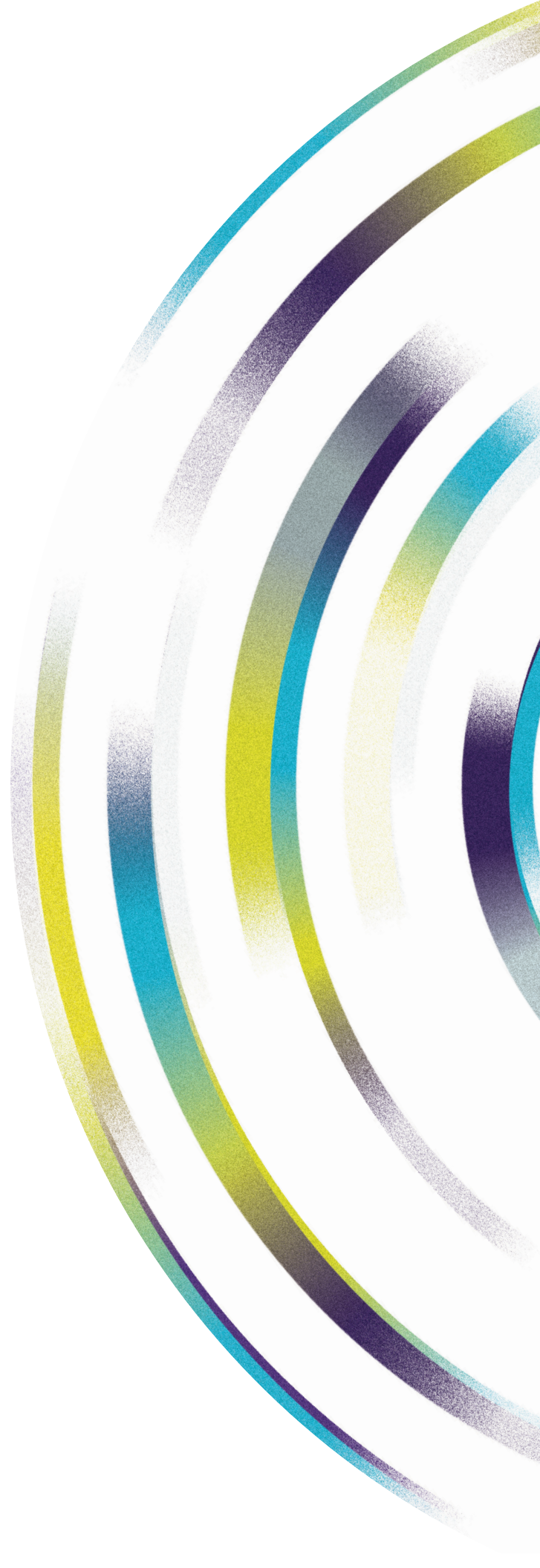




10 Electric Years

Annual Report



Message from the CEO

As Sonoma Clean Power celebrates ten incredible years, I'm proud to share how far we've come—and where we're headed. This decade has been filled with big ideas, bold action, and a commitment to serving our customers.

First, we're refining our Customer Center, which opened in 2020 with help from the California Energy Commission. It started as a place to learn about all-electric home renovations. Today, it also offers one-on-one help with lowering high electric bills—by bringing our customer service desks right up front. We want everyone to feel comfortable walking in, asking questions, and finding solutions.

Our GridSavvy Rewards offering is another success story. It has grown to include 8,000 households who help keep the lights on across California. During times of grid stress, we send a simple text message asking participants to reduce electricity use. Those who take action earn cash rewards while making the grid more reliable and affordable for everyone.

In the policy arena, we've been busy changing state law. This year, we wrote and helped pass AB 1359 (Pappan, 2024), which supports new geothermal energy exploration. After thirty years of little progress, this bill will help spark innovation and growth in 24/7 clean energy—a testament to our long history of taking on tough challenges that need legislative and regulatory changes to solve.

Finally, we're ending 2024 on solid financial footing. We're proud to maintain an 'A' credit rating, hold strong reserves to weather market volatility, and our Board has authorized a customer rate cut for February 2025.

Thank you for being part of Sonoma Clean Power's journey. Here's to ten years of making a difference—and to the many more breakthroughs and benefits yet to come.

Geof Syphers,
CEO



Message from the Board Chair

This year proved the power of local action. Ten years after Sonoma Clean Power began, we're still cutting greenhouse gas emissions and keeping our rates competitive with PG&E. As the federal government weakens its commitment to protecting our environment, we're stepping up how we confront the climate crisis ourselves.

More severe wildfires and floods are have already hit our community, so we know why Sonoma Clean Power delivers 90% carbon-free electricity. But we also know that energy affordability is a serious issue, so we fight in the Capitol and at the regulators for lower electric rates, and we help customers reduce their bills one family at a time.

In August, we launched a 59-megawatt battery storage project that stores cheap solar energy during the day and delivers clean power to 60,000 homes for four hours after the sun goes down. We also issued our first municipal bond to lower energy costs. This "prepayment" will save our customers over \$47 million in the next eight years.

Next, we plan to build our own renewable energy projects. We formed a new team to develop local facilities that lower costs, strengthen our resilience, and move our region toward true energy independence.

We're also focusing on customers who have been hardest to reach in the past. That means more outreach to low-income households and deeper engagement with impacted communities and local tribes.

While our nation faces federal leaders who seem set on undoing a century of protecting our air, our water and our climate for the next generation, Sonoma Clean Power refuses to back down. I could not be prouder to be part of – as Margaret Mead put it – a small group of thoughtful committed individuals who are changing the world. We will keep moving forward with local action no matter what federal headwinds we face, and we invite you to join us!

**Lynda Hopkins,
Board Chair**



Procurement

10
YEARS

Sonoma Clean Power added two new projects to our portfolio in 2024. In May, Proxima Solar began producing energy in Stanislaus County, California. Through a 20-year agreement on this large-scale NextEra Energy Resources project, SCP secured 70 megawatts (MW) of solar capacity and 32 MW of four-hour battery storage, producing 128 megawatt-hours (MWh). This solar energy will supply clean power to approximately 9% of SCP's customer load each year. The integrated battery storage enables us to shift clean energy to critical times of the day, contributing to reductions in grid emissions.

August marked the launch of SCP's first stand-alone battery storage project, Sagebrush, located in Kern County, California. Under a 15-year agreement with project developer Terra-Gen, Sagebrush provides 59 MW, or 236 MWh, of battery storage. These projects represent significant progress toward SCP's goal of delivering clean energy around the clock.



GeoZone

Last year, Sonoma Clean Power made significant progress on the GeoZone, an ambitious effort to develop hundreds of megawatts of next-generation geothermal power within our service territory. Today, SCP serves customers with at least 88% clean energy, but we remain reliant on natural gas plants in the Los Angeles area during periods when solar, wind, and battery resources are insufficient. These plants contribute to pollution and are costly to operate.

The GeoZone initiative, a partnership between SCP and three geothermal resource developers, aims to eliminate reliance on fossil fuels and provide 100% clean energy to our customers. This effort also drives reinvestment into the local community, creating thousands of well-paying jobs.

In 2024, SCP staff and board members conducted extensive outreach, engaging organizations across Sonoma and Mendocino Counties and gathering community input. We established strong working relationships with environmental groups, labor organizations, and elected officials to ensure the project's success.

On the legislative front, SCP sponsored Assembly Bill 1359, authored by Assemblymember Diane Papan (D-San Mateo), which was signed into law in September. This legislation resolved a regulatory issue threatening geothermal development in California and received broad bipartisan support. A diverse coalition, including Sonoma County Supervisor James Gore, the North Bay Building Trades, and the Climate Center, played a key role in this success.



Recology & SCP: Partners for a More Sustainable Future



Recology of Sonoma Marin has demonstrated sustainability leadership since becoming an SCP customer in 2017, powering its operations with 50% renewable energy. In 2022, Recology expanded its commitment by enrolling 95% of its electric accounts in SCP's EverGreen service, which sources 100% local renewable energy.

This partnership has yielded cost savings through SCP's rate analysis and recommendations. Looking ahead, Recology is working with SCP to install electric vehicle charging stations at its facilities, supporting its transition to an electric fleet and further reducing greenhouse gas emissions. SCP showcased Recology's commitment through a marketing campaign featuring digital billboards, website promotions, and other marketing materials, illustrating how businesses can maximize local sustainability efforts.

Supporting Electrification in Affordable Housing

In partnership with the Bay Area Regional Energy Network (BayREN) and Burbank Housing, Sonoma Clean Power supported the electrification of 56 affordable housing units at the Parkwood Apartments in northeast Santa Rosa. Through the Bay Area Multifamily Building Enhancement program, SCP provided incentives totaling \$335,500 for water heater and space conditioning upgrades, along with \$41,250 to offset electrical upgrade costs.

Additional funding from BayREN and the Low-Income Weatherization Program (LIWP) supported other efficiency measures, including low-flow water fixtures, LED lighting, and attic insulation. This collaboration showcases a scalable model for affordable housing electrification, leveraging funding from CCAs, regional energy networks, and statewide low-income programs.

E-Bike Grants for Employers

10
YEARS

In 2024, SCP launched E-Bike Commuter Grants, inviting organizations to apply for funding to encourage their employees to commute using electric bikes. Ten grants were awarded, totaling \$167,000, to recipients including non-profits, public agencies, and businesses. Grantees are using the funding to purchase e-bikes, security and safety equipment, and to provide financial or other benefits to commuters. SCP also approved grants for two individual applicants who will share their e-bike experiences within their workplaces.

SCP has partnered with the Sonoma County Bicycle Coalition to provide in-class and on-bike safety training for riders. Participants receive branded cycling socks, a stainless steel water bottle, and a printed e-bike rider's guide.

This initiative is expected to fund over 50 e-bikes, contributing to emissions reductions, decreased traffic congestion, and healthier daily habits. By November 2024, \$49,000 had been disbursed, and grantees reported replacing over 1,300 vehicle miles with e-bike travel. Grantees will continue reporting on e-bike usage, maintenance, and commuter satisfaction over the two-year grant period.



Workforce Development

In 2024, Sonoma Clean Power continued to invest in education and workforce development to build a sustainable future. Through our partnership with Sonoma Water, the Water and Energy Education Program reached thousands of students in Sonoma and Mendocino counties with hands-on lessons in clean energy and conservation. SCP also supported the CTE Foundation's programs, which provided students with hands-on experience in electric vehicle technology and STEM projects, boosting graduation rates and career readiness.

SCP partnered with the LIME Foundation's NextGen Trades Academy to empower disadvantaged youth with pathways to careers in green trades. The SCP Customer Center hosted certification courses and continuing education programs for local contractors, focusing on home electrification. Additionally, SCP's three-phase internship program provided valuable experience across departments, promoting the next generation of clean energy professionals.

We continued supporting students through scholarships at Santa Rosa Junior College, Sonoma State University, and Mendocino College, encouraging careers in STEM and trades. These efforts reflect SCP's commitment to nurturing future environmental stewards and clean energy leaders.



Community Needs Assessments

To ensure our offers and incentives have a meaningful impact, Sonoma Clean Power conducted needs assessments across residential, commercial, agricultural, and transportation sectors. These assessments mark a critical step in keeping SCP's initiatives responsive to community needs. The residential assessment identified reducing energy bills as a top customer priority, while the agricultural assessment highlighted time and financial constraints for producers. These findings help SCP prioritize resources and design impactful programs. The results are compiled in reports available at sonomacleanpower.org/strategic-action-plan.

Building on these insights, SCP updated its Strategic Action Plan to guide the development of programs that enhance energy reliability, reduce greenhouse gas emissions, and expand access to clean energy. Whether launching innovative transportation electrification projects or supporting energy efficiency in commercial and agricultural sectors, SCP remains committed to making a measurable difference for its customers and the environment.



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Term ends 12/2025

Term ends 12/2027

Term ends 12/2025

Term ends 12/2027

Term Ends 12/2025

Crispin Hollinshead

Jeff Kelly

Mike Nicholls

Daniel Soto

Jana Wang

Term Ends 12/2025

Term ends 12/2025

Term ends 12/2027

Term ends 12/2027

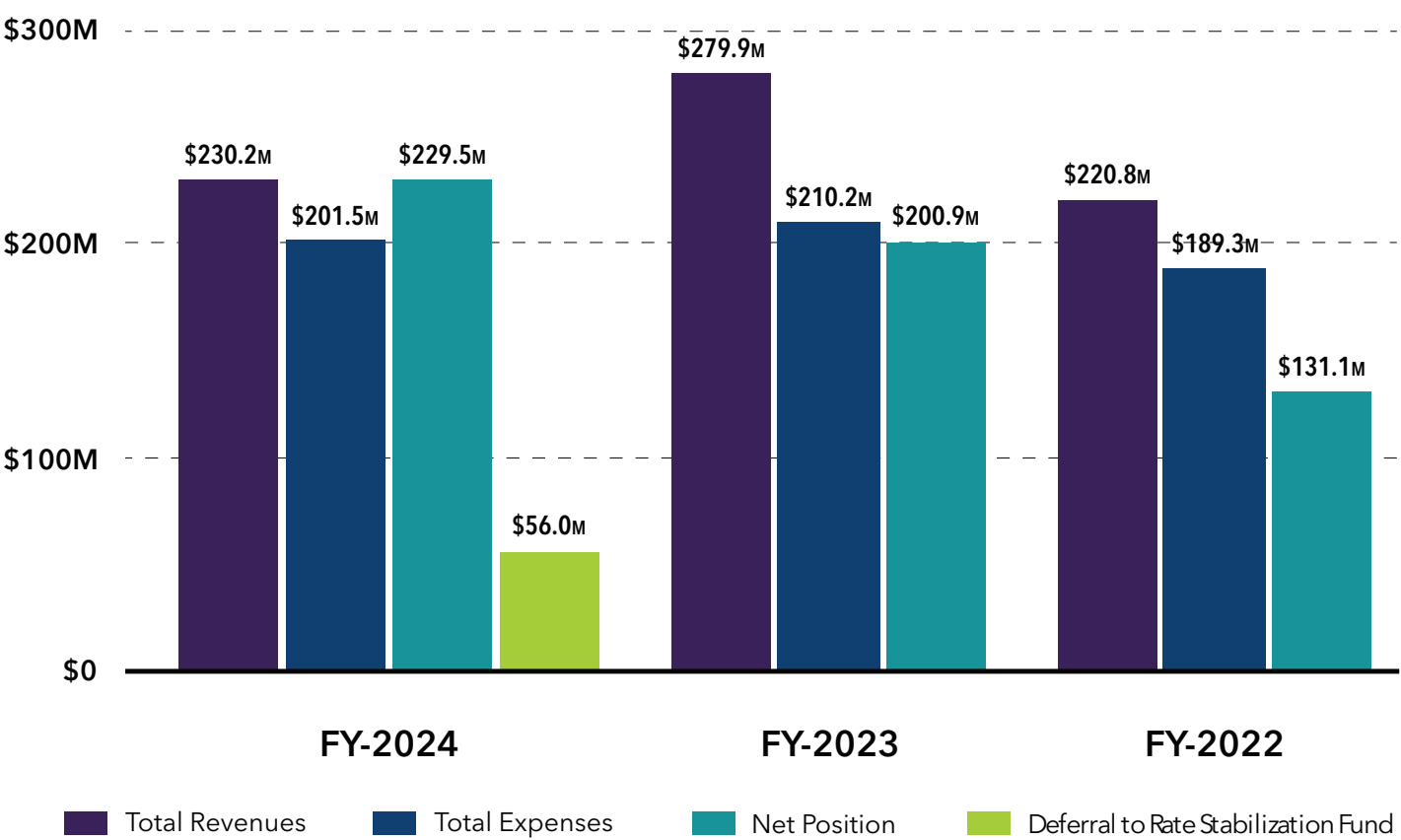
Term ends 12/2027

Financials

In Fiscal Year 2024, Sonoma Clean Power continued to deliver customer savings of 5-7% compared to PG&E on a total bill basis. Despite increases in market prices for renewable energy and resource adequacy (backup power), SCP's total expenses decreased due to mild weather and long-term contracts. As a result, SCP met its 2024 reserve target and deferred \$56 million into the Rate Stabilization Fund.

The Rate Stabilization Fund helps offset cost volatility in energy procurement, mitigating the impact on customer rates. Additionally, SCP established a Local Investment Fund in 2024, committing \$12.8 million of net revenues to support asset development that generates non-rate revenue, ensuring long-term rate stability.

Standard & Poor's reviewed and reaffirmed SCP's "A" credit rating, assigning a "Stable Outlook" and highlighting the organization's financial health and strategic planning.





10 **Electric Years**



741 Fourth Street
Santa Rosa, CA 95404
sonomacleanpower.org

