



**AGENDA
BOARD OF DIRECTORS MEETING
THURSDAY, AUGUST 1, 2024, 9:00 A.M.**

EXCEPT AS PERMITTED BY GOVERNMENT CODE SECTION 54953(F), MEMBERS OF THE BOARD OF DIRECTORS MAY PARTICIPATE IN THE AUGUST 1, 2024, MEETING AT ANY OF THE LOCATIONS SHOWN BELOW.

**SONOMA CLEAN POWER HEADQUARTERS
431 E STREET
SANTA ROSA, CA 95404**

**WILLITS CITY HALL (TELECONFERENCE LOCATION)
111 E ST.
WILLITS, CA 95490**

**FORT BRAGG BRANCH LIBRARY, (TELECONFERENCE LOCATION)
499 E. LAUREL ST., COMMUNITY ROOM
FORT BRAGG, CA 95437**

MEMBERS OF THE PUBLIC MAY PARTICIPATE IN THE MEETING AT THE ABOVE PHYSICAL LOCATIONS OR VIEW REMOTELY THROUGH:

Webinar link: <https://us06web.zoom.us/j/88546704126>
Telephone number: 1 (669) 444-9171
Meeting ID: 885 4670 4126

How to Submit Public Comment:

Comments may be provided in person at the physical meeting locations. Comments may be submitted in writing to meetings@sonomacleanpower.org. For detailed public comment instructions, [please visit this page](#). Please note that live remote public comment will not be taken unless required by Government Code section 54953(f). If required, it will be announced by the Chair. Members of the public should attend in person or provide written comment to ensure they can provide public comment.

For written comments, state the agenda item number that you are commenting on and limit to 300 words. Written comments received prior to the meeting and/or the agenda item you wish to comment on will be read into the record up to 300 words. Written comments may be provided during the meeting.

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation or an alternative format, please contact the Clerk of the Board at (707) 757-9417, or by email at meetings@sonomacleanpower.org as soon as possible to ensure arrangements for accommodation.

For further clarification on any of the items listed please contact (855) 202-2139 and staff will be available to assist.

Staff recommendations are guidelines to the Board. On any item, the Board may take action which varies from that recommended by staff.

CALL TO ORDER (Any private remote meeting attendance will be noticed or approved at this time)

BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve July 11, 2024, Draft Board of Directors Meeting Minutes (Staff Recommendation: Approve) **pg. 5**
2. Ratify Generation Rates Effective August 1, 2024, Consistent with Prior Board Direction (Staff Recommendation: Approve) **pg. 9**

BOARD OF DIRECTORS REGULAR CALENDAR

3. Receive Internal Operations and Monthly Financial Report and Provide Direction as Appropriate (Staff Recommendation: Receive and File) **pg. 11**
4. Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate (Staff Recommendation: Approve) **pg. 15**
5. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. 23**
6. Receive Residential and Commercial Community Needs Assessment Final Report (Staff Recommendation: Receive and File) **pg. 25**
7. Approve Fifth Amendment to Agreement for Personal Services and Annual Contract Goals for Chief Executive Officer Syphers; Receive Report on Prior Year Goals (Staff Recommendation: Approve) **pg. 35**

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(Comments are restricted to matters within the Board’s jurisdiction. Please be brief and limit spoken comments to three minutes, or 300 words if written.)

ADJOURN

COMMONLY USED ACRONYMS AND TERMS

CAC	SCP's Community Advisory Committee, advises the Board of Directors
CAISO	California Independent Systems Operator – the grid operator
Carbon Free	Carbon-free resources are sources of power that have no greenhouse gas emissions, but are not considered renewable in California, such as large hydroelectric and nuclear
CCA	Community Choice Aggregator – a public power provider (generation only)
CEC	California Energy Commission
CleanStart	SCP's default power service
CPUC	California Public Utilities Commission
DER	Distributed Energy Resource (e.g. rooftop solar)
ERRA	Energy Resource Recovery Account – PG&E's primary generation rate case at the CPUC
EverGreen	SCP's premium 100% renewable, 100% local energy service, and the first service in the United States providing renewable power every hour of every day. Sign up today!
Geothermal	A locally available, low-carbon baseload renewable resource
GHG	Greenhouse gas
GRC	General Rate Case –PG&E's primary delivery rate case at the CPUC
GridSavvy	GridSavvy Rewards are available to SCP customers for reducing household energy use when needed to help California ensure reliable low-emission power. GridSavvy Rewards are also available with smart devices (e.g. smart thermostat, EV charger, battery storage, etc.). Both are a form of demand response.
IOU	Investor-Owned Utility (e.g., PG&E)
IRP	Integrated Resource Plan – balancing energy needs with energy resources
JPA	Joint Powers Authority
MW	Megawatt is a unit of power and measures how fast energy is being used or produced at one moment.
MWh	Megawatt-hour is a unit of energy and measures how much energy is used or produced over time.
NEM	Net Energy Metering. NEM is a billing mechanism that credits solar energy system owners for the electricity they add to the grid.
NetGreen	SCP's net energy metering program
PCIA	Power Charge Indifference Adjustment – The PCIA is a charge to ensure that both PG&E, Direct Access, and CCA customers pay for the above market costs for electric generation resources that were procured by PG&E on their behalf prior to departing. "Above Market" refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.
RA	Resource Adequacy – a required form of capacity that helps ensure there are sufficient power resources available when needed. It acts as insurance for the grid when demand is high to keep the lights on.
RPS	Renewables Portfolio Standard refers to renewable energy sources which qualify to meet state requirements and include biomass & biowaste, geothermal, small hydroelectric, solar and wind.
SCPA	Sonoma Clean Power Authority
TOU	Time-of-Use, used to refer to rates that differ by time of day and season.

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**DRAFT MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, JULY 11, 2024
9:00 A.M.**

CALL TO ORDER

(9:03 a.m. - Video Time Stamp: 00:02:53)

Chair Hopkins called the meeting to order.

Board Members present: Chair Hopkins, Vice Chair Barnacle, Directors Lands, Lemus, Elward, Zollman, Farrar-Rivas, Strong, Fudge, and Gjerde. Director Rogers was absent with prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Miles Horton, Legislative Policy and Community Engagement Manager; and Josh Nelson, Special Counsel.

BOARD OF DIRECTORS CONSENT CALENDAR

(9:04 a.m. - Video Time Stamp: 00:04:04)

1. Approve June 6, 2024, Draft Board of Directors Meeting Minutes
2. Receive Geothermal Opportunity Zone Update

Item 2 the Geothermal Opportunity Zone Update was pulled for a brief discussion. Miles Horton stated that SCP would be holding a town hall on July 25, 2024, to discuss news on the GeoZone. He added that live Spanish translation would be provided, along with a remote attendance option using Zoom.

Public Comment: None

Motion to approve the July 11, 2024, Board of Directors Consent Calendar by Director Zollman

Second: Vice Chair Barnacle

AYES: Lands, Lemus, Barnacle, Elward, Zollman, Farrar-Rivas, Strong, Fudge, Gjerde, Hopkins

ABSENT: Rogers

BOARD OF DIRECTORS REGULAR CALENDAR

3. Receive Internal Operations and Monthly Financial Report and Provide Direction as Appropriate

(9:07 a.m. - Video Time Stamp: 00:07:23)

Stephanie Reynolds, Director of Internal Operations, discussed updates being made at the Customer Center and Geof Syphers, CEO, added a little more detail by giving a brief history of the Customer Center, originally the Advanced Energy Center. Rebecca Simonson, Director of Programs, gave an update on SCP Programs and mentioned that equity is discussed in all decisions for those programs.

Director Zollman noted that it would be important to understand what impediments there are to focusing on equity more fully and he suggested using pop-ups in unused store fronts in local communities to get the word out. Director Lemus stated that equity decisions needed to be more external and visible. Vice Chair Barnacle asked what level the workplace charging stations would be and Director Simonson answered that it would be level 2; then Director Barnacle asked if there would be reporting on the e-bike program and Director Simonson answered there would. Vice Chair Barnacle then asked if there would be usage requirements for SCP's non-profit electric vehicle (EV) incentives and CEO Syphers answered it might be interesting to get odometer readings on usage. Vice Chair Barnacle then added senior centers and Meals on Wheels could be used to get energy savings boxes out. Director Zollman then requested the Board of Directors (Board) create an ad hoc committee for equity implementation. Director Gjerde echoed the idea of distributing energy savings boxes at senior centers and added that they should also be given to health clinics; Director Farrar-Rivas added that they could be given to mobile home park associations as well. Vice Chair Barnacle requested that SCP set up times to meet with each Director to discuss equity.

CEO Syphers discussed PG&E's recent PCIA adjustment and changes to their rates beginning in August and he mentioned that SCP's new CFO would be starting the following week.

Public Comment: None

4. Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate

(9:55 a.m. - Video Time Stamp: 00:55:26)

Neal Reardon, Director of Regulatory Affairs, discussed compliance filings with the California Public Utilities Commission (CPUC.) Miles Horton, Legislative Policy and Community Engagement Manager, stated that AB 1359 (Papan) regarding geothermal permitting was moving along and not running into any opposition. Mr. Horton discussed SB 1298 (Cortese) regarding backup generators was still be opposed by SCP even after amendments were made to it and he discussed the \$10 billion climate bond which included a line item of \$325 million for new transmission lines.

Director Farrar-Rivas asked if there were any federal government impacts on funding and CEO Syphers stated that SCP does not know yet, but will report when there is more information.

Public Comment: None

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(10:05 a.m. - Video Time Stamp: 01:05:53)

Director Lemus announced Cotati would be holding Cotati's Kids Day on July 13, 2024. Vice Chair Barnacle announced Petaluma would be holding its Art and Garden Festival on July 14, 2024. Chair Hopkins announced that the Gravenstein Apple Fair would be held in August. Director Elward announced that Rohnert Park would be holding their Latino Heritage Celebration at the farmer's market on July 19, 2024.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(10:07 a.m. - Video Time Stamp: 01:07:32)

Public Comment: None

CLOSED SESSION

(10:08 a.m. - Video Time Stamp: 01:07:53)

The Board of Directors of the Sonoma Clean Power Authority will consider the following in closed session:

5. Conference with Labor Negotiators - Agency Designated Representatives: Chair Hopkins, Vice Chair Barnacle; Unrepresented Employee: Chief Executive Officer (Gov't Code Section 54957.6)
6. Public Employee Performance Evaluation - Chief Executive Officer (Gov't Code Section 54957)

ADJOURN

(10:08 a.m. - Video Time Stamp: 01:07:53)

The meeting was adjourned to Closed Session by unanimous consent.



Staff Report - Item 02

To: Sonoma Clean Power Authority Board of Directors

From: Geof Syphers, CEO
Mike Koszalka, COO
Chris Golik, Revenue Manager

Issue: Ratify Generation Rates Effective August 1, 2024, Consistent with Prior Board Direction

Date: August 1, 2024

Recommended Action

The generation rate change shown in Attachment 1 will be implemented August 1, 2024. This rate adjustment falls under the Board of Directors' rate setting parameters approved on May 2, 2024. Rates are now set so that SCP customer total bills have a target of 3% below PG&E's bundled service total bills effective August 1, 2024.

Staff request that the Board ratify these rates.

Background

The Sonoma Clean Power Board of Directors voted on May 2, 2024, in favor of new customer rates to be implemented as soon as is feasible after PG&E's changes to the Power Charge Indifference Adjustment (PCIA) and rates expected on July 1, 2024, using the following parameters:

- Return 60% of excess reserves to ratepayers in 2024 and 2025 in the form of rate reductions such that the savings relative to PG&E's bundled customers is expected to be about the same in both calendar years of 2024 and 2025 based on then-current regulatory filings and known market information.
- Reset all rate classes so SCP collects sufficient revenues to cover all current costs net of the reserve overcollection, and such that customer total bills have an equal target percentage difference from PG&E's bundled service total bills.

Discussion

PG&E updated their generation and delivery rates on July 1, 2024. The SCP rates effective August 1, 2024, shown in Attachment 1 are set so that SCP customer total bills have a target of 3% below PG&E's bundled service total bills.

When the Board of Directors approved rate setting parameters on May 2, 2024, staff's estimate of total bill savings relative to PG&E's bundled customers was 7% for the calendar years of 2024 and 2025. While PG&E's rate change on July 1, 2024, was consistent with staff's forecast, the outlook for PG&E's 2025 PCIA fee and rates has become less favorable.

Attachments

- Attachment 1 - SCP Rate Schedule Effective August 1, 2024, available at [this link](#) or by request to the Clerk of the Board



Staff Report - Item 03

To: Sonoma Clean Power Authority Board of Directors

**From: Stephanie Reynolds, Director of Internal Operations
Mike Koszalka, Chief Operating Officer**

Issue: Receive Internal Operations and Monthly Financial Report and Provide Direction as Appropriate

Date: August 1, 2024

UPCOMING COMMUNITY OUTREACH IN OUR TERRITORY

Below are dates and information about some of the various upcoming community events Sonoma Clean Power is participating in or sponsoring:

In late July, staff-led a food drive benefiting Fort Bragg Food Bank

- 8/1 - 8/11, Sonoma County Fair - Hall of Flowers Sponsor
- 8/7, SANTA ROSA, Olivers Market (Montecito) - Food for Thought drop off
- 8/10 & 8/11, SEBASTOPOL - Gravenstein Apple Fair
- 8/17, PETALUMA - Community Picnic - Petaluma Blacks for Community Development
- 8/24, UKIAH - Free Swim and Movie (Blue Zones)
- 8/31, ROHNERT PARK - African Soul Festival (Community Equity Foundation)
- 9/6 - Redwood Empire Food Bank
- 9/14, WINDSOR - Windsor NetZero Wastewater Open House
- 9/15, SANTA ROSA - Fiesta de Independencia (Luther Burbank Center)
- 9/28, SANTA ROSA - Electric Science Day - Children's Museum
- 10/11, Adopt A Road Clean Up

CALPINE COMMUNITY BENEFITS GRANT

The Community Benefits Grant partnership between Sonoma Clean Power and Calpine Energy Solutions provides funding to organizations in Sonoma and Mendocino counties helping to advance clean energy, green jobs, environmental education and stewardship, and equity and diversity efforts.

In Sonoma Clean Power’s second year of awarding these grants, the following non-profits were selected: Community Soil Foundation, Conservation Corps North Bay, Geyserville Unified School District, Golden State Land Conservancy, Pacific Environmental Education Center, and Pepperwood Foundation.

CUSTOMER PARTICIPATION RATES

(TOT = Town or Territory)

Meters and Participation by TOT

COUNTY	Eligible	SCP	% Part.	% Opt Out
MENDOCINO	38,182	30,053	78.7%	21.3%
FORT BRAGG INC	4,066	3,389	83.3%	16.7%
POINT ARENA INC	339	289	85.3%	14.7%
UNINC MENDOCINO CO	31,055	24,230	78.0%	22.0%
WILLITS INC	2,722	2,145	78.8%	21.2%
SONOMA	230,061	201,656	87.7%	12.3%
CLOVERDALE INC	3,905	3,202	82.0%	18.0%
COTATI INC	3,871	3,464	89.5%	10.5%
PETALUMA INC	27,613	24,468	88.6%	11.4%
ROHNERT PARK INC	19,767	17,369	87.9%	12.1%
SANTA ROSA INC	79,788	70,430	88.3%	11.7%
SEBASTOPOL INC	4,444	4,041	90.9%	9.1%
SONOMA INC	6,420	5,611	87.4%	12.6%
UNINC SONOMA CO	74,208	64,332	86.7%	13.3%
WINDSOR INC	10,045	8,739	87.0%	13.0%
Total	268,243	231,709	86.4%	13.6%

Current EverGreen Enrollment by TOT

COUNTY	SCP Meters	EverGreen Meters	EverGreen %
MENDOCINO	30,053	462	1.54%
FORT BRAGG INC	3,389	42	1.24%
POINT ARENA INC	289	30	10.38%
UNINC MENDOCINO CO	24,230	369	1.52%
WILLITS INC	2,145	21	0.98%
SONOMA	201,656	3,783	1.88%
CLOVERDALE INC	3,202	27	0.84%
COTATI INC	3,464	128	3.70%
PETALUMA INC	24,468	629	2.57%
ROHNERT PARK INC	17,369	243	1.40%
SANTA ROSA INC	70,430	1,211	1.72%
SEBASTOPOL INC	4,041	187	4.63%
SONOMA INC	5,611	84	1.50%
UNINC SONOMA CO	64,332	1,006	1.56%
WINDSOR INC	8,739	268	3.07%
Total	231,709	4,245	1.83%

INVESTMENTS

The goals of SCP's Investment Policy, in order of priority, are to protect SCP's cash balances, retain sufficient liquidity, and produce a return on investment to preserve value over time. Allowed investments are listed in the Local Agency Investment Guidelines issued by the California Debt and Investment Advisory Commission (CDIAC), which is included in SCP's Investment Policy (Financial Policy B.5).

SCP maintains investments with two banks, the Sonoma County Treasury Investment Pool, and the California State Treasury's Local Agency Investment Fund. The bank funds are either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized at 110% per California Government Code Section 16521. The summary below reflects figures for the twelve months ended June 30, 2024.

Investment Summary

Twelve Months Ended June 30, 2024

Investment Type	Avg. Balance	Interest Earned	Avg. Annual Percentage Yield
Money Market ⁽¹⁾	\$15,711,330	\$601,435	3.89%
Certificate of Deposit (CD) ⁽¹⁾	\$20,872,115	\$1,125,844	5.53%
Insured Cash Sweep (ICS) ⁽²⁾	\$37,960,243	\$1,736,178	4.67%
Certificate of Deposit Account Registry Service (CDARS) ⁽²⁾	\$56,725,181	\$2,987,603	5.39%
Local Agency Investment Fund (LAIF) ⁽³⁾	\$22,732,061	\$956,060	4.28%
Sonoma County Treasury Investment Pool ⁽³⁾	\$37,522,114	\$1,175,384	3.17%
Total ⁽⁴⁾	\$191,523,044	\$8,582,503	4.57%

Investment Location	Avg. Balance
Summit State Bank	\$38,802,725
River City Bank	\$92,466,144
Local Agency Investment Fund (LAIF) ⁽³⁾	\$22,732,061
Sonoma County Treasury Investment Pool ⁽³⁾	\$37,522,114
Total ⁽⁴⁾	\$191,523,044

(1) Collateralized at 110% per California Government Code Section 16521

(2) Insured by the Federal Deposit Insurance Corporation (FDIC)

(3) Excludes fair market value adjustment from financial statements

(4) Excludes cash in non-interest-bearing accounts

UPCOMING MEETINGS

- Community Advisory Committee - August 15, 2024 **(Tentative)**
- Board of Directors - September 5, 2024 **(Tentative)**
- Community Advisory Committee - September 19, 2024
- Board of Directors - October 3, 2024



Staff Report - Item 04

To: Sonoma Clean Power Authority Board of Directors

From: Neal Reardon, Director of Regulatory Affairs
Miles Horton, Legislative Policy & Community Engagement Manager
Geof Syphers, Chief Executive Officer

Issue: Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate

Date: August 1, 2024

Requested Action

Receive legislative and regulatory updates and provide direction as appropriate.

Regulatory Updates

CPUC Proposes Central Procurement of Resources by Department of Water Resources

On July 19, 2024, the California Public Utilities Commission (CPUC) issued a Proposed Decision determining the need for procurement of long lead-time resources and describing the general process by which resources will be centrally procured by the Department of Water Resources (DWR) under AB 1373.

As background, an Administrative Law Judge issued a Ruling in April of 2024 to solicit feedback on how the central procurement entity provided for in AB 1373 should function. Parties - including CalCCA - provided feedback on how needs for resources should be determined, how costs and benefits should be allocated, and how load serving entities like CCAs should be able to continue to self-procure. Capacity expansion modeling evaluated the number of resources and cost-effectiveness of those resources. However, the focus of this modeling was limited to offshore wind, and it relied upon procurement plans submitted in 2022.

The initial determination sets maximum amounts that DWR may procure on behalf of all CPUC-jurisdictional load serving entities in the State. Publicly Owned Utilities would retain the option to decide whether they want to be allocated the costs and

attributes of procurement done by DWR. The initial need determination totals up to 10.6 gigawatts of capacity of the following emerging technologies:

- Up to 7.6 GW of offshore wind
- Up to 1 GW of enhanced geothermal systems
- Up to 1 GW of multi-day long-duration energy storage
- Up to 1 GW of energy storage with a discharge period of at least 12 hours

DWR will conduct solicitations and evaluate the quality of bids received, including costs and ratepayer risk provisions, and may procure anywhere between zero and the upper limits included in this decision. The Commission reasons that, as no load serving entity included plans to procure offshore wind in their integrated resource plan, DWR's future procurement will not be duplicative and is indeed necessary for market transformation. To avoid overlap with procurement of long-duration energy storage and enhanced geothermal systems, DWR will solicit for resources with online dates after June 1, 2031. To enact this Proposed Decision, DWR is ordered to form a procurement review group with at least one CCA representative, one IOU representative, and one Energy Service Provider representative.

CalCCA is leading statewide advocacy on this issue and is generally supportive of the proposal given that it sets maximum - but not minimum - procurement targets. However, CalCCA and SCP staff believe that this Proposed Decision should be modified to specifically allow for load serving entities like SCP to opt-out of the costs and benefits for resources they develop on their own. Opening comments on the Proposed Decision are due August 8th.

Legislative Updates

The legislative session is nearing its end on August 31. From there, the Governor will have until September 30 to sign or veto legislation.

Sonoma Clean Power's sponsored legislation, AB 1359 (Papan), is moving smoothly through the committee process in the Senate. It will be heard in the Senate Appropriations Committee in early August, be voted on by the full Senate, and then head back to the Assembly for committee and floor votes before final passage toward the end of August.

Existing Legislative Positions

- **AB 2292 (Petrie-Norris) - Transmission - Support**

AB 2292 would delete a duplicative requirement that the Public Utilities Commission consider the cost-effectiveness of new transmission projects for a second time, after the Commission as well as the California Independent System Operator have already reviewed the cost-effectiveness of such projects earlier in the approval process. This small but important tweak should help speed up approvals of new transmission lines, which are critical to bringing more clean energy online in time to meet our ambitious climate goals.

- **AB 2666 (Boerner) - Investor-owned utility revenue - Support**

This bill would require the Public Utilities Commission to look at the actual costs an electric or gas corporation has incurred in the past, not just their authorized costs, in future general rate cases and other authorizations to collect revenue. For example, if a utility may be authorized to collect \$100,000 plus profit in anticipation of spending \$100,000 on Activity X. If they only spend \$70,000 on Activity X, they are generally allowed to keep the extra \$30,000, creating an incentive to inflate cost estimates in advance as much as possible. This bill would help address that problem by requiring the Public Utilities Commission to consider the fact that they only spent \$70,000 the last time around when authorizing future cost recovery for Activity X.

For background, a 2023 state audit found that utilities are routinely bringing in revenues well above their authorized rates of return. For example, San Diego Gas & Electric was found to have received revenues above its authorized rate of return in nine of the ten years surveyed. (Pacific Gas & Electric had a more even record of coming in above or below the authorized rate of return.) The audit also found that the Public Utilities Commission and CalAdvocates (public advocate's office) lack adequate processes and procedures to prevent excessive revenue collection from taking place. A major driver of this issue is the types of situations described above.

- **AB 3256 (Irwin) - Balancing and memorandum accounts - Support**

In recent years, balancing and memorandum accounts – through which investor-owned utilities can recover costs outside of the usual General Rate Case process – have grown significantly in size, number, and scope. AB 3256 would increase transparency around the use of these accounts and their impacts on ratepayers, as well as granting the Public Utilities Commission additional direction to close accounts that are no longer serving their intended purpose to protect ratepayers. Sonoma

Clean Power's support letter for this legislation is attached to this item. Sonoma Clean Power staff were also able to provide technical feedback to the author's office to clarify and strengthen the bill.

- **SB 1003 (Dodd) - Wildfire risk reduction - Support**

This bill would improve assessments of the cost-benefit ratio of wildfire risk reduction projects by incorporating consideration of how long these projects take to complete as well as their cost-effectiveness. Right now, utilities are often pursuing projects regardless of how long they might take to complete or what the impact on ratepayers might be. That also means that scarce dollars are spent on fewer, more expensive projects. This bill would ensure consideration of all relevant factors when making wildfire risk reduction investments - not just what is best for the utility.

- **SB 1006 (Padilla) - Grid-enhancing technologies - Support**

Grid-enhancing technologies (GETs) have significant potential to help increase the capacity of existing transmission lines, which would allow more clean energy to be interconnected to the grid and delivered to customers. For example, reconductoring an existing transmission line with more advanced conductors could increase a line's capacity while saving ratepayers significant amounts of money by allowing cleaner, cheaper power to come to market. SB 1006 would require investor-owned transmission utilities to develop strategic plans to deploy GETs in a more programmatic way.

Sonoma Clean Power staff has shared feedback with the author's office that the bill would be most effective if it also looked at ways to improve the California Independent System Operator's Transmission Planning Process. Right now, that process takes a very rigid, prescriptive view of what technologies will be available and when. There is little recognition of the value that adding optionality and flexibility to the transmission system could provide over the long term, given the potential emergence of new technologies that could lower cost (or the risk of expected technologies falling through). As a result, GETs that add more optionality to the system and could provide significant value to ratepayers as well as the climate are often discounted under the current procedure.

- **SB 1014 (Dodd) - Wildfire risk management - Support**

Current law around wildfire risk reduction creates several perverse incentives for utilities that may not be in the best interest of ratepayers or California residents as a whole. For example, utilities are spending tens of billions of dollars to harden,

underground, and fire-proof their equipment while the state is spending a fraction of that money on wildfire risk reduction and vegetation management overall, even though those investments deliver a significantly larger public benefit. Since all this money is coming from the people (as ratepayers or taxpayers), it raises the question of whether California residents are getting the most value from these investments. An example of the problem is a future in which the electric grid is well-protected from igniting fires, but communities are still exposed to extreme fire risk because other important measures were not funded.

SB 1014 would require more thoughtful planning and coordination around these questions - without prescribing a solution - under the guidance of the state Fire Marshal.

- **SB 1130 (Bradford) - FERA eligibility - Support**

Generally speaking, the California Alternate Rates for Energy (CARE) program provides investor-owned utility customers who live at or below 200% of the federal poverty line to receive discounts of 30-35% on their electric bills and 20% on their gas bills. The Family Electric Rate Assistance (FERA) Program provides reduced electric bills to people who don't qualify for CARE but may still need help paying their bills, up to 250% of the federal poverty line.

While anyone who meets those criteria can receive CARE benefits, FERA eligibility is currently limited to households of three people or more. SB 1130 would eliminate that requirement and allow all eligible customers to receive FERA benefits, even if they live in a household of only 1 or 2 individuals. Because eligibility for CARE/FERA benefits is used as a metric for eligibility for various other clean energy, electric vehicle, and energy efficiency programs targeted at lower-income customers, this bill would have the effect of expanding eligibility for several rebate and incentive programs. This legislation would also require utilities to report on FERA enrollment numbers to help address under enrollment.

- **SB 1221 (Min) - Building decarbonization pilot program - Support**

Would create a pilot program aimed at demonstrating the feasibility of neighborhood-scale building electrification and removal of natural gas infrastructure. Specifically, the Public Utilities Commission would designate up to 30 "neighborhood priority decarbonization zones" in which gas providers would cease to serve customers, assuming sufficient access to an alternative energy source (presumably

electricity) is available. The bill would test implementation of this concept in anticipation of broader decarbonization efforts down the road.

Sonoma Clean Power strongly supports the goals of SB 1221 and has been in support of this legislation since early spring. Recent amendments included a provision that would arguably grant the Public Utilities Commission more authority over CCAs. Our association, CalCCA, is working to resolve this issue before the bill is signed into law.

- **SB 1298 (Cortese) - Backup generation at data centers - Oppose**

This legislation would authorize the Energy Commission to “exempt from certification” backup generation for new data centers, up to 150 MW in size. The Energy Commission conducts a certification process before authorizing new power plants in which it reviews potential environmental impacts, consistency with the state’s climate goals, and other relevant factors. Should they deem the proposed facility in the public interest, they give it the green light and the developer can move forward with building it.

Building on an existing exemption for smaller backup generation, this legislation proposes to grant backup power for data centers similar treatment to help keep those data centers running when the grid is unreliable. There are several problems with this approach:

- o These backup generators will almost certainly be powered by diesel or other fossil fuels. A 150 MW facility is big enough to power a city roughly the size of Santa Rosa. (There’s also no reason a data center operator couldn’t site multiple 150 MW generators side-by-side, functionally increasing the size even further.) This essentially blows a gaping hole in the state’s clear air and 100% clean energy goals by saying that one of the largest, fastest-growing electricity users in the state (data centers) do not need to meet those goals.
- o Pursuant to that first point, nothing in the bill specifies that these can only be used in emergencies. The data center operator could use these as “backup” every day if they so choose.
- o Beyond the potential climate impacts, these generators have significant potential to increase air pollution and will likely be sited in (or create new) disadvantaged communities.

SB 1298 is responding to an issue that Sonoma Clean Power also has to deal with: an unreliable electric grid that cannot bring new generation online fast enough. But

giving up on the state's clear air and climate goals may not be the right solution to this very real problem.

Watch List

- **AB 1912 (Pacheco) - Third-party review of new electricity programs - Watch**

Would authorize the preparation of written analyses of any legislation imposing a mandated program or requirement on investor-owned electric utilities or their customers, when asked to do so by the Legislature. This is somewhat similar to the existing California Health Benefits Review Program for new health care mandates. The costs would be borne by investor-owned utility shareholders.

- **AB 2054 (Bauer-Kahan) - Conflicts of interest - Watch**

Would prohibit retiring members of the Energy Commission or Public Utilities Commission from working for entities subject to regulation by those Commissions for a period of ten years (up from two under current law).

- **AB 2847 (Addis) - Investor-owned utility cost recovery - Watch**

Would improve transparency around investor-owned utility cost recovery (for example, by requiring the Public Utilities Commission to require utilities to produce all relevant supporting documents and calculations).

- **AB 3238 (Garcia) - Electric infrastructure streamlining - Watch**

This bill, for which significant amendments are anticipated, would make various changes to speed up the development of electric infrastructure such as new generation or transmission lines, including making the Public Utilities Commission lead agency under the California Environmental Quality Act for all such projects and the sole permitting and siting authority for "necessary" electric infrastructure projects.

- **SB 946 (McGuire) - Tax exemptions - Watch**

Would exempt payments made through the California Wildfire Mitigation Financial Assistance Program to compensate people for wildfire-related losses from counting as part of a person's income for tax purposes, through 2029.

- **SB 1177 (Bradford) - Equitable procurement - Watch**

This bill would update reporting requirements applied to all entities subject to Public Utilities Commission jurisdiction, including CCAs, around diversity in the businesses they contract with and procure from.

- **SB 1210 (Skinner) - Housing interconnection - Watch**

Would require investor-owned utilities to increase transparency around their processes and fees to interconnect new housing to the grid.

State Budget and Climate & Natural Resources Bond

Sonoma Clean Power staff are hearing rumblings on a possible “budget trailer bill” in August relating to the public purpose program charges on customer’s electric bills. Budget trailer bills are pieces of legislation that enact policy changes related to the budget. (For example, if the budget allocates \$20 million to create a new childcare program, a budget trailer bill might flesh out the statutory details of how the program should be run.) Over time, there have been increasing numbers of budget trailer bills that do not relate closely to any specific budgetary changes.

Further details on this proposed effort will be forthcoming, but it is possible that this legislation will aim to cut a significant amount of energy efficiency funding from these “public purpose program” charges on customer bills. These charges, which constitute a small fraction of the customer’s total bill, pay for low-income assistance programs like CARE and FERA as well as large number of energy efficiency and climate programs. It is possible that the legislation will seek to slash all of these programs or take a more nuanced approach. Sonoma Clean Power staff will continue to closely engage on this issue.

Staff Report - Item 05

To: Sonoma Clean Power Authority Board of Directors

From: Ryan Tracey, Director of Planning & Analytics
Geof Syphers, Chief Executive Officer
Miles Horton, Legislative Policy & Community Engagement Manager
Claudia Sisomphou, Public Affairs & Advocacy Manager

Issue: Receive Geothermal Opportunity Zone Update

Date: August 1, 2024

Background

The Geothermal Opportunity Zone (GeoZone) is SCP's initiative to secure reliable and affordable clean energy for customers by building 600 megawatts of geothermal power capacity in Sonoma and Mendocino Counties. This will enable SCP to phase out its dependence on natural gas power plants for reliability. The Community Advisory Committee (Committee) meetings are a regularly scheduled public forum for the community to receive updates and provide input on the GeoZone. The updates provided to the Committee each month, and minutes from any discussion are posted on SCP's website at <https://sonomacleanpower.org/geozone-public-updates>. Staff incorporate any feedback received from the Committee presentation into the monthly updates to the Board of Directors. Additional background on the GeoZone can be found on the GeoZone webpage at <https://sonomacleanpower.org/geozone>.

July 25th Town Hall Recap

Staff will give the Board of Directors a verbal recap of the GeoZone Town Hall SCP hosted on Thursday, July 25th at the SCP Customer Center. The Town Hall included a presentation on the GeoZone, panel discussion of experts on next-generation geothermal technology, and a live Q&A with the public.

GeoZone Project Updates

Staff have no substantive updates to share with the Board of Directors on GeoZone projects since the July meeting.

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Staff Report - Item 06

To: Sonoma Clean Power Authority Board of Directors

From: Carolyn Glanton, Programs Operations Manager
Rebecca Simonson, Directors of Programs

Issue: Receive Residential and Commercial Community Needs Assessment Final Report

Date: August 1, 2024

Recommendation

Receive and file the Residential and Commercial Community Needs Assessment Final Report.

Background

Following the Board's 2020 directive to further prioritize equity, SCP established a Programs Equity Framework in 2021. This framework was embedded in SCP's Strategic Action Plan starting in 2022, providing clear actions and timelines to advance equity.

As outlined in our Strategic Action Plan and Equity Framework, Community Needs Assessments are the first step in ensuring equity. The purpose of these Needs Assessments is to listen to our community and learn about concerns, existing barriers, and available resources.

The Board of Directors approved funding for Community Needs Assessments in December 2022. The sectors covered are residential, commercial, agricultural, and transportation needs. The agricultural assessment was completed in 2023 and the results were shared with the Community Advisory Committee and the Board of Directors in March 2024. The transportation and mobility assessment concluded and was presented to the Board in June 2024. The Residential and Commercial Community Needs Assessments are presented in this Staff Report.

Discussion

In November 2022, SCP selected Sacramento Municipal Utility District (SMUD) through a competitive process to conduct needs assessments for the residential and commercial customer sectors. SMUD, the sixth-largest not-for-profit utility in the nation, was chosen for its extensive experience advancing equity throughout its service territory. SMUD has a full-service, utility-focused market research department and has decades of experience developing and implementing programs rooted in thorough market research. Their commitment to affordable clean energy and decarbonization through electrification aligns with SCP's Board goals.

Supporting Underrepresented Communities

SCP is dedicated to supporting communities historically underrepresented in energy programs and their benefits. As previously presented to the Board, SCP selected 10 vulnerable census tracts, termed "Empower Communities", in Sonoma and Mendocino counties most affected by pollution, socioeconomic challenges, and affordability issues. In our residential and commercial community needs assessment research, SCP prioritized engaging with residents and businesses in these Empower Communities to better understand and address their needs.

Research

SMUD conducted four different research studies to get comprehensive feedback from SCP's customers on community needs including:

- Informant interviews
- Website usability testing
- Residential customer survey
- Commercial customer survey

Research Findings: Customer Priorities

Through informant interviews, website usability testing, and residential and commercial surveys, SMUD identified the key customer priorities for both residential and commercial sectors as follows:

- Reduce energy bills
- Help low-income customers with energy bills

- Improve affordability of energy efficiency solutions
- Protect against power outages
- Address climate change
- Build local renewables
- Improve access to information on rates and incentives

Recommendations for SCP

For each customer priority, SMUD provided recommendations to SCP in improving existing programs and designing and implementing new programs. The recommendations are limited to areas that SCP controls, and notably does not include any of the advocacy work SCP does in Sacramento, at the CPUC and the CEC to advocate for similar public benefits. SMUD's recommendations are summarized below.

- **Reduce Energy Bills and Help Low-Income Customers**

- Promote energy efficiency and conservation.
- Educate customers on time-of-use (TOU) rates to shift usage to off-peak times and lower energy bills.
- Increase participation in GridSavvy Rewards to reduce peak-time energy use, save money and earn rewards.
- For Empower Communities and low-income customers:
 - Provide emergency bill relief and discounts.
 - Install energy efficiency measures (e.g., smart thermostats, LED lighting).
 - Target low-income customers for GridSavvy Rewards.

- **Improve Affordability of Energy Efficiency Solutions**

- Reduce upfront costs, offer rebates, and sell discounted energy-efficient equipment and products.
- Help commercial customers create energy efficiency plans.
- Target commercial customers for GridSavvy Rewards.

- For Empower Communities, offer larger rebates and discounts.
- **Protect Against Power Outages**
 - Provide rebated or discounted battery storage and solar panel pairings.
 - Offer emergency outage kits or backup battery generators.
 - Encourage participation in GridSavvy Rewards to reduce energy use during peak times and help stabilize the grid, reducing the likelihood of power outages.
 - For Empower Communities, offer larger rebates and discounts.
- **Address Climate Change**
 - Promote energy efficiency and electrification technologies, battery storage, and GridSavvy Rewards.
 - Build more local renewables.
 - For Empower Communities:
 - Offer larger rebates and discounts.
 - Offer shade tree planting.
- **Build Local Renewables**
 - Promote rooftop solar with battery storage.
 - For Empower Communities:
 - Offer a discount on EverGreen, SCP's 100% local, renewable electricity option.
 - Offer discounted or direct installation of rooftop solar systems paired with battery storage.
- **Improve Access to Information on Rates and Incentives**
 - Raise awareness on time-of-use (TOU) rates and available incentive programs through bill inserts, "tell a friend" options, and targeted marketing.

- Enhance program education via phone/email/chat concierge and digital channels.
- Improve website usability to make programs easier to find.

Attachments

- Attachment 1 - Residential & Commercial Community Needs Assessment Final Research Report & Recommendations, available at [this link](#) or by request to the Clerk of the Board
- Attachment 2 - Residential & Commercial Community Needs Assessment Presentation

Residential & Commercial Community Needs Assessment

Board of Directors
August 1, 2024



1

Primary Research Studies

- Informant Interviews
- Website Usability Study
- Residential Customer Survey
- Commercial Customer Survey



2

Informant Interviews

- Community needs are diverse which means diverse solutions and strategies are required
- Not all customers have access to clean energy and the benefits
- Community-based organizations and contractors see themselves as vital partners, and trusted in the community
- Provided perspective on their client-base struggles:

“ Homeownership. Salary – they don’t make enough to think about the future. They’re surviving the present times.

Community Based Organization ”



3

Customer Priorities



Reduce energy bills



Help low-income customers with energy bills



Improve affordability of energy efficiency solutions



Protect against power outages



Address climate change



Build local renewables



Improve access to information on rates and programs



4

Recommendations

Reduce Energy Bills & Help Low-Income Customers with Energy Bills

- Share time-of-use details with customers
- Boost GridSavvy Rewards participation

For Empower Communities and low-income customers:

- Emergency bill relief
- Low-income discount
- Direct install of energy efficiency and conservation measures
- Promote GridSavvy Rewards participation



5

Recommendations

Improve Affordability of Energy Efficiency Solutions

- Reduce upfront costs
- Offer post-purchase rebates
- Sell discounted products
- Assist customers in creating energy efficiency plans
- Promote GridSavvy Rewards participation
- For Empower Communities, offer larger rebates and discounts



6

Recommendations

Protect Against Power Outages

- Provide rebated or discounted battery storage
- Pair battery storage with solar panels
- Offer emergency outage kits or backup battery generators
- Promote GridSavvy Rewards
- For Empower Communities, offer larger rebates and discounts



7

Recommendations

Address Climate Change

- Promote energy efficiency technologies & battery storage
- Support electrification technology installations with rebates/discounts
- Promote GridSavvy Rewards
- Develop more local renewables
- Plant shade trees
- For Empower Communities, offer larger rebates and discounts



8

Recommendations

Build Local Renewables

- Implement a solar shares program
- Promote rooftop solar paired with battery storage
- For Empower Communities:
 - Better solar shares rates
 - Discount on EverGreen
 - Discounted or direct install rooftop solar systems with battery storage



9

Recommendations

Improve Access to Information on Rates and Programs

- Bill inserts or enhanced bill messaging
- Explore “tell a friend” options
- Program marketing strategy focused on channels that appeal to the Empower Communities
- Implement new program education channels
- Website improvements



10



Staff Report - Item 07

To: Sonoma Clean Power Authority Board of Directors

From: Lynda Hopkins, Chair
Brian Barnacle, Vice Chair

Issue: Approve Fifth Amendment to Agreement for Personal Services and Annual Contract Goals for Chief Executive Officer Syphers; Receive Report on Prior Year Goals

Date: August 1, 2024

Requested Actions

Approve the Fifth Amendment to the CEO's employment contract to extend the term for five years and set a new salary of \$506,470; and approve the recommended annual contract goals for CEO Syphers. The Board will also receive a verbal update on the CEO's efforts to accomplish his prior year goals.

Amendment to CEO Employment Agreement

The enclosed draft Fifth Amendment to the CEO's employment contract would extend the term of the agreement until August 31, 2029. It would further adjust the annual salary to \$506,470.

Proposed New Goals

Below are the recommended goals for 2024-2025:

1. Be an industry leader in advancing equity for BIPOC, LGBTQI+, low-income, senior and other underrepresented customers. Provide education and meaningful local engagement opportunities for those communities and all other SCP customers.
2. Complete SCP's first power purchase agreement prepayment transaction to reduce ratepayer costs.

3. Bring a proposal to the SCP Board for advancing California's power procurement practices that considers how to best continue delivering SCP's broad public benefits (climate, rates, investments, air quality, etc.) while working to advance local benefits for workers and impacted communities.
4. Roll out a full-scale community engagement plan for the pilot projects in the GeoZone that includes citizens, labor and environmental groups, tribal nations, local agencies and officials.
5. Maintain SCP's 'A' credit rating to support cost-effective power procurement.
6. Seek Board approval for one local investment that is designed to produce a stream of revenues to offset customer rates over time.
7. Complete Phase 1 of the updates to the SCP Customer Center, including adding full-service bilingual billing support up front, adding technical capacity to help customers with high energy usage lower their bills, and making the Center more accessible and less store-like.
8. Demonstrate progress toward reducing the pollution that SCP exports to poor regions of California. Specifically, demonstrate progress towards developing local geothermal capacity to reduce ratepayer costs and dependency on fossil-fueled power plants located in poor communities.
9. Defend SCP's right to continue to select, contract and create high-quality jobs to build new geothermal, wind, solar and storage resources and oppose efforts to remove those rights.
10. Plan budgets and rates to sustain 5% or greater customer bill savings through June 30, 2025.

Prior Year Goals

Below are the adopted 2023-2024 goals. The CEO will provide a verbal report on progress towards achieving these goals at the meeting, and a short set of slides for that presentation are attached to this report.

1. Bring a proposal before the end of 2023 to the Board to lower customer rates AND make local climate-protecting investments that have the potential to further lower customer rates further over time.

2. Transition the Advanced Energy Center into a full-service Customer Center to better serve low-income customers and renters while preserving access to the existing home electrification technologies. Find opportunities to provide related education and materials to Mendocino County customers as well.
3. Demonstrate progress toward reducing the pollution that SCP exports to poor regions of California. Specifically, show progress towards developing local geothermal capacity (e.g., with exploration well permit applications) and other prospects for reducing dependency on fossil-fueled power plants located in poor communities.
4. Show progress in designing and implementing customer programs to include BIPOC, LGBTQI+, low-income, senior and other underrepresented customers.
5. Preserve SCP's 'A' credit rating and create the opportunity for issuing debt to prepay renewable energy contracts for lowering customer rates.
6. Continue to press that all greenhouse gas emissions be reported, and that utilities not be allowed to hide emissions through "netting" or "offsets" unless there is sufficient proof that emissions were actually reduced.
7. Defend SCP's right to continue to select, contract and create high-quality jobs to build new geothermal, wind, solar and storage resources and oppose efforts to remove those rights.
8. Continue to build CalCCA's capacity to advocate in the legislature and in regulatory agencies, and to support the long-term viability of CCAs.
9. Plan budgets and rates to sustain 5% or greater customer bill savings through all of 2023 and 2024.

Attachments

- Attachment 1 - CEO Contract 5th amendment
- Attachment 2 - SCP Goals Progress Update Presentation 2024-08-01 Board Meeting

FIFTH AMENDMENT TO THE AGREEMENT FOR PERSONAL SERVICES

CHIEF EXECUTIVE OFFICER FOR THE SONOMA CLEAN POWER AUTHORITY

This Fifth Amendment to the Agreement for Personal Services, as amended, ("AGREEMENT") is entered into this ____ day of August, 2024 by and between the Sonoma Clean Power Authority (hereinafter "AUTHORITY") and Geof Syphers (hereinafter "EMPLOYEE").

Recitals

1. AUTHORITY and Employee entered into an Agreement for Personal Services dated December 20, 2013 and have amended this Agreement as stated in the First, Second, Third, and Fourth Amendments (collectively, the "AGREEMENT") and now desire to enter into this Fifth Amendment to the AGREEMENT;

2. As noted below, the parties wish to extend the term of the AGREEMENT and to provide an annual compensation adjustment.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Section 1 of the AGREEMENT, Term of Employment, is hereby amended to read as follows:

- 1.. Term of Employment. AUTHORITY hereby extends the employment of EMPLOYEE in the position of Chief Executive Officer of the Sonoma Clean Power Authority through and including August 31, 2029, subject, however, to termination as herein provided.

Section 2. Section 3, Compensation, subsection (a) of the AGREEMENT is hereby amended to read as follows:

- (a) Effective September 1, 2024, EMPLOYEE's salary shall be \$506,470 per annum.

Section 3. Section 3, Compensation, subsection (b) of the AGREEMENT is hereby amended to read as follows:

- (b) On September 1 of each year, beginning September 1, 2025, EMPLOYEE shall receive an automatic 2.0% increase in salary, but not to exceed the cost of living pursuant to Government Code section 3511.2, and is eligible for an additional increase based on performance. Before September 1 of each year, EMPLOYEE shall present to the Board of Directors for review and approval a set of proposed objectives for use by EMPLOYEE and the Board of Directors in determining EMPLOYEE's eligibility for a performance increase on September 1 of the following year. The approved objectives shall be used by the Board of Directors to determine the extent to which EMPLOYEE is entitled to a performance-based increase on the following September 1. This section shall not limit the Board of Directors' ability to provide other compensation adjustments to the EMPLOYEE as it deems appropriate.

Section 4. Continuing Effect of AGREEMENT. Except as amended by this Fifth Amendment, all other provisions of the AGREEMENT remain in full force and effect and shall govern the actions of the parties. From and after the date of this Fifth Amendment, whenever the term “AGREEMENT” appears in the AGREEMENT, it shall mean the AGREEMENT as amended by this Fifth Amendment.

Section 5. Effective Date. This Fifth Amendment shall be effective September 1, 2024.

SIGNATURE PAGE FOR FIFTH AMENDMENT TO PERSONAL SERVICES AGREEMENT FOR
CHIEF EXECUTIVE OFFICER BETWEEN SONOMA CLEAN POWER AUTHORITY AND
GEOF SYPHERS

IN WITNESS WHEREOF, the Parties have entered into this Fifth Amendment as of the
_____ day of August 2024.

Sonoma Clean Power Authority

By: Lynda Hopkins

Chair, Board of Directors

Date

EMPLOYEE

Geof Syphers

Date




1

Lower Energy Cost Burden

Board Goals #1 and 9:

Bring a proposal before the end of 2023 to the Board to lower customer rates AND make local climate-protecting investments that have the potential to further lower customer rates further over time.

Plan budgets and rates to sustain 5% or greater customer bill savings through all of 2023 and 2024.



2

Lower Energy Cost Burden

Progress on Lowering Energy Cost Burden:

- Assistance with High Bills
- Targeted Customer Incentives
- GridSavvy Rewards
- Advocating for Lower PG&E Costs
- Reducing Customer Rate Shock
- GeoZone and Transmission to cut capacity costs



3

Lower Energy Cost Burden

Progress Board Goals #1 and 9:

November 2, 2023 the SCP Board approved rate setting to increase customer total bill savings and make local investments to produce long-term rate savings.

Savings of 5% or more was achieved through the past fiscal year.



4

Improve Access & Service at the Customer Center

Board Goal #2

Transition the Advanced Energy Center into a full-service Customer Center to better serve low-income customers and renters while preserving access to the existing home electrification technologies. Find opportunities to provide related education and materials to Mendocino County customers as well.



5

Improve Access & Service at the Customer Center

Progress on Goal #2

New name: SCP Customer Center

Good improvements to customer support and staff training. Early experiments with mobile education, including in Mendocino County. Climate Corners in Willits, Fort Bragg, Coast Community (Point Arena), Round Valley (Covelo), and Ukiah libraries.

Further improvements planned: add desks up front for customer support, continue staff training and cross training on billing, energy efficiency, and technologies.

RSO



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Improve Access & Service at the Customer Center

Progress on Goal #2 (Mendocino)

Organization // Event	Year	Topic
Blue Zone Project - Mendocino County	2024	SCP Basics, Incentives and Programs
Mendocino High School	2024	Decarbonization and Careers in Energy
Mendocino County Department of Social Services	2024	Energy Bill Assistance, Discounts, Incentives
Willits City Council	2024	Energy Bill Assistance, Discounts, Incentives
Noyo Food Festival	2024	SCP Basics, GridSavvy Promotion
North Coast Opportunities - Leadership Mendocino	2024	SCP Basics, Collaboration, Networking
North Coast Builders Exchange - Mendocino Chapter	2024	SCP Basics, Collaboration, Networking
Contractor Training - Fort Bragg	2023	Building Electrification Rebates and Resources
Contractor Training - Ukiah	2023	Building Electrification Rebates and Resources
Willits Library - SCP Office Hours	2023	SCP Basics, Energy Bill Questions, Resources
Mendocino Land Trust Fundraiser	2023	SCP Basics, Incentives and Programs
Friends of Round Valley Library - Earth Day	2023	SCP Basics, GridSavvy Promotion
Redwood Valley Municipal Advisory Council	2023	SCP Basics, Incentives and Programs
Gualala Municipal Advisory Council	2023	SCP Basics, Incentives and Programs
Hopland Municipal Advisory Council	2023	SCP Basics, Incentives and Programs
Anderson Valley Wine Association - Environmental Committee	2023	Energy Efficiency, Electrification Rebates, Networking
Climate Action Mendocino	2023	Building Electrification Rebates and Resources



7



Los Angeles, CA

Cut Dependence on Gas Plants

Board Goal #3

Demonstrate progress toward reducing the pollution that SCP exports to poor regions of California. Specifically, show progress towards developing local geothermal capacity (e.g., with exploration well permit applications) and other prospects for reducing dependency on fossil-fueled power plants located in poor communities.



8



Cut Dependence on Gas Plants

Progress on Board Goal #3

- Sponsored AB 1359
- GeoZone partner selected by DOE for grant to lower risk of next-gen geothermal
- Hired transmission planner
- Held first GeoZone Town Hall



9

Deepen Equity Focus in Customer Programs

Board Goal #4:

Show progress in designing and implementing customer programs to include BIPOC, LGBTQI+, low-income, senior and other underrepresented customers.



10

Deepen Equity Focus in Customer Programs

Example Progress on Board Goal #4:

- Board voted to dedicate \$4 million for low-income incentives.
- Focus on small, local service providers.
- Completed all 4 community needs assessments.
- Redesigned GridSavvy to allow no-cost participation. Outreach focused on CARE and Empower. No need for internet or cell service.



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Deepen Equity Focus in Customer Programs

Example Progress on Board Goal #4:

- Doubled percent of appliance incentives to low-income.
- Partnered with Burbank to provide electrify affordable housing.
- Allocated 25% of incentives budget to low-income in FY24/25 budget.
- Applied for \$5 million CEC grant to expand GridSavvy for disadvantaged and low-income communities.



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Build Financial Capabilities for Customer Cost Savings

Board Goal #5:

Preserve SCP's 'A' credit rating and create the opportunity for issuing debt to prepay renewable energy contracts for lowering customer rates.

Progress:

Investment-grade rating was maintained. CFO hired with deep experience in debt management and prepayment transactions.



13

Advocate for Transparency

Board Goal #6:

Continue to press that all greenhouse gas emissions be reported, and that utilities not be allowed to hide emissions through "netting" or "offsets" unless there is sufficient proof that emissions were actually reduced.



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Advocate for Transparency

Progress on Board Goal #6:

SCP has spoken up in Sacramento and at the State regulatory agencies about the problem of hiding emissions from power plants in the newly-formed Strategic Reliability Reserve, and the hazard of hiding more power resources outside of the Power Content Labels.

Continued work is needed to make sure lawmakers and regulators disclose all power resources.



15

Defend SCP's Right to Choose Clean Power

Board Goal #7:

Defend SCP's right to continue to select, contract and create high-quality jobs to build new geothermal, wind, solar and storage resources and oppose efforts to remove those rights.



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Defend SCP's Right to Choose Clean Power

Progress on Board Goal #7:

In 2023, the Governor fought for and won a new ability to charge taxpayers (not ratepayers) for keeping natural gas-fired power plants running for reliability. However, the end result was far more limited than the Governor's initial request, which would have transferred all of SCP's procurement and rate-making powers to the CPUC.

More work will be needed to continue to protect our customers and defend SCP's rights as a local electricity provider.

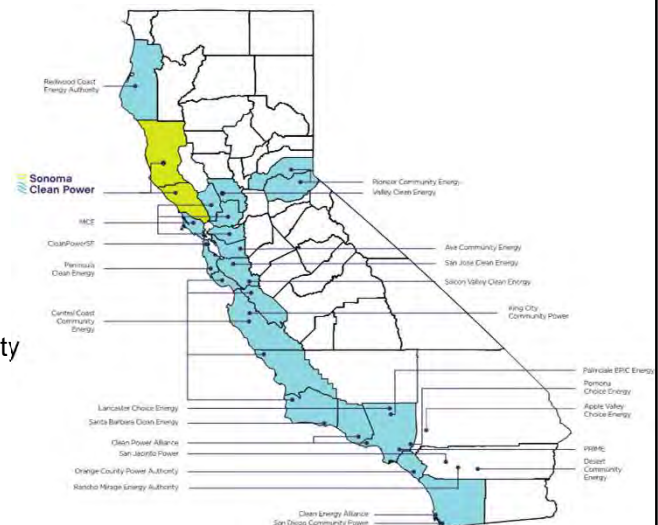


17

Contribute to Statewide Public Power Movement

Board Goal #8:

Continue to build CalCCA's capacity to advocate in the legislature and in regulatory agencies, and to support the long-term viability of CCAs.



18

Contribute to Statewide Public Power Movement

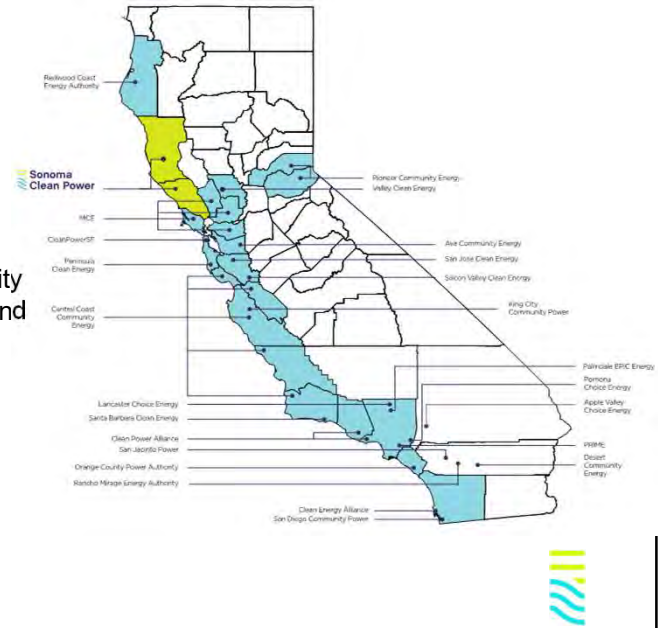
Progress on Board Goal #8:

Hired expert Legislative Policy and Community Engagement Manager, and a Public Affairs and Advocacy Manager.

CEO serves as Chair of statewide joint procurement agency at CC Power.

Sponsored SCP's first legislation.

Actively involved in many CalCCA legislative committees.



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