrease) in supplier security deposits	(2,325,000)
Net cash provided (used) by operating activities	<u>\$ 11,596,156</u>

operating activity for cash flow purposes only



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Sonoma Clean Power Authority

Management is responsible for the accompanying special purpose statement of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended February 28, 2018, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of Sonoma Clean Power Authority.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the special purpose budgetary comparison statement, they might influence the user's conclusions about the Authority's results of operations. Accordingly, this special purpose budgetary comparison statement is not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

*Maher Accountancy*

San Rafael, CA  
March 20, 2018



**SONOMA CLEAN POWER AUTHORITY  
OPERATING FUND  
BUDGETARY COMPARISON SCHEDULE  
July 1, 2017 through February 28, 2018**

	2017/18 YTD		2017/18 YTD	YTD	2017/18	2017/18
	Amended	2017/18 YTD	Budget	Actual/	Amended	Budget
	Budget	Actual	Variance	Budget	Budget	Budget
			(Under) Over	%		Remaining
<b>REVENUE AND OTHER SOURCES:</b>						
Revenue - Electricity (net of allowance) *	\$ 119,030,216	\$ 117,555,597	\$ (1,474,619)	99%	\$ 175,021,000	\$ 57,465,403
Revenue - Evergreen Premium (net of allowance)	175,463	279,111	103,648	159%	258,000	(21,111)
Revenue - Electricity sales for resale **	-	369,400	369,400	-	-	(369,400)
Revenue - Interest income	212,667	315,210	102,543	148%	319,000	3,790
Total revenue and other sources	<u>119,418,346</u>	<u>118,541,758</u>	<u>(876,588)</u>	<u>99%</u>	<u>175,598,000</u>	<u>57,056,242</u>
<b>EXPENDITURES AND OTHER USES:</b>						
<b>CURRENT EXPENDITURES</b>						
Cost of energy and scheduling	96,114,896	95,170,564	(944,332)	99%	143,649,000	48,478,436
Data management	2,150,667	2,096,703	(53,964)	97%	3,226,000	1,129,297
Service fees- PG&E	822,667	800,381	(22,286)	97%	1,234,000	433,619
Personnel	2,220,000	1,946,339	(273,661)	88%	3,330,000	1,383,661
Outreach and communications	634,000	604,108	(29,892)	95%	951,000	346,892
Customer service	316,000	184,079	(131,921)	58%	474,000	289,921
Legal	246,667	169,182	(77,485)	69%	370,000	200,818
Accounting and auditing	129,333	107,920	(21,413)	83%	194,000	86,080
Technical consultants	233,333	283,625	50,292	122%	350,000	66,375
Legislative consultants	153,333	58,974	(94,359)	38%	230,000	171,026
Other consultants	143,333	35,046	(108,287)	24%	215,000	179,954
Program implementation and development	4,000,000	2,469,310	(1,530,690)	62%	6,000,000	3,530,690
General and administration	330,000	429,275	99,275	130%	495,000	65,725
Fire relief donations	570,000	290,000	(280,000)	51%	1,000,000	710,000
Total current expenditures	<u>108,064,229</u>	<u>104,645,506</u>	<u>(3,418,723)</u>	<u>97%</u>	<u>161,718,000</u>	<u>57,072,494</u>
<b>OTHER USES</b>						
Collateral deposit payments	2,000,000	562,290	(1,437,710)	28%	2,000,000	1,437,710
Capital outlay	109,333	67,304	(42,029)	62%	164,000	96,696
Total expenditures, Other Uses and Debt Service	<u>110,173,562</u>	<u>105,275,100</u>	<u>(4,898,462)</u>	<u>96%</u>	<u>163,882,000</u>	<u>58,606,900</u>
Net increase (decrease) in available fund balance	<u>\$ 9,244,784</u>	<u>\$ 13,266,658</u>	<u>\$ 4,021,874</u>	<u>144%</u>	<u>\$ 11,716,000</u>	<u>\$ (1,550,658)</u>

\* Represents sales of approximately 1,651,000 MWh for 2017/18 YTD actual.

\*\* Electricity sales for resale is the result of sales to other utilities for resale purposes.

RESERVES	Balance
Operating Cash Reserve	\$ 42,308,229
Program Cash Reserve	7,466,158
	<u>\$ 49,774,387</u>

**SONOMA CLEAN POWER AUTHORITY**  
**OPERATING FUND**  
**BUDGET RECONCILIATION TO STATEMENT OF**  
**REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**July 1, 2017 through February 28, 2018**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 13,266,658
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(39,727)
Add back capital asset acquisitions	67,304
Add back collateral deposits	562,290
Change in net position	<u>\$ 13,856,525</u>



## Staff Update – Item 03

---

To: Sonoma Clean Power Authority Community Advisory Committee

From: Katherine Brandenburg, Lobbyist  
Kate Kelly/Director, Public Affairs & Marketing  
Neal Reardon, Director, Regulatory Affairs  
Geof Syphers, CEO

Issue: Legislative and Regulatory Updates

Date: April 17, 2018

---

### Legislative Update

The California Legislature is in a bit of a pickle. Do they let the utilities “off the hook” for wildfire costs and let the ratepayers share the burden or do they allow the utilities to reduce their property damage liability? This is definitely one of the toughest questions facing the Legislature this year. If the utilities prevail, the insurance industry anticipates raising premiums on homeowners and refusing coverage for some neighborhoods altogether. The utilities are saying, without a change, gas and electric bills could increase.

PG&E is publicly stating that last year’s wildfires were part of the new normal in California and the current model is unsustainable. PG&E goes so far as stating that the issue is not negligence... it is a “climate change” problem. PG&E’s CEO, Geisha Williams, stated that without taking immediate action before California experiences another fire season, there could be “grave implications to the industry’s financial health” and PG&E’s ability to deliver energy to its customers.

With that being said, Governor Brown and the legislative leaders released a statement on March 13 articulating the state’s commitment to “update liability rules and regulations for utility services in light of changing climate and the increased severity and frequency of weather events.”

The insurance industry is very concerned that if the utilities are no longer responsible for compensating homeowners, the insurance premiums will have to be



increased. There are a number of bills pending in the legislature on this issue and SCP is working with a coalition on to consider our position on these bills.

### Bills SCP is Actively Monitoring

Bill	Issue	Position
<b>AB 813 (Holden)</b> Electricity: Independent System Operator: California RPS Program: procurement <i>Location: Senate Rules</i>	Would set constraints on governance for an expanded independent system operator. High priority to monitor. Since last year this contained language to block CCA activity in demand response, batteries and distributed renewable energy.	Board has authorized staff to support, but no action yet
<b>AB 1745 (Ting)</b> Vehicles: Clean Cars 2040 Act. <i>Location: Assembly Transportation</i> <i>Hearing Date: April 16</i>	Would create a sunset date for the DMV registration of new cars and light trucks using petroleum as a fuel. (SCP Letter Attached)	Support
<b>AB 1912 (Rodriquez)</b> PERS: Joint Powers Agreements Liability Location: Assembly P.E.R.&S.S.	Would eliminate the ability of JPAs to limit their liabilities and debts if they seek to join CalPERS in order to provide retirement security for JPA employees in the case of a JPA collapse.	Oppose Unless Amended
<b>AB 2068 (Chu)</b> Electricity: rates: public schools <i>Location: Assembly Utilities &amp; Energy</i> <i>Hearing Date: April 18</i>	Would provide electric subsidy to schools in disadvantaged communities.	TBD
<b>AB 2127 (Ting)</b> Electric vehicle infrastructure: assessment and roadmap <i>Location: Assembly Communications &amp; Conveyance</i> <i>Hearing Date: April 11</i>	Would create a statewide assessment of electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption needed for the state to reduce emissions of greenhouse gases to 40% below 1990 levels by 2030.	Staff will recommend supporting
<b>AB 2208 (Aguiar-Curry)</b> Electrical corporations: California RPS program: procurement plans	Would create new definitions for baseload and flexible renewable energy, require purchasing geothermal from the Salton Sea area. SCP is seeking removal of the specific Salton Sea obligation, clarification on the definitions of flexible renewable	Oppose Unless Amended



<p><i>Location: Assembly Utilities &amp; Energy</i> <i>Hearing Date: April 18</i></p>	<p>energy, and the removal of grandfathering in of old contracts to comply.</p>	
<p><b>AB 2693 (Quirk)</b> Natural gas-fired power plants <i>Location: Assembly Utilities &amp; Energy</i> <i>Hearing Date: April 18</i></p>	<p>Would modify the existing mechanism for assigning increased costs of uneconomic gas-fired power plants to electric providers when they are deemed necessary for grid reliability. CalCCA has strong concerns this would lock in natural gas contracts much longer than needed for reliability, assign costs to CCAs without the ability for self-procurement, and prevent the existing proceeding on the topic at the CPUC from resolving the matter.</p>	TBD
<p><b>AB 2726 (Levine)</b> Consumption Based Accounting <i>Location: Assembly Utilities &amp; Energy</i> <i>Hearing Date: April 18</i></p>	<p>Would direct CARB to create a “consumption based” GHG accounting basis. This conflicts with AB 1110 at the CEC, which is developing a retail accounting mechanism for GHGs. The bill appears to be trying to falsely assign GHG emissions to out-of-state hydroelectric energy that is imported. Serious flaw is that the bill would cause imported coal power to be reported with half the actual emissions. Very similar to AB 79 from last year, which CalCCA successfully got vetoed.</p>	Oppose Unless Amended
<p><b>SB 100 (de Leon)</b> California RPS Program: emissions of greenhouse gases <i>Location: Assembly Utilities &amp; Energy</i></p>	<p>Would set milestones and a target to reach 100% renewable and carbon-free electric sources by 2045. Supported in 2017 session, and will continue to review to ensure no harmful language is inserted. Bill is not in motion yet this year.</p>	TBD
<p><b>SB 827 (Wiener)</b> Planning and zoning: transit-rich housing bonus. Location: Senate Transportation &amp; Housing</p>	<p>Would require a local government to grant a development proponent of a transit-rich housing project a transit-rich housing bonus if that development meets specified planning standards, including complying with demolition permit requirements, local inclusionary housing ordinance requirements, preparing a relocation benefits and assistance plan, any locally adopted objective zoning standards, and any locally adopted minimum unit mix requirements.</p>	TBD



<p><b>SB 1088 (Dodd)</b>          Safety, reliability and resiliency planning.  <i>Location: Senate Energy, Utilities &amp; Communications</i>  <i>Hearing Date: April 17</i></p>	<p>Would require the Office of Emergency Services to adopt standards for reducing risks from a major event, as defined. The bill would require that those standards include model policies for implementation by local governments regarding, among other things, defensible space, and actions to be undertaken by an electrical or gas corporation, a local publicly owned electric or gas utility, or a water utility to reduce the risk of fire occurring during a major event.</p>	<p>TBD</p>
<p><b>SB 1136 (Hertzberg)</b>          Electricity: load-serving entities: resource adequacy requirements.          Location: Senate Rules</p>	<p>Would require the Public Utilities Commission, in establishing resource adequacy requirements, to ensure the reliability of electrical service in California while advancing, to the extent possible, the state's goals for clean energy, reducing air pollution, and reducing emissions of greenhouse gases.</p>	<p>TBD</p>
<p><b>SB 1347 (Stern)</b>          Energy Storage Systems          Location: Senate Energy, Utilities &amp; Communications</p>	<p>Require the commission to determine whether additional procurement of energy storage systems by the state's 3 largest electrical corporations is needed to maintain long-term system and local reliability. CalCCA is advocating for CCA self-procurement.</p>	<p>Back up CalCCA's efforts for now</p>
<p><b>SB 1399 (Wiener)</b>          Renewable energy: shared renewable energy tariffs.  <i>Location: Senate Energy, Utilities &amp; Communications</i>  <i>Hearing Date: April 17</i></p>	<p>Would require the Public Utilities Commission to require each large electrical corporation to establish a tariff or tariffs that provide for bill credits for electricity generated by eligible renewable generating facilities and exported to the electrical grid to be credited to electrical accounts of nonresidential customers of the corporations.</p>	<p>TBD</p>



## **Regulatory Update - Power Charge Indifference Adjustment (PCIA)**

On April 2<sup>nd</sup>, parties filed opening testimony proposing modifications and revisions to the existing PCIA. Many argued that the CPUC-determined estimate of the financial credit departing load customers receive in return for paying PCIA does not reflect current market conditions. While there is broad support for replacing that figure with something more market-based, parties differ on what that value should be, and how it should be determined. CalCCA calculated that if the PCIA formula used the same values the CPUC uses for utility procurement planning, the PCIA would be negative (e.g. a credit to CCA customers). The Joint Utilities point to their inability to generate significant revenues by selling unneeded energy in the spot market and/or issuing requests for offers as rationale for the current PCIA being disadvantageous to their customers.

Several parties articulated proposals for replacing the PCIA. CalCCA recommended that utilities be compelled to sell their renewable and GHG-free resources into the market, and then to bid on the subset of resources they need to meet bundled demand and compliance requirements. The intent is to ensure sufficient supply and demand, and to use the results of these auctions to determine the current market price. The Joint Utilities advocated for a proposal very similar to their Portfolio Application Methodology "PAM" filed last year: they would assign the renewable energy attributes "RECs" and capacity from renewable and hydropower resources to all CCAs and sell the energy and ancillary services from these resources into the spot market. CCA customers would pay for their full share of these resources, less spot market revenues. The utilities' fossil and nuclear resources would be treated similarly to how they are in the current PCIA. TURN stopped short of offering a proposal for reform, but supported the concepts of auctions, CCAs voluntarily taking assignment of certain resources in exchange for a reduced PCIA, and a "cap" on the maximum amount the PCIA could increase in a given year. The Alliance for Retail Energy Markets, the Direct Access Customer Coalition, and Commercial Energy also advocated for an auctions of utility resources, with different proposal for the frequency (e.g. quarterly vs. annually) and subset of products offered.

Reply testimony is due on April 23<sup>rd</sup>. If evidentiary hearings are deemed necessary, they will be held in early May.



---

### Staff Report – Item 04

---

To: Sonoma Clean Power Authority Community Advisory Committee

From: Geof Syphers, CEO  
Rebecca Simonson, Senior Power Services Manager  
Stephanie Reynolds, Internal Operations Director  
Mike Maher, CPA

Item: Review and recommend adoption of the annual budget for fiscal year 2018/2019

Date: April 17, 2018

---

#### Requested Actions

Review and recommend adoption of the Fiscal Year 2018-19 proposed budget.

#### Background

On March 1, 2018, PG&E's update to the Power Charge Indifference Adjustment, generation rates and delivery rates was published and went into effect.

Based on the Board's decision on December 7, 2017, SCP's rates will not be adjusted on May 1, 2018 in response, since the changes to PG&E's fees and rates increased SCP's savings, and thus all of SCP's most common rate classes currently save more than 1% on total charges.

The Fiscal Year 2018/2019 proposed final budget presented in this item seeks to:

- Continue to procure a supply portfolio of electricity generation that is at least 30% lower in greenhouse gas emissions as PG&E's portfolio and which steadily increases to 50% qualifying renewable sources by 2020.
- Provide bill savings to customers whenever possible.



- Narrow the gap between forecast and actual financials. Historically, SCP has set budgets that are very conservative to accommodate for large unexpected variances, which have generally resulted in projections being easily beaten. Staff now propose to set out a budget that more closely matches past financials and contains no overly-conservative factors beyond the planned contribution to reserves set forth in the proposed revised Financial Policy B2. The reason for this shift is that SCP now has sufficient financial reserves in place to weather most short-term unexpected events, and one of the goals of SCP is to build stronger financial credit where smaller variances are viewed favorably.
- Continue to provide a high level of customer program activities, with major programs including incentives for rebuilding burned homes with super-efficient ZNE-ready homes, bulk discounts on electric cars, an Energy Store, and about twenty smaller programs.
- Implement the recently-updated Financial Policy B2.
- Seek to minimize the number of rate changes. This means setting a budget so that rates are reasonably likely to be sustainable for a full year.

The calendar for this process is:

Mar 22, 2018	Committee review of draft budget and rates
Apr 05, 2018	Board review of draft budget and rates
Apr 17, 2018	Committee recommend a final budget and rates
May 03, 2018	Board adopt final budget and rates
May-Jun 2018	Program and test new customer rates
Jul 01, 2018	New fiscal year budget and customer generation rates begin

### **Support for the Proposed Budget**

The Committee reviewed staff's recommendations for budget and rates on March 22, 2018, and voted to recommend the Board support rates that will produce 2.0% savings on total electric charges, and generally aggressive savings for customers. The Board then subsequently reviewed the draft budget and rates and concurred with the Committee and staff's recommendation. As a result, the only



changes between the draft and proposed final budget are some minor additions to the background information.

### Budget Scenarios

Six budget and rate scenarios were considered for allocating \$27.1 million to customer bill savings, customer programs and reserves. The CAC and Board recommended scenario of increasing customer savings to 2% is shown in bold.

Amounts in \$millions	Customer Savings on Total Bill		Customer Programs	Reserves and Percent of Revenues	
0.5% Savings	\$2.5	0.5%	\$9.0	\$15.7	8.4%
1.0% Savings	\$4.9	1.0%	\$8.3	\$13.9	7.5%
1.5% Savings	\$7.4	1.5%	\$7.3	\$12.5	6.7%
<b>2.0% Savings</b>	<b>\$9.8</b>	<b>2.0%</b>	<b>\$6.3</b>	<b>\$11.0</b>	<b>5.9%</b>
2.5% Savings	\$12.3	2.5%	\$5.8	\$9.1	4.9%
3.0% Savings	\$14.7	3.0%	\$4.8	\$7.6	4.1%

### PROPOSED BUDGET

The proposed final budget is presented first in the form that will be used for adoption, and then is followed by supplemental information. The budget categories are intentionally general enough to allow some measure of staff discretion, without requiring frequent budget adjustments.

The "Total Expenditures, Other Uses and Debt Service" plus the planned contribution to operating reserves (shown as "Net Increase/ (Decrease) in Available Fund Balance") equals the Revenue Requirement, which is the amount necessary to recover from customers through rates.

Certain assumptions were used to create this budget, including:

- Opt-out rates remain relatively stable throughout the year, with less than 0.5% change in customer participation.



- The amount of uncollectible funds is estimated to be 0.8%. However, final data lag by enough time that this figure cannot be based on actual performance yet. It is staff's opinion that the long-term average will come close to 0.6%.
- Errors in load forecasting tend to cancel out throughout the year.
- CAISO assigned resource adequacy costs that go above and beyond the CPUC-required levels are assumed to continue at a level of about \$700,000/yr.
- The cost of resource adequacy will continue to increase over the next year, until the CPUC's regulatory requirement for double-procurement is fully resolved.

Important notes on budget sensitivity and exposure:

- SCP has entered into contracts that will meet 92% of its expected energy requirements through the full fiscal year, meaning that electric energy and resource adequacy costs are reasonably well known, although changes in energy market prices will still have an impact on SCP's costs.
- The dramatic increases in PG&E's departing load charges (the "PCIA") that began in January 2016 and escalated further in 2017 and 2018 are assumed to persist at high levels for several years. However, recent progress at the CPUC provides some measure of optimism that the Commission will enforce its rules mandating that PG&E pass on only those costs which are truly unavoidable, and further mandate that PG&E sell its excess energy supply contracts rather than dumping them at minimum value in the spot market.



**Sonoma Clean Power Authority**  
**PROPOSED Fiscal Year 2018-2019 Operating Budget -- Page 1 of 2**

	Revised Budget FY17-18	Forecast Actuals FY17-18	Proposed Budget FY18-19
<b>REVENUES AND OTHER SOURCES</b>			
Electricity Sales <sup>1</sup> (net of allowance)	175,021,000	173,796,000	182,736,000
EverGreen Premium <sup>2</sup> (net of allowance)	258,000	392,000	412,000
CEC Grant Proceeds			2,600,000
Interest Income	319,000	475,000	613,000
<b>Total Revenues</b>	<b>175,598,000</b>	<b>174,663,000</b>	<b>186,361,000</b>

**EXPENDITURES**

**Product**

Cost of Energy and Scheduling <sup>3</sup>	143,649,000	142,643,000	154,377,000
Data Management	3,226,000	3,171,000	3,089,000
Service Fees to PG&E	1,234,000	1,198,000	564,000
<b>Product Subtotal</b>	<b>148,109,000</b>	<b>147,012,000</b>	<b>158,030,000</b>
<b>Personnel</b>	<b>3,330,000</b>	<b>3,134,000</b>	<b>3,661,000</b>
<b>Outreach and Communications</b>	<b>951,000</b>	<b>951,000</b>	<b>1,144,000</b>
<b>Customer Service</b>	<b>474,000</b>	<b>354,000</b>	<b>440,000</b>
<b>General and Administration</b>	<b>495,000</b>	<b>619,000</b>	<b>531,000</b>
<b>Fire Relief Donations</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>

<sup>1</sup> Forecast sales for 2018-19 are 2,550,000 MWh, including an allowance of 0.8% of sales for uncollectible accounts.

<sup>2</sup> Incremental revenues from participating EverGreen customers for the premium on 100% renewable energy produced in Sonoma or Mendocino Counties.

<sup>3</sup> Includes NetGreen costs, ProFIT payments, California ISO fees and schedule coordination.



**Sonoma Clean Power Authority**  
**PROPOSED Fiscal Year 2018-2019 Operating Budget -- Page 2 of 2**

	<b>Revised Budget FY17-18</b>	<b>Forecast Actuals FY17-18</b>	<b>Proposed Budget FY18-19</b>
<b>EXPENDITURES – continued</b>			
<b>Other Professional Services</b>			
Legal	370,000	315,000	310,000
Accounting	194,000	186,000	204,000
Technical	350,000	292,000	190,000
Legislative and regulatory advocacy	230,000	78,000	128,000
Other consultants	215,000	215,000	260,000
<b>Other Professional Services Subtotal</b>	<b>1,359,000</b>	<b>1,086,000</b>	<b>1,092,000</b>
<b>CalCCA Trade Association</b>			<b>348,000</b>
<b>Programs</b>			
Program Implementation	5,650,000	3,767,000	5,510,000
CEC Grant Program <sup>4</sup>			3,040,000
Program Development and Evaluation	350,000	220,000	350,000
<b>Programs Subtotal</b>	<b>6,000,000</b>	<b>3,987,000</b>	<b>8,900,000</b>
<hr/>			
<b>Total Expenditures</b>	<b>161,718,000</b>	<b>158,143,000</b>	<b>174,146,000</b>
<hr/>			
<b>Revenues Less Expenditures</b>	<b>13,880,000</b>	<b>16,520,000</b>	<b>12,215,000</b>
<hr/>			
<b>OTHER USES</b>			
Capital Outlay	164,000	115,000	200,000
Collateral Deposits	2,000,000	560,000	1,000,000
<hr/>			
<b>Total Expenditures, Other Uses and Debt Service</b>	<b>163,882,000</b>	<b>158,818,000</b>	<b>175,346,000</b>
<hr/>			
<b>Net Increase/(Decrease) in Available Fund Balance</b>	<b>11,716,000</b>	<b>15,845,000</b>	<b>11,015,000</b>

<sup>4</sup> The difference between the CEC Grant Proceeds and Grant Expenses is SCP's cash portion of the matching funds, and is budgeted to be \$440,000.



## INFORMATION ONLY - SUPPLEMENTAL TO THE DRAFT BUDGET

Details on the draft budget are provided in this section along with projections of the next five years.

The five-year outlook reflects SCP's favorable contract positions as well as increasing use of renewable energy (assumed 2% increase each year until 50% is achieved in 2020) and an increase in local renewable energy from geothermal and solar. For the purpose of this projection, SCP's customer rates for energy and demand are assumed to remain flat until July 2020 and then rise 2% each year. While the table shown reflects a reasonable estimate of future costs, it is important to stress that actual revenues and expenses will vary from this forecast.

	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
<b>REVENUES AND OTHER SOURCES</b>					
Electricity Sales	182,736,000	184,082,000	189,228,000	193,922,000	198,006,000
Evergreen Premium	412,000	424,000	437,000	450,000	464,000
Interest Income	613,000	754,000	804,000	844,000	884,000
<b>Total Revenues and Other Sources</b>	<b>183,761,000</b>	<b>185,260,000</b>	<b>190,469,000</b>	<b>195,216,000</b>	<b>199,354,000</b>
<b>EXPENDITURES AND OTHER USES</b>					
Product	158,030,000	166,178,000	169,008,000	173,570,000	176,585,000
Personnel	3,661,000	3,825,000	3,997,000	4,180,000	4,330,000
Outreach and Communications	1,144,000	1,050,000	980,000	994,000	1,035,000
Customer Service	440,000	451,000	465,000	479,000	492,000
Other Professional Services	1,440,000	1,442,000	1,485,000	1,530,000	1,580,000
General and Administration	531,000	563,000	560,000	577,000	590,000
Programs (net of grants)	6,300,000	6,300,000	6,500,000	6,700,000	6,900,000
<b>Total Expenditures</b>	<b>171,546,000</b>	<b>179,809,000</b>	<b>182,995,000</b>	<b>188,030,000</b>	<b>191,512,000</b>
<b>OTHER USES</b>					
Collateral Deposits / (Returns)	1,000,000	0	0	0	0
Capital Outlay	200,000	206,000	213,000	220,000	227,000
<b>DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures, Other Uses and Debt Service</b>	<b>172,746,000</b>	<b>180,015,000</b>	<b>183,208,000</b>	<b>188,250,000</b>	<b>191,739,000</b>
<b>Net Increase/(Decrease) in Available Fund Balance</b>	<b>11,015,000</b>	<b>5,245,000</b>	<b>7,261,000</b>	<b>6,966,000</b>	<b>7,615,000</b>
<b>RESERVES</b>					
Accumulated Operating/Credit Reserves (EOY)	60,099,000	64,033,000	69,479,000	74,704,000	80,415,000
Accumulated (or spent) Program Reserves (EOY)	11,024,000	11,811,000	12,900,000	13,945,000	15,087,000
Accumulated (or deposited) Collateral Reserves (EOY)	2,374,000	2,899,000	3,625,000	4,322,000	5,084,000



Further detail on each of the proposed budget categories follows.

## **REVENUES AND OTHER SOURCES**

The primary source of income is from the retail sale of electricity to CleanStart and EverGreen customers. Customers of both of these programs provide all of the Electricity Sales income. EverGreen costs 2.5 cents per kWh over the cost of CleanStart, and provides 100% renewable energy from sources in Sonoma and Mendocino Counties. The EverGreen premium pays for the purchase of local sources of renewable geothermal and solar, and is not intended to produce surplus income.

The total sales estimate is based on 87% of eligible customers (and load) participating in SCP. The net financial performance of SCP is not sensitive to small changes in the rate of participation because a majority of expenses are proportional to the load served. In other words, income and expenses generally go up and down together.

An estimate of 0.8% is used for the portion of billings that will never be collected. Revenues shown in the budget are net of this reduction.

SCP places cash that is not needed as working capital in interest-bearing accounts. Currently, these accounts earn approximately 1.5% interest, but that amount is forecast to increase to 2% by the end of 2018 and the use of short-term CDs should further increase interest earned.

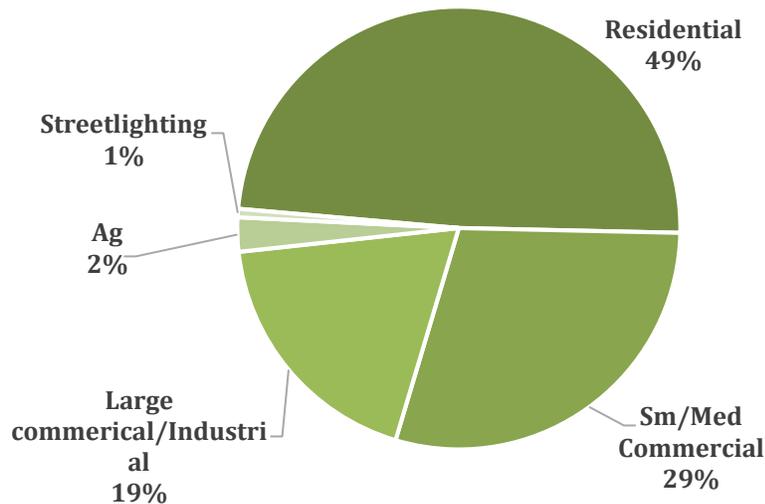
SCP has also been notified that we will receive \$9,814,597 in CEC program funds over the next three years to administer the Lead Locally program with an "Energy Store." To accept these funds, SCP will need to authorize \$3,335,500 in matching funds over three years, of which about half would come from Program expenses and the other half from Personnel and other "in-kind" costs. Other than these match funds, all of the expenses will be offset by the proceeds of the CEC grant.



## EXPENDITURES

### Product

Cost of Energy and Scheduling includes all of the various services purchased from the power market through our suppliers. This includes 2,710,000 MWh of energy, capacity, green attributes, scheduling services, CAISO fees and other miscellaneous power market expenses. The volume of purchased energy is between 5% and 8% greater than the volume sold because of normal system losses. SCP's load is almost half residential:



SCP's suppliers include Constellation, Calpine, Recurrent, NextEra, Malaga, Calpeak, Morgan Stanley, RPS Advisors, Shell, Portland General, Powerex, Noble, 3 Phases, Transalta, PG&E, Elk Hills Power, GE Power, TGP Energy Management, and Southern California Edison. These sources are reported on SCP's annual Power Content Label.

Major amounts of SCP's customer load are also served by customer-owned solar arrays. Small amounts also reduce the load of other SCP customers through NetGreen overproduction, and ProFIT local feed-in tariff providers will turn on the first two megawatts of production near the start of Fiscal Year 2018-19. None of this production is reportable on SCP's Power Content Label, however, because it is treated as a load reduction rather than supply energy under California regulations.



Many efforts are aimed at changing this paradigm and better recognizing the important contribution of distributed, small-scale renewable production. To put this in perspective, over 5% of Sonoma County's energy use comes from customer-owned renewable systems.

Energy is procured for over 90% of the forecast load through December 2020. The primary price risks are therefore related to forecast error, changes in rates of customer participation, variable generation output of solar and wind resources, generation curtailment risks, forward pricing peak and off-peak unhedged energy, and legislative and regulatory risks (e.g., PCIA fees). Overall, SCP is in a strong financial position. The primary known risk is that new legislation or regulations could be passed that drive up customer costs, for example by limiting SCP's ability to participate in competitive electric markets or by imposing compliance burdens that are intended to drive out competition from small electric providers.

Customer participation is fairly stable, with no more than 0.5% additional opt outs expected in the next year.

Based on current rates of participation by net-metered customers and payouts in 2016 and 2017, the total payout amount forecast for SCP's NetGreen customers is estimated to be about \$950,000 for the fiscal year.

SCP's ProFIT feed-in tariff program was authorized by the Board of Directors to contract with local renewable energy suppliers up to \$600,000 per year in above-CleanStart expenses. This was translated into 5 MW of capacity, which formed the basis for contracting. A reasonable estimate is that an average of 2.5 MW will be online in FY2018-19, growing to an average of 3.5MW in the following year.

Scheduling Coordinator services are provided by Shell Energy North America. The charges for this service are included together with energy and resource adequacy. After electric power is scheduled for delivery to customers and ultimately consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true up occurs through the settlement process, or "settlements." Settlements also entail addressing a number of other market and regulatory requirements. The impact on budgeting is that invoices and credits occur several months (and sometimes up to two years) following a given month of service.



Data Management is a broad scope of services provided by contract through Calpine, including billing data validation, bill coordination with PG&E, billing management of special programs (e.g., NetGreen and ProFIT), call center services and billing technical support, customer enrollment database management, move-in/move-out services, CAISO data preparation, WREGIS data preparation, and many support functions related to data reporting.

This Data Management contract was presented, reviewed and approved by the Board of Directors November 7, 2013 and continues through April 30, 2019, with a possible extension.

Service Fees to PG&E consist of a charge of \$0.21 per account per month plus numerous small fees associated with data requests, mass enrollments and similar work. The fees cover PG&E's costs associated with additional data processing and bill coordination, and are mandatory and regulated by the California Public Utilities Commission (CPUC). The large drop in this fee, from \$0.44 to \$0.21 is the reason for the significant reduction in budgeted costs this year.



## Personnel

Personnel costs include all of the salaries, benefits and employer taxes for staff, and are based on an estimated staffing plan:

Position	Budgeted Start Date
Chief Executive Officer	existing
General Counsel	June, 2018
Director, Power Services	existing
Director, Programs	existing
Director, Regulatory	existing
Director, Public Affairs & Mktg.	existing
Director, Customer Service	existing
Director, Internal Operations	existing
Manager, Power Services	existing
Manager, Programs	existing
Manager, Programs Lead Local	May, 2018
Manager, Resource	Sept 2018
Account Executive	existing
Analyst, Energy Market	existing
Analyst, Compliance	existing
Analyst, Programs	July 2018
Specialist, Communications	existing
Specialist, Programs	existing
Specialist, Customer Service	existing
Assistant, Executive	existing
Coordinator, Communications	existing
Representative, Customer Service	existing
Assistant, Administrative	existing
Intern, Programs	existing
Intern, Marketing	Summer, 2018, seasonal

Hiring dates and positions will vary from this plan as needed.



## Outreach and Communications

This subcategory includes marketing, advertising, public relations, social media and community outreach efforts for both Sonoma and Mendocino Counties.

Focuses for this fiscal year include community outreach/events in Mendocino County, many of which were included in the Customer Service/Mendocino County Enrollment budget in the last fiscal year. Additional expenses rolling into the Outreach and Communications budget this year include a variety of memberships for Mendocino County Chambers of Commerce, Business Groups, etc.

Additional significant projects planned for this fiscal year include debuting SCP's new brand and website, which will involve updating all collateral, internal signage and other printed and branded materials.

Marketing campaigns are planned to significantly promote SCP's existing and growing customer programs, including \$200,000 for promotion of Drive EverGreen and the Lead Locally program. In past years, some program marketing expenses were paid from the Programs budget, but our CPA has advised us that it is clearer to report all marketing expenses in this category.

<u>Outreach and Communications</u>	<u>Estimated Detail</u>
Marketing, advertising, branding	409,000
Campaigns and program support	388,000
Consultants	95,000
Community memberships & outreach	190,000
Collateral & miscellaneous	62,000
<hr/> Outreach and Communications Total	<hr/> 1,144,000



## **Customer Service**

This subcategory includes required customer noticing and local business and industry development.

### Customer Noticing

There are several kinds of official mailed notices SCP provides to its customers. Outside of enrollment rollouts, the following notices are mailed out to applicable customers:

- Move-in notice post card (weekly)
- Move-in notice letter (weekly)
- EverGreen confirmation notices (weekly)
- NetGreen welcome (weekly)
- Opt-out confirmation - immediate notice (weekly)
- Opt-out confirmation – 6 month notice (weekly)
- Late payment notices (monthly)
- EverGreen letter (quarterly)
- Joint Rate Comparison with SCP and PG&E information (annually)
- California Energy Commission's Power Content Label (annually)
- As needed, special rate notices (e.g., E7 closure and options)

The budget reflects the approximately 1,200 letters mailed every week plus the required annual mailings.

The budget also includes funds for a customer survey to determine brand awareness, customer priorities, and customer satisfaction with Sonoma Clean Power.

### Business and Industry Development

Customer service also works with our local business and industry groups through memberships and sponsorships to increase awareness of SCP and improve relationships. We also participate in events that raise money for our local food, wine, and agricultural industries. An aspect of our teams' key business requires reoccurring meetings with other CCA counterparts, stakeholder groups and PG&E to coordinate joint business and facilitate unique client needs.



Community engagement is a high priority and partnering with Santa Rosa Junior College to administer the pending SCP Grant will enhance community relations and build stronger ties locally with the College, student population and future work force of our community. This will operate as a competitive grant where SCP staff will work with various student participants and Business department professors to ultimately select up to 2 top performing “ideas” to receive the award. The frequency of issuance will depend upon the ongoing schedule of the course, as recent changes to course availability have diminished the semesters it is offered to students.

<u>Customer Noticing</u>	<u>Estimated Detail</u>
Confirmation letters	54,083
EverGreen Quarterly	4,759
Annual Required Notices	100,765
Customer Survey	110,000
Other Noticing	12,447
<hr/>	
Customer Noticing Subtotal (rounded)	282,000
<u>Business &amp; Industry Development</u>	
Memberships/sponsorships	43,450
Events (Participation)	23,760
Customer Appreciation	28,600
SCP Grant Fund	55,000
Miscellaneous	6,600
<hr/>	
Biz & Industry Development Subtotal (rounded)	158,000
<b>Total Customer Service</b>	<b>\$440,000</b>

### **General and Administration**

General and Administration includes ordinary business expenses such as rent, meeting room rentals, parking and transit expenses, liability insurance, basic office supplies, office phones, internet service, data service and minor equipment costing less than \$1,000, leases for printer/copiers, conferences, memberships and subscriptions, travel, meals and miscellaneous operational expenses.



<u>General and Administration</u>	<u>Estimated Detail</u>
Office space and meeting/event rentals	191,000
Insurance	8,000
Misc. expenses and office supplies	57,000
Phones, internet, data and minor equipment	51,000
Conferences and professional development	26,000
Dues and subscriptions	158,000
Travel	22,000
Meals and entertainment	18,000
<hr/> General and Administration Total	<hr/> 531,000

### **Other Professional Services**

Most of the budget for legal services are for power contract negotiations and regulatory advocacy, with smaller amounts expected for legislative analysis, employment and litigation support.

Accounting includes services from three different providers. Maher Accountancy provides the day-to-day accounting for SCP, including generation of financial statements and consolidated reports. Maher's current fee is \$9,115 per month plus a one-time fee of \$13,900, and is expected to rise slightly next year. The County's Auditor Controller Treasurer Tax Collector's (ACTTC) office provides internal auditing and control for SCP and bills its time at cost, estimated to be less than \$10,000 for the year. Pisenti & Brinker serves as SCP's third-party, independent, outside auditor. Last year Pisenti's costs were \$23,500, so staff have assumed a small increase for inflation for this fiscal year.

Technical Services is budgeted to cover consulting support for data analysis, risk management support, revenue analysis, rate development, database and dashboard development, data security and related work.

Legislative and Regulatory Advocacy covers SCP's Sacramento legislative lobbyist, subscription to a statewide regulatory briefing service, and coverage for advancing bills in the legislative session. This category is decreasing in expenditures in place of contributions to the statewide CalCCA trade association, which is taking on more of this work.



## CalCCA

The CalCCA trade association has a growing importance in SCP’s legislative and regulatory work, by running joint efforts to address regulatory challenges, mainly at the CPUC, such as PCIA, the Integrated Resource Plan proceeding, resolving matters related to IOU over procurement of energy and resource adequacy. The expenses of this budget category were previously reported in General and Administration, but have been moved to “Other Professional Services.” The expenses are mostly offset by reductions to other professional service categories, and the overall budget for “Other Professional Services” remains similar to prior fiscal years.

## Programs

Over the past year, SCP has significantly increased the number and scale of customer programs it offers. The accumulated \$7.5 million in program reserves also has made it possible to launch multi-year programs.

ELECTRIC VEHICLES	Customer Benefits	SCP Benefits
Drive EverGreen 3.0 – Design and deploy an expanded and extended EV and EV charger discount program.	Cut emissions and receive discounts on vehicles and charging equipment.	Increase sales and net revenues while decreasing emissions.
CleanCharge – Create aggregated load resource with EV charging equipment and schedule into CAISO markets.	Potential to earn cash rewards over time. Pride of helping support more renewable energy on the grid.	Increases ability to shape system load. Potential to meet portion of RA obligation. Supports lower emissions by allowing more renewable sources in portfolio.
Non-Profit EV Incentive – Provide an incentive for non-profits to purchase EV and PHEV vehicles.	Support of worthy non-profits	Increased exposure through marketing and reduction of GHG emissions



EDUCATION	Customer Benefits	SCP Benefits
School Programs – teacher training, education materials development, in-class programs.	Increase commitment in SCP, awareness of issues, and value to schools. Instill a culture of efficiency in school-age children	Increase awareness of SCP. Educate children on climate change and energy efficiency.
SWITCH EV Program – placement of EV kit cars in vocational programs of local high schools	Increase commitment in SCP, awareness of issues, and value to schools, while developing STEM skills.	Increase awareness of clean power science and career opportunities. Long-term investment in promoting technical capabilities needed for clean energy operations

Energy Efficiency in Buildings	Customer Benefits	SCP Benefits
Assistance to Commercial Customers – Provide an expert in energy efficiency to audit the energy use of commercial customers.	Provide assistance to commercial customers in identifying energy efficiency measures	Low cost program that will build brand loyalty
Assistance to Fire Re-Building Effort – In partnership with PG&E and BAAQMD, create an incentive program for home re-building	Provide incentives to homeowners re-building in the fire zones to achieve 2020 building codes.	Advances SCP's goals for reducing GHG emissions through fuel switching.
Assistance to New Development – Providing an expert in green building to developers as they take a project from concept to plan.	Provide assistance to new commercial development in identifying cost effective measures to greater energy efficiency	Low cost program that will build brand loyalty
DIY Tool Kits – Placement of energy efficiency tool kits in County libraries for customers to check out.	Easy, fun way to learn about energy efficiency in homes	Low cost program that will build brand loyalty



Aggregation of Loads and Resources	Customer Benefits	SCP Benefits
Demand Response Program – Develop general tools for managing diverse kinds of aggregated resources.	Increased opportunities to use new technologies, earn market revenues, and support lower emission sources.	Potential to shape system load and lower total costs to customers over time. Increased ability to meet RA obligations and achieve high amounts of renewables.

CEC Grant	Customer Benefits	SCP Benefits
CEC Grant administration – Managing the implementation of the grant and creation of an energy efficiency Marketplace	Exposure of customer to cutting edge energy efficiency products and the ability to purchase and install them	Advances SCP's goals for reducing GHG emissions through fuel switching.

Distributed Energy Resources	Customer Benefits	SCP Benefits
Residential Storage Program	A pilot program to gauge interest in battery storage systems in residences	Potential to shape system load and lower total costs to customers over time. Increased ability to meet RA obligations and achieve high amounts of renewables.
Misc. Contracts (CCP, Etc.)	Provide resources and education to customers considering distributed resources	Potential to shape system load and lower total costs to customers over time. Increased ability to meet RA obligations and achieve high amounts of renewables.



<b>Programs</b>	<b>Estimated Detail</b>
<i>Electric Vehicles</i>	
Drive EverGreen	1,895,000
CleanCharge	850,000
Non-Profit Vehicle Incentive	100,000
<i>Electric Vehicle Subtotal</i>	2,845,000
<i>Education</i>	
School Programs	275,000
SWITCH Program	75,000
Misc Education Tools/Support	10,000
<i>Education Subtotal</i>	360,000
<i>Energy Efficiency in Buildings</i>	
Assistance to Commercial Customers	50,000
Assistance to Fire Re-Building Efforts	2,000,000
Assistance to New Development	45,000
DIY Tool Kits	25,000
<i>Energy Efficiency in Buildings Subtotal</i>	2,120,000
<i>Aggregation of Loads and Resources</i>	
Demand Response Program	275,000
<i>Aggregation of Loads and Resources Subtotal</i>	275,000
<i>CEC Grant</i>	
CEC Grant Administration	440,000
<i>CEC Grant Subtotal</i>	440,000
<i>Distributed Energy Resources</i>	
Residential Storage Program	100,000
Misc. Contracts	160,000
<i>DER Subtotal</i>	260,000
Programs Total (from SCP)	6,300,000
Grant Proceeds (from CEC)	2,600,000
Total Program Budget	8,900,000

## **OTHER USES**

Capital Outlay is for equipment costing in excess of \$1,000, including computers, printers, furniture and building signage. The budget for the upcoming fiscal year represents a decrease from the past year because some of the furniture and equipment for staff has been purchased in prior years.



Collateral Deposits are needed to support the purchase of additional wholesale energy and resource adequacy purchases. If the new Financial Policy B2 governing reserves is adopted, then a collateral reserve account would be created, and once filled with sufficient funds, the line item for Collateral would be removed from general budgeting.

### **DEBT SERVICE**

Debt Service covers the cost of borrowed funds. No debt service expenses are budgeted, since SCP currently carries no debt.

### **NET INCREASE/ (DECREASE) IN AVAILABLE FUND BALANCE**

The allocation of surplus funds is governed by the adopted Financial Policy B2. The policy generally indicates that net surplus funds (if any) are dedicated to operating reserves and a stabilizing account to support local customer programs or projects. The full policy is shown in the appendix.



## APPENDIX Financial Policy B2

### ***Available Fund Balance, and Operating, Program and Collateral Reserves***

SCP has an Operating Reserve for the purpose of supporting agency credit, a Program Reserve that allows multi-year program funding commitments, and a Collateral Reserve to allow the posting of collateral for energy and related purchases.

Target balances are:

Operating Reserve	50% of total annual budgeted expenses
Program Reserve	10% of total annual budgeted expenses
Collateral Reserve	10% of annual energy expenditures

Prior to reaching these targets, the following shall apply to Sonoma Clean Power Authority's financial management:

#### 1. Rate Setting and Budgeting:

- A. If rates can be kept competitive with PG&E, a minimum of 3% of revenues shall be recovered through rates to provide for the Operating Reserve, Program Reserve and Collateral Reserve, and reduce financial risk. Rates shall be deemed competitive if SCP's average retail generation rate<sup>1</sup>, inclusive of all fees<sup>2</sup>, is not more than 2% above PG&E's average retail generation rate<sup>3</sup>.
- B. If rates cannot be kept competitive per the definition in 1.A, then the additional amount to be recovered through rates shall be reduced so that SCP's average retail rate is no more than PG&E's average retail rate. However, the withdrawal of cash reserves to reduce rates should only be done in cases where the Board makes three findings (1) the use of reserves

---

<sup>1</sup> The Average Retail Generation Rate is the total revenue collected for generation divided by the total kilowatt-hours of energy sold.

<sup>2</sup> All fees separately charged to SCP customers as determined by the CPUC. Today this includes the Power Charge Indifference Adjustment and a Franchise Fee.

<sup>3</sup> See footnote #1.



to reduce rates is likely to be needed because of a short-term reason, and unlikely to be needed in subsequent years; (2) there is a material likelihood that SCP or its customers would be significantly harmed without the use of reserves, and (3) the benefit is greater than the potential credit downgrade from use of the reserves.

2. Allocating the Increase in Available Fund Balance, if any:

- A. 75% to Operating Reserves to support credit and mitigate financial risks.
- B. 15% to Program Reserves to support programs that have financial commitments which extend beyond the current fiscal year consistent with SCPA's mission. Program Reserve usage must be authorized by the SCPA Board of Directors with prior review by the Community Advisory Committee.
- C. 10% to the Collateral Reserves to provide a source of collateral for purchasing energy and energy-market products.

Annual Increase in Available Fund Balance shall be determined based on information reported in the annual audited financial statements. Available fund balance at the end of a fiscal year is equal to assets convertible or expected to be converted into cash within 90 days.

When one or two of the reserve targets are met, greater percentages shall be contributed to the unmet target(s) at the Board's direction.

Upon reaching the target balances, rates and budgets shall be set to maintain the target balances.



---

### Staff Report – Item 05

---

To: Sonoma Clean Power Authority Community Advisory Committee

From: Geof Syphers, CEO  
Rebecca Simonson, Senior Power Services Manager  
Stephanie Reynolds, Internal Operations Director  
Mike Maher, CPA

Item: Review and recommend adoption of customer rates for July 1, 2018

Date: April 17, 2018

---

#### **Requested Actions**

Review and recommend adoption of customer electric generation rates starting July 1, 2018.

#### **Background**

Materials for this item are provided in Item 4. The rates proposed for adoption would provide 2.0% savings on total electric charges relative to the distribution utility's adopted March 1, 2018 rates. The full tables of rates is provided as an appendix.

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b><u>RESIDENTIAL CUSTOMERS</u></b>					
E-1	E-1 ENERGY CHARGE (\$/KWH)	All Energy	\$0.06948	\$0.10357	\$0.10780
EL-1 (CARE)	EL-1 ENERGY CHARGE (\$/KWH)	All Energy	\$0.06948	\$0.10357	\$0.10780
E-6	E-6 ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.19623	\$0.23032	\$0.23774
		Summer Part Peak	\$0.08568	\$0.11977	\$0.12489
		Summer Off-Peak	\$0.04116	\$0.07525	\$0.07883
		Winter Partial Peak	\$0.06630	\$0.10039	\$0.10440
		Winter Off-Peak	\$0.05397	\$0.08806	\$0.09173
EL-6 (CARE)	EL-6 ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.19623	\$0.23032	\$0.23774
		Summer Part Peak	\$0.08568	\$0.11977	\$0.12489
		Summer Off-Peak	\$0.04116	\$0.07525	\$0.07883
		Winter Partial Peak	\$0.06630	\$0.10039	\$0.10440
		Winter Off-Peak	\$0.05397	\$0.08806	\$0.09173
EV	EV ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.20318	\$0.23727	\$0.24674
		Summer Part Peak	\$0.07962	\$0.11371	\$0.11891
		Summer Off-Peak	\$0.02312	\$0.05721	\$0.05976
		Winter Peak	\$0.05151	\$0.08560	\$0.09220
		Winter Partial Peak	\$0.02519	\$0.05928	\$0.05761
		Winter Off-Peak	\$0.01944	\$0.05353	\$0.06189

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>RESIDENTIAL CUSTOMERS</b>					
E-TOU Option A	<b>E-TOU-A</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.15013	\$0.18422	\$0.19050
		Summer Off-Peak	\$0.07607	\$0.11016	\$0.11493
		Winter Peak	\$0.06515	\$0.09924	\$0.10316
		Winter Off-Peak	\$0.05115	\$0.08524	\$0.08887
EL-TOU Option A (CARE)	<b>EL-TOU-A</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.15013	\$0.18422	\$0.19050
		Summer Off-Peak	\$0.07607	\$0.11016	\$0.11493
		Winter Peak	\$0.06515	\$0.09924	\$0.10316
		Winter Off-Peak	\$0.05115	\$0.08524	\$0.08887
E-TOU Option B	<b>E-TOU-B</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.17087	\$0.20496	\$0.21238
		Summer Off-Peak	\$0.06987	\$0.10396	\$0.10932
		Winter Peak	\$0.06678	\$0.10087	\$0.10554
		Winter Off-Peak	\$0.04835	\$0.08244	\$0.08674
EL-TOU Option B (CARE)	<b>EL-TOU-B</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.17087	\$0.20496	\$0.21238
		Summer Off-Peak	\$0.06987	\$0.10396	\$0.10932
		Winter Peak	\$0.06678	\$0.10087	\$0.10554
		Winter Off-Peak	\$0.04835	\$0.08244	\$0.08674
RESIDENTIAL TIME-OF-USE (PEAK PRICING 4-9 p.m. EVERY DAY)	<b>E-TOU-C3</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.12656	\$0.16065	\$0.16645
		Summer Off-Peak	\$0.06439	\$0.09848	\$0.10301
		Winter Peak	\$0.07184	\$0.10593	\$0.10999
		Winter Off-Peak	\$0.05486	\$0.08895	\$0.09266
RESIDENTIAL TIME-OF-USE (PEAK PRICING 4-9 p.m. EVERY DAY (CARE))	<b>EL-TOU-C3</b> ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.12656	\$0.16065	\$0.16645
		Summer Off-Peak	\$0.06439	\$0.09848	\$0.10301
		Winter Peak	\$0.07184	\$0.10593	\$0.10999
		Winter Off-Peak	\$0.05486	\$0.08895	\$0.09266

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>					
A-1	<b>A-1</b> ENERGY CHARGE (\$/KWH)	Summer	\$0.09528	\$0.12062	\$0.12570
		Winter	\$0.05721	\$0.08255	\$0.08648
A-1 TOU	<b>A-1 TOU</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.10914	\$0.13448	\$0.13984
		Summer Part Peak	\$0.08596	\$0.11130	\$0.11619
		Summer Off-Peak	\$0.05916	\$0.08450	\$0.08884
		Winter Partial Peak	\$0.08614	\$0.11148	\$0.11600
		Winter Off-Peak	\$0.06563	\$0.09097	\$0.09508
A-6	<b>A-6</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.34080	\$0.36614	\$0.37744
		Summer Part Peak	\$0.10716	\$0.13250	\$0.13786
		Summer Off-Peak	\$0.05030	\$0.07564	\$0.07957
		Winter Partial Peak	\$0.07541	\$0.10075	\$0.10503
		Winter Off-Peak	\$0.05829	\$0.08363	\$0.08754
A-10-A	<b>A-10-A</b> ENERGY CHARGE (\$/KWH)	Summer	\$0.08701	\$0.11275	\$0.11614
		Winter	\$0.06081	\$0.08655	\$0.08916
	DEMAND CHARGE (\$/KW)	Summer Max	\$5.02	\$5.02	\$5.41
A-10-B	<b>A-10-B</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.13981	\$0.16555	\$0.17002
		Summer Part Peak	\$0.08579	\$0.11153	\$0.11489
		Summer Off-Peak	\$0.05828	\$0.08402	\$0.08682
		Winter Partial Peak	\$0.07040	\$0.09614	\$0.09895
		Winter Off-Peak	\$0.05367	\$0.07941	\$0.08188
	DEMAND CHARGE (\$/KW)	Summer Max	\$5.02	\$5.02	\$5.41

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>					
A-10-A-P	<b>A-10-A-P</b>				
	ENERGY CHARGE (\$/KWH)	Summer	\$0.07729	\$0.10303	\$0.10620
		Winter	\$0.05456	\$0.08030	\$0.08282
	DEMAND CHARGE (\$/KW)	Summer Max	\$4.33	\$4.33	\$4.70
A-10-B-P	<b>A-10-B-P</b>				
	ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.12819	\$0.15393	\$0.15813
		Summer Part Peak	\$0.07864	\$0.10438	\$0.10757
		Summer Off-Peak	\$0.05254	\$0.07828	\$0.08094
		Winter Partial Peak	\$0.06539	\$0.09113	\$0.09387
		Winter Off-Peak	\$0.04983	\$0.07557	\$0.07799
	DEMAND CHARGE (\$/KW)	Summer Max	\$4.33	\$4.33	\$4.70

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation	
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>						
E-19-S, V	<b>E-19-S</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.11275	\$0.13445	\$0.13766	
		Summer Part Peak	\$0.06922	\$0.09092	\$0.09324	
		Summer Off-Peak	\$0.04039	\$0.06209	\$0.06382	
		Winter Partial Peak	\$0.06325	\$0.08495	\$0.08715	
		Winter Off-Peak	\$0.04754	\$0.06924	\$0.07112	
		DEMAND CHARGE (\$/KW)	Summer Peak	\$13.47	\$13.47	\$13.86
			Summer Part Peak	\$3.31	\$3.31	\$3.42
		E-19-P, V	<b>E-19-P</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.10282	\$0.12452
Summer Part Peak	\$0.06161			\$0.08331	\$0.08546	
Summer Off-Peak	\$0.03512			\$0.05682	\$0.05843	
Winter Partial Peak	\$0.05605			\$0.07775	\$0.07978	
Winter Off-Peak	\$0.04167			\$0.06337	\$0.06511	
DEMAND CHARGE (\$/KW)	Summer Peak			\$12.02	\$12.02	\$12.37
	Summer Part Peak			\$2.92	\$2.92	\$3.01
E-19-T, V	<b>E-19-T</b> ENERGY CHARGE (\$/KWH)			Summer Peak	\$0.06700	\$0.08870
		Summer Part Peak	\$0.05302	\$0.07472	\$0.07669	
		Summer Off-Peak	\$0.03451	\$0.05621	\$0.05780	
		Winter Partial Peak	\$0.05521	\$0.07691	\$0.07893	
		Winter Off-Peak	\$0.04099	\$0.06269	\$0.06442	
		DEMAND CHARGE (\$/KW)	Summer Peak	\$13.78	\$13.78	\$14.06
			Summer Part Peak	\$3.46	\$3.46	\$3.53

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>					
E-20-S	<b>E-20-S</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.10396	\$0.12484	\$0.12784
		Summer Part Peak	\$0.06439	\$0.08527	\$0.08747
		Summer Off-Peak	\$0.03724	\$0.05812	\$0.05976
		Winter Partial Peak	\$0.05865	\$0.07953	\$0.08161
		Winter Off-Peak	\$0.04393	\$0.06481	\$0.06659
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$13.03	\$13.03	\$13.41
		Summer Part Peak	\$3.21	\$3.21	\$3.31
E-20-P	<b>E-20-P</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.10821	\$0.12769	\$0.13073
		Summer Part Peak	\$0.06460	\$0.08408	\$0.08623
		Summer Off-Peak	\$0.03778	\$0.05726	\$0.05886
		Winter Partial Peak	\$0.05886	\$0.07834	\$0.08037
		Winter Off-Peak	\$0.04436	\$0.06384	\$0.06558
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$14.31	\$14.31	\$14.72
		Summer Part Peak	\$3.37	\$3.37	\$3.48
E-20-T	<b>E-20-T</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.06549	\$0.08340	\$0.08550
		Summer Part Peak	\$0.05235	\$0.07026	\$0.07209
		Summer Off-Peak	\$0.03495	\$0.05286	\$0.05434
		Winter Partial Peak	\$0.05442	\$0.07233	\$0.07420
		Winter Off-Peak	\$0.04105	\$0.05896	\$0.06056
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$17.07	\$17.07	\$17.42
		Summer Part Peak	\$4.07	\$4.07	\$4.15

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>					
E-19-S - Option R	<b>E-19-S Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.26206	\$0.28376	\$0.29098
		Summer Part Peak	\$0.10387	\$0.12557	\$0.12891
		Summer Off-Peak	\$0.04039	\$0.06209	\$0.06382
		Winter Partial Peak	\$0.06324	\$0.08494	\$0.08715
		Winter Off-Peak	\$0.04754	\$0.06924	\$0.07112
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00
E-19-P - Option R	<b>E-19-P Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.24932	\$0.27102	\$0.27796
		Summer Part Peak	\$0.09510	\$0.11680	\$0.11993
		Summer Off-Peak	\$0.03512	\$0.05682	\$0.05843
		Winter Partial Peak	\$0.05603	\$0.07773	\$0.07978
		Winter Off-Peak	\$0.04167	\$0.06337	\$0.06511
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00
E-19-T Option R	<b>E-19-T Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.24918	\$0.27088	\$0.27686
		Summer Part Peak	\$0.09599	\$0.11769	\$0.12054
		Summer Off-Peak	\$0.03451	\$0.05621	\$0.05780
		Winter Partial Peak	\$0.05521	\$0.07691	\$0.07893
		Winter Off-Peak	\$0.04099	\$0.06269	\$0.06442
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b>COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS</b>					
E-20-S - Option R	<b>E-20-S Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.23765	\$0.25853	\$0.26514
		Summer Part Peak	\$0.09665	\$0.11753	\$0.12067
		Summer Off-Peak	\$0.03724	\$0.05812	\$0.05976
		Winter Partial Peak	\$0.05865	\$0.07953	\$0.08161
		Winter Off-Peak	\$0.04393	\$0.06481	\$0.06659
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00
E-20-P - Option R	<b>E-20-P Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.25588	\$0.27536	\$0.28229
		Summer Part Peak	\$0.09700	\$0.11648	\$0.11956
		Summer Off-Peak	\$0.03778	\$0.05726	\$0.05886
		Winter Partial Peak	\$0.05885	\$0.07833	\$0.08037
		Winter Off-Peak	\$0.04436	\$0.06384	\$0.06558
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00
E-20-T - Option R	<b>E-20-T - Option R</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.24985	\$0.26776	\$0.27362
		Summer Part Peak	\$0.09139	\$0.10930	\$0.11193
		Summer Off-Peak	\$0.03495	\$0.05286	\$0.05434
		Winter Partial Peak	\$0.05442	\$0.07233	\$0.07420
		Winter Off-Peak	\$0.04105	\$0.05896	\$0.06056
	DEMAND CHARGE (\$/KW)				
		Summer Peak	\$0.00	\$0.00	\$0.00
		Summer Part Peak	\$0.00	\$0.00	\$0.00

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation	
<b><u>AGRICULTURAL CUSTOMERS</u></b>						
AG-1-A	<b>AG-1-A</b> ENERGY CHARGE (\$/KWH)	Summer	\$0.07786	\$0.10309	\$0.10874	
		Winter	\$0.05761	\$0.08284	\$0.08721	
	CONNECTED LOAD (\$/KW)	Summer	\$1.33	\$1.33	\$1.49	
		Winter	\$0.00	\$0.00	\$0.00	
	AG-1-B	<b>AG-1-B</b> ENERGY CHARGE (\$/KWH)	Summer	\$0.08186	\$0.10709	\$0.11198
			Winter	\$0.05825	\$0.08348	\$0.08729
DEMAND CHARGE (\$/KW)		Summer Max	\$2.01	\$2.01	\$2.24	
		Winter Max	\$0.00	\$0.00	\$0.00	
AG-4-A		<b>AG-4-A</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.13975	\$0.16498	\$0.17399
			Summer Off-Peak	\$0.04593	\$0.07116	\$0.07511
	Winter Partial Peak		\$0.05028	\$0.07551	\$0.07960	
	Winter Off-Peak		\$0.03926	\$0.06449	\$0.06782	
	CONNECTED LOAD (\$/KW)	Summer	\$1.32	\$1.32	\$1.48	
		Winter	\$0.00	\$0.00	\$0.00	
AG-4-B	<b>AG-4-B</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.10206	\$0.12729	\$0.13325	
		Summer Off-Peak	\$0.04888	\$0.07411	\$0.07734	
		Winter Partial Peak	\$0.04695	\$0.07218	\$0.07542	
		Winter Off-Peak	\$0.03621	\$0.06144	\$0.06417	
	DEMAND CHARGE (\$/KW)	Summer Max	\$2.42	\$2.42	\$2.62	
		Summer Max Peak	\$2.67	\$2.67	\$2.78	
		Winter	\$0.00	\$0.00	\$0.00	

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b><u>AGRICULTURAL CUSTOMERS</u></b>					
AG-4-C	<b>AG-4-C</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.12302	\$0.14825	\$0.15377
		Summer Part-Peak	\$0.05857	\$0.08380	\$0.08705
		Summer Off-Peak	\$0.03513	\$0.06036	\$0.06281
		Winter Partial Peak	\$0.04175	\$0.06698	\$0.06969
		Winter Off-Peak	\$0.03169	\$0.05692	\$0.05928
	DEMAND CHARGE (\$/KW)				
		Summer Max Peak	\$6.20	\$6.20	\$6.45
		Summer Part-Peak	\$1.05	\$1.05	\$1.10
		Winter	\$0.00	\$0.00	\$0.00
AG-4-D	<b>AG-4-D</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.13975	\$0.16498	\$0.17399
		Summer Off-Peak	\$0.04593	\$0.07116	\$0.07511
		Winter Partial Peak	\$0.05028	\$0.07551	\$0.07960
		Winter Off-Peak	\$0.03926	\$0.06449	\$0.06782
	CONNECTED LOAD (\$/KW)				
		Summer	\$1.32	\$1.32	\$1.48
		Winter	\$0.00	\$0.00	\$0.00
AG-5-A	<b>AG-5-A</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.13127	\$0.15650	\$0.16283
		Summer Off-Peak	\$0.05204	\$0.07727	\$0.08051
		Winter Partial Peak	\$0.05568	\$0.08091	\$0.08432
		Winter Off-Peak	\$0.04379	\$0.06902	\$0.07191
	CONNECTED LOAD (\$/KW)				
		Summer	\$3.81	\$3.81	\$4.05
		Winter	\$0.00	\$0.00	\$0.00

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b><u>AGRICULTURAL CUSTOMERS</u></b>					
AG-5-B	<b>AG-5-B</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.12937	\$0.15460	\$0.15904
		Summer Off-Peak	\$0.02633	\$0.05156	\$0.05347
		Winter Partial Peak	\$0.04789	\$0.07312	\$0.07547
		Winter Off-Peak	\$0.01741	\$0.04264	\$0.04437
	DEMAND CHARGE (\$/KW)				
		Summer Max	\$4.56	\$4.56	\$4.87
		Summer Max Peak	\$5.90	\$5.90	\$6.10
		Winter	\$0.00	\$0.00	\$0.00
AG-5-C	<b>AG-5-C</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.10313	\$0.12836	\$0.13183
		Summer Partial Peak	\$0.04854	\$0.07377	\$0.07612
		Summer Off-Peak	\$0.02821	\$0.05344	\$0.05538
		Winter Partial Peak	\$0.03430	\$0.05953	\$0.06159
		Winter Off-Peak	\$0.02507	\$0.05030	\$0.05217
	DEMAND CHARGE (\$/KW)				
		Summer Max Peak	\$10.96	\$10.96	\$11.31
		Summer Partial Peak	\$2.06	\$2.06	\$2.13
		Winter	\$0.00	\$0.00	\$0.00
AG-5-D	<b>AG-5-D</b>				
	ENERGY CHARGE (\$/KWH)				
		Summer Peak	\$0.13127	\$0.15650	\$0.16283
		Summer Off-Peak	\$0.05204	\$0.07727	\$0.08051
		Winter Partial Peak	\$0.05568	\$0.08091	\$0.08432
		Winter Off-Peak	\$0.04379	\$0.06902	\$0.07191
	CONNECTED LOAD (\$/KW)				
		Summer	\$3.81	\$3.81	\$4.05
		Winter	\$0.00	\$0.00	\$0.00

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation
<b><u>AGRICULTURAL CUSTOMERS</u></b>					
AG-5-E	<b>AG-5-E</b>	<b>ENERGY CHARGE (\$/KWH)</b>			
		Summer Peak	\$0.12937	\$0.15460	\$0.15904
		Summer Off-Peak	\$0.02633	\$0.05156	\$0.05347
		Winter Partial Peak	\$0.04789	\$0.07312	\$0.07547
		Winter Off-Peak	\$0.01741	\$0.04264	\$0.04437
		<b>DEMAND CHARGE (\$/KW)</b>			
		Summer Max	\$4.56	\$4.56	\$4.87
		Summer Max Peak	\$5.90	\$5.90	\$6.10
		Winter	\$0.00	\$0.00	\$0.00
		AG-RA	<b>AG-RA</b>	<b>ENERGY CHARGE (\$/KWH)</b>	
Summer Peak	\$0.25659			\$0.28182	\$0.29269
Summer Off-Peak	\$0.04473			\$0.06996	\$0.07372
Winter Partial Peak	\$0.05245			\$0.07768	\$0.08152
Winter Off-Peak	\$0.04099			\$0.06622	\$0.06939
<b>CONNECTED LOAD (\$/KW)</b>					
Summer	\$1.30			\$1.30	\$1.44
Winter	\$0.00			\$0.00	\$0.00
AG-RB	<b>AG-RB</b>	<b>ENERGY CHARGE (\$/KWH)</b>			
		Summer Peak	\$0.22929	\$0.25452	\$0.26432
		Summer Off-Peak	\$0.04438	\$0.06961	\$0.07317
		Winter Partial Peak	\$0.03856	\$0.06379	\$0.06713
		Winter Off-Peak	\$0.02917	\$0.05440	\$0.05717
		<b>DEMAND CHARGE (\$/KW)</b>			
		Summer Max	\$1.94	\$1.94	\$2.13
		Summer Max Peak	\$2.31	\$2.31	\$2.39
Winter	\$0.00	\$0.00	\$0.00		

**Sonoma Clean Power  
July 2018 Proposed Rates**

PG&E EQUIVALENT SCHEDULE	SCP RATE SCHEDULE	UNIT/PERIOD	SCP JULY 2018 PROPOSED GENERATION RATE	SCP PROPOSED WITH PG&E SURCHARGES	Mar 1, 2018 PG&E Generation	
<b><u>AGRICULTURAL CUSTOMERS</u></b>						
AG-VA	<b>AG-VA</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.22076	\$0.24599	\$0.25610	
		Summer Off-Peak	\$0.04182	\$0.06705	\$0.07074	
		Winter Partial Peak	\$0.05076	\$0.07599	\$0.07985	
		Winter Off-Peak	\$0.03957	\$0.06480	\$0.06797	
		CONNECTED LOAD (\$/KW)				
		Summer	\$1.36	\$1.36	\$1.50	
		Winter	\$0.00	\$0.00	\$0.00	
AG-VB	<b>AG-VB</b> ENERGY CHARGE (\$/KWH)	Summer Peak	\$0.20219	\$0.22742	\$0.23649	
		Summer Off-Peak	\$0.04249	\$0.06772	\$0.07118	
		Winter Partial Peak	\$0.03886	\$0.06409	\$0.06738	
		Winter Off-Peak	\$0.02940	\$0.05463	\$0.05737	
		DEMAND CHARGE (\$/KW)				
		Summer Max	\$1.76	\$1.76	\$1.95	
		Summer Max Peak	\$2.43	\$2.43	\$2.51	
		Winter	\$0.00	\$0.00	\$0.00	
<b><u>STREET AND OUTDOOR LIGHTING</u></b>						
LS-1, LS-2, LS-3, OL-1	<b>LS-1</b> ENERGY CHARGE (\$/KWH)	All Energy	\$0.07772	\$0.08424	\$0.08753	
TC-1	<b>TC-1</b> ENERGY CHARGE (\$/KWH)	All Energy	\$0.06592	\$0.09125	\$0.09504	
<b><u>EVERGREEN- 100% LOCAL RENEWABLE OPTION</u></b>						
Customers electing the 100% Local Renewable service option will pay the otherwise applicable SCP rate plus the 100% Renewable Energy Charge.						
ENERGY CHARGE (\$/KWH)		All Energy	\$0.02500			