



**AGENDA**  
**BOARD OF DIRECTORS MEETING**  
**THURSDAY, FEBRUARY 5, 2026, 9:00 A.M.**

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EXCEPT AS PERMITTED BY GOVERNMENT CODE SECTION 54953(F), MEMBERS OF THE BOARD OF DIRECTORS MAY PARTICIPATE IN THE FEBRUARY 5, 2026, MEETING AT ANY OF THE LOCATIONS SHOWN BELOW.

**SONOMA CLEAN POWER BUSINESS OFFICE**  
**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](mailto: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](mailto: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 January 8, 2026, Draft Board of Directors Meeting Minutes (Staff Recommendation: Approve) **pg. 4**
2. Receive Monthly Financial Report (Staff Recommendation: Receive and File) **pg. 9**
3. Ratify Generation Rates Effective February 1, 2026, Consistent with Prior Board Direction (Staff Recommendation: Approve) **pg. 21**

## **BOARD OF DIRECTORS REGULAR CALENDAR**

4. Receive Internal Operations Report and Provide Direction as Appropriate (Staff Recommendation: Receive and File) **pg. 25**
5. Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate (Staff Recommendation: Approve) **pg. 27**
6. Appoint Chair and Vice Chair for Calendar Year 2026 and Potentially Calendar Year 2027 (Staff Recommendation: Approve) **pg. 31**

## **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



**DRAFT MEETING MINUTES  
BOARD OF DIRECTORS MEETING  
THURSDAY, JANUARY 8, 2026  
9:00 A.M.**

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**CALL TO ORDER**

(9:00 a.m. - Video Time Stamp: 00:01:18)

Chair Barnacle called the meeting to order.

Board Members present: Chair Barnacle, Vice Chair Elward, Directors Laskey, Lemus, Albin-Smith, Stapp, Carter, Farrar-Rivas, Potter, Haschak. Director Hopkins was absent.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Garth Salisbury, Chief Financial Officer and Treasurer; Neal Reardon, Director of Regulatory Affairs; Miles Horton, Legislative Policy & Community Engagement Manager; Stephanie Reynolds, Director of Internal Operations; Keila Hernandez, Customer Service Representative; Erica Torgerson, Managing Director of Customer Service; Rebecca Simonson, Director of Capital Projects & Engineering; Scott Salyer, Senior Program Manager, Decarbonization Strategy; Adam Jorge, Senior Decarbonization Policy Manager; and Karen Flores, Clerk of the Board.

**BOARD OF DIRECTORS CONSENT CALENDAR**

(9:03 a.m. - Video Time Stamp: 00:02:55)

1. Approve December 4, 2025, Draft Board of Directors Meeting Minutes (Staff Recommendation: Approve)
2. Receive Monthly Financial Report (Staff Recommendation: Receive and File)
3. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File)

Motion to approve December 4, 2025, Board of Directors Consent Calendar by Director Haschak

Second: Lemus

Motion passed by roll call vote

AYES: Laskey, Lemus, Albin-Smith, Barnacle, Elward, Stapp, Carter, Farrar-Rivas, Potter, Haschak

ABSENT: Hopkins

## **BOARD OF DIRECTORS REGULAR CALENDAR**

4. Receive Internal Operations Report and Provide Direction as Appropriate

(9:04 a.m. - Video Time Stamp: 00:04:25)

Stephanie Reynolds, Director on Internal Operations, gave an update on construction progress for the new office space located next to the business office at 421 E Street in Santa Rosa. Erica Torgerson, Managing Director of Customer Service, announced the retirement of Scott Lawrence, Senior Commercial Accounts Manager. Michael Koszalka, Chief Operating Officer, introduced Keila Hernandez, Customer Service Representative, who shared an analogy she commonly uses and has found to be successful in clearly explaining who SCP is and the services SCP provides to customers.

Public Comment: None

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

(9:16 a.m. - Video Time Stamp: 00:16:50)

Neal Reardon, Director of Regulatory Affairs, provided some background on the two items in the packet. The first being that the Public Utilities Commission (PUC) reduced the amount of profit that PG&E and other utilities are allowed to earn for the first time in several years. The second item discusses the California Public Utilities Commission's (CPUC) Resolution E-5429 which denied PG&E's request to end energy purchases from the Ivanpah Solar facility in 2026. Although PG&E's proposal was supported by CalCCA and the U.S. Department of Energy, the Commission approved the denial without discussion at its December 4, 2025, meeting.

Adam Jorge, Senior Decarbonization Policy Manager, provided an update on SB 1221 which was passed to initiate a voluntary program which allows small zones within investor-owned utility (IOU) gas service areas to create pilots to help those selected areas transition off natural gas, long term. Several sites in Petaluma have been identified as potential pilot sites.

Miles Horton, Legislative Policy & Community Engagement Manager, introduced three bills that SCP would like to sponsor in the 2026 legislative year and asked for approval from the board. CEO Syphers highlighted that all of these bills are trying to address affordability with clean power.

Public Comment: None

Motion to Receive Legislative and Regulatory Updates, Approve Legislative Positions, and Provide Direction as Appropriate by Director Farrar-Rivas

Second: Elward

Motion passed by roll call vote

AYES: Laskey, Lemus, Albin-Smith, Barnacle, Elward, Stapp, Carter, Farrar-Rivas, Potter, Haschak

ABSENT: Hopkins

6. Approve and Delegate Authority to the Chief Executive Officer or his Designee to Negotiate Final Terms and Execute an Agreement for Professional Services with US Solar Construction Management, LLC through May 1, 2027, with a Not-To-Exceed Amount of \$960,081 to Provide Design Services for the Ukiah Superfund Solar + Battery Project

(10:03 a.m. - Video Time Stamp: 01:02:50)

Rebecca Simonson, Director of Capital Projects & Engineering, introduced SCP's first proposed owned and operated solar and battery storage project, which would be developed on an EPA superfund site. She provided details about the site, the project scope, and the professional services agreement.

Public Comment: None

Motion to Approve and Delegate Authority to the Chief Executive Officer or his Designee to Negotiate Final Terms and Execute an Agreement for Professional Services with US Solar Construction Management, LLC through May 1, 2027,

with a Not-To-Exceed Amount of \$960,081 to Provide Design Services for the Ukiah Superfund Solar + Battery Project by Director Haschak

Second: Elward

Motion passed by roll call vote

AYES: Laskey, Lemus, Albin-Smith, Barnacle, Elward, Stapp, Carter, Farrar-Rivas, Potter, Haschak

ABSENT: Hopkins

7. Receive Update on Sonoma Clean Power Authority's E-bike Commuter Grants Program

(10:26 a.m. - Video Time Stamp: 01:26:00)

Scott Salyer, Senior Program Manager, gave a presentation on SCP's historic and current e-bike programs and requested feedback from the board.

Public Comment: None

## **BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS**

(10:58 a.m. - Video Time Stamp: 01:58:06)

Director Laskey invited everyone to the ribbon cutting of Picks Drive-In in Cloverdale on January 10, 2026, at 11:00am. Director Albin-Smith shared that the Whale Festival in Fort Bragg as well as the 38<sup>th</sup> Annual Whale Run will be the weekend of March 21, 2026. Director Farrar-Rivas announced that she will be transitioning out of the mayoral position and shared about a Zoom meeting she attended through the Just Economy Institute organization. Director Farrar-Rivas also shared information from the Los Angeles Cleantech Incubator (LACI) regarding the Second City Climate Innovation Challenge, cities interested in participating must apply by January 31<sup>st</sup>. Director Lemus shared about the ribbon cutting of Galvan's Eatery in Cotati. Director Stapp announced that on January 13, 2026, the Santa Rosa City Council is going to be holding a study session to look at our gas station ban. Vice Chair Elward congratulated newly appointed Sylvia Lemus as Mayor of Rohnert Park. Chair Barnacle shared that the temporary ice-skating rink, Luma Ice, will close on January 10, 2026.

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

(11:07 a.m. - Video Time Stamp: 02:06:55)

Public Comment: None

**ADJOURN**

(11:07 a.m. - Video Time Stamp: 02:07:14)

The meeting was adjourned by unanimous consent.



## Staff Report - Item 02

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**To:** **Sonoma Clean Power Authority Board of Directors**

**From:** **Garth Salisbury, Chief Financial Officer & Treasurer**  
**Chris Golik, Senior Finance Manager**  
**Jennifer Rafferty, Financial Analyst**

**Issue:** **Receive Monthly Financial Report**

**Date:** **February 5, 2026**

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### **Monthly Financial Report**

The Financial Report is to inform the Board of Directors (Board) of monthly financial results and includes 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.

This report includes commentary for the November unaudited financial statements and budgetary comparison.

### **Monthly Compiled Financial Statements (November 30, 2025)**

The year-to-date change in net position is more than projections by approximately \$59,554,000. Year-to-date revenue from electricity sales is above budget by approximately 8% and cost of energy is under budget projections by approximately 48%. Year-to-date electricity sales reached \$117,351,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$295,858,000 as of November 30, 2025. Approximately \$324,252,000 is set aside for operating reserves as of June 30, 2025.

Other operating expenses continued near or slightly below planned levels for the year.

## **Budgetary Comparison Schedule (November 30, 2025)**

The accompanying budgetary comparison includes the 2025/26 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, 2025/26 YTD Amended Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates, and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is greater than budget by approximately 8% at the end of the reporting period.

The cost of electricity was less than the budget-to-date by approximately 48%. Variation in this account is typically due to fluctuating market cost of energy on open position purchases as well as supplier delivery delays.

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 (December 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**

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 December 31st, CAM managed about \$73 million of SCP's reserves. All investments directed by CAM are held at SCP's custodian, USBank. All investments held as of December 31, 2025, at USBank appear as Attachment 3 with new holdings purchased in December highlighted. USBank transaction details for the month of December, including sales and maturities of securities, are in Attachment 4. Additionally, the December 2025 account statement prepared by CAM is in Attachment 5.

#### River City Bank

A detailed statement of the investments held at River City Bank as of December 31, 2025, appears as Attachment 6. There were no investment transactions in the month of December at River City Bank.

#### State of California Local Agency Investment Fund

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

### **Agency Goals**

SCP's Financial Report, and more broadly, its financial decisions, directly support two of the Agency's 2026 goals.

1. Recommend and take all necessary actions to protect customers from rate shock in 2026.
7. Maintain SCP's 'A' credit rating to support cost-effective power procurement.

### **Community Advisory Committee**

The Financial Report is a monthly, information-only, item that requires no action. There were no questions nor feedback provided.

## **Attachments**

- Attachment 1 - November 2025 Financial Statements
- Attachment 2 - November 2025 Budgetary Statement
- Attachment 3 - December 2025 Statement of Investments Held at USBank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 4 - December 2025 Statement of Transactions at USBank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 5 - December 2025 USBank Account Statement prepared by CAM, available at [this link](#) or by request to the Clerk of the Board
- Attachment 6 - December 2025 Statement of Investments Held at River City Bank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 7 - December 2025 Statement of Investments Held at the Local Agency Investment Fund, available at [this link](#) or by request to the Clerk of the Board



## 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 November 30, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the five 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  
January 13, 2026

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF NET POSITION**  
**As of November 30, 2025**

**ASSETS**

Current assets	
Cash and cash equivalents	\$ 233,049,278
Accounts receivable, net of allowance	16,275,124
Other receivables	4,974,749
Accrued revenue	15,309,639
Prepaid expenses	1,452,878
Deposits	7,366,996
Investments	<u>96,896,193</u>
Total current assets	<u>375,324,857</u>
Noncurrent assets	
Investments	69,155,234
Loan receivable	3,215,032
Other receivables	850,038
Deposits	16,000
Capital assets, net of depreciation	<u>17,707,554</u>
Total noncurrent assets	<u>90,943,858</u>
Total assets	<u>466,268,715</u>

**LIABILITIES**

Current liabilities	
Accrued cost of electricity	24,932,250
Accounts payable	1,465,384
Other accrued liabilities	4,085,736
User taxes and energy surcharges due to other governments	584,904
Supplier security deposits	<u>510,000</u>
Total current liabilities	<u>31,578,274</u>
Noncurrent liabilities	
Supplier security deposits	<u>1,332,121</u>
Total liabilities	<u>32,910,395</u>

**DEFERRED INFLOWS OF RESOURCES**

Rate stabilization fund	<u>137,500,000</u>
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**NET POSITION**

Investment in capital assets	17,420,931
Unrestricted	278,437,389
Total net position	<u>\$ 295,858,320</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Five Months Ended November 30, 2025**

**OPERATING REVENUES**

Electricity sales, net	\$ 116,053,549
Evergreen electricity premium	1,297,688
Liquidated damages	11,972,688
Grant revenue	205,533
<b>Total operating revenues</b>	<b><u>129,529,458</u></b>

**OPERATING EXPENSES**

Cost of electricity	58,876,984
Contract services	4,404,429
Staff compensation	4,947,053
Program rebates and incentives	678,956
Other operating expenses	1,217,390
Depreciation	596,350
<b>Total operating expenses</b>	<b><u>70,721,162</u></b>
<b>Operating income</b>	<b><u>58,808,296</u></b>

**NONOPERATING REVENUES (EXPENSES)**

Investment income	7,202,819
<b>Nonoperating revenues (expenses), net</b>	<b><u>7,202,819</u></b>

**CHANGE IN NET POSITION**

Net position at beginning of year	66,011,115
<b>Net position at end of period</b>	<b><u>229,847,205</u></b>
	<b><u>\$ 295,858,320</u></b>

## SONOMA CLEAN POWER AUTHORITY

### STATEMENT OF CASH FLOWS

#### Five Months Ended November 30, 2025

#### **CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 114,541,447
Receipts from grantors	135,685
Receipts of security deposits	12,042,639
Receipts of liquidated damages revenue	(2,404,929)
Receipts from wholesale sales and other operating activities	24,006,374
Payments to electricity suppliers	(76,136,902)
Payments for other goods and services	(6,243,375)
Payments for staff compensation	(4,905,569)
Payments for program rebates and incentives	(813,728)
Payments of taxes and surcharges to other governments	(1,492,215)
Deposits and collateral paid	(54,000)
Net cash provided (used) by operating activities	<u>58,675,427</u>

#### **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchases of capital assets	<u>(459,306)</u>
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#### **CASH FLOWS FROM INVESTING ACTIVITIES**

Investment income received	5,142,548
Proceeds from sales and maturities of investments	10,557,492
Purchase of investments	(14,567,817)
Loan issued	(3,215,032)
Net cash provided (used) by investing activities	<u>(2,082,809)</u>

Net change in cash and cash equivalents	56,133,312
Cash and cash equivalents at beginning of year	176,915,966
Cash and cash equivalents at end of period	<u>\$ 233,049,278</u>

#### **SUPPLEMENTAL CASH FLOW INFORMATION**

Capital acquisitions included in accounts payable and other liabilities	\$ 286,623
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#### **NONCASH INVESTING ACTIVITIES**

Change in fair value of investments	\$ 2,177,242
Change in interest receivable	\$ (116,971)

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS

(Continued)

Five Months Ended November 30, 2025

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

Operating income (loss)	\$ 58,808,296
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	596,350
(Increase) decrease in:	
Accounts receivable, net	(1,563,056)
Other receivables	1,295,098
Accrued revenue	(2,679,674)
Prepaid expenses	72,127
Deposits	(880,837)
Increase (decrease) in:	
Accrued cost of electricity	3,756,245
Accounts payable	(464,744)
Accrued liabilities	3,731,250
User taxes due to other governments	(59,275)
Supplier security deposits	(3,936,353)
Net cash provided (used) by operating activities:	<u>\$ 58,675,427</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 five months ended November 30, 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  
January 13, 2026

**SONOMA CLEAN POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE - OPERATING FUND**  
**Five Months Ended November 30, 2025**

	2025/26 YTD		2025/26 YTD		2025/26 YTD		2025/26 Amended Budget		2025/26 Amended Budget Remaining	
	Amended Budget	2025/26 YTD Actual	Amended Budget	Variance (Under) Over	Actual / Amended Budget %	Budget %				
<b>REVENUE AND OTHER SOURCES:</b>										
Electricity (net of allowance) *	\$ 107,345,040	\$ 116,054,296	\$ 8,709,256	108%	\$ 228,694,000	\$ 112,639,704				
Evergreen Premium (net of allowance)	1,312,500	1,297,688	(14,812)	99%	3,150,000	1,852,312				
CEC Grant Proceeds	330,579	205,533	(125,046)	62%	863,000	657,467				
Investment returns	5,000,000	7,202,819	2,202,819	144%	12,000,000	4,797,181				
Total revenue and other sources	113,988,119	124,760,336	10,772,217	109%	244,707,000	119,946,664				
<b>EXPENDITURES AND OTHER USES:</b>										
<b>CURRENT EXPENDITURES</b>										
Cost of energy and scheduling	90,951,680	46,905,043	(44,046,637)	52%	234,986,000	188,080,957				
Data management	1,391,500	1,397,925	(1,575)	100%	3,359,000	1,961,075				
Service fees- PG&E	412,500	414,719	2,219	101%	990,000	575,281				
Personnel	5,198,885	4,947,053	(251,832)	95%	12,781,000	7,833,947				
Marketing & communications	1,881,146	1,340,294	(540,852)	71%	4,415,000	3,074,706				
Customer service	126,750	95,502	(31,248)	75%	220,000	124,498				
General and administration	957,777	803,754	(154,023)	84%	2,309,000	1,505,246				
Legal	218,750	265,159	46,409	121%	525,000	259,841				
Regulatory and compliance	150,000	66,459	(83,541)	44%	360,000	293,541				
Accounting	170,750	164,200	(6,550)	96%	340,000	175,800				
Legislative	91,667	85,000	(6,667)	93%	220,000	135,000				
Other consultants	305,375	274,599	(30,776)	90%	555,000	260,401				
Industry memberships and dues	369,473	413,539	44,066	112%	888,000	474,461				
Program implementation	2,681,758	979,625	(1,702,133)	37%	6,481,000	5,501,375				
Total current expenditures	104,916,011	58,152,871	(46,763,140)	55%	268,409,000	210,256,129				
<b>OTHER USES</b>										
Capital outlay	2,713,333	694,983	(2,018,350)	26%	7,022,000	6,327,017				
Total expenditures, other uses	107,629,344	58,847,854	(48,781,490)	55%	275,431,000	216,583,146				
Net increase (decrease) in available fund balance	\$ 6,358,775	\$ 65,912,482	\$ 59,553,707		\$ (30,724,000)	\$ (96,636,482)				
<i>* Represents sales of approximately 841,000 MWh for 2025/26 YTD actual.</i>										
<b>RESERVES</b>										
Reserves and Rate Stabilization Funds	\$ 324,252,000	\$ 267,909,000								
<b>Balance - as of June 30, 2025</b>										
<b>Long-Term Targeted % of Long-Term Target</b>										

**SONOMA CLEAN POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE - OPERATING FUND (CONTINUED)**  
**RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE**  
**TO CHANGE IN NET POSITION**  
**Five Months Ended November 30, 2025**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 65,912,482
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(596,350)
Add back capital asset acquisitions	694,983
Change in net position	<u>\$ 66,011,115</u>



## Staff Report - Item 03

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**To:** **Sonoma Clean Power Authority Board of Directors**

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

**Issue:** **Ratify Generation Rates Effective February 1, 2026, Consistent with Prior Board Direction**

**Date:** **February 5, 2026**

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### Recommended Action

Ratify the continued use of customer generation rates implemented February 1, 2026, and shown in Attachment 1. The Board of Directors previously approved the parameters for these rates on November 6, 2025, targeting 3% above PG&E's bundled service total bills effective February 1, 2026, based on PG&E's rates that went into effect on January 1, 2026. This item publishes the rates which satisfy the Board's parameters and authorizes their continued use.

### Background

The Sonoma Clean Power Board of Directors voted on November 6, 2025, in favor of new customer rates to be implemented as soon as is feasible after PG&E's changes to PCIA and rates expected on January 1, 2026, using the following parameters:

- Using the best available forecasts on December 1, 2025, establish SCP rates at 3% above PG&E's expected January 1, 2026, bundled service total bills, while projecting that SCP's revenues (including deferred revenues) will cover all expenses; and
- Utilize the December 2025 rate structure for cost allocation among the rate classes; and
- Reset all rate classes so SCP customer total bills have an equal 3% difference from PG&E's bundled service total bills.

To correct for any potential errors in forecast once PG&E's actual fees and rates were adopted, staff are now returning to the Board to ratify a rate change effective February 1, 2026, using the following parameters:

- Establish SCP rates at 3% above PG&E's January 1, 2026, bundled service total bills, while projecting that SCP's revenues (including deferred revenues) will cover all expenses; and
- Reset all rate classes so SCP customer total bills have an equal 3% difference from PG&E's bundled service total bills; and
- Requires that staff return to the Board following rate implementation to have the final rates ratified for continued use.

## **Discussion**

SCP updated rates effective January 1, 2026, targeting SCP rates at 3% above PG&E's expected January 1, 2026, bundled service total bills. SCP's January 2026 rate change had to be submitted before PG&E's final January 2026 rates were published.

PG&E updated the PCIA as well as their generation and delivery rates on January 1, 2026. As anticipated, there were differences between PG&E's forecasted and actual January 2026 rates.

To correct for PG&E's errors in forecast, SCP updated rates effective February 1, 2026, as shown in Attachment 1, so that SCP customer total bills have a target of 3% above PG&E's bundled service total bills.

The actions effective February 1, 2026, represent a significant reduction in SCP's generation rates and a reduction in SCP customer total bill savings from the prior target of 0.5% below PG&E bundled service total bills to the new target of 3% above PG&E bundled service total bills.

## **Agency Goals**

The rate setting parameters and staff recommendations to reduce generation rates to stay competitive with PG&E bundled service total bills while also having total bills 3% above PG&E's bundled service total bills directly support one of SCP's 2026 goals.

1. Recommend and take all necessary actions to protect customers from rate shock in 2026.

## **Community Advisory Committee**

The two-phased approach and rate setting parameters were presented to the Community Advisory Committee (Committee) at their October 16, 2025 meeting. The Committee discussed and unanimously voted to recommend the Board approve the recommended rate changes.

## **Attachments**

- Attachment 1 - SCP Rate Schedule Effective February 1, 2026, available at [this link](#) or by request to the Clerk of the Board

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## Staff Report - Item 04

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**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:** **February 5, 2026**

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### **CUSTOMER ENERGY SOLUTIONS UPDATES**

SCP's GridSavvy Rewards program enables customers to support grid reliability by shifting electricity usage away from peak demand periods during energy saving events. The program offers two participation pathways:

Alerts: Participants receive event notifications via their preferred method (email, text, or phone call) in English or Spanish and reduce usage through simple actions such as delaying large appliance use or turning off unnecessary lights. This option requires no equipment installation.

Smart Devices: Participants enroll eligible devices such as smart thermostats or electric vehicle chargers that automatically reduce electricity consumption during events.

Enrollment in GridSavvy grew in 2025 to over 14,000 SCP customers, with approximately 24% of Alerts participants qualifying for CARE/FERA income-based discount programs. Despite mild temperatures and correspondingly lower baseline electricity usage throughout the season, the program achieved good results:

- Load reduction of 4.8 MW during a single event
- Paid \$170,000 in rewards
- \$14 average reward per meter
- 92% of enrolled participants earned rewards

Notably, 700 SCP customers donated their earned rewards, enrollment incentives, or equipment rebates to five community partner organizations (Circuit Rider, Conservation Works, Mendocino Land Trust, Sonoma County Children's Museum, and The Climate Center), contributing over \$13,000. SCP's matching contribution brought the total to over \$23,000, supporting organizations across Sonoma and Mendocino Counties.

### 2026 Priorities

By leveraging the CEC awarded VPP-FLEX grant, we will increase participation and advance the Board's goal of reaching 7 MW by:

- Launching SCP's Home Thermostat Upgrade and enrolling income-qualified households
- Expanding the smart device fleet
- Piloting smart panel and battery system integration

These initiatives position SCP to make meaningful progress toward the 7 MW target while delivering greater customer and grid benefits.

### **UPCOMING MEETINGS**

- Community Advisory Committee - February 19, 2026
- Board of Directors - March 5, 2026
- Community Advisory Committee - March 19, 2026
- Board of Directors - April 2, 2026

### **AGENCY GOALS**

This Internal Operations update, which is provided monthly to the Board of Directors and Community Advisory Committee provides background on how all SCP staff support several Agency Goals, such as taking actions to protect customers, working on outreach to underrepresented communities, and maintaining a strong credit rating.



## Staff Report - Item 05

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**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:** **February 5, 2026**

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### **Requested Action**

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

### **Regulatory Updates**

[Administrative Law Judge Issues Proposed Decision Requiring Additional Resource Procurement](#)

On Wednesday January 14th, administrative law judge Julie Fitch issued a Proposed Decision that, if adopted by the Commission, would require all load serving entities (LSEs) to procure additional resources between 2029-2032. Specifically, it would require an additional 2,000 MW by 2030 and an additional 4,000 MW by 2032. The proposal would allow energy storage resources to count for up to half of the total capacity, leaving renewable generation resources to provide the remainder. Sonoma Clean Power's proposed share of the total requirement, which is based on our territory's share of electric load, is 23 MW in 2030 and 45 MW in 2032 for a total of 68 MW.

The proposal did not come as a surprise. It followed a Ruling last September seeking input from stakeholders on the need for additional resources. CalCCA submitted a response on behalf of all CCAs and advocated that if CCAs were already exceeding procurement requirements, that excess capacity should be eligible to count towards

the requirements in this order. In addition, CalCCA recommended that any procurement order start with 4,000 MW and re-evaluate the need for additional resources in the future. Sonoma Clean Power staff joined CalCCA in meeting with 4 Commission Offices and highlighted the negative impacts procurement orders have on market prices and, correspondingly, customer bills. While the Proposed Decision did not adopt the lower procurement amount, it did specify that any procurement in excess of previous orders would be counted as eligible to meet the capacity targets in the current order.

If adopted, the Proposed Decision would require power providers to demonstrate their progress towards compliance semi-annually through 2032. Existing legislation requires that all load serving entities provide a minimum of 90% clean electricity by 2035.

## **Legislative Updates**

Sonoma Clean Power staff are continuing to work on our three ideas for sponsored legislative efforts this year, in advance of the deadline to introduce legislation in late February. The Board of Directors had previously approved advancing these three bill proposals:

- Another attempt to exempt geothermal exploration wells meeting a high standard of environmental and labor protections from review under the California Environmental Quality Act. Federal policy already exempts these types of wells from environmental review under the National Environmental Policy Act, putting California at a significant competitive disadvantage. This bill would be similar to AB 527, which was vetoed last year.
- Securing roughly \$40-50 million in funding through the state's Greenhouse Gas Reduction Fund for new geothermal exploration wells in areas of California that have great potential for next-generation geothermal development, including Sonoma and Mendocino Counties. The goal would be to develop better geologic data for these areas and lower the risk of future geothermal development, similar to how the federal government's "Utah FORGE" project galvanized new development in that region.
- Legislation to revamp the transmission planning process in California to produce a more flexible, adaptable system that can lower ratepayer costs over the long term and allow faster interconnection of new renewable energy

resources. This is based off the research that SCP and Peninsula Clean Energy sponsored through Princeton University's ZERO Lab.

### **Agency Goals**

This item aligns with several agency goals. The achievement of Goals 3 & 4 (reducing reliance on natural gas power, including through development of "clean firm" power sources like geothermal as part of our GeoZone effort) is heavily reliant on statutory changes that make it more straightforward and cost-effective to build new geothermal power plants in California. Goal 10 (continuing to develop Sonoma Clean Power's leadership on transmission planning in a manner that advances ratepayer affordability and climate progress) will also be served by advancing transmission planning legislation in 2026.

### **Attachments**

- None.

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## **Staff Report - Item 06**

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**To:** **Sonoma Clean Power Board of Directors**

**Issue:** **Appoint Chair and Vice Chair for Calendar Year 2026 and Potentially Calendar Year 2027**

**Date:** **February 5, 2026**

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### **Recommended Action**

Appoint a Chair and Vice Chair for calendar year 2026 and potentially calendar year 2027.

### **Background**

One year ago, the SCP Board discussed the potential value of two-year terms for Chair and Vice Chair as a method of developing deeper expertise in SCP's complex operations. At that time, the Board decided to pursue two consecutive one-year terms rather than a single vote for a two-year term.

The current Chair, Brian Barnacle, and Vice Chair, Jackie Elward, have held their positions for one year.

### **Attachments**

- None.