



AGENDA
BOARD OF DIRECTORS MEETING
THURSDAY, MAY 8, 2025, 9:00 A.M.

EXCEPT AS PERMITTED BY GOVERNMENT CODE SECTION 54953(F), MEMBERS OF THE BOARD OF DIRECTORS MAY PARTICIPATE IN THE MAY 8, 2025, MEETING AT ANY OF THE LOCATIONS SHOWN BELOW.

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

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 April 3, 2025, Draft Board of Directors Meeting Minutes (Staff Recommendation: Approve) **pg. 5**
2. Receive Monthly Financial Report (Staff Recommendation: Receive and File) **pg. 21**
3. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. 39**
4. Approve the Proposed Annual Budget for Fiscal Year 2025-2026 (Staff Recommendation: Approve) **pg. 55**
5. Approve and Delegate Authority to the Chief Executive Officer or his Designee to Execute a Contract with Prospect Silicon Valley with a Not-to-Exceed Amount of \$393,001 for a Four-Year Demonstration Project in accordance with Sonoma Clean Power's Virtual Power Plant Grant through the California Energy Commission (Staff Recommendation: Approve) **pg. 57**

BOARD OF DIRECTORS REGULAR CALENDAR

6. Receive Internal Operations Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 61**
7. Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate (Staff Recommendation: Approve) **pg. 65**
8. Receive Update on Programs that Support Electric Vehicles and Charging (Staff Recommendation: Receive and File) **pg. 71**
9. Direct Staff to Study the Feasibility of Expanding Sonoma Clean Power Authority's Service to Lake County, California (Staff Recommendation: Approve) **pg. 81**

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(Directors may report on their activities since the last Board meeting, including any reports required by Gov't Code Section 53232.3(d).)

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	Community Advisory Committee
CAISO	California Independent Systems Operator - the grid operator
CCA	Community Choice Aggregator - a community-owned public power provider
CEC	California Energy Commission
CleanStart	SCP's default power service
CPUC	California Public Utilities Commission
DER	Distributed Energy Resource
ERRA	Energy Resource Recovery Account - one of PG&E's rate cases at the CPUC
EverGreen	SCP's 100% renewable, 100% local energy service, and the first service in the United States providing renewable power every hour of every day.
Geothermal	A locally available, low-carbon baseload renewable resource
GHG	Greenhouse gas
GRC	General Rate Case - one of PG&E's rate cases at the CPUC
GridSavvy	GridSavvy Rewards are available to SCP customers for reducing household energy use to help California increase power reliability.
IOU	Investor-Owned Utility - for-profit distribution utilities like 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.
PCIA	Power Charge Indifference Adjustment - a fee charged by PG&E to all electric customers to ensure PG&E can pay for excess power supply contracts that it no longer needs.
RA	Resource Adequacy - a required form of capacity that helps ensure there are sufficient power resources available when needed.
RPS	Renewables Portfolio Standard refers to certain kinds of renewable energy which qualify to meet state requirements, including wind, solar, geothermal.
SCP	Sonoma Clean Power
TOU	Time of Use, used to refer to rates that differ by time of day

Page intentionally left blank for double-sided printing



**DRAFT MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, APRIL 3, 2025
9:00 A.M.**

CALL TO ORDER

(9:03 a.m. - Video Time Stamp: 00:02:20)

Chair Barnacle called the meeting to order.

Board Members present: Chair Barnacle and Vice Chair Elward, Lemus, Fleming, Zollman, Farrar-Rivas, Potter, Haschak, and Hopkins. Director Laskey was absent with prior notice. Director Peters was absent without prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Garth Salisbury, Chief Financial Officer and Treasurer; Miles Horton, Legislative Policy & Community Engagement Manager; Felicia Smith, Director of Programs; Kimberley Beltran, Technical Programs Manager; and Chris Golik, Revenue Manager.

BOARD OF DIRECTORS CONSENT CALENDAR

(9:03 a.m. - Video Time Stamp: 00:03:23)

1. Approve March 6, 2025, Draft Board of Directors Meeting Minutes
2. Receive Monthly Financial Report
3. Receive Geothermal Opportunity Zone Update and Approve the Delegated Authority to the Chief Executive Officer or his Designee to Terminate the Geothermal Opportunity Zone Cooperation Agreement with Cyrq Energy, Inc.
4. Direct Staff to Study the Feasibility of Expanding Sonoma Clean Power Authority's Service to Lakeport, California
5. Receive Internal Operations Report and Provide Feedback as Appropriate
6. Receive Legislative and Regulatory Updates and Provide Direction as Appropriate

Item 6 was pulled and discussed.

Chair Barnacle discussed an article from the LA Times that was distributed to the Board entitled, "Wildfires are Driving up California Electric Bills. Lawmakers Need to Act." Chair Barnacle said the Board should look at the burden of fire safety being moved from rate payers to taxpayers in California. Director Lemus agreed and Geof Syphers, CEO, added that lowering the cost of electricity would make the electrification of California easier.

Director Hopkins discussed a trip to Utah she took with SCP staff to visit the Forge geothermal project. Miles Horton, Legislative Policy and Community Engagement Manager, discussed the legislative opportunities that the trip to Utah opened for SCP.

Public Comment: None

Motion to direct staff to investigate fire safety costs being moved from PG&E rate payers to California taxpayers by Director Hopkins

Second: Director Lemus

Motion passed by roll call vote

AYES: Lemus, Barnacle, Elward, Fleming, Zollman, Farrar-Rivas, Potter, Haschak, Hopkins

ABSENT: Laskey, Peters

Motion to approve April 3, 2025, Board of Directors Consent Calendar by Director Hopkins

Second: Vice Chair Elward

Motion passed by roll call vote

AYES: Lemus, Barnacle, Elward, Fleming, Zollman, Farrar-Rivas, Potter, Haschak, Hopkins

ABSENT: Laskey, Peters

BOARD OF DIRECTORS REGULAR CALENDAR

7. Approve a Draft Policy for Placing Items on the Board Meeting Agenda
(9:13 a.m. - Video Time Stamp: 00:13:25)

CEO Syphers thanked Director Zollman for requesting a formalized policy for agenda items and he said that this policy allows members of the Board to request items be placed on an upcoming agenda.

Director Hopkins asked what the timeline would be to get an item on the agenda and CEO Syphers answered no more than 6 months. Director Lemus asked what would happen if there was an emergency and CEO Syphers said that items can be expedited for emergencies.

Public Comment: None

Motion to approve the draft policy for placing items on the Board meeting agenda by Director Haschak

Second: Director Farrar-Rivas

Motion passed by roll call vote

AYES: Lemus, Barnacle, Elward, Fleming, Zollman, Farrar-Rivas, Potter, Haschak, Hopkins

ABSENT: Laskey, Peters

8. Receive Update on Programs that Reduce Peak Demand and Shift Energy to Low-Carbon Electricity

(9:18 a.m. - Video Time Stamp: 00:18:18)

Felicia Smith, Director of Programs, announced that the Programs department will present SCP customer offers and incentives at board meetings through July. She introduced Kimberly Beltran, Technical Programs Manager, who discussed GridSavvy Rewards. Ms. Beltran explained that the program reduces demand by using alerts, smart thermostat adjustments, and managed EV charging. Ms. Beltran also shared that in 2024, the program shifted 5MW of energy during one event. CEO Syphers noted that the program was partly inspired by a 2022 heat event when SCP was asked by the Governor's office to add energy to the grid.

Chair Barnacle inquired about smart meter penetration in SCP's territory. SCP staff did not have the exact numbers but will report back. Chair Barnacle also asked if master meter mobile home parks could participate in GridSavvy. Ms. Beltran explained that master meters are not currently included as they do not track individual household usage. Chair Barnacle further asked if GridSavvy

serves commercial or industrial customers. Ms. Beltran responded that the only current commercial offering is SCP's workplace charge program, with additional offers to be developed in the future.

Public Comment: Jack Buckhorn discussed integrated battery storage and EV to home power.

9. Approve Proposed Energy Project Selection Criteria

(9:40 a.m. - Video Time Stamp: 00:39:21)

CEO Syphers gave a background on the proposed energy selection criteria and discussed several compromises made between labor and staff on the final project. He then pointed out the minor differences in wording of the criteria that still existed between labor and staff. CEO Syphers gave an overview of the comments made by the Community Advisory Committee (Committee).

Director Zollman thanked staff for the collaboration with labor and he stated he would recommend adjusting the 3MW threshold. Director Hopkins asked if setting the threshold at 3MW would affect the number of projects bid for and CEO Syphers explained that he would like to see how many projects were bid on under a 3MW threshold. Director Hopkins recommended a 3MW threshold that would sunset to 1 year after a specific period. Director Farrar-Rivas asked what the effect would be on geothermal, and wind and CEO Syphers explained that geothermal and wind are such large projects they usually require a project labor agreement. Director Farrar-Rivas asked why the threshold couldn't be 2MW and CEO Syphers explained that projects are often bundled at 3MW. Chair Barnacle explained that he would be willing to use the 3MW threshold if the threshold sunsets to 1MW after 1 year. Chair Barnacle added that the sunset should happen in the fiscal year so the sunset would occur on July 1, 2026.

Public Comment: Michael Allen discussed the value of MW versus a dollar value and Federal Labor laws. Jack Buckhorn discussed local labor and misclassification of workers. Tim Frank thanked staff and discussed the 3MW threshold. Jared Mumm discussed a 1 MW threshold for projects. Eric Veium, the EJ Alliance, Jeff Mathias, Holly Adams, and Woody Hastings discussed project selection criteria, their comments are attached to these minutes.

Motion to approve proposed Energy Project Selection Criteria with all recommended wording accepted and the threshold for (D) Workforce: Large

Owned Resources set to 3 MW or larger and adjusting to 1 MW or larger on July 1, 2026, by Director Hopkins.

Second: Vice Chair Elward

Motion passed by roll call vote

AYES: Lemus, Barnacle, Elward, Fleming, Zollman, Farrar-Rivas, Potter, Haschak, Hopkins

ABSENT: Laskey, Peters

10. Review and Provide Direction on the Draft Annual Budget for Fiscal Year 2025-2026

(11:17 a.m. - Video Time Stamp: 02:17:00)

Garth Salisbury, CFO, explained to the Board that this was the first look at the FY 25-26 budget, and they would get a chance to review once more before the vote to adopt. Chris Golik, Revenue Manager, gave an overview of the budget and stated that this was a chance for the Board to weigh in with feedback. Mr. Golik discussed revenues and other sources, expenditures, capital outlay, and fund balances.

11:30 a.m. Director Fleming exited the meeting.

Director Haschek asked how much was in the capital outlay reserve and CEO Syphers responded that there was about \$17 million. Chair Barnacle asked why there was a dip in program spending and CEO Syphers explained there was some grant funding rolling off, but he would have Felicia Smith, Director of Programs give an update on program spending in the future. Director Haschek asked where the capital outlay number comes from, and CEO Syphers explained that it was a new addition to the budget so it is not standardized yet but will be worked on in the future.

Public Comment: None

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(11:35 a.m. - Video Time Stamp: 02:35:35)

Directors' announcements: Director Hopkins announce the Occidental Fools Parade and the Apple Blossom Festival. Chair Barnacle announced that Petaluma would be holding their Butter and Egg Days.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(11:37 a.m. - Video Time Stamp: 02:36:34)

Public Comment: Madge Strong discussed Item 6, her comment is attached to these minutes. Tim Frank thanked the Board and staff for all their hard work on Item 9.

ADJOURN

(11:38 a.m. - Video Time Stamp: 02:37:30)

Dear Board,

My name is Woody Hastings, Phase Out Polluting Fuels Program Director with The Climate Center. I'm sorry that I am unable to be there in person today.

I'm writing today to urge your eye vote to adopt the Energy Project Selection Criteria before you.

First, thank you for including this item on your agenda and for your work on it over the past few months. The Climate Center is a proud member of the CCA Workforce & EJ Alliance. The Alliance's mission and goals align well with the Climate Center's guiding principles of climate justice and a high road transition for oil and gas workers.

In the US, California is the leader in demonstrating the right way to battle the climate crisis, avoiding the wrongs of the past while we innovate to develop new energy resources. In California, CCAs are looked to as the leaders in this innovation. Adopting these criteria is a fundamental and necessary step to help guide future procurements and projects.

Over the past several months the Alliance has done the heavy lifting of engaging with unions, environmental, and EJ organizations to hammer out a set of criteria that should help meet the needs of working families and protect the environment. Representatives of the labor community are there in the room today to share their perspective on workforce issues.

I would like to highlight the criteria outlined on page 84, Benefits Accruing to Underserved and Low-Income Communities. As many of you at SCP know, I am a lifelong advocate of robust and meaningful public participation. Early and ongoing engagement with impacted communities is a must if you want to avoid headaches down the road. And lower income communities and historically neglected and/or burdened communities deserve better. The communities impacted by projects should have standing to participate in decision making, and to receive benefits via a Community Benefits Agreement or otherwise.

Developers should be given the opportunity and incentive to consider and communicate early (pre-entitlement) community engagement strategies and activities. I request that early/pre-entitlement engagement be included in this section in addition to entitlement and construction engagement.

Again, please support this policy. Thank you for the opportunity to comment.

-Woody

Dear SCP Board of Directors, Pattern Energy would like to submit comments below for Agenda Item 9 regarding the Energy Project Selection Criteria.

Thank you for the opportunity to comment to the SCP Board of Directors. Pattern Energy is a leader in renewable energy and transmission infrastructure. We have developed or are currently developing and operating 29 GWs of wind, solar, transmission and energy storage projects across North America. Our projects have created over 10,000 construction and operations jobs.

SCP is one of several off-takers of SunZia Wind, which, together with SunZia Transmission, is the largest clean energy infrastructure project in U.S. history. This project is comprised of two wind energy facilities that will generate over 3,500 MWs of renewable energy much of which will be delivered to Southern California through the 550-mile transmission line under construction in New Mexico and Arizona.

SunZia fits well within SCP's IRP and provides renewable energy during hours most needed in the state of California. Critical projects like SunZia may have difficulty being selected under this draft policy. While we always try to hire local, the scale of SunZia makes 30% challenging. By applying an arbitrary percentage, it disadvantages large projects that probably hire more local workers than a smaller project on a pure numbers' standpoint.

Our experience is that local hire requirements may adversely impact workers by cutting workers ability to work in multiple areas. We need projects spread throughout California and neighboring states to deliver resource diversity. Workers need to be able to work on multiple projects, over multiple areas throughout their careers. On SunZia, the IBEW members working under the PLA have moved over a 550-mile two-state area.

Instead, Pattern supports local enrollment into qualified apprentice programs. This provides stable long-term employment that brings reliable, lower cost power. Please consider impacts to projects like SunZia, and whether SCP is willing to close the door on those opportunities due to this proposed policy.

Respectfully,

Holly Adams

Holly Adams

Vice President of Origination



Mathias '
Energy Consulting '

3/29/25

To Geoff Syphers and Members of the Board.

I am concerned about the direction put forth in the upcoming board meeting to exclude the private sector commercial solar companies from bidding on projects with SCP. The private sector already must meet prevailing wage criteria, leveling the field with PLA's (primarily the IBEW Union).

First let me be clear I am not anti-union, one of the greatest men I have known was my grandfather, a 65-year member of the IBEW. He taught me to remember where you came from and who helped you along the way. The local solar community (private sector) was highly active in the support and creation of SCP, while PG&E, supported by the IBEW, were fighting to stop and limit CCA's. Local solar companies, myself included, competed in many solar deals, where IBEW back installers recommended customers stay with PG&E muddying the water while local installers recommended SCP and why their services were superior.

During a solar lobby day many years ago, I went to Sacramento to meet with a congress women from Bakersfield (sorry do not recall her name). She had a pro-union bias, and believed only unions protected their members and paid a living wage to employees. After explaining to her our generous wages and benefit packages at Synergy, she asked if we were hiring. The Sonoma County private sector solar companies are local and treat their employees like family with living wages.

All commercial jobs now fall under prevailing wage and the private sector has adapted to this model. Also as noted in your pre-agenda notes, the private sector has the highest concentration of "local" companies and employees. So, my question is, why if the employees are getting the same wage and benefits, the labor force is more local, the union training programs are being funded and the costs are similar, my question is: why would Sonoma Clean Power exclude the private sector and minimize the competition in this marketplace.

I encourage you all to dig deep and realize that excluding the private sector from bidding on SCP's jobs is excluding those folks who have been SCP's greatest supporters since its inception.

Thank you for your consideration

Jeff Mathias
Mathias Energy Consulting



April 2, 2025

Chair Barnacle and Honorable Directors
Sonoma Clean Power
431 E Street
Santa Rosa, CA 95404

Re: Support for Advancing the Project Selection Policy as a Risk-Reduction, Cost-Saving, and Market-Smart Strategy for Sonoma Clean Power (April 3, 2025: Board of Directors Meeting, Staff Report - Item 9)

Dear Chair Barnacle and Honorable Directors,

We begin with sincere appreciation for CEO Geof Syphers and other supportive staff that have been instrumental in the collaborative effort that has delivered a leadership Project Selection Policy for your consideration. We are requesting a few refinements, requiring your direction, that we believe deliver greater value for SCP, its customers, and the communities it serves. We are confident that the remaining issues can be resolved and see an opportunity for joint celebration of what we think is a proud moment for SCP. We are looking forward to our continued collaboration.

Outstanding Issues in the Proposed Policy

Location in Draft Policy	Current SCP Policy Proposed Language	Issue	Suggested Updates (See highlight/bold)
Pg. 81 – Section D: Workforce: Large Owned Resources	“When considering contractors or developers for SCP-owned generation or storage projects requiring a Large Generator Interconnection Agreement from the California Independent System Operator (currently 20MW and larger), SCP will use commercially reasonable efforts to negotiate a multi-trade project labor agreement...”	<p>Nearly all SCP-owned projects are under 20 MW. Without PLA language, these projects avoid enforceable labor standards, leaving out local workers and apprentices. The CAISO definition for a “Large” used in the context of a “Large Generator Interconnection Agreement” isn’t designed to address labor policy and would not meet the needs of creating high road employment in the SCP territory.</p> <p>“Commercially reasonable” is generally understood as a standard that is less demanding than “best efforts”.</p>	<p>Suggested update:</p> <p>D. Workforce: Large Owned Resources</p> <p>When considering contractors or developers for SCP-owned generation or storage projects greater than 1 MW), SCP shall use best efforts to negotiate a multi-trade project labor agreement having:</p>
Pg. 81 – Section E: Generator Size Definition	“...requiring a Small Generator Interconnection Agreement from the California Independent System Operator (currently less than 20 MW).”	The CAISO definitions for large and small interconnection agreements are not designed to address labor issues and are the wrong reference point for labor policy. The section of the policy addressing “Small Generator Interconnection Agreements should simply be deleted.	Suggested update: Delete section “E. Workforce: Small Owned Resources”
Pg. 81 – Section E: Staff Footnote	<i>Staff anticipate that union contractors would be competitive in SCP solicitations requiring certified prevailing wages, but argue against criteria excluding our significant non-union workforce, which is a majority of contractors in Sonoma and Mendocino Counties.]</i>	This note overlooks the fact that public PLAs are already required by law to allow both union and non-union contractors, promoting open competition and inclusivity in public projects. (<i>Public Contract Code §§ 2500–2503</i>)	

Pg. 84 – Section I(2): Benefits Accruing to Underserved and Low-Income Communities	“Commit to meaningful engagement with local communities throughout the entitlement and construction processes...”	Omits the pre-entitlement phase, when early input is most impactful.	Suggested update: I. Benefits Accruing to Underserved and Low-Income Communities Commit to meaningful engagement with local communities throughout the pre-entitlement , entitlement, and construction processes...
---	---	--	--

A Risk-Reduction, Cost-Saving, and Market-Smart Strategy

The policy is preference-based – not mandates. This simple framework articulates SCP’s preferences for what great projects look like *alongside* financial and technical considerations, at the very beginning of the procurement process. This clarity attracts stronger, more thoughtful proposals from developers, helps avoid costly oversights such as environmental conflicts or community opposition, and produces higher overall value aligned with the agency’s commitments and long-term goals. **This is not just a ‘values’ exercise—it’s a strategic approach to procurement that reduces risks to SCP, its customers, and the clean energy industry as a whole.** Peer CCAs, including Ava Community Energy, CCCE, and SFPUC have adopted similar standards. Clean Power Alliance—the largest CCA in the State—has signaled similar preferences in its RFOs for years - demonstrating that this policy is practical and achievable.

This approach is an important response to challenges facing the clean energy industry. There are a growing number of examples of projects that have been delayed, denied, or otherwise failed due to avoidable issues that might have been identified and addressed during project selection. In fact, according to a [recent study by LBNL](#), surveying clean energy project developers, after interconnection, community opposition due to misalignment with or lack of community, economic, and local workforce benefits is the second leading cause of costly project delays, litigation, or denial.

At its core, this policy provides SCP with a flexible, transparent structure that:

- **Avoids delays and cost overruns** by prompting early attention to labor, permitting, and community expectations.
- **Reduces costs** for both SCP and developers by identifying and addressing opportunities and risks early in the process while minimizing time-consuming negotiation and project revisions or other delays later on.
- **Protects long-term value** by avoiding misaligned or poorly scoped projects that carry delivery, financial, or reputational risks.
- **Strengthens the competitive field** by encouraging developers to align with SCP’s goals, as other leading CCAs have successfully done.

Through clear, upfront guidance to developers regarding best practices promoted by SCP and other CCA industry leaders, SCP can elicit more projects that align with its preferences while retaining full discretion and flexibility for the staff and board to accommodate projects needed to meet technical requirements.

Clarifying What This Policy Does and Doesn't Do

- **It is not a mandate.** The policy signals preferences—not hard rules. SCP retains full discretion to pursue any project necessary to meet technical, financial, or regulatory requirements.
- **It builds on existing public standards.** Cities and counties in SCP's territory already require prevailing wage and apprenticeship on small public works projects. These practices are well-established.

We urge the Board to adopt this policy framework as a **market-smart and risk-conscious strategy** to improve project quality, reduce risks, and protect SCP's fiscal and community priorities. Thank you for your continued leadership in building a clean energy future that works for everyone.

Sincerely,

Eric Veium, Tim Frank, & Leslie Austin
Co-coordinators, CCA Workforce & EJ Alliance

Public comment, On item 6, another reason to support more clean power IN California is reducing loss of electricity in transmission, which is substantial.

Madge Strong



Staff Report - Item 02

To: Sonoma Clean Power Authority Board of Directors
From: Garth Salisbury, Chief Financial Officer & Treasurer
Chris Golik, Senior Finance Manager
Issue: Receive Monthly Financial Report
Date: May 8, 2025

Monthly Financial Report

The Financial Report is to inform the Board of Directors (Board) of monthly financial results and investment activity. Additionally, the Monthly Financial Report will include an Investment Report which is a summary of investments and investment activity in SCP's portfolio. The Investment Report and associated attachments are to inform the Board pursuant to the requirements of SCP's Financial Policy B.5 Investments and Government Code Section 53607. This is an informational item only.

Monthly Compiled Financial Statements (February 28, 2025)

Relative to the amended budget, the year-to-date change in net position is more than projections by approximately \$7,330,000. Year-to-date revenue from electricity sales is 100% of projections and the cost of energy is under projections by approximately 3%. Year-to-date electricity sales reached \$186,338,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$291,128,000. Approximately \$231,889,000 is set aside for operating reserves as of June 30, 2024.

Budgetary Comparison Schedule (February 28, 2025)

The accompanying budgetary comparison includes the 2024/25 amended budget approved by the Board of Directors. The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2024/25 YTD Amended Budget, allocates the Board approved annual budget at expected levels

throughout the year with consideration of 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 was 100% of the amended budget at the end of the reporting period.

Interest earnings continue to trend higher than budget due to the persistence of higher interest rates and because of an investment strategy focused on locking in higher interest earnings over the near to intermediate term (3-5 year) investment horizon.

The cost of electricity was less than the budget-to-date by approximately 3%. 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 are based on the customer account totals.

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

Monthly Investment Report

This report is to verify and report in writing to the Board regarding the responsibilities designated to the SCP Treasurer pursuant to SCP Financial Policy B.5 Investments. The Investment Policy was amended in 2024 expanding the definition of Permitted Investments, adding several investment diversification requirements, best practices and requiring additional reporting requirements to the Board and stakeholders as follows.

Monthly Obligation to Report on New Investment Transactions

Government Code Section 53607 and SCP's Investment Policy require SCP to report to the Board and stakeholders any investment transactions (defined as purchases, sales or exchanges of securities) made during the month as soon as is practicable after the end of the month. Given the scheduling of the SCP's Board meetings during the first week of the month, the investment report will indicate investment transactions that occurred two months prior (March 2025). SCP currently maintains bank accounts and investments at River City Bank (RCB), Summit State Bank, the State of California Local Agency Investment Fund (LAIF) and USBank. Active individual

securities are held at both RCB and USBank. Staff will provide Statements of Investments as required throughout the year.

Reportable Activities

USBank

In November of 2024, the Board approved amendments to SCP Investment Policy as recommended by SCP's investment advisor, Chandler Asset Management (CAM). As of March 31st, CAM managed about \$60 million of SCP's reserves. All investments directed by CAM are held at SCP's custodian, USBank. All investments held as of March 31, 2025, at USBank appear as Attachment 3 with new holdings purchased in March highlighted. USBank transaction details for the month of March, including sales and maturities of securities, are in Attachment 4. Additionally, the March 2025 account statement prepared by CAM can be found at this [link](#).

River City Bank

A detailed statement of the investments held at River City Bank as of March 31, 2025, appears as Attachment 5. River City Bank transaction details for the month of March, including sales and maturities of securities, are in Attachment 6.

State of California Local Agency Investment Fund

The LAIF investment balance as of March 31, 2025, appears as Attachment 7.

Attachments

- Attachment 1 - February 2025 Financial Statements
- Attachment 2 - February 2025 Budgetary Statement
- Attachment 3 - Statement of Investments Held at USBank
- Attachment 4 - Statement of Transactions at USBank
- Attachment 5 - Statement of Investments Held at River City Bank
- Attachment 6 - Statement of Transactions at River City Bank
- Attachment 7 - Statement of Investments Held at the Local Agency Investment Fund



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, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the eight months 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these 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
April 8, 2025

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of February 28, 2025

ASSETS

Current assets

Cash and cash equivalents - unrestricted	\$ 119,206,722
Cash and cash equivalents - restricted for grant purposes	2,046,643
Accounts receivable, net of allowance	18,694,588
Other receivables	2,272,492
Accrued revenue	11,229,500
Prepaid expenses	921,364
Deposits	6,127,896
Investments	69,090,667

Total current assets 229,589,872

Noncurrent assets

Cash and cash equivalents - unrestricted	56,000,000
Investments	68,629,358
Other receivables	961,821
Deposits	16,000
Capital assets, net of depreciation	17,895,177

Total noncurrent assets 143,502,356

Total assets 373,092,228

LIABILITIES

Current liabilities

Accrued cost of electricity	18,158,820
Accounts payable	935,004
Advances from grantors	2,046,643
Other accrued liabilities	2,080,624
User taxes and energy surcharges due to other governments	697,076
Supplier security deposits	666,000

Total current liabilities 24,584,167

Noncurrent liabilities

Supplier security deposits	1,380,121
----------------------------	-----------

Total liabilities 25,964,288

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	<u>56,000,000</u>
-------------------------	-------------------

NET POSITION

Investment in capital assets	17,895,177
Unrestricted	273,232,763
Total net position	<u>\$ 291,127,940</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Eight Months Ended February 28, 2025

OPERATING REVENUES

Electricity sales, net	\$ 186,337,926
Evergreen electricity premium	2,176,428
Miscellaneous income	2,296,915
Grant revenue	335,733
Total operating revenues	<u>191,147,002</u>

OPERATING EXPENSES

Cost of electricity	122,316,365
Contract services	6,123,617
Staff compensation	7,149,434
Program rebates and incentives	1,637,735
Other operating expenses	1,530,589
Depreciation	956,200
Total operating expenses	<u>139,713,940</u>
Operating income	<u>51,433,062</u>

NONOPERATING REVENUES (EXPENSES)

Investment income	<u>10,176,262</u>
Nonoperating revenues (expenses), net	<u>10,176,262</u>

CHANGE IN NET POSITION

Net position at beginning of year	229,518,617
Net position at end of period	<u>\$ 291,127,940</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS Eight Months Ended February 28, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 198,194,018
Receipts of security deposits	3,792,000
Other operating receipts	2,765,244
Payments to electricity suppliers	(127,328,551)
Payments for other goods and services	(7,725,123)
Payments for staff compensation	(7,064,255)
Payments for program rebates and incentives	(1,609,702)
Payments of taxes and surcharges to other governments	(2,460,861)
Net cash provided (used) by operating activities	<u>58,562,770</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	<u>(243,582)</u>
-----------------------------	------------------

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	8,569,959
Proceeds from sales and maturities of investments	148,547,134
Purchase of investments	<u>(107,866,040)</u>
Net cash provided (used) by investing activities	<u>49,251,053</u>

Net change in cash and cash equivalents	107,570,241
Cash and cash equivalents at beginning of year	<u>69,683,125</u>
Cash and cash equivalents at end of period	<u><u>\$ 177,253,366</u></u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents - unrestricted (current)	119,206,722
Cash and cash equivalents - restricted (current)	2,046,643
Cash and cash equivalents - unrestricted (noncurrent)	<u>56,000,000</u>
Cash and cash equivalents	<u><u>177,253,366</u></u>

NONCASH INVESTING ACTIVITIES

Unrealized appreciation and timing differences in investment income	\$ 1,606,303
---	--------------

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

(Continued)

Eight Months Ended February 28, 2025

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ 51,433,062
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	956,200
(Increase) decrease in:	
Accounts receivable, net	3,475,959
Other receivables	96,863
Accrued revenue	3,745,119
Prepaid expenses	(29,358)
Deposits	(3,472,280)
Increase (decrease) in:	
Accrued cost of electricity	1,144,063
Accounts payable	(152,407)
Advances from grantors	(335,733)
Accrued liabilities	1,241,557
User taxes due to other governments	(2,275)
Supplier security deposits	462,000
Net cash provided (used) by operating activities	<u>\$ 58,562,770</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

Management is responsible for the accompanying Budgetary Comparison Schedule for the Operating Fund of Sonoma Clean Power Authority (a California Joint Powers Authority) for the eight months ended February 28, 2025, 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 note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these 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
April 8, 2025

SONOMA CLEAN POWER AUTHORITY
BUDGETARY COMPARISON SCHEDULE - OPERATING FUND -
Eight Months Ended February 28, 2025 -

	2024/25 YTD			2024/25 YTD		2024/25 YTD		2024/25 YTD	
	Amended Budget	Actual	Variance (Under) Over	Actual	Amended Budget	Actual / Amended Budget %	Amended Budget	2024/25 Amended Budget Remaining	
REVENUE AND OTHER SOURCES:									
Electricity (net of allowance) *	\$ 186,689,725	\$ 186,337,926	\$ (351,799)			100%	\$ 258,001,000	\$ 71,663,074	
Evergreen Premium (net of allowance)	1,951,340	2,176,428	225,088			112%	2,700,000	523,572	
Investment returns	9,721,803	10,176,262	454,459			105%	13,853,000	3,676,738	
Miscellaneous Income	519,919	399,233	(120,686)			77%	1,000,000	600,767	
Total revenue and other sources	198,882,787	199,089,849	207,062			100%	275,554,000	76,464,151	
EXPENDITURES AND OTHER USES:									
CURRENT EXPENDITURES									
Cost of energy and scheduling	123,986,209	120,082,949	(3,903,260)			97%	183,989,000	63,906,051	
Data management	2,350,589	2,352,925	2,336			100%	3,670,000	1,317,075	
Service fees- PG&E	656,400	649,601	(6,799)			99%	990,000	340,399	
Personnel	7,322,725	7,149,434	(173,291)			98%	11,490,000	4,340,566	
Marketing & communications	1,938,648	1,573,613	(365,035)			81%	3,379,000	1,805,387	
Customer service	103,636	77,185	(26,451)			74%	220,000	142,815	
General and administration	1,100,124	1,096,290	(3,834)			100%	1,832,000	735,710	
Legal	309,083	111,627	(197,456)			36%	475,000	363,373	
Regulatory and compliance	177,764	253,828	76,064			143%	460,000	206,172	
Accounting	227,200	228,900	1,700			101%	312,000	83,100	
Legislative	132,000	122,000	(10,000)			92%	220,000	98,000	
Other consultants	316,735	200,375	(116,360)			63%	535,000	334,625	
Industry memberships and dues	529,678	434,299	(95,379)			82%	888,000	453,701	
Program implementation	4,386,726	2,191,297	(2,195,429)			50%	10,135,964	7,944,667	
Total current expenditures	143,537,517	136,524,323	(7,013,194)			95%	218,595,964	82,071,641	
OTHER USES									
Capital outlay	279,676	169,513	(110,163)			61%	500,000	330,487	
Total expenditures, other uses	143,817,193	136,693,836	(7,123,357)			95%	219,095,964	82,402,128	
Net increase (decrease) in available fund balance	\$ 55,065,594	\$ 62,396,013	\$ 7,330,419				\$ 56,458,036	\$ (5,937,977)	

* Represents sales of approximately 1,472,000 MWh for 2024/25 YTD actual.

	Balance - as of June 30, 2024	Long-Term Targeted	% of Long-Term Target
RESERVES	\$ 231,889,000	\$ 255,203,000	91%
Operating Reserve			

**SONOMA CLEAN POWER AUTHORITY -
 BUDGETARY COMPARISON SCHEDULE - OPERATING FUND (CONTINUED) -
 RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE -
 TO CHANGE IN NET POSITION -
 Eight Months Ended February 28, 2025 -**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 62,396,013
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(956,200)
Add back capital asset acquisitions	169,510
Change in net position	\$ 61,609,323

Sonoma Clean Power
Statement of Investments Held at USBank
 As of March 31, 2025

Investment Description	Issue	Purchase Date	Maturity Date	Par Value \$	Market Value \$	Purchase Price \$	Purchase Yield in %
Cash	Cash	---	3/31/2025	\$ 19,321	\$ 19,321	\$ 19,321	-
Government of The United States	US Treasury	---	4/30/2027	1,000,000	977,148	972,754	4.3
Government of The United States	US Treasury	---	4/15/2026	1,000,000	996,875	995,645	4.1
Government of The United States	US Treasury	---	11/15/2028	1,000,000	973,594	962,734	4.1
Prologis, Inc.	Corporate	10/24/2024	2/1/2029	300,000	298,785	298,323	4.5
Bank of America Corporation	Corporate	---	7/23/2029	500,000	493,932	490,483	4.8
Government of The United States	US Treasury	---	10/2/2025	1,000,000	979,193	969,545	4.2
Government of The United States	US Treasury	10/24/2024	4/30/2029	500,000	480,371	476,172	4.0
Government of The United States	US Treasury	---	10/15/2027	1,350,000	1,349,314	1,342,332	4.1
Government of The United States	US Treasury	---	9/30/2026	1,000,000	993,359	991,035	4.0
Morgan Stanley	Corporate	---	1/24/2029	500,000	489,065	485,111	4.8
Government of The United States	US Treasury	---	4/30/2028	1,500,000	1,482,715	1,476,641	4.0
Toyota Motor Corporation	Corporate	---	8/9/2029	800,000	800,169	797,439	4.6
JPMorgan Chase & Co.	Corporate	---	7/23/2029	500,000	493,335	489,899	4.8
Government of The United States	US Treasury	---	9/30/2029	1,000,000	981,836	976,250	4.1
Realty Income Corporation	Corporate	---	12/15/2028	500,000	501,657	500,591	4.7
FHLMC	Agency CMBS	10/25/2024	6/25/2028	400,000	395,069	393,480	4.3
FHLMC	Agency CMBS	---	9/25/2028	800,000	793,878	788,161	4.4
FHLMC	Agency CMBS	---	3/25/2029	1,136,000	1,104,490	1,095,974	4.4
FHLMC	Agency CMBS	10/25/2024	7/25/2028	400,000	395,611	394,000	4.3
Royal Bank of Canada	Corporate	---	10/18/2027	500,000	499,766	498,673	4.6
Government of The United States	US Treasury	---	6/15/2026	1,500,000	1,502,285	1,498,496	4.2
Bank of America Credit Card Trust	ABS	10/28/2024	5/15/2029	325,000	329,254	328,644	4.5
Government of The United States	US Treasury	---	6/30/2029	1,000,000	973,438	960,449	4.2
Bank of Montreal	Corporate	---	9/10/2027	500,000	500,242	499,493	4.6
Mercedes-Benz Auto Lease Trust	ABS	10/28/2024	1/18/2028	300,000	303,581	304,383	4.5
Government of The United States	US Treasury	---	6/30/2027	1,500,000	1,479,845	1,469,492	4.1
Honda Motor Co., Ltd.	Corporate	---	10/22/2027	500,000	499,810	498,034	4.6
Government of The United States	US Treasury	---	6/30/2028	1,000,000	1,003,359	994,473	4.1
Deere & Company	Corporate	10/29/2024	9/15/2027	300,000	299,503	297,975	4.4
BMW Vehicle Owner Trust	ABS	10/29/2024	2/26/2029	235,000	237,908	237,882	5.2
UnitedHealth Group Incorporated	Corporate	10/29/2024	10/15/2027	300,000	290,331	288,213	4.4
The Home Depot, Inc.	Corporate	10/29/2024	6/15/2029	300,000	282,921	280,077	4.6
PACCAR Inc	Corporate	10/29/2024	9/26/2029	300,000	295,239	292,719	4.6
State of California	Municipal Bonds	---	8/1/2029	400,000	403,844	402,083	4.4
Government of The United States	US Treasury	---	10/31/2026	1,000,000	1,002,500	998,711	4.2
FHLMC	Agency CMBS	---	9/25/2029	800,000	760,882	751,094	4.5
Government of The United States	US Treasury	---	2/15/2027	1,800,000	1,806,469	1,803,996	4.0
GM Financial Securitized Term	ABS	10/30/2024	12/18/2028	300,000	301,707	301,406	4.6
Government of The United States	US Treasury	---	5/1/2025	1,000,000	996,473	986,366	4.4
Government of The United States	US Treasury	---	8/31/2028	1,000,000	1,014,648	1,009,863	4.1
Government of The United States	US Treasury	---	1/15/2027	1,500,000	1,501,582	1,498,262	4.1

Investment Description	Issue	Purchase Date	Maturity Date	Par Value \$	Market Value \$	Purchase Price \$	Purchase Yield in %
State Street Corporation	Corporate	10/31/2024	10/22/2027	300,000	300,549	298,212	4.5
Honda Auto Receivables Owner Trust	ABS	10/31/2024	8/15/2028	300,000	302,875	303,434	4.6
Caterpillar Inc.	Corporate	10/31/2024	10/15/2027	300,000	301,132	299,919	4.4
Government of The United States	US Treasury	---	10/31/2029	1,000,000	1,007,344	997,285	4.4
U.S. Bancorp	Corporate	---	7/22/2028	500,000	500,069	497,086	4.8
Toyota Auto Receivables Owner Trust	ABS	10/31/2024	10/16/2028	300,000	301,705	301,559	4.6
Government of The United States	US Treasury	---	2/28/2029	1,000,000	1,011,719	1,005,039	4.1
Government of The United States	US Treasury	---	8/15/2027	1,000,000	996,680	992,813	4.0
The PNC Financial Services Group, In	Corporate	---	7/23/2027	500,000	502,833	503,401	4.7
Government of The United States	US Treasury	11/12/2024	11/15/2027	1,000,000	1,005,742	995,000	4.3
Caterpillar Inc.	Corporate	11/14/2024	11/15/2029	300,000	303,072	299,523	4.7
Ford Credit Auto Owner Trust	ABS	11/19/2024	8/15/2029	240,000	241,538	239,992	4.7
John Deere Owner Trust	ABS	---	6/15/2029	619,000	615,005	611,120	4.7
FHLMC	Agency CMBS	11/20/2024	8/25/2028	800,000	790,392	781,563	4.5
The Toronto-Dominion Bank	Corporate	12/10/2024	12/17/2026	500,000	500,723	499,990	4.6
International Bank for Recon and Dev	Supranational	12/12/2024	10/16/2029	400,000	397,031	393,488	4.3
FHLMC	Agency CMBS	---	12/25/2028	1,385,000	1,361,168	1,355,555	4.3
Government of The United States	US Treasury	12/18/2024	12/15/2027	1,000,000	1,002,930	990,156	4.4
Government of The United States	US Treasury	12/30/2024	12/31/2026	1,000,000	1,005,156	999,844	4.3
Deere & Company	Corporate	1/6/2025	1/7/2028	340,000	344,217	339,898	4.7
Government of The United States	US Treasury	1/7/2025	1/15/2028	1,000,000	1,009,375	996,719	4.4
GM Financial Securitized Term	ABS	1/9/2025	12/17/2029	160,000	160,976	159,988	4.7
UnitedHealth Group Incorporated	Corporate	1/10/2025	1/15/2030	250,000	252,824	246,965	5.1
Government of The United States	US Treasury	---	12/31/2029	1,500,000	1,527,246	1,500,762	4.4
Mercedes-Benz Auto Receivables Trust	ABS	1/14/2025	12/17/2029	235,000	237,113	234,950	4.9
Wells Fargo & Company	Corporate	1/16/2025	1/24/2028	400,000	402,255	400,000	4.9
Morgan Stanley	Corporate	1/16/2025	1/12/2029	250,000	253,001	250,215	5.0
Toyota Auto Receivables Owner Trust	ABS	1/22/2025	8/15/2029	240,000	241,890	239,990	4.7
Wells Fargo & Company	Corporate	1/22/2025	1/23/2030	300,000	305,026	300,741	5.1
Government of The United States	US Treasury	1/23/2025	4/24/2025	700,000	698,106	692,620	4.3
Government of The United States	US Treasury	1/23/2025	11/30/2029	1,000,000	1,007,734	985,664	4.5
Government of The United States	US Treasury	---	1/31/2026	1,000,000	1,001,039	1,000,547	4.2
PepsiCo, Inc.	Corporate	2/7/2025	2/7/2030	550,000	555,025	547,091	4.7
First American Govt Oblig fund	Money Market Fund	---	3/31/2025	67,991	67,991	67,991	4.0
Realty Income Corporation	Corporate	3/10/2025	1/15/2030	300,000	282,911	282,867	4.7
Eli Lilly and Company	Corporate	3/10/2025	8/14/2029	700,000	695,920	695,464	4.4
Marsh & McLennan Companies, Inc.	Corporate	3/11/2025	3/15/2030	500,000	500,904	499,050	4.7
WF Card Issuance Trust	ABS	3/11/2025	10/15/2029	300,000	299,935	300,867	4.6
GM Financial Automobile Leasing Trust	ABS	3/11/2025	2/21/2028	300,000	301,393	301,887	4.3
Honda Auto Receivables Owner Trust	ABS	3/12/2025	9/21/2029	800,000	804,104	802,656	4.4
Bank of America Corporation	Corporate	3/12/2025	2/7/2030	500,000	486,521	483,395	4.9
JPMorgan Chase & Co.	Corporate	3/12/2025	1/23/2030	500,000	505,553	502,615	4.9
American Express Credit Master Trust	ABS	3/14/2025	7/15/2027	400,000	403,346	403,031	4.7
John Deere Owner Trust	ABS	3/14/2025	3/15/2029	400,000	405,789	405,531	5.3
International Bank for Recon and Dev	Supranational	3/14/2025	3/20/2030	600,000	601,227	597,960	4.2
FHLMC	Agency CMBS	3/13/2025	10/25/2029	1,000,000	926,977	922,578	4.4
Government of The United States	US Treasury	3/20/2025	3/15/2028	1,500,000	1,499,766	1,497,480	3.9
AbbVie Inc.	Corporate	3/20/2025	3/15/2028	600,000	604,866	604,788	4.4

Investment Description	Issue	Purchase Date	Maturity Date	Par Value \$	Market Value \$	Purchase Price \$	Purchase Yield in %
State Street Corporation	Corporate	3/20/2025	2/28/2030	500,000	502,691	502,065	4.6
Total and Weighted Average Yield				\$ 60,902,312	\$ 60,618,689	\$ 60,248,026	4.4

Sonoma Clean Power
Statement of Transactions at USBank
 March 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq./Disp. Yield	Amount	Purchased/Sold Interest	Total Amount	Net Realized Gain/Loss
Buy	3/21/2025	00287YD2	600,000	ABBVIE INC 4.65 03/15/2028	101	4.35	604,788	1,938	(606,726)	\$ -
Buy	3/17/2025	02589BAE0	400,000	AMXCA 2024-3 A 4.65 07/15/2027	101	4.35	(403,031)		(403,135)	
Buy	3/13/2025	06051GHO5	500,000	BANK OF AMERICA CORP 3.97 4.02/07/2030		4.92	(483,395)	1,987	(485,382)	-
Buy	3/13/2025	3137FKUP9	500,000	FHMS K-087 A2 3.771 12/25/2028		4.26	(491,055)		(491,683)	
Buy	3/13/2025	3137FLN91	336,000	FHMS K-091 A2 3.505 03/25/2029		4.29	(326,261)		(326,654)	
Buy	3/18/2025	3137FO3Z4	1,000,000	FHMS K-101 A2 2.524 10/25/2029		4.41	(922,578)	1,192	(923,770)	
Buy	3/7/2025	31846V203	20,075,429	FIRST AMER:GVT OBLG Y		3.97	(20,075,429)		(20,075,429)	
Buy	3/12/2025	36271VAD9	300,000	GMALT 2025-1 A3 4.66 02/21/2028	101	4.30	(301,887)	1,165	(303,052)	-
Buy	3/13/2025	43814VAC1	800,000	HAROT 2025-1 A3 4.57 09/21/2029	100	4.41	(802,656)	3,250	(805,906)	
Buy	3/20/2025	459058LR2	600,000	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	100	4.20	(597,960)		(597,960)	
Buy	3/13/2025	46647PEB8	500,000	JPMORGAN CHASE & CO 5.012 01/23/2030	101	4.86	(502,615)	3,481	(506,096)	-
Buy	3/17/2025	47786WAD2	400,000	JDOT 2024-B A3 5.2 03/15/2029	101	4.49	(405,531)		(405,647)	
Buy	3/11/2025	532457CQ9	700,000	ELI LILLY AND CO 4.2 08/14/2029		4.36	(695,464)	2,205	(697,669)	
Buy	3/17/2025	571748CA8	500,000	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	100	4.69	(499,050)		(499,179)	
Buy	3/11/2025	756109CC6	300,000	REALTY INCOME CORP 3.4 01/15/2030		4.73	(282,867)	1,587	(284,454)	
Buy	3/21/2025	857477CW1	500,000	STATE STREET CORP 4.729 02/28/2030	100	4.61	(502,065)	1,511	(503,576)	
Buy	3/11/2025	89236TMR8	300,000	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	100	4.56	(299,823)	1,213	(301,036)	
Buy	3/18/2025	912797MS3	500,000	UNITED STATES TREASURY 10/02/2025		4.17	(488,910)		(488,910)	
Buy	3/14/2025	912797ND5	500,000	UNITED STATES TREASURY 05/01/2025		4.30	(497,188)		(497,188)	
Buy	3/14/2025	91282CEN7	500,000	UNITED STATES TREASURY 2.75 04/30/2027		3.96	(487,715)	5,090	(492,805)	
Buy	3/18/2025	91282CEW7	500,000	UNITED STATES TREASURY 3.25 06/30/2027		4.02	(491,680)	3,456	(495,136)	
Buy	3/14/2025	91282CGV7	500,000	UNITED STATES TREASURY 3.75 04/15/2026	100	4.06	(498,359)	7,727	(506,086)	
Buy	3/11/2025	91282CHA2	500,000	UNITED STATES TREASURY 3.5 04/30/2028		3.97	(493,086)	6,333	(499,419)	
Buy	3/18/2025	91282CHH7	500,000	UNITED STATES TREASURY 3.5 04/30/2028		4.05	(492,012)	6,671	(498,683)	
Buy	3/18/2025	91282CHH7	500,000	UNITED STATES TREASURY 4.125 06/15/2026		4.10	(500,117)	5,270	(505,387)	
Buy	3/14/2025	91282CHX2	500,000	UNITED STATES TREASURY 4.375 08/31/2028		4.00	(506,055)		(506,887)	
Buy	3/14/2025	91282CJT9	500,000	UNITED STATES TREASURY 4.0 01/15/2027		3.97	(500,215)	3,204	(503,419)	
Buy	3/18/2025	91282CJT9	500,000	UNITED STATES TREASURY 4.0 01/15/2027		4.06	(499,473)	3,425	(502,898)	
Buy	3/11/2025	91282CJV4	500,000	UNITED STATES TREASURY 4.25 01/31/2026		4.11	(500,605)	2,289	(502,895)	
Buy	3/11/2025	91282CKA8	800,000	UNITED STATES TREASURY 4.125 02/15/2027		3.95	(802,375)	3,099	(805,474)	
Buy	3/21/2025	91282CKA8	500,000	UNITED STATES TREASURY 4.25 02/28/2029		3.96	(503,125)	1,039	(504,164)	
Buy	3/18/2025	91282CKD2	500,000	UNITED STATES TREASURY 4.25 02/28/2029		4.08	(497,676)	1,398	(499,074)	
Buy	3/14/2025	91282CLG4	500,000	UNITED STATES TREASURY 3.75 08/15/2027		3.95	(497,676)	8,125	(495,859)	
Buy	3/18/2025	91282CLN9	500,000	UNITED STATES TREASURY 3.5 09/30/2029		4.10	(487,734)	7,933	(504,144)	
Buy	3/14/2025	91282CLP4	500,000	UNITED STATES TREASURY 3.5 09/30/2026		4.01	(496,211)	5,738	(507,520)	
Buy	3/18/2025	91282CLO2	350,000	UNITED STATES TREASURY 3.875 10/15/2027		4.03	(348,660)	4,230	(354,398)	
Buy	3/11/2025	91282CMD0	500,000	UNITED STATES TREASURY 4.375 12/31/2029		4.03	(507,520)		(511,750)	
Buy	3/21/2025	91282CMS7	1,500,000	UNITED STATES TREASURY 3.875 03/15/2028		3.94	(1,497,480)		(1,498,428)	
Buy	3/12/2025	92970OAE5	300,000	WFCIT 2024-2 A 4.29 10/15/2029		4.21	(300,867)		(301,832)	
Sell	3/16/2025	31846V203	(20,104,640)	FIRST AMER:GVT OBLG Y		3.95	20,104,640		20,104,640	

Attachment 5: Statement of Investments Held at River City Bank

Sonoma Clean Power
Statement of Investments Held at River City Bank
 As of March 31, 2025

Investment Description	Purchase Date	Maturity Date	Interest Rate	Purchase Price	Yield to Maturity	Most Recent Price (MTM)	% Total Portfolio
River City Bank CDARS, 52 weeks	8/22/2024	8/21/2025	4.53%	\$7,000,000	4.63%	\$7,000,000	10%
River City Bank CD, 2 years	9/1/2024	9/1/2026	4.25%	10,000,000	4.40%	10,215,967	14%
River City Bank CD, 2 years	9/10/2024	9/10/2026	3.75%	20,000,000	3.88%	20,380,641	29%
River City Bank CDARS, 52 weeks	9/26/2024	9/25/2025	3.59%	12,000,000	3.66%	12,000,000	17%
River City Bank CDARS, 52 weeks	10/17/2024	10/16/2025	4.28%	7,000,000	4.37%	7,000,000	10%
River City Bank CDARS, 52 weeks	2/13/2025	2/12/2026	4.39%	10,000,000	4.49%	10,000,000	14%
River City Bank CDARS, 52 weeks	3/27/2025	3/26/2026	4.19%	3,000,000	4.28%	3,000,000	4%
Total				\$69,000,000		\$69,596,608	100%
Weighted Average Interest and Yield			4.04%		4.15%		

*Most Recent Price (MTM) does not include accrued interest for CDARS

Sonoma Clean Power
Statement of Transactions at River City Bank
 March 2025

<u>Transaction Type</u>	<u>Investment Description</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Interest Paid</u>	<u>Total Amount</u>	<u>Realized Gain</u>	<u>Realized Loss</u>	<u>Yield</u>
Maturity	River City Bank CDARS, 26 weeks	9/26/2024	3/27/2025	3,000,000	\$67,460	\$3,067,460	\$67,460	\$0	4.56%
Buy	River City Bank CDARS, 52 weeks	3/27/2025	3/26/2026	3,000,000	-	\$3,000,000	\$0	-	4.28%

Attachment 7: Statement of Investments Held at the Local Agency Investment Fund

Sonoma Clean Power
Statement of Investments Held at the Local Agency Investment Fund
As of March 31, 2025

Investment Description	Ending Balance	Yield	Market Value
Local Agency Investment Fund	\$28,616,581	4.31%	\$28,605,764



Staff Report - Item 03

To: Sonoma Clean Power Authority Board of Directors

From: Garth Salisbury, Chief Financial Officer
Geof Syphers, Chief Executive Officer
Chris Golik, Senior Finance Manager

Issue: Approve the Proposed Annual Budget for Fiscal Year 2025-2026

Date: May 8, 2025

Recommendation

Approve the proposed Fiscal Year 2025-2026 Annual Budget.

Summary

The draft budget and rate setting parameters were well received by the Community Advisory Committee and the Board of Directors at their respective meetings, and no suggestions for financial changes were advised. This report continues to include detailed background for reference, but no changes were made to the budget.

Staff propose a budget for Fiscal Year 2025-2026 from July 1, 2025, through June 30, 2026, that:

- Plans for SCP's next rate change on or about February 1, 2026
- Aims to provide SCP customer bill savings of 7% on total electric bills relative to PG&E's bundled customers through January 31, 2026 (subject to no significant adverse outcomes)
- Returns a portion of excess collections above SCP's long-term reserve target to ratepayers

Background

Staff presents a budget for Fiscal Year 2025-2026 that continues to fulfill SCP's adopted goals for providing electricity from very low greenhouse gas sources,

investing in renewables, operating the Customer Center, beginning to utilize the local investment fund, and delivering a broad set of customer services and incentives.

From the outset, SCP has held a high standard for its operations - usually far in advance of State requirements, such as creating EverGreen in 2014, the nation's first electric supply that provides 100% local renewable energy 24/7 without any reliance on fossil energy sources for any purpose.

From its inception until early 2020, SCP had been able to provide customers with lower overall bills each year. This was achieved by offering significantly lower electric generation rates to all customer classes to more than offset the Power Charge Indifference Adjustment (PCIA) fee PG&E charges SCP customers. These low generation rates have resulted in tens of millions in customer bill savings since 2014. From May 2020 through March 2022, SCP had to set rates resulting in customer bills slightly above PG&E, with the premium ranging up to 5% of total electric bills. SCP was able to eliminate that premium in April of 2022, and began targeting a 5% savings on total electric bills with the rate adjustment on February 1, 2023. Since then, SCP has been able to offer its customers total bill savings of between 3% and 7% below PG&E's bundled customers.

SCP's Board of Directors voted on December 5, 2024, in favor of amending Financial Policy B.2 to increase target reserves from 280 days to 365 days of annual budgeted operating expenses, setting rates following Board-approved parameters, and to make an allocation to SCP's local investment fund.

SCP's rate adjustment on February 1, 2025, increased total electric bill savings for customers to a target of 7%.

It is important to note that this forecast is based on the best information available currently, and that the PCIA fee is extremely difficult to forecast for several reasons. First, the PCIA can be influenced by PG&E's decisions, for example, whether to offer excess resource adequacy (RA) into the market or not. Those decisions impact the PCIA fee on our customers and are made solely at the discretion of the investors of a company that has a history of opposing CCAs. Second, the regulatory rules of how the PCIA is calculated can change rapidly and will likely continue to change over the coming years. A proposal to radically increase the PCIA is currently pending at the CPUC, for example. And finally, the PCIA is highly dependent on the market price of natural gas power and capacity, which itself fluctuates significantly with the commodity price of gas. For these reasons, staff will regularly update the Committee and Board on the PCIA as new information becomes available.

Rate Setting

This item is limited to SCP's annual budget. But since rate setting and budgeting are closely linked, it is important to understand how SCP sets rates.

Step 1. Revenue Requirement: Identify the Revenue Requirement for SCP to provide its essential services and meet its Board's adopted plans and policies. The budgeting process is used to identify the Revenue Requirement.

Step 2. Ratesetting: Ratesetting is generally done in November or December for implementation on or about February 1 of the following year. This delay allows any necessary mid-year correction to the Revenue Requirement before setting rates. Importantly, the allocation of the Revenue Requirement is made by setting a particular percentage premium or savings on total electric charges relative to the most recently authorized CPUC rates for PG&E and then adjusting that premium or savings until SCP's forecast revenues match the agency's Revenue Requirement.

At this time, staff do not expect to recommend a rate adjustment until February 1, 2026. However, SCP's rates are always subject to change as forecasts of expenses and revenues are never perfect.

Budget Overview

The Fiscal Year 2025-2026 proposed budget presented in this item seeks to:

- Procure a supply portfolio of electricity generation that meets the Board's adopted plans and policies. Note that a detailed review of SCP's long-term procurement plan will occur as part of updating the agency's Integrated Resource Plan late in 2025.
- Emphasize customer incentives and education that help cut the use of gasoline and natural gas, as these actions are often the most affordable ways to cut greenhouse gas emissions today.
- Expand customer outreach through improved market research and listening to our various communities.
- Expand community education activities.
- Increase emphasis on ensuring all of SCP's communities know about and have access to incentives and education.

- Promote the Customer Center and further develop the Center into a valuable community resource.

Community Advisory Committee Review

The Committee reviewed and voted unanimously to recommend the Proposed Budget to the Board.

Proposed Budget

The Proposed Budget is presented 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.

	Revised Budget FY24-25	Proposed Budget FY25-26	Comments
REVENUES & OTHER SOURCES			
Electricity Sales ¹ (net of allowance)	\$ 258,001,000	\$228,694,000	SCP customer target savings of approximately 7% vs. PG&E on total electric bill through January 2026
EverGreen Premium ² (net of allowance)	2,700,000	3,150,000	
CEC Grant Proceeds	-	863,000	California Energy Commission (CEC) grant for Virtual Power Plant Approaches for Flexibility (VPP-FLEX)
Investment Returns	13,853,000	12,000,000	
Miscellaneous Income	1,000,000	-	- California Public Utilities Commission (CPUC) funds for program implementation ended in FY24-25
Total Revenues	275,554,000	244,707,000	
EXPENDITURES			
Product			
Cost of Energy & Scheduling ³	183,989,000	234,986,000	Higher market price of energy, severe weather contingency, and expiration of favorable contract
Data Management	3,670,000	3,359,000	Full year with new service provider
Service Fees to PG&E	990,000	990,000	
Product Subtotal	188,649,000	239,335,000	
Personnel	11,490,000	12,781,000	See details in write-up
Marketing & Communications	3,379,000	3,915,000	Website and program campaigns
Customer Service	220,000	220,000	
General & Administration	1,832,000	2,309,000	Credit facility undrawn fees and software licenses
Other Professional Services			
Legal	475,000	525,000	Procurement contracts
Regulatory & Compliance	460,000	360,000	Lower fees for regulatory consulting
Accounting	312,000	340,000	
Legislative	220,000	220,000	
Other Consultants	535,000	535,000	
Other Professional Services Subtotal	2,002,000	1,980,000	

	Revised Budget FY24-25	Proposed Budget FY25-26	Comments
EXPENDITURES - continued			
Industry Memberships & Dues	888,000	888,000	
Program Implementation ⁴	10,136,000	6,481,000	See details in write-up
Total Expenditures	218,596,000	267,909,000	
Revenues Less Expenditures	56,958,000	(23,202,000)	
OTHER USES			
Capital Outlay	500,000	7,022,000	Utilization of local investment fund and upgrades to office building purchased in FY23-24
Total Expenditures, Other Uses	219,096,000	274,931,000	
Net Increase/(Decrease) in Fund Balance	\$ 56,458,000	\$ (30,224,000)	

Notes on the Proposed Budget Table:

1. Revenues from electricity sales are net of the allowance for uncollectible accounts, estimated to be 2.1%.
2. The EverGreen premium covers the incremental cost of EverGreen power above the cost for CleanStart. The rest of the revenues for EverGreen customers appear in the Electricity Sales line item.
3. The Cost of Energy and Scheduling includes NetGreen and Solar Billing Plan costs, ProFIT payments, California ISO fees and scheduling as well as all energy and capacity costs.
4. Funds approved by the Board to be loaned to customers, and funds paid back to SCP, are treated as balance sheet items and are not on the income statement.

Further details on each of the proposed budget categories are as follows.

Information Only - Supplemental to the Proposed Budget

Revenues and Other Sources

The primary source of income is from the retail sale of electricity to CleanStart and EverGreen customers. Customers of both services provide all the Electricity Sales revenue. EverGreen costs 2.5 cents per kWh over the price 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 86% 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 tend to go up and down together.

PG&E is currently expected to reduce their generation rates and increase the PCIA fee that they charge to SCP customers on January 1, 2026. Correspondingly, staff anticipates that SCP will reduce rates on or about February 1, 2026. Despite the reduction in SCP's generation rates, total bill savings for SCP Customers is expected to be reduced from the current 7% savings target due to PG&E's anticipated rate changes.

Staff estimates uncollectable billings at 2.1%.

Expenditures

Product

Cost of Energy and Scheduling includes all the various services purchased from the power market through our suppliers. This includes energy, long term renewable power purchase agreements, ProFIT feed-in-tariff projects, capacity (resource adequacy), short term renewable and carbon free contracts (aka hydropower), scheduling services, CAISO fees, and other miscellaneous power market expenses.

SCP has entered into renewable and low carbon contracts with suppliers that will meet approximately 45% of its expected energy. SCP's cost of energy is expected to increase in 2025 when an existing fixed-price contract ends, and SCP is more exposed to current higher market prices of energy. Compared to recent years, SCP has a higher cash-flow exposure to the monthly fluctuations in energy market prices,

but a lower actual long-term financial exposure due to the delayed offsetting nature of the PCIA.

SCP closed a renewable energy prepayment transaction in November 2024, which will help to offset higher power costs. It will save SCP's ratepayers a total of \$47 million over the initial 7 ½ years of the transaction, including savings of over \$6 million in fiscal year 2025-2026.

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 and Solar Billing Plan overproduction. However, none of this production is reportable on SCP's Power Content Label because it is treated as a load reduction rather than supply energy under California regulations.

Based on current rates of participation, the total payout amount for SCP's NetGreen and Solar Billing Plan solar customers is estimated to be about \$1,750,000 for the fiscal year.

The primary price risks are related to forecast error, changes in rates of customer participation, Public Safety Power Shutoffs (PSPS), shutoffs due to Enhanced Powerline Safety Settings (EPSS), variable generation output of solar and wind resources, generation curtailment risks, forward pricing of peak and off-peak unhedged energy, unprocured resource adequacy, and legislative and regulatory risks (e.g., PCIA fees).

Scheduling Coordinator services are provided by Northern California Power Agency. The charges for this service are included together with energy and resource adequacy in the budget. 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 several other market and regulatory requirements. The impact on budgeting is that invoices and credits occur several months (and sometimes for up to two years) following a given month of service.

Data Management includes a broad scope of services provided by contract through Sacramento Municipal Utility District (SMUD), including billing data validation, bill coordination with PG&E, billing management of special programs (e.g., NetGreen, Solar Billing Plan, 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.

Service Fees to PG&E consist of a charge of \$0.35 per account per month (including a \$0.21 per account service fee and a \$0.14 per account meter data management fee). There are also numerous small fees associated with data requests. 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).

Personnel

Personnel costs include direct salaries, benefits, workers compensation premiums, Social Security, and payroll taxes. During late 2024 and early 2025, Sonoma Clean Power leadership continued to look to the future and added a Capital Projects Director to research local renewable power and storage opportunities. An engineer will be hired during 2025 to fill out that team. We have expanded and strengthened our Legislative, Risk, Finance, Regulatory and Public Relations and Marketing teams, along with adding in-house expertise in transmission-related aspects of new generation and storage resource development activities. In addition, staff salaries were adjusted to remain competitive with other energy-related employers.

Marketing and Communications

In fiscal year 2025-2026, Sonoma Clean Power will focus on increasing awareness and engagement with our suite of customer programs, with GridSavvy Alerts as the flagship initiative. Our annual and seasonal GridSavvy Alerts campaign will be complemented by additional efforts supporting the California Energy Commission's VPP Flex Grant, a four-year initiative awarded to SCP.

A comprehensive website redesign will be a significant initiative, planned to begin this fiscal year, aimed at improving navigation, functionality, and the overall effectiveness of our primary communication platform. This redesign will enhance customer engagement and better support our communication efforts.

To deepen our understanding of customer needs, SCP will continue conducting market and demographic research through surveys and focus groups. Insights from this research will guide a new customer onboarding campaign designed to increase awareness of SCP's offerings, personalize communications, and boost participation in programs and services.

SCP is expanding our commitment to youth education and workforce development, particularly in the STEM fields, the building trades, and clean energy careers. This year, we are investing in Schools Rule Mendocino County and the North Coast Builders Exchange’s North Bay Construction Corps, alongside our ongoing partnerships with Sonoma Water, the Career Technical Education Foundation, and the LIME Foundation. These efforts empower students to build a sustainable future while pursuing meaningful careers.

Throughout the fiscal year, our marketing strategy will focus on enhancing public understanding of SCP’s mission and the benefits we provide to customers, our communities, and the environment. This will be achieved through targeted marketing campaigns driven by customer insights, strategic public and media relations efforts, community engagement through sponsorships and service/volunteerism, listening and responding to customer needs through thoughtful communications.

By leveraging data-driven strategies and strengthening community partnerships, SCP aims to maximize our impact and continue leading the transition to a clean energy future.

A breakdown of budgeted spending is provided below. Note that a significant majority of all Marketing, PR & Events funds also go to local organizations and contractors, including printers, writers, graphic designers, radio stations, social media support, web programmers, caterers, photographers, carpenters, painters, etc.

Marketing, PR, & Events	\$2,983,000
Partnerships	\$600,000
Sponsorships	\$272,000
Memberships	\$60,000
Total	\$3,915,000

Customer Service

The customer service team works with customers via phone, email, walk-ins, and events which are the primary touchpoint for customers in the agency. The customer service team’s budget includes confirmation notices, annual required notices, and commercial customer appreciation.

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 postcard (weekly)
- Move-in notice letter (weekly)
- EverGreen confirmation notices (weekly)
- NetGreen welcome (weekly)
- Solar Billing Plan welcome (weekly)
- Opt-out confirmation - immediate notice (weekly)
- Opt-out confirmation - 6-month notice (weekly)
- Late payment notice (monthly)
- Pre-collections notice (monthly)
- Re-enrollment welcome letter (weekly)
- Opt-down to CleanStart (weekly)

The customer service budget also reflects two required mailings by the CPUC and CEC:

- Joint Rate Mailer that compares SCP and PG&E's rates and power mixes (annually)
- California Energy Commission's Power Content Label that compares SCP to California's power mix (annually)

Finally, the commercial customer appreciation budget is used to help commercial EverGreen customers gain attention for the leadership in switching to 100% local, renewable energy.

Other Professional Services

Legal

This covers attorney expenses for general governance plus power supply negotiations and any other legal issues that arise.

Regulatory & Compliance

This category includes technical research into CPUC rate cases, resource adequacy, PCIA and other key issues. It includes technical and legal consultants for compliance filing preparation, review, and filings.

Accounting

Accounting includes services from two providers. Maher Accountancy provides the day-to-day accounting for SCP, including generation of financial statements and consolidated reports. SCP also have an outside auditor review our financial statements each year.

Legislative

Staff retain a Sacramento legislative lobbyist. These costs also include coverage for tracking and advancing bills in the legislative session that affect SCP and the energy industry directly. The statewide CalCCA trade association continues to allow SCP to track and participate in legislative work that affects CCAs across the state, and the addition of a Legislative Manager in 2024 further strengthens SCP's state engagement. Some very limited federal and state lobbying on the GeoZone is also included. One change of note this year is SCP's retention of K Street Consulting. This Sacramento-based advocacy firm has extensive experience advocating on behalf of Tribal communities across the State. By virtue of this work, K Street has strong collaborative relationships with many Tribes. SCP retained K Street to strategically advise staff on outreach to sovereign Tribes in SCP's service territory. This work is underway and staff, working in conjunction with our Board, have had initial engagement meetings with two Tribes.

Other Consultants

Other Consultants cover costs related to outside services needed for basic internal operations, such as: IT services/repairs, nighttime security for the Business Office building and the Customer Center, administration fees for our insurance benefits and retirement plans, consultants for mandatory training, and the collection agency SCP uses for past-due accounts.

Industry Memberships and Dues

The CalCCA trade association is an important entity for sharing the costs of legislative, regulatory, and analytic work. The association has been instrumental in

improving SCP's effectiveness at the CPUC on matters including the PCIA, resource adequacy, and in the legislature on organizing and providing direction to lobbyists and requesting action.

SCP is a member of CC Power, the joint powers authority formed with other CCAs to jointly procure power. SCP is also a member of the American Public Power Association (APPA). This is a nationwide association of public power entities, with a membership category for CCAs nationwide. In 2024, SCP became a member of California Community Choice Financing Authority (CCCFA) to facilitate energy prepayment transactions that will enable SCP to deliver meaningful cost savings to customers over the long-term.

Programs

The Programs portfolio budget is less than the previous fiscal year primarily due to two programmatic changes. SCP halted a battery storage optimization program because it did not meet performance objectives, and a CPUC-funded energy efficiency program ends on June 1, 2025.

Despite the discontinuation of these two offers, the Programs portfolio is expanding in other ways and intends to maintain momentum from the previous fiscal year. SCP will be increasing incentives and strategies to install automated devices with GridSavvy Rewards for low-income customers in a manner that produces lower total capacity costs for all ratepayers. This work will be funded, in part, by a California Energy Commission grant. SCP will continue to offer numerous programs that assist our customers with their energy-related needs. These including Energy Savings Boxes, GridSavvy Rewards, Non-Profit EV Incentives, Electrification rebates Advanced Energy Build, Multifamily Housing Electric Panel Upgrades, EV Daily Managed Charging, Community Charge, and Workplace Charging Research Project. For a complete list of SCP's offer and incentives, rationale, and performance metrics, reference the [2025 Strategic Action Plan](#).

Consistent with the Board of Directors' input in the FY 24-25 budget, the Programs portfolio includes a goal to expend 25% of the budget towards CARE, FERA, and Empower communities to support SCP's most vulnerable customers in their energy needs.

Other Uses

Capital Outlay includes upgrades and renovations for the office building adjacent to the Business Office that was purchased in FY23-24, new projects identified by the Capital Projects department, as well as equipment costing more than \$5,000.

Debt Service

SCP currently carries no debt. SCP is in the process of securing a line of credit to further mitigate short-term variability in power costs and the consequent effect on customer rates.

Net Increase / (Decrease) in Available Fund Balance

Staff are planning for a net decrease in the available fund balance, which reflects the return of a portion of excess ratepayer collections above SCP's long-term reserve target.

THREE-YEAR OUTLOOK

This three-year outlook is subject to significant modification as new information is available regarding PCIA and the market price of energy.

	Revised Budget FY24-25	Proposed Budget FY25-26	Forecast FY26-27	Forecast FY27-28	Forecast FY28-29
REVENUES & OTHER SOURCES					
Electricity Sales (net of allowance)	\$ 258,001,000	\$228,694,000	\$263,200,000	\$299,330,000	\$317,310,000
EverGreen Premium (net of allowance)	2,700,000	3,150,000	3,180,000	3,210,000	3,240,000
CEC Grant Proceeds	-	863,000	1,370,000	1,370,000	1,370,000
Investment Returns	13,853,000	12,000,000	8,400,000	6,750,000	6,750,000
Miscellaneous Income	1,000,000	-	-	-	-
Total Revenues	275,554,000	244,707,000	276,150,000	310,660,000	328,670,000
EXPENDITURES					
Product					
Cost of Energy & Scheduling	183,989,000	234,986,000	259,600,000	270,200,000	286,700,000
Data Management	3,670,000	3,359,000	3,390,000	3,420,000	3,450,000
Service Fees to PG&E	990,000	990,000	1,000,000	1,020,000	1,040,000
Product Subtotal	188,649,000	239,335,000	263,990,000	274,640,000	291,190,000
Personnel	11,490,000	12,781,000	13,680,000	14,500,000	15,370,000
Marketing & Communications	3,379,000	3,915,000	3,660,000	3,810,000	3,960,000
Customer Service	220,000	220,000	220,000	220,000	220,000
General & Administration	1,832,000	2,309,000	2,400,000	2,500,000	2,600,000
Other Professional Services					
Legal	475,000	525,000	540,000	560,000	580,000
Regulatory & Compliance	460,000	360,000	370,000	380,000	390,000
Accounting	312,000	340,000	350,000	360,000	370,000
Legislative	220,000	220,000	230,000	240,000	250,000
Other Consultants	535,000	535,000	550,000	570,000	590,000
Other Professional Services Subtotal	2,002,000	1,980,000	2,040,000	2,110,000	2,180,000
Industry Memberships & Dues	888,000	888,000	910,000	940,000	970,000
Program Implementation	10,136,000	6,481,000	7,210,000	7,440,000	7,680,000
Total Expenditures	218,596,000	267,909,000	294,110,000	306,160,000	324,170,000
Revenues Less Expenditures	56,958,000	(23,202,000)	(17,960,000)	4,500,000	4,500,000
OTHER USES					
Capital Outlay	500,000	7,022,000	4,500,000	4,500,000	4,500,000
Total Expenditures, Other Uses	219,096,000	274,931,000	298,610,000	310,660,000	328,670,000
Net Increase/(Decrease) in Fund Balance	\$ 56,458,000	\$ (30,224,000)	\$ (22,460,000)	\$ -	\$ -



Staff Report - Item 04

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: May 8, 2025

Background

The Geothermal Opportunity Zone (GeoZone) is SCP's initiative to secure affordable, reliable clean energy for our customers by building 600 megawatts of new geothermal power capacity in Sonoma and Mendocino Counties. This will eventually 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>.

Cooperation Agreements

After receiving approval from the Board in April, staff executed a mutual termination agreement with Cyrq Energy ending their role as a GeoZone partner. Staff are progressing discussions with the other GeoZone partners on either termination or the structure of an extended cooperation agreement. Staff are anticipating soliciting at least one and perhaps multiple new GeoZone industry partners. However, to set that solicitation up for success staff is focusing on progressing the geothermal legislative package, leading local transmission advocacy, networking with the broader

geothermal industry, and identifying opportunities to address financial barriers to early project investment.

Geothermal Rising Exhibit

Sonoma Clean Power is a member of Geothermal Rising, the main professional and educational association for the geothermal community and public. One of their efforts includes a traveling geothermal museum exhibit that moves around between members.

Geothermal Rising reached out to SCP with the offer to house the exhibit for a 2 to 6-month period. Staff are currently working through the logistics and determining an area in the Customer Center where the exhibit could be placed. If all goes to plan, SCP will receive the exhibit within the next month and use the opportunity to invite customers and the community to visit the display.

The exhibit highlights three main uses of geothermal: 1) power generation, 2) heating and cooling, and 3) agriculture and industry. So far, the exhibit has spent time in Imperial Valley and Kona Hawaii. SCP's Customer Center will be its third destination.



Staff Report - Item 05

To: Sonoma Clean Power Authority Board of Directors

From: Kimberly Beltran, Technical Program Manager

Issue: Approve and Delegate Authority to the Chief Executive Officer or his Designee to Execute a Contract with Prospect Silicon Valley with a Not-to-Exceed Amount of \$393,001 for a Four-Year Demonstration Project in accordance with Sonoma Clean Power's Virtual Power Plant Grant through the California Energy Commission

Date: May 8, 2025

Recommendation

Approve and delegate authority to the CEO to execute a contract with Prospect Silicon Valley with a not-to-exceed amount of \$393,001 for a four-year demonstration project in accordance with SCP's Virtual Power Plant grant through the California Energy Commission.

Background

On October 4, 2024, Sonoma Clean Power (SCP) was awarded the California Energy Commission's Electric Program Investment Charge (EPIC) for Virtual Power Plant Approaches for Flexibility (VPP-FLEX) grant. The objective of the VPP-FLEX grant is to fund demonstrations of community-based virtual power plant approaches. SCP's approved project focuses on equity, expanding automated smart device enrollment in GridSavvy Rewards for customers in low-income and disadvantaged communities (DACs). SCP's VPP-FLEX application was awarded \$4,995,640 in addition to \$1,091,000 match funding for a total grant budget of \$6,086,640.

Discussion

A key component of SCP's VPP-FLEX project involves a demonstration of smart electrical panels paired with modular plug-in battery storage installed at a multifamily affordable housing site located within a disadvantaged community. This pilot aims to lower energy costs for residents, enhance grid flexibility, and enable electrification while avoiding costly service upgrades.

Prospect Silicon Valley (ProspectSV), included as a sub-recipient in SCP's original grant application, will lead this demonstration project because of their technical expertise in load flexibility and EPIC grant implementation. ProspectSV's responsibilities will include:

- **Project Implementation & Coordination:** Lead the planning, design, stakeholder outreach, and management of the demonstration project, acting as task manager and coordinating with SCP, developers, contractors, and other sub-recipients to meet CEC project milestones,
- **Technical Development & Execution:** Conduct feasibility studies, identify permitting requirements, develop and finalize the Project and Testing Plan, and support design and engineering, ensuring compliance with electrical, code, and safety standards,
- **Procurement, Construction & Oversight:** Support contractor/vendor selection, develop and maintain construction schedules, participate in pre-construction meetings, track construction progress, manage stakeholder communication, and ensure documentation is complete,
- **Testing, Reporting & Outreach:** Coordinate data collection efforts with partners, prepare and finalize the Data Collection Memo, support demonstration outreach planning and reporting, and assist in knowledge transfer activities including case studies, presentations, and photo documentation.

These activities are detailed in the draft contract (Attachment 1).

Fiscal Impact

There is no net fiscal impact on this item, as the project with ProspectSV is fully grant funded.

Community Advisory Committee Review

Due to time sensitivity, this item was not presented to the Committee for formal review. However, the Committee has received regular updates on the grant components and remains supportive of the work.

Attachments

- Attachment 1 - Draft Contract with ProspectSV, available at [this link](#) or by request to the Clerk of the Board

Page intentionally left blank for double-sided printing



Staff Report - Item 06

To: Sonoma Clean Power Authority Board of Directors

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

Issue: Receive Internal Operations Report and Provide Direction as Appropriate

Date: May 8, 2025

PROGRAMS UPDATES

Workplace Charging Research Project - Site Selection Underway

Following the successful implementation of the first round of Workplace Charging Research Project that began in 2024, SCP has streamlined the process and received interest from 20 local employers. In the coming weeks, SCP will notify successful applicants who will move forward with the program. The updated program focuses on smaller workplace installations with 4 charging ports per site, testing ways to minimize costs through optimal sizing and shared circuit options. Full program details are available at <https://sonomacleanpower.org/programs/workplace-charging> .

This program helps shift charging to daytime hours when renewable energy is abundant, provides convenient charging for employees without home options, and supports employers in offering amenities that align with their sustainability goals. Successful applicants will be notified by **May 16, 2025**. Questions can be directed to programs@sonomacleanpower.org.

421 E STREET - OFFICE UPDATE

The architectural and engineering team contracted by SCP has completed the Design Development phase of SCP's 421 E Street office renovation. The project is in Design Review with the City of Santa Rosa Planning Division. Construction documents are expected to be completed by June 2025, with a public contract bidding process commencing thereafter. Once a contractor is selected and under contract, the construction timeline is expected to take 3-4 months to complete.

MARKETING AND COMMUNITY RELATIONS

Helping Local Food Banks

In response to the \$500 million in federal funding cuts impacting food banks in Sonoma and Marin counties, Sonoma Clean Power is making an additional round of donations to food banks within our service territory. These contributions are in addition to our traditional holiday-season donations and reflect our ongoing commitment to supporting community well-being during times of heightened need.

KZST Studio Naming Rights

Market research indicates that while SCP enjoys high brand awareness, there remains low public understanding around our purpose, how we differ from PG&E, and whether we represent an additional cost on customer bills. To address this, SCP is implementing a series of strategies to clarify our role and enhance community understanding.

One such initiative involves partnering with Sonoma County radio station 100.1 FM KZST by securing exclusive naming rights to their studio. This opportunity provides a high-visibility platform for continuous brand reinforcement and public education, and includes the following benefits:

- Top-of-the-hour name mention every hour, 24/7 (168 times per week)
- Two 60-second commercials per day during peak listening hours (8 AM and 5 PM), customized with SCP messaging (14 times per week)
- Prominent placement on KZST's website, including logo and link to sonomacleanpower.org (2,000 unique visitors per month)
- SCP-branded signage inside the KZST studio
- Quarterly on-air interviews with an SCP representative alongside morning host Debbie Abrahms
- On-site presence at all SCP-approved KZST events, with brand activation handled by SCP

Additional strategies are currently in development to further support these efforts.

UPCOMING MEETINGS

- Community Advisory Committee - May 15, 2025
- Board of Directors - June 5, 2025
- Community Advisory Committee - June 12, 2025 (off cycle due to Juneteenth holiday closure)
- Board of Directors - July 3, 2025

Page intentionally left blank for double-sided printing



Staff Report - Item 07

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: May 8, 2025

Requested Action

Receive legislative and regulatory updates, approve legislative positions, and provide direction as appropriate.

Regulatory Updates

[California Public Utilities Commission Judge Issues Ruling Seeking Comments on Potential Changes to Power Charge Indifference Adjustment](#)

On February 20, 2025, the Commission issued an Order Instituting Rulemaking (OIR), Rulemaking (R.) 25-02-005, to Update and Reform the Power Charge Indifference Adjustment (PCIA) Calculation. As background, this is the fee which for-profit utilities in California are allowed to charge all customers within their distribution service territory, regardless of which entity they receive generation service from (e.g., IOU, CCA, or Energy Service Provider). The charge is to prevent the utility from suffering any unavoidable losses on long-term contracts they signed which are now out of market. The degree to which they are out of market is re-calculated every year based on observed costs for energy, Renewable Energy Credits, and Resource Adequacy. This creates significant rate volatility for all customers.

The OIR established a two-track schedule for consideration of the Rulemaking. In Track One, the Commission will consider changes to the financial credit which CCA customers receive in exchange for their contribution to for-profit utilities' Resource Adequacy (RA). Staff developed 5 concepts for consideration. These are not mutually

exclusive, and any combination of the 5 could be adopted. Most would improve the accuracy and granularity of the credit. However, one proposal would deviate from using current market prices to calculate the value of Resource Adequacy. Instead, current and historical market prices would be used to derive the value in a given year. As Resource Adequacy prices were at extreme levels last year, including these historical transactions from earlier, cheaper years would reduce the credit granted to CCA customers.

Staff have deep concerns that changing the way the PCIA is calculated based on current market conditions is harmful and pits one group of customers against another. The normal course of the PCIA fee is that it rises when market prices drop and drops when market prices rise. Staff have concerns that using historical and not current values will result in less accurate charges or credits. This inherently leads to overcharging one group of customers and undercharging another group.

The Commission intends to make modifications to the RA credit on an expedited basis. Most concerning, though, is that they are considering implementing changes *retroactively*. Thus, the financial credit due to CCA customers based on current prices would not be fully granted to them. On April 21st, SCP Staff working in conjunction with CalCCA submitted an opening brief. That brief highlighted that retroactive ratemaking is not merely a poor policy but legally vulnerable.

The assigned judge intends to issue a Proposed Decision for comment in May. SCP staff will continue to advocate for transparent policy making which supports stable rates for all customers in Sonoma and Mendocino Counties.

Legislative Updates

Sonoma Clean Power is sponsoring three geothermal bills in the California Legislature this year, in partnership with Fervo Energy, the International Union of Operating Engineers, and others: Assembly Bills 526 (Papan), which would direct the state to develop a strategic plan to drive the development of new geothermal resources; AB 527 (Papan), which would mirror federal policy by exempting geothermal exploration wells meeting a high standard of environmental stewardship from review under the California Environmental Quality Act; and AB 531 (Rogers), which would allow proposed geothermal power plants to be approved through an existing “one-stop shop” process at the California Energy Commission. AB 526 & 531 recently passed both the Assembly Utilities and Energy Committee and the Natural Resources Committee with unanimous, bipartisan support. At the time of writing, AB 527 is pending hearing in the Assembly

Natural Resources Committee. SCP staff are engaging with a wide variety of stakeholders and potential supporters and opponents to try and move this legislation forward. After passing the policy committees of jurisdiction, all three bills will be heard in the Assembly Appropriations Committee.

Attachments

- Attachment 1 - SCP Letter on Bridge to Future 2025-04-10



P.O. Box 1030, Santa Rosa, CA 95402

April 10, 2025

Chancellor Mildred García and the California State University Board of Trustees
California State University
401 Golden Shore
Long Beach, CA 90802

Re: Sonoma State “Bridge to the Future” Plan – Advocating for Focused Reinvestment
April 9, 2025

Dear Chancellor García and Esteemed Trustees,

I write in response to Sonoma State University’s “Bridge to the Future” Action Plan. I first want to acknowledge and appreciate your commitment to sustaining SSU as an independent, high-quality institution serving our region. Your proposal to financially stabilize the university by consolidating administrative costs across three Bay Area campuses is a good start. But more is needed.

The challenges SSU faces are indeed daunting, and they are not unique. They reflect broader national trends that we must acknowledge.

Now that you’ve made broad cuts, I ask you to shift gears and reinvest in a narrower, more focused academic mission for SSU. We need something to believe in, and you need a compelling story to attract students and donors, and to retain faculty.

Sonoma State stands at a crossroads. Our long-term fate will depend on what we do next. I’ve reviewed the data. Our campus has been hit hard. SSU’s enrollment has dropped 38% since 2015. This is one of the largest declines in the entire CSU, and has led to a structural deficit.

The cuts you’ve made to solve this problem are deep. SSU is effectively absorbing a reduction of roughly one-third of its operating budget in one blow. Measures include shutting down six departments and 23 academic programs and issuing notices of non-renewal to 46 faculty (including tenured professors) and dozens of adjuncts, with additional staff and management layoffs. All told, this amounts to a 25% reduction in faculty workforce.

A triage to stabilize the budget crisis is devastating, and yet if these are the *only* cuts, SSU may be able to survive. But that is far from certain, and we know we cannot endure a second round of cuts. So far the “Plan” is vague and includes few details. The next step must be more courageous and include details so it can be refined.

To ensure SSU’s long-term viability, we urge the Chancellor and Trustees to now pivot from broad cuts toward targeted reinvestment in a focused academic mission. Sonoma State’s strength has always been greatest when it acted as a regional university closely tied to the needs of the North Bay. Now is the time to return to that strength. Rather than trying to be “everything to everyone” with dwindling resources, SSU should concentrate on a select range of programs that are aligned with regional workforce needs. By investing in these areas, we can attract students, meet local employer demand, and differentiate SSU within the CSU system.

In the spirit of Goal #2 from the Plan, launching four new high-demand academic programs within three years, consider building on the university's existing strengths.

Our region – via a partnership between Sonoma Clean Power and the Counties of Sonoma and Mendocino – is planning the construction of between \$6 and 8 billion of new next-generation geothermal power systems over the coming 10-20 years. The effort will require expert geologists, physicists and other scientists skilled in complex analysis, engineers and business professionals. SCP is already engaged with the skilled trades who will manage physical construction, but the design, engineering, supervision and finance of this work is expected to need several hundred people.

Our region is also experiencing a very strong demand for microgrids to keep the lights on during fires and through frequent power shut-offs. While the CalPoly Humboldt microgrid program is excellent, we have found they cannot possibly fill California's demand and that a regional scale-up of microgrid training is needed. Without a source of electrical engineers with knowledge of power systems, dozens of potential North Bay projects are currently not happening. One example of the many missed opportunities: the City of Fort Bragg experiences numerous power outages each year and has the only regional serving hospital. Yet we cannot begin that work due to a shortage of available talent.

Leveraging the core strengths of SSU's physics, electrical engineering, geology and economics faculty would respond to these regional demands. Consider filling two rapidly growing needs:

Geothermal Power – A focused program to train the spectrum of professionals needed in geothermal energy that leverages SSU's Geology, Physics and Electrical Engineering programs.

Microgrids – A focused program to train microgrid engineers, IT and policy professionals to fill a growing regional and statewide demand that leverages SSU's Electrical Engineering, Computer Science and Public Policy programs.

Sonoma County and the North Bay boast a growing tech and engineering sector – from advanced manufacturing to telecommunications – that needs skilled graduates. SSU's Electrical Engineering program, for instance, has an excellent track record: 85% of BSEE graduates find engineering jobs within six months of graduation, many with local companies. SSU's Physics department is a net contributor to the budget and has routinely brought in grants that pay for 100% of salaries and contribute to administrative costs, including over \$5 million in the past five years. The department also trains students in complex analysis, an essential skill for SCP's geothermal effort. These core programs would be valuable in both microgrids and geothermal industries.

Geology, Environmental Science, and Earth Systems: Our region's environmental resources and challenges (seismic activity, water resources, climate adaptation) make geology and earth science an indispensable field of study. Sonoma Clean Power is spearheading the regional initiative to build 600 MW of new geothermal energy in our area, an effort that will require hundreds of professionals. SSU is uniquely positioned to supply the geoscientists and environmental specialists for such projects – *if we maintain robust programs in geology and environmental science*. Reinvesting in these programs will directly support local efforts like the GeoZone and demonstrate SSU's value in combating the climate crisis.

Business and Public Policy: Sonoma State's Schools of Business and Public Policy have long played an important role in the regional economy. The graduates go on to manage local businesses, start their own companies, and lead in industries ranging from wine and tourism to banking and government. SSU's Public Policy training is needed to successfully roll out a regional microgrid industry because of the complex and unresolved policy issues of jurisdiction, finance and operation.

I respectfully call on the CSU Chancellor's Office and Board of Trustees to support targeted reinvestment in SSU's mission-critical programs, even as overall budgets remain tight. This could

include special funding allocations, expedited approvals for new high-demand programs, flexibility to reinvest savings into priority departments, and active partnership in seeking external funds (grants, industry sponsorships, philanthropic gifts) for these areas.

Investing now in a focused set of geothermal and microgrid programs will send the signal that the CSU has not given up on SSU.

It will encourage student enrollment, retention of key faculty and allow fundraising to begin again. It will also fulfill the CSU's promise to maintain educational access in the North Bay: a region that, without SSU, would lack any four-year public university presence.

I urge you to use the *Bridge to the Future* not as a plan to downsize SSU further, but as a true bridge toward a sustainable future – one where Sonoma State University thrives as a smaller but stronger institution, sharply attuned to the needs of our students and our community. Your leadership and willingness to reinvest in Sonoma State's focused mission at this juncture will make all the difference.

Sincerely,



Geof Syphers, CEO

Cc: ! Interim SSU President Emily F. Cutrer
Senator pro Tempore Mike McGuire
Senator Christopher Cabaldon
Assemblymember Damon Connelly
Assemblymember Cecilia Aguiar-Curry
Assemblymember Chris Rogers



Staff Report - Item 08

To: Sonoma Clean Power Authority Board of Directors

From: Brant Arthur, Programs Manager
Connor Wolf, Programs Specialist

Issue: Receive Update on Programs that Support Electric Vehicles and Charging

Date: May 8, 2025

Recommendation

Receive a presentation on the summary of Sonoma Clean Power Authority's programs for electric vehicles and charging for electric vehicles (EVs).

Background

Sonoma Clean Power's Programs department develops and implements customer offers and incentives that align with SCP's goals to support energy affordability, grid reliability and reduce greenhouse gas emissions. SCP's Strategic Action Plan for Offers and Incentives identifies five focus areas to accomplish these objectives, including supporting the switch to EVs.

The shift to EVs from fossil fuel powered vehicles is well underway. In 2024, EVs represented 25% of light-duty vehicle sales in Sonoma County and 15% in Mendocino County. EV adoption strongly correlates with median income and urbanization, with rural Lake County showing 12% EV sales compared to 43% in Santa Clara County.

EV adoption in SCP territory has been forecasted to grow substantially over the next five years. The zero-emission vehicle population is forecasted to reach 79,000 by 2030, up from 24,000 in January 2025. This means we expect to see three times as many EVs on our local roads in just five years compared to today.

This increase in vehicles will significantly increase energy use. By 2030, SCP is projected to manage an additional 180,000 MWh of new plugin load compared to 2024 levels. This substantial growth, equivalent to powering 30,000 new homes, will

require careful planning to ensure grid stability while optimizing renewable energy usage.

SCP's transportation work began in 2016 with the Drive EV program, which offered incentive certificates for EV purchases and leases. The program resulted in over 1,200 participants leasing or purchasing an eligible EV between 2016 and 2018.

SCP's approach has evolved from direct vehicle incentives to increasing charging availability and managing charging to support grid reliability. This included the CALeVIP partnership with the California Energy Commission (2020-2023) that led to the installation of 169 Level 2 chargers and 10 DC Fast Chargers, and the Fast Charge for All program targeting coastal and low-income communities.

Discussion

In addition to managing the increase in load, SCP's programs are designed to help make the transition away from fossil fuels easier for all customers. In 2023-2024, SCP conducted a Transportation Needs Assessment that confirmed the central role of personal vehicles in our service territory, with 98% of residents using cars weekly. The assessment identified key opportunities:

1. While current EV owners are predominantly high-income and male, the next wave of EV adopters is likely to be more diverse, with higher representation of women and Hispanic residents.
2. A critical gap exists in home charging access between current EV owners (95% have access) and those intending to purchase EVs (only 48% have access).
3. Safety was identified as the primary barrier to biking, with over half of current cyclists dissatisfied with existing bike infrastructure.

These findings inform our current set of programs for EVs, charging, and alternative transportation:

Non-Profit EV Incentive

Helps non-profits transition to electric vehicles by providing \$15,000 for passenger EVs and \$22,500 for electric pickups and cargo vans. Eligible organizations include non-profits and Tribal entities. Since 2018, SCP has provided rebates for 25 vehicles with 17% located in Mendocino County. The program helps organizations that serve our community to reduce emissions and manage transportation costs.

GridSavvy Rewards for Electric Vehicles

Launched in June 2024, this program helps customers optimize EV charging for the cheapest and greenest energy through app-based automation. The system ensures vehicles charge during periods of higher renewable energy instead of peak hours (4-9pm). In the first year, 470 customers had their EV charging actively managed through SCP's partnership with ev.energy, who provides the app and manages vehicle connections. The program has reduced overnight peak charging by up to 36% and shifted up to 10% of charging into daytime hours. This managed charging approach helps reduce grid strain while saving participants money.

Community Charge Program

Provides free Level 2 EV chargers to eligible organizations including municipal and tribal governments, non-profits, commercial properties in low-income communities, and affordable housing properties. This offer helps to expand charging access, including hard-to-reach segments of the community, while supporting grid reliability through GridSavvy Rewards participation.

Workplace Charging Research Project

Partners with local employers to install smart Level 2 EV chargers for employees who may not have home charging capabilities. Phase 1 (2023-2024) worked with three larger sites, while Phase 2 (2025) is focusing on smaller installations (4 chargers per site). The program provides free chargers, installation rebates, along with a complimentary site assessment. By supporting new workplace charging, SCP is shifting electricity loads to daytime hours, when more renewable energy is available, and making it possible for more residents to adopt an EV. This research will help determine the best charging strategies to use renewable energy while meeting employee needs and identify the most efficient path for installing workplace chargers.

E-Bike Commuter Grant

Provided \$177,000 in funding to 10 organizations to encourage staff commuting by electric bike. These grants allow businesses to establish e-bike fleets and create alternate options for transportation, with the goal to reduce vehicle miles travelled. Participants are reporting usage data over two years, helping SCP evaluate e-bikes as a transportation strategy for shorter trips. The program demonstrated SCP's commitment to active transportation options beyond personal vehicles.

In addition to SCP incentives, we help inform customers of other incentives available through our EV Resources webpage [<https://sonomacleanpower.org/electric-vehicle-resources>]. SCP provides resources on financial incentives for EV chargers, rebates for purchasing new or pre-owned EVs, and tools to calculate the cost savings of EV ownership.

Fiscal Impact

There are no fiscal impacts related to this informational item. Individual program and incentive decisions are made separately.

Attachments

- Attachment 1 - Transportation Programs PowerPoint Presentation

Transportation Programs

Supporting Electric Vehicles and Charging



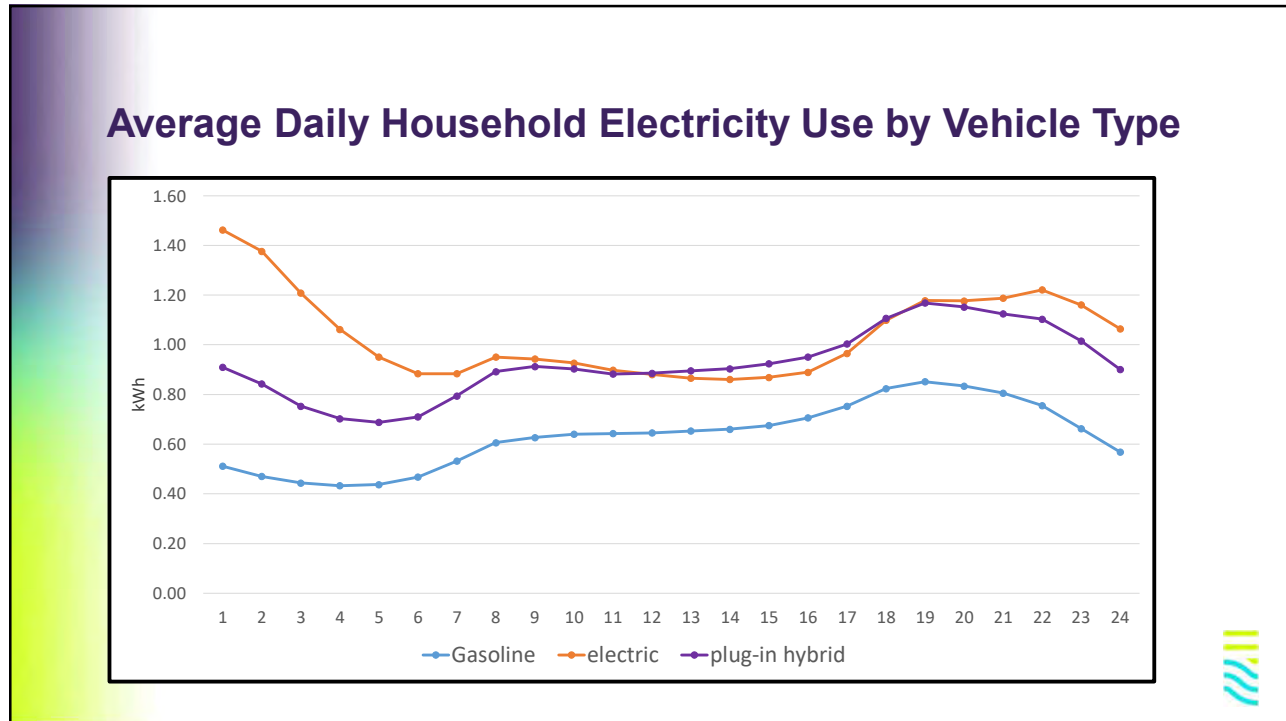
1

Why Focus on EVs?

- **Many customers have bought an EV (or are planning to)**
 - 25% of new vehicle sales in Sonoma County (2024)
 - 15% in Mendocino County
- **Helps replace fossil fuel use** with local renewable energy
 - Lots of renewable energy on summer days, less on winter nights
- **Projected growth** from 24,000 EVs today to 79,000 by 2030
- **Additional load of 180,000 MWh** by 2030
 - Equivalent to 30,000 new homes



2



3

Transportation Needs Assessment

- Next wave of EV owners is expected to be more diverse
 - Majority women and a greater share of Hispanic residents
- Only 48% of prospective buyers can access home charging
 - Compared to 95% of current EV owners
- Bikes are an alternative, but safety is a big perceived barrier

4

SCP Transportation Programs

- **Non-Profit EV Incentive:** Rebates to help non-profits and Tribal organizations transition to electric vehicles.
- **E-Bike Commuter Grant:** Funding for organizations to buy e-bikes for employee commuting as an alternative to driving.



5

SCP Transportation Programs

- **GridSavvy Rewards for EVs:** App that automatically schedules EV charging during times when clean energy is most available at the lowest cost.
- **Community Charge Program:** Free EV chargers for qualifying organizations to expand charging access in underserved areas.
- **Workplace Charging Research Project:** Helps employers install EV chargers at workplaces for employees who can't charge at home.



6

2024 Impacts and Achievements

- **Non-Profit EV Program** funded 25 vehicles since 2018
- **GridSavvy Rewards for EVs:** 470 participants
 - Up to 36% reduction in overnight peak, 10% shift to daytime charging
- **Workplace Charging Research Project:**
 - 1st of 4 large sites opened (Straus Family Creamery)
- **E-Bike Commuter Grant:** 10 organizations funded to test e-bikes as a practical alternative to car commuting.



7

What's Next for Transportation Programs

- Funding up to 5 smaller Workplace Charging Research Project sites.
- Enhancing GridSavvy Rewards for EVs by streamlining onboarding and focusing on customers who would benefit most.
- Partnering with University of Michigan on multi-family housing charging research.
- Monitoring changes to the federal EV tax credit and assess impacts on local adoption rates.



8

Thank you!

Brant Arthur

Program Manager, Sonoma Clean Power
barthur@sonomacleanpower.org



Page intentionally left blank for double-sided printing



Staff Report - Item 09

To: Sonoma Clean Power Authority Board of Directors
From: Geof Syphers, Chief Executive Officer
Issue: Direct Staff to Study the Feasibility of Expanding Sonoma Clean Power Authority's Service to Lake County, California
Date: May 8, 2025

Recommendation

Direct staff to study the feasibility of expanding Sonoma Clean Power Authority's service to Lake County, California.

Background

In the March 2025 SCP Board meeting, the Board directed staff to study the feasibility of expanding service to include the City of Clearlake in Lake County. In the April 2025 SCP Board meeting, the Board directed staff to study the feasibility of expanding service to include the City of Lakeport in Lake County.

This item would formally recognize that the County of Lake has made a request and direct staff to complete a detailed review of feasibility.

Discussion

With the County of Lake sending a request to SCP to study the feasibility of extending service, all of Lake County has now made this request. Recall that the two incorporated cities of Clearlake and Lakeport made similar requests earlier this year.

The process for evaluating service to new communities is governed by the Board of Directors' Administrative and General Policy D4 (attached). Step 1 (A letter of request) and Step 2 (Initial SCP staff assessment of agency capacity for an analysis and identification of any obvious concerns) are completed. There are no special or unusual concerns identified at this time.

Community Advisory Committee Review

Due to the timing of the County of Lake's request, this item came to the Board first but will be brought to the Community Advisory Committee in May.

Attachments

- Administrative and General Policy D.4 (New Customer Communities)
- Request Letter from County of Lake

Administrative and General Policy D.4

New Customer Communities

Whereas, the Sonoma Clean Power Authority's (SCPA) purposes include:

- Reducing greenhouse gas emissions related to the use of power in Sonoma County and neighboring regions;
- Providing electric power and other forms of energy to customers at a competitive cost;
- Carrying out programs to reduce energy consumption;
- Stimulating and sustaining the local economy by developing local jobs in renewable energy; and
- Promoting long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources; and

Whereas, creating opportunities for new communities to benefit from community choice aggregation programs may allow SCPA to further progress towards these purposes; and

Whereas, SCPA's default CleanStart service reduces greenhouse gas emissions when compared to the incumbent utility's default service; and

Whereas, the addition of new communities to SCPA's service territory will accelerate progress toward SCPA's and the State of California's goals on renewable energy and greenhouse gas reductions;

Therefore, in light of these considerations, it is SCPA's policy to consider providing electric service in new communities to further SCPA's goals, consistent with the criteria set forth below.

Applications to serve new communities will be considered if all of the following criteria are met:

1. The community is relatively close to existing SCPA service territory, so that regular meeting attendance and community engagement is practical.
2. The community agrees to abide by the SCPA Joint Powers Agreement, all existing SCPA adopted policies, and any conditions of service proscribed by SCPA's Board of Directors, and to take all steps required by the Joint Powers Agreement and California law to participate in the SCP program, with governance representation determined by the existing SCPA Board of Directors.
3. The SCPA Board of Directors finds that service to the new region:
 - a. will decrease greenhouse gas emissions;
 - b. will not increase costs or financial risks to existing SCP customers;
 - c. will be consistent with SCPA's purposes of promoting renewable energy, energy efficiency and conservation

4. There should be significant political and public alignment of values between existing and proposed participants, so that fundamental conflicts over key underlying issues are less likely. This would be important, for example, in determining the balance of environmental and economic goals.
5. The addition of the new community is likely to increase the voice of SCPA in legislative and regulatory matters at the California Public Utilities Commission, California Energy Commission, California Air Resource Board, the California State Legislature and other relevant venues.
6. The addition of the new community will not harm SCPA's autonomy over its portfolio of power sources, customer programs, and its ability to serve local, community interests.
7. The addition of the new community will not harm the quality of service to existing SCPA customers and will not give rise to operational risks that could significantly harm SCPA's existing functions.

An applicant community that initially appears to meet the above criteria may be referred by the SCPA Board of Directors to SCPA staff for a more detailed analysis of the applicability of above criteria, and any other relevant issues, following the New Customer Community Application Procedure set forth below.

Sonoma Clean Power
New Customer Community Application Procedure

- Step 1 Governing body of applicant community submits letter to SCP requesting consideration for service.
- Step 2 Staff evaluates timing of request to determine if internal resources are available to consider request, and to ensure no impact to core agency functions.
- Step 3 Staff submits request to SCPA Board of Directors along with staff's initial opinion, and the Board determines whether a full analysis is warranted. If so, staff sends a letter of acknowledgement to the applicant region.
- Step 4 Staff executes contract with governing body of new community to fund costs of membership analysis and other SCPA costs relating to adding community (e.g., cost of updating Implementation Plan). These costs would be deducted from program funding that normally would flow to the new territory until startup costs are reimbursed to SCPA's operating fund. Staff undertakes and completes a full analysis.
- Step 5 Results of membership analysis presented to governing body of new community and to SCPA Board of Directors. SCPA Board determines whether providing service to new community is consistent with Policy D-4, whether new community will be offered representation on the Board, and what other conditions will apply to new service.
- Step 6 A 60-day period will be provided for SCPA Board members to request a presentation by SCPA staff before their city or town councils or county board of supervisors, and to allow adequate time for city/town and county staff to evaluate the proposed extension of service.
- Step 7 SCPA Board of Directors votes on whether to extend a formal offer for service.
- Step 8 Governing body of new community approves resolution requesting membership and ordinance authorizing community choice aggregation service through SCPA, and takes any other actions required by the SCPA Board of Directors as a condition of service.
- Step 9 SCPA Board of Directors adopts resolution authorizing membership of the additional community, and staff submits updated Implementation Plan to CPUC.

Adopted: December 3, 2015

Step 10 SCPA Staff develops service plan and schedule, begins buying additional energy, and starts community outreach.



COUNTY OF LAKE

Administrative Office

Courthouse - 255 North Forbes Street
Lakeport, California 95453
Telephone: (707) 263-2580
Fax: (707) 263-1012
E-mail: Susan.Parker@lakecountycalifornia.gov

SUSAN PARKER
County Administrative Officer

April 17, 2025

Sonoma Clean Power
Attn: Chair Brian Barnacle
431 E. Street
Santa Rosa, CA 95404
[VIA EMAIL]

Dear Chair Barnacle,

On behalf of the County of Lake, I am requesting that Sonoma Clean Power conduct a membership analysis to assess the feasibility of expanding service to our community. The findings from this analysis will help inform the Board of Supervisors as we consider the potential benefits of joining Sonoma Clean Power.

Lake County is interested in the potential for CCA service to address economic and environmental challenges for the county. We are eager to explore how partnering with Sonoma Clean Power could help us address these challenges by offering our residents access to a non-profit energy provider, expanding participation in customer programs, exploring capital projects in partnerships with Tribal Nations and main street communities, and strengthening our representation in energy policy discussions.

We recognize Sonoma Clean Power's Administrative and General Policy 0.4 on New Customer Communities and understand that any decision regarding expansion would require approval from both the County of Lake Board of Supervisors and the Sonoma Clean Power Board of Directors following a review of the membership analysis. Additionally, we acknowledge that while Sonoma Clean Power would initially cover the costs of the analysis, these costs would be reimbursed through temporary deductions to program funding should expansion move forward, unless the Sonoma Clean Power Board of Directors takes action to waive those costs.

We appreciate your time and consideration and look forward to the opportunity to discuss this further.

Regards,

COUNTY OF LAKE

Susan Parker,
County Administrative Officer