



**AGENDA  
COMMUNITY ADVISORY COMMITTEE MEETING  
THURSDAY, OCTOBER 20, 2022  
1:00 P.M.**

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**\*\*\*\*AB 361\*\*\*\***

\*\*RE CORONAVIRUS COVID-19\*\*

\*\*HYBRID MEETING (IN PERSON AND REMOTE ATTENDANCE)\*\*

CONSISTENT WITH THE PROVISIONS OF AB 361, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE MAY PARTICIPATE IN THE OCTOBER 20, 2022, MEETING REMOTELY OR IN PERSON AT THE LOCATION SHOWN BELOW.

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

Remote Participation and Call-In Details:

- Webinar link: <https://us06web.zoom.us/j/89591222887>
- Telephone number: 1 (720) 707-2699
  - Meeting ID: 895 9122 2887

How to Submit Public Comment During the Meeting:

The Chair will request public comment during the Public Comment period for all items on the agenda. Comments may be provided in person at the physical meeting location. Comments may be submitted in writing to [meetings@sonomacleanpower.org](mailto:meetings@sonomacleanpower.org) or during the meeting via the webinar "raise your hand" feature. For detailed public comment instructions, [please visit this page.](#)

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.

*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.*

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

## **CALL TO ORDER**

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

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

## **COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR**

1. Approve September 15, 2022, Draft Community Advisory Committee Meeting Minutes (Staff Recommendation: Approve) **pg. - 5**
2. Receive the Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. - 13**
3. Recommend the Board of Directors Approve and Delegate Authority to the CEO or his Designee to Execute the Second Amendment to an Agreement with The Engine is Red, with a Not-to-Exceed Amount of \$140,000 (Staff Recommendation: Approve) **pg. - 17**
4. Recommend the Board of Directors Approve and Delegate Authority to the CEO or his Designee to Execute Agreement for Professional Services with Maher Accountancy Through June 30, 2024, with a Not-to-Exceed Amount of \$450,000 (Staff Recommendation: Approve) **pg. - 19**
5. Recommend the Board of Directors Approve Continued Use of Updated B-6 Rate Effective October 1, 2022 (Staff Recommendation: Approve) **pg. - 21**

## **COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

6. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. - 23**
7. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. - 37**
8. Receive Overview of Workplace Electric Vehicle Charging Research Project Proposal and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. - 39**
9. Discuss Future Opportunities for Distributed Renewable and Storage Resources Within the Sonoma Clean Power Service Territory (Staff Recommendation: Receive and File) **pg. - 43**

## **COMMITTEE MEMBER ANNOUNCEMENTS**

## **ADJOURN**

## COMMONLY USED ACRONYMS AND TERMS

CAC	Community Advisory Committee
CAISO	California Independent Systems Operator – the grid operator
CCA	Community Choice Aggregator – a 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 when needed to help California ensure reliable low-emission power. A form of ‘demand response.’
IOU	Investor Owned Utility (e.g., PG&E)
IRP	Integrated Resource Plan – balancing energy needs with energy resources
JPA	Joint Powers Authority
MW	Megawatt is a unit of power and measures how fast energy is being used or produced at one moment.
MWh	Megawatt-hour is a unit of energy and measures how much energy is used or produced over time.
NEM	Net Energy Metering. NEM is a billing mechanism that credits solar energy system owners for the electricity they add to the grid.
NetGreen	SCP’s net energy metering bonus
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

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**DRAFT MEETING MINUTES  
COMMUNITY ADVISORY COMMITTEE MEETING  
THURSDAY, SEPTEMBER 15, 2022  
1:00 P.M.**

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**\*\*\*\*AB 361\*\*\*\***

**\*\*RE CORONAVIRUS COVID-19\*\***

CONSISTENT WITH THE PROVISIONS OF AB 361 WHICH SUSPENDED CERTAIN REQUIREMENTS OF THE BROWN ACT, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED IN THE SEPTEMBER 15, 2022, MEETING BY TELECONFERENCE.

**CALL TO ORDER**

(1:02 p.m. - Video Time Stamp: 00:02:10)

Chair Quinlan called the meeting to order.

Committee Members present: Chair Quinlan, Vice Chair Morris, and Members Hollinshead, Johnson, Dowd, Wells, Nicholls, Booth, and Lipp. Members Fenichel and Kelly were absent.

Staff present: Geof Syphers, Chief Executive Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Chris Golik, Revenue Manager; and Ryan Tracey, Director of Planning and Analytics

Chair Quinlan Introduced Member Johnson to the Committee. Member Johnson gave a few words of introduction.

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

(1:04 p.m. - Video Time Stamp: 00:04:42)

Public Comment: None

**COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR**

(1:05 p.m. - Video Time Stamp: 00:05:16)

1. Approve July 21, 2022, Draft Community Advisory Committee Meeting Minutes

Public Comment: None

Motion to approve the September 15, 2022, Community Advisory Committee Consent Calendar by Member Nicholls

Second: Member Dowd

Motion passed by roll call vote

AYES: Quinlan, Morris, Hollinshead, Dowd, Wells, Nicholls, Booth, Lipp

ABSENT: Fenichel, Kelly

ABSTAIN: Johnson

## **BOARD OF DIRECTORS REGULAR CALENDAR**

2. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate

(1:07 p.m. - Video Time Stamp: 00:07:43)

Stephanie Reynolds, Director of Internal Operations, welcomed the Committee back and responded to an inquiry by Member Hollinshead noting that Biosearch Technologies in Petaluma, a large customer that recently upgraded to EverGreen, consumed 4.4 GWh of electricity at its Petaluma facility. She discussed the Advanced Energy Center's events including a Spanish speaking induction cooking class and mentioned SCP was named one of "The Best Places to Work in Sonoma County" and also "The Best Place to do Business within Sonoma County."

Chris Golik, Revenue Manager, discussed the two sets of financial reports and pointed out that they were both positive. He stated that the fiscal year ended in June with the operational reserves at \$63.5 million but told the Committee to expect a significant increase to the reserves in November or December, once the financial statements are audited and accepted.

Geof Syphers, CEO, recognized Woody Hastings of the Climate Center and congratulated the City of Stockton on their unanimous vote to join East Bay Community Energy. He mentioned that the City of Cotati was unveiling their first all-electric police cruiser. He discussed the heat storm that hit California the week before and the State's response to it.

Chair Quinlan congratulated SCP on its awards and the response to the heat storm. Member Booth stated that it was interesting to hear SCP's experience

during the heat storm and asked if SCP could draft a response letter regarding electric vehicle reliability during the heat storm.

Public Comment: None

3. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate

(1:27 p.m. - Video Time Stamp: 00:27:11)

Neal Reardon, Director of Regulatory Affairs, discussed the difficulties that PG&E is having maintaining their distribution lines, so they have made a new proposal to remove overhead wires in certain fire-prone areas and produce power locally for small numbers of customers in so-called "remote grids." He stated that SCP's Board of Directors authorized remote grids under certain conditions in 2020, and SCP and PG&E have successfully partnered on one fully authorized remote grid. Director Reardon then noted that last year PG&E filed a motion with the CPUC to change the process from one that recognizes the SCP Board's authority to authority removal of land from SCP's service territory and each customer's authority to determine PG&E service through an off-grid system to a process that would allow PG&E to unilaterally make all of these decisions with no local input or oversight. He said that SCP will fight this.

In contrast with PG&E's proposal to force SCP and customers to accept PG&E's sole decisions, CEO Syphers mentioned the Pepperwood project and said that it was a model of how "remote grids" should be built, with close collaboration by SCP and the customer, and with approval by all three parties - SCP's Board, the customer and PG&E. Once completed, the Pepperwood system will be the first 100% renewable project built and operated by PG&E.

CEO Syphers then discussed the Federal Inflation Reduction Act and California Resource Board's new rule requiring the phasing out of selling gas powered vehicles by 2035. He discussed the extension of Diablo Canyon, SB 1020 (Laird), and SB 1158 (Becker).

Member Lipp asked how the difference between voluntary and involuntary nature of the remote grid changed the program. Director Reardon responded that PG&E would be removing choice for customers and CEO Syphers added that it would be blocking SCP from delivering clean power to these customers.

Member Booth asked if the criteria for determining the cost of which customers are chosen to receive remote grids was transparent. Director

Reardon answered that PG&E shared a spreadsheet of costs based on the wildfire threat.

Vice Chair Morris inquired if operation of Diablo Canyon still needed to go through the Nuclear Regulatory Commission and CEO Syphers answered that it would. She also asked about the impacts of the extension on the PCIA.

Chair Quinlan asked if the Inflation Reduction Act will create new opportunities for the Advanced Energy Center to advise customers on energy efficient technologies, to which CEO Syphers answered with an enthusiastic yes.

Public Comment: None

4. Recommend the Board Authorize the Chief Executive Officer or his Designee to Execute Memorandum of Understanding Agreements with GeoZone Private Partners and Initiate Negotiations of Public-Private Cooperation Agreements

(1:54 p.m. - Video Time Stamp: 00:54:33)

Ryan Tracey, Director of Planning and Analytics, introduced this item as how SCP figures out how to best fulfill the goals of the GeoZone. He explained that SCP started their solicitation period in the spring to investigate geothermal energy sources and had selected three companies and their proposals to move forward with. Those three companies are Eavor, Chevron New Energies, and Cyrq Energy. He explained that with these proposals SCP wants to ensure the continued operation of the existing Geysers facilities while expanding regional output. Due to the very different approaches and risks of the three short-listed companies, staff recommend moving forward with all three.

Chair Quinlan mentioned that he was interested in Eavor because he believes that Sonoma County wastewater could be better used especially during times of drought and asked what type of fluid they use. Director Tracey explained that Eavor uses some water, but that water then goes through a heat exchanger to transfer the heat to an organic fluid for the power cycle. Chair Quinlan then asked if SCP gains something from this MOU step and CEO Syphers explained that because this is a big undertaking the more steps and transparency the better, and federal funding opportunities may mean that having an MOU in place immediately valuable when applying for grants.

Vice Chair Morris inquired about reputational issues that Chevron has and whether Calpine is involved yet. CEO Syphers responded that Chevron's reputational issues have already been called out and Calpine has been closely involved in the early GeoZone process. Member Hollinshead asked if Cyrq's



proposal would be applied to existing facilities and Director Tracey responded that Cyrq's would, and Chevron's might. Director Wells asked what the pool of proposals looked like, and Director Tracey responded that it was narrowed from 7 to 3.

Public Comment: None

Motion to recommend the Board authorize the Chief Executive Officer or his designee to execute memorandum of understanding agreements with GeoZone private partners and initiate negotiations of public-private cooperation agreements by Member Dowd

Second: Member Nicholls

Motion passed by roll call vote

AYES: Quinlan, Morris, Hollinshead, Johnson, Dowd, Wells, Nicholls, Booth, Lipp

ABSENT: Fenichel, Kelly

5. Recommend the Board Adopt Staff's Preferred Portfolio for the 2022 Integrated Resource Plan Filing

(2:26 p.m. - Video Time Stamp: 01:25:52)

Director Tracey introduced the Integrated Resource Plan (IRP) as an internal way to make meaningful differences in climate goals. He explained that compliance, an internal IRP, and operations all went into the formulation. He stated that the new goals in this IRP include 100% hourly carbon mitigation by 2026 and an 80% winter evening reliability by 2030. He explained that because solar and storage is not as effective in the wintertime due to the shorter hours of sunlight, finding the right resources to power SCP customers through the winter is clearly the new challenge. He said that SCP's preferred portfolio includes solar, wind, geothermal, and standalone storage, and that the IRP plans it through 2040 while also phasing down reliance on biomass and hydro power.

Chair Quinlan asked what some of the challenges to the IRP were. Director Tracey explained that currently supply chains were an issue, but SCP has the resources to cover through 2027. Chair Quinlan asked if there are any transmission concerns and Director Tracey answered that there are initial concerns for transmission.

*3:04 p.m. Member Booth exited the meeting.*

Public Comment: None

Motion to recommend the Board adopt staff's preferred portfolio for the 2022 Integrated Resource Plan filing by Member Nicholls

Second: Member Wells

Motion passed by roll call vote

AYES: Quinlan, Morris, Hollinshead, Johnson, Dowd, Wells, Nicholls, Lipp

ABSENT: Fenichel, Kelly, Booth

6. Discuss Future Opportunities for Distributed Renewable and Storage Resources Within the Sonoma Clean Power Service Territory

(3:05 p.m. - Video Time Stamp: 02:05:13)

CEO Syphers introduced Member Hollinshead who called for discussion on this item regarding items SCP may put on the table for local power generation and what may be next.

Member Hollinshead stated that SCP provides 6.5GW of power, 20% of which is power from local sources. He then stated that two or three times as much is required to decarbonize, and that transmission is a challenge. He then stated that the way around this is distributed storage and another way is solar with storage. He gave the Healdsburg floating array as an example and questioned what SCP can do for facilitating storage in its territory. CEO Syphers explained that the cost can be large, and for microgrid applications it can be tough navigating regulatory hurdles, but this is something SCP can discuss again.

Member Nicholls asked if there are any opportunities for onshore wind projects and CEO Syphers explained that it could require government intervention to overcome environmental hurdles, since many onshore wind projects are blocked by lawsuits. Vice Chair Morris discussed an article she read describing adding solar and storage to previously abandoned housing during renovations for the purpose of being re-sold to low-income individuals and families. This article was distributed to the Committee.

Public Comment: None

**COMMITTEE MEMBER ANNOUNCEMENTS**

(3:27 p.m. - Video Time Stamp: 02:27:03)

None

## **ADJOURN**

(3:27 p.m. - Video Time Stamp: 02:27:15)

The meeting was adjourned by unanimous consent.

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## Staff Report - Item 02

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**To:** Sonoma Clean Power Authority Community Advisory Committee  
**From:** Ryan Tracey, Director of Planning & Analytics  
Geof Syphers, Chief Executive Officer  
**Issue:** Receive Geothermal Opportunity Zone Update  
**Date:** October 20, 2022

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### Background

The Geothermal Opportunity Zone (GeoZone) was established by the SCP Board of Directors and the Boards of Supervisors in Sonoma and Mendocino Counties to explore expanding local geothermal power capacity. The purpose of the GeoZone is to develop the resources necessary to allow SCP to stop relying on natural gas power plants altogether. To that end, the GeoZone is seeking to sustain existing local geothermal production and add 500 MW of new geothermal capacity.

Ongoing updates, information, and materials about the GeoZone can be found at <https://sonomacleanpower.org/geozone>.

### Cooperation Agreements

Following approval from the Board on October 6, staff executed Memorandums of Understanding and started actively drafting cooperation agreements with all three private partners: Eavor Inc., Chevron New Technologies, and Cyrq Energy. SCP and all three partners have finished reviewing an outline summarizing the key components of the cooperation agreement. Staff hopes to complete first drafts of the agreements, incorporating feedback from the outline review, later this month.

After language for each agreement is drafted, staff will bring the cooperation agreements to the CAC for review and the Board for approval before executing. Staff does not necessarily expect all agreements to be completed concurrently. Although all three agreements started from a common template, each agreement will have milestones and provisions that are specific to the counterparty's GeoZone proposal.

## Site Opportunities

An early focus in the GeoZone will be identifying suitable sites to host new geothermal projects. Although private partners will be responsible for securing site control, SCP expects to use its relationships in the community to help convene potential site hosts. Staff has pro-actively identified several opportunities with public agencies, tribal land, and large private landowners in the region and is beginning to reach-out to gauge their interest in hosting projects. Staff will also welcome any input from the CAC or public concerning site opportunities by e-mail at [geozone@sonomacleanpower.org](mailto:geozone@sonomacleanpower.org).

## Grant Opportunities

There are several grant opportunities staff is actively tracking for potential GeoZone funding including:

- **Department of Energy (DOE) Grid Resilience and Innovation Partnerships Program** - The DOE is funding \$10.5 billion in grants as part of the Bipartisan Infrastructure Law (BIL) to fund innovative projects that increase grid resiliency and facilitate deployment of cleaner energy sources. SCP responded to a Request for Information (RFI) on the program with comments supporting eligibility for projects like the GeoZone that are accelerating deployment of clean firm resources but may need financial assistance to overcome market and infrastructure barriers. The DOE may start accepting concept papers from applicants for this program by the end of the year.
- **California Energy Commission (CEC) Long-duration Storage** - The 2022-23 state budget included \$240 million for non-lithium long duration storage. Details of the program are expected to be discussed at one of the upcoming CEC Business Meetings. Cyrq Energy's thermal storage technology or dispatchable configurations of Eavor or Chevron New Energies may be strong candidates.
- **DOE Long-Duration Energy Storage Demonstration Initiative** - The DOE is expected to also award \$150 million in grants out of the Office of Clean Energy Demonstrations for innovative long-duration energy storage technologies. The estimated application opening date is by the end of this year.
- **DOE Bipartisan Infrastructure Law Enhanced Geothermal Systems (EGS) Pilot Demonstrations** - The DOE is awarding \$84 million for pilots to demonstrate new EGS technologies. SCP responded to an RFI in May 2022 with comments supporting a broad definition of technologies eligible for the grant—specifically asking that advanced closed-loop technologies be considered. SCP also

highlighted attributes of a likely GeoZone application, such as pro-active community involvement, that the DOE should preferentially consider. DOE has not announced a firm timetable for the application process.

### **California Public Utilities Commission (CPUC) Advocacy**

The CPUC recently [released a report](#) it commissioned to investigate zero-carbon firm resources to consider for statewide resource planning in its Integrated Resource Planning (IRP) process. The report mostly relied on third-party sources to compare the cost and viability of different candidate technologies including small modular nuclear reactors, enhanced geothermal systems (EGS), carbon capture and storage (CCS), non-lithium energy storage (including hydrogen and renewable fuels). Possibly because of the long-time lag since the last significant California geothermal developments, the report stated that “all technologies except EGS show promise as zero-carbon firm capacity,” which is directly contradictory to SCP’s own research and analysis. The CPUC’s portfolio modeling is incredibly influential in determining the trajectory of California’s energy transition as it is used as the basis for transmission planning, procurement orders, and prioritization of state funding.

In response, staff submitted informal comments to the CPUC sharing its own robust outlook for geothermal resources in providing clean firm capacity. The comments referenced some of SCP’s own analysis as well as recent academic work confirming the immense economic potential of geothermal development. SCP will continue to monitor the representation of geothermal in statewide planning efforts and has alerted the Department of Energy Geothermal Technology Office of the CPUC’s preliminary findings.

### **Other News**

- The DOE announced their latest “earthshot” of slashing the cost of EGS to \$45 per megawatt hour by 2035. Although speculative, the ambitious goal will guide DOE funding priorities and if successful will result in the widespread availability of clean and affordable energy.
- Chevron New Energies announced a joint collaboration agreement with Mitsui Oil Exploration Company (MOECO) to explore the feasibility of deploying advanced closed loop geothermal technology in Japan. Advanced closed. loop geothermal technology is also under consideration for Chevron New Energies’ development strategy in the GeoZone.

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## Staff Report - Item 03

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**To:** Sonoma Clean Power Authority Community Advisory Committee  
**From:** April Varellas, Brand Manager  
**Issue:** Recommend the Board of Directors Approve and Delegate Authority to the CEO or his Designee to Execute the Second Amendment to an Agreement with The Engine is Red  
**Date:** October 20, 2022

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### Recommendation

Recommend that the Sonoma Clean Power Authority Board of Directors delegate authority to the Chief Executive Officer, or his designee, to execute a second amendment to the current Professional Services Agreement ("PSA") with The Engine is Red. This amendment will extend the agreement term through February 28, 2023, and add \$51,000 to the not-to-exceed amount, bringing the new not-to-exceed amount from \$89,000 to \$140,000.

### Background

This summer, Sonoma Clean Power launched the first phase of the Powering Everyday Moments brand campaign, which focuses on residential services.

SCP entered into a professional services agreement with local advertising agency The Engine is Red in April 2022 to develop the concept and the creative elements of the brand campaign (Attachment A). The agreement was first amended in August 2022 to extend the contract date for further work to be done, without increasing the not-to-exceed amount (Attachment B).

### Discussion

Now that the residential Powering Everyday Moments campaign has launched, we desire to create a companion campaign promoting Sonoma Clean Power's commercial services, including customer testimonials for both CleanStart and EverGreen customers in Sonoma and Mendocino counties.

To achieve the commercial phase of the campaign, we are requesting a second amendment to the current agreement (Attachment C) to increase the not-to-exceed amount by fifty-one thousand (\$51,000) for a new total of one hundred and forty thousand dollars (\$140,000). We also request to extend the agreement term from December 2022 to February 28, 2023, to allow us to complete this work.

### **Fiscal Impact**

\$51,000 of additional spending, all of which is already in the FY2022/23 approved budget.

### **Attachments**

- Attachment A - The Engine is Red Professional Services Agreement for Branding Campaign, available at [this link](#) or by request to the Clerk of the Board
- Attachment B - The Engine is Red Amendment #1 for Branding Campaign, available at [this link](#) or by request to the Clerk of the Board
- Attachment C - The Engine is Red Draft Amendment #2 for Branding Campaign, available at [this link](#) or by request to the Clerk of the Board



## Staff Report - Item 04

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**To:** Sonoma Clean Power Authority Community Advisory Committee

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

**Issue:** Recommend the Board of Directors Approve and Delegate Authority to the CEO or Designee to Execute Agreement for Professional Services with Maher Accountancy through June 30, 2024, with a Not-to-Exceed Amount of \$450,000.

**Date:** October 20, 2022

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### Recommendation

Recommend that the Board approve and delegate authority to the CEO or designee to execute an agreement for professional services with Maher Accountancy, for general accounting services, for a period of two years, through June 30, 2024, with a not-to exceed amount of \$450,000.

### Background

Maher Accountancy (Maher) has been SCP's primary accountant since 2013, with several prior contracts and extension amendments for services. Following the recommendation of the Committee Advisory Committee (Committee), staff issued a Request for Proposals (RFP) in August of this year to explore our options for accounting services. Although the RFP was published on our website and with the California Society of CPAs, Maher was the sole respondent to the RFP.

Maher has been a key partner in SCP's operations since our formation. They perform general accounting services and have been instrumental in financial risk management, budgeting, contract tracking, payroll, invoice processing and other operational processes. SCP contracts with a separate accounting firm, currently Pisenti and Brinker, for our annual fiscal-year independent audits.

## **Discussion**

As the accounting services specific to CCAs are critical to a successful organization, staff recommends continuation of our working relationship with Maher. Maher has expanded their team over the last several years to provide services to several CCAs across the state and are familiar with the scope and breadth of the accounting needs of SCP. They work well with our team and have achieved clean outside audits in every year since 2013.

## **Fiscal Impact**

The costs for accounting services, including annual audits are included in the 2022-2023 Fiscal Year Budget. Costs to be incurred in subsequent fiscal years will be included in the draft budget(s) to be recommended by the Committee and approved by the Board of Directors.

## **Attachments**

- Attachment A - Draft Agreement for Professional Services, available at [this link](#) or by request to the Clerk of the Board



## Staff Report - Item 05

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**To:** Sonoma Clean Power Authority Community Advisory Committee  
**From:** Chris Golik, Revenue Manager  
**Issue:** Recommend the Board of Directors Approve Continued Use of Updated B-6 Rate Effective October 1, 2022  
**Date:** October 20, 2022

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### Recommendation

Recommend that the Board approve the continued use of SCP's updated B-6 rate, adopted on October 1, 2022, under the CEO's authority to make temporary rate changes, which matches PG&E's October 1, 2022, B-6 rate.

### Background

SCP previously lowered rates on July 1, 2022, resulting in rates that were the same or lower than PG&E's on a total bill basis for all customers. PG&E subsequently updated their B-6 rate on October 1, 2022.

Per Section 4.5.2.1.1 of SCPA's Joint Powers Agreement,

"...the Chief Executive Office may change any rate for power sold by the Authority or any charge for services provided by the Authority if (a) the need for the change arises from...(ii) a change in rates or charges imposed on the Authority or its customers by PG&E, the CPUC, or any other regulatory agency...; and (b) the Chief Executive Officer determines, following consultation with the Chair of the Board of Directors, that the change is reasonably necessary for budgetary reasons or to keep the Authority's rates and charges competitive. Changes in rates or charges made by the Chief Executive Officer under this Section shall be brought to the Board of Directors at the next scheduled meeting for consideration and shall expire after 90 days unless ratified by the Board of Directors."

## **Discussion**

On October 1, 2022, PG&E updated their B-6 rate to change the various time-of-use rates. In response, and because some of PG&E's new time-of-use rates were below SCP's rates, the CEO decided to update SCP's B-6 rate on October 1, 2022, to match PG&E's new generation rates. Total rates increased during the summer peak period and decreased in all other periods. On average, the change is expected to reduce charges slightly for SCP's B-6 customers on a total bill basis.

## **Fiscal Impact**

The October 1, 2022, B-6 rate change is expected to decrease FY2022-23 revenue by approximately \$300,000 or about 0.1% of budgeted electricity sales.

## **Attachments**

- SCP Rate Schedule Effective October 1, 2022, available at [this link](#) or by request to the Clerk of the Board



## **Staff Report - Item 06**

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**To: Sonoma Clean Power Authority Community Advisory Committee**

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

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

**Date: October 20, 2022**

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### **WATER AND ENERGY EDUCATION**

As part of Sonoma Clean Power's partnership with Sonoma Water, the Water and Energy Education Team recently co-hosted a 5-day professional development for 18 middle and high school teachers titled, Climate Change & Resilience in the North Bay. Each day was spent with a local organization working on climate change solutions in Sonoma County.

The week culminated at the Advanced Energy Center where teachers worked through a series of escape room types of challenges created by Sonoma Water Education staff designed for high school students to learn key actions they can take to reduce carbon emissions locally.

This workshop helped create new partnerships between teachers and the many entities in Sonoma County working hard to find solutions to the challenges of a changing climate.

### **COP 27 INTERNATIONAL CLIMATE CONFERENCE**

The 27<sup>th</sup> International Climate Conference will be held in Egypt this year from November 6 to 18, and two of SCP's board members are planning to represent local governments there: Mayor Rogers of Santa Rosa and Mayor Elward of Rohnert Park. CEO Syphers was asked by the County of Sonoma to consider closing a funding gap for securing a space in the main Pavilion and agreed to a \$35,000 sponsorship after conferring with Chair King. Key objectives for SCP at the event will be to initiate

relationships with public-benefit renewable power providers in other countries and bring home examples of successful decarbonization strategies.

## ADVANCED ENERGY CENTER

The Center's contractor network has increased by 120% since January 2022. Customers can now use any licensed contractor to receive SCP incentives and self-installations are now approved for technologies like induction. <https://scpadvancedenergycenter.org/residential-rebates>.

## CUSTOMER PARTICIPATION

### Meters and Participation by TOT

COUNTY	Eligible	SCP	% Part.	% Opt Out
<input checked="" type="checkbox"/> <b>SONOMA</b>	<b>226,484</b>	<b>199,889</b>	<b>88.3%</b>	<b>11.7%</b>
WINDSOR INC	9,960	8,760	88.0%	12.0%
UNINC SONOMA CO	73,783	64,292	87.1%	12.9%
SONOMA INC	6,435	5,639	87.6%	12.4%
SEBASTOPOL INC	4,433	4,047	91.3%	8.7%
SANTA ROSA INC	77,491	68,848	88.8%	11.2%
ROHNERT PARK INC	19,238	17,151	89.2%	10.8%
PETALUMA INC	27,339	24,376	89.2%	10.8%
COTATI INC	3,881	3,522	90.7%	9.3%
CLOVERDALE INC	3,924	3,254	82.9%	17.1%
<input checked="" type="checkbox"/> <b>MENDOCINO</b>	<b>38,448</b>	<b>30,735</b>	<b>79.9%</b>	<b>20.1%</b>
WILLITS INC	2,738	2,187	79.9%	20.1%
UNINC MENDOCINO CO	31,341	24,899	79.4%	20.6%
POINT ARENA INC	344	292	84.9%	15.1%
FORT BRAGG INC	4,025	3,357	83.4%	16.6%
<b>Total</b>	<b>264,932</b>	<b>230,624</b>	<b>87.1%</b>	<b>12.9%</b>



## Current EverGreen Enrollment by TOT

COUNTY ▼	SCP Meters	EverGreen Meters	EverGreen %
<input checked="" type="checkbox"/> <b>SONOMA</b>	<b>199,889</b>	<b>3,452</b>	<b>1.73%</b>
WINDSOR INC	8,760	49	0.56%
UNINC SONOMA CO	64,292	988	1.54%
SONOMA INC	5,639	78	1.38%
SEBASTOPOL INC	4,047	175	4.32%
SANTA ROSA INC	68,848	1,177	1.71%
ROHNERT PARK INC	17,151	233	1.36%
PETALUMA INC	24,376	605	2.48%
COTATI INC	3,522	123	3.49%
CLOVERDALE INC	3,254	24	0.74%
<input checked="" type="checkbox"/> <b>MENDOCINO</b>	<b>30,735</b>	<b>426</b>	<b>1.39%</b>
WILLITS INC	2,187	20	0.91%
UNINC MENDOCINO CO	24,899	350	1.41%
POINT ARENA INC	292	15	5.14%
FORT BRAGG INC	3,357	41	1.22%
<b>Total</b>	<b>230,624</b>	<b>3,878</b>	<b>1.68%</b>

## MONTHLY COMPILED FINANCIAL STATEMENTS

The year-to-date change in net position is better than projections. Revenue from electricity sales and cost of energy both exceed budget projections, but the result was favorable as the increase in revenue exceeded that of cost of energy. Year-to-date electricity sales reached \$52,222,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$146,911,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals. Approximately \$63,511,000 is set aside for operating reserves.

Aside from cost of energy, most other operating expenses continued near or slightly below planned levels for the year.

## **BUDGETARY COMPARISON SCHEDULE**

The accompanying budgetary comparison includes the 2022/23 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, 2022/23 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates, and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is over budget by approximately 16% at the end of the reporting period. The cost of electricity is more than the budget-to-date by approximately 6%. 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 and are closely aligned to budget.

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

## **ATTACHMENTS**

- 2022 Teacher Workshop Summary
- August 2022 Financials

## **UPCOMING MEETINGS**

- Board of Directors - November 3, 2022
- Community Advisory Committee - November 17, 2022
- Board of Directors - December 1, 2022

The Water and Energy Education Team recently co-hosted a 5-day professional development for 18 middle and high school teachers titled, *Climate Change & Resilience in the North Bay*. Each day was spent with a local organization working on climate change solutions in Sonoma County.

During the week, teachers took a tour of a prescribed burn and learned about land stewardship informed with Traditional Ecological Knowledge at

Pepperwood Preserve, visited Windsor's Community Garden to learn how to integrate solutions-focused projects at school with Daily Acts, toured the water system with Pam Jeane, and learned from Aaron Johnson and Carlos Diaz about drought and its impacts on salmonids and water supply. Towards the end of the week, teachers kayaked in Bodega Bay with Regional Parks and learned activities to share with students about ocean acidification and sea level rise with NOAA educator, Jennifer Stock. The week culminated at Sonoma Clean Power's Advanced Energy Center where teachers worked through a series of escape room challenges created by Water Education staff designed for high school students to learn key actions they can take to reduce carbon emissions locally.



Teachers stop at a prescribed burn at Pepperwood Preserve.



Teachers worked through a middle school lesson on drought developed by Water Education staff.

Teachers will implement lessons they developed during the week and Water and Energy Education staff plan to observe these lessons throughout the school year. When complete, teachers will receive a \$1,000 stipend for the weeklong workshop and for carrying out their lessons.

This workshop helped create new partnerships between teachers and the many entities in Sonoma County working hard to find solutions to the challenges of a changing climate. It became clear during the week that partnerships such as these will be key in creating a more climate-resilient community.

"Thank you from the bottom of my heart for this amazing experience that has shifted my whole perspective about the climate challenges awaiting all of us."-Santa Rosa Middle School Teacher



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Sonoma Clean Power Authority

Management is responsible for the accompanying special purpose statement of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended August 31, 2022, 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  
September 29, 2022

**SONOMA CLEAN POWER AUTHORITY  
OPERATING FUND  
BUDGETARY COMPARISON SCHEDULE  
Two Months Ended August 31, 2022**

	2022/23 YTD Budget	2022/23 YTD Actual	2022/23 YTD Budget Variance (Under) Over	2022/23 YTD Actual / Budget %	2022/23 Budget	2022/23 Budget Remaining
<b>REVENUE AND OTHER SOURCES:</b>						
Electricity (net of allowance) *	\$ 45,688,665	\$ 51,783,434	\$ 6,094,769	113%	\$ 244,400,000	\$ 192,616,566
Evergreen Premium (net of allowance)	432,210	438,089	5,879	101%	2,312,000	1,873,911
CEC Grant	235,667	90,086	(145,581)	38%	1,414,000	1,323,914
Interest income	63,333	111,905	48,572	177%	380,000	268,095
Miscellaneous Income	170,833	-	(170,833)	0%	1,025,000	1,025,000
Total revenue and other sources	46,590,708	52,423,514	5,832,806	113%	249,531,000	197,107,486
<b>EXPENDITURES AND OTHER USES:</b>						
<b>CURRENT EXPENDITURES</b>						
Cost of energy and scheduling	31,675,080	33,420,905	1,745,825	106%	171,380,000	137,959,095
Data management	446,167	447,355	1,188	100%	2,677,000	2,229,645
Service fees- PG&E	163,167	163,171	4	100%	979,000	815,829
Personnel	1,233,762	1,197,905	(35,857)	97%	7,650,000	6,452,095
Energy Center, marketing & communications	451,144	368,742	(82,402)	82%	2,557,000	2,188,258
Customer service	55,169	34,704	(20,465)	63%	291,000	256,296
General and administration	187,699	215,407	27,708	115%	1,140,000	924,593
Legal	71,667	34,242	(37,425)	48%	430,000	395,758
Regulatory and compliance	86,633	45,618	(41,015)	53%	460,000	414,382
Accounting	43,000	34,000	(9,000)	79%	258,000	224,000
Legislative	36,667	16,000	(20,667)	44%	220,000	204,000
Other consultants	95,167	69,400	(25,767)	73%	571,000	501,600
Industry memberships and dues	130,000	111,839	(18,161)	86%	560,000	448,161
Program implementation	857,107	89,758	(767,349)	10%	6,025,000	5,935,242
Program - CEC grant	696,667	155,405	(541,262)	22%	4,180,000	4,024,595
Total current expenditures	36,229,096	36,404,451	175,355	100%	199,378,000	162,973,549
<b>OTHER USES</b>						
Capital outlay	100,000	47,698	(52,302)	48%	600,000	552,302
Total Expenditures, Other Uses	36,329,096	36,452,149	123,053	100%	199,978,000	163,525,851
Net increase (decrease) in available fund balance	\$ 10,261,612	\$ 15,971,365	\$ 5,709,753		\$ 49,553,000	\$ 33,581,635
<i>* Represents sales of approximately 363,000 MWh for 2022/23 YTD actual.</i>						
<b>RESERVES</b>		<b>% of Long-Term</b>	<b>Targeted Balance</b>			
	<b>Current Balance</b>	<b>Term Target</b>				
Operating Reserve (as of June 30, 2021)	\$ 63,511,000	42%	\$ 152,948,000			

**SONOMA CLEAN POWER AUTHORITY**  
**OPERATING FUND**  
**BUDGET RECONCILIATION TO STATEMENT OF**  
**REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Two Months Ended August 31, 2022**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 15,971,365
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(226,518)
Add back capital asset acquisitions	<u>47,698</u>
Change in net position	<u><u>\$ 15,792,545</u></u>





## 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 August 31, 2022, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the 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  
September 29, 2022

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of August 31, 2022

### ASSETS

Current assets	
Cash and cash equivalents	\$ 52,871,155
Accounts receivable, net of allowance	28,612,103
Other receivables	1,751,234
Accrued revenue	14,277,671
Prepaid expenses	2,407,410
Deposits	8,022,981
Investments	35,245,417
Total current assets	<u>143,187,971</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	18,557,969
Deposits	196,256
Total noncurrent assets	<u>19,614,745</u>
Total assets	<u>162,802,716</u>

### LIABILITIES

Current liabilities	
Accrued cost of electricity	12,886,064
Accounts payable	865,367
Other accrued liabilities	1,388,275
User taxes and energy surcharges due to other governments	752,440
Total current liabilities	<u>15,892,146</u>

### NET POSITION

Investment in capital assets	19,418,489
Unrestricted	127,492,081
Total net position	<u><u>\$ 146,910,570</u></u>



**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Two Months Ended August 31, 2022**

**OPERATING REVENUES**

Electricity sales, net	\$ 51,783,434
Evergreen electricity premium	438,089
Grant revenue	90,086
Total operating revenues	<u>52,311,609</u>

**OPERATING EXPENSES**

Cost of electricity	33,420,905
Contract services	1,358,033
Staff compensation	1,197,905
General and administration	355,414
Program rebates and incentives	72,196
Depreciation	226,516
Total operating expenses	<u>36,630,969</u>
Operating income (loss)	<u>15,680,640</u>

**NONOPERATING REVENUES (EXPENSES)**

Investment earnings (loss)	111,905
Nonoperating revenues (expenses), net	<u>111,905</u>

**CHANGE IN NET POSITION**

	15,792,545
Net position at beginning of period	<u>131,118,025</u>
Net position at end of period	<u><u>\$ 146,910,570</u></u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS Two Months Ended August 31, 2022

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 50,282,641
Other operating receipts	738,231
Payments to electricity suppliers	(37,061,725)
Payments for other goods and services	(2,131,521)
Payments for staff compensation	(1,125,236)
Tax and surcharge payments to other governments	(546,682)
Payments for program rebates and incentives	(301,589)
Net cash provided (used) by operating activities	<u>9,854,119</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(152,611)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>66,105</u>
Net cash provided (used) by investing activities	<u>66,105</u>

Net change in cash and cash equivalents	9,767,613
Cash and cash equivalents at beginning of year	<u>43,103,542</u>
Cash and cash equivalents at end of period	<u><u>\$ 52,871,155</u></u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF CASH FLOWS (continued)**  
**Two Months Ended August 31, 2022**

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

Operating income (loss)	\$ 15,680,640
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	226,516
Revenue adjusted for provision for uncollectible accounts	1,120,172
(Increase) decrease in:	
Accounts receivable	(2,836,901)
Other receivables	(105,186)
Accrued revenue	(845,862)
Prepaid expenses	553,833
Deposits	(1,910,000)
Increase (decrease) in:	
Accrued cost of electricity	(3,712,682)
Accounts payable	(440,343)
Accrued liabilities	2,046,907
User taxes due to other governments	77,025
Net cash provided (used) by operating activities	<u><u>\$ 9,854,119</u></u>

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## Staff Report - Item 07

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**To:** Sonoma Clean Power Authority Community Advisory Committee

**From:** Neal Reardon, Director of Regulatory Affairs  
Geof Syphers, Chief Executive Officer

**Issue:** Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate

**Date:** October 20, 2022

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### Requested Action

Receive legislative and regulatory updates and provide feedback as appropriate.

### Regulatory Updates

#### PG&E Submits Application to Form Pacific Generation Subsidiary

On September 28th, PG&E submitted an application with the California Public Utilities Commission seeking approval to transfer generation assets to a new subsidiary, Pacific Generation LLC. The utility's rationale for this proposal is to raise equity capital, deleverage its balance sheet, and avoid issuing additional common stock. PG&E reasons that Pacific Generation, without the liability of PG&E Corporation's transmission and distribution infrastructure, would be viewed by investors as an entity with less risk.

A 49% ownership stake in all of PG&E's utility-owned generation, with the exception of Diablo Canyon Power Plant, would be offered to investors. This subsidiary would remain wholly owned by PG&E, with the utility continuing to operate and maintain the facilities. While Pacific Generation would collect revenues, PG&E would continue to bill customers for the costs to own and operate the plants. The Power Charge Indifference Adjustment (PCIA) exit fee would remain in place, with both PG&E and Pacific Generation levying separate PCIA charges, the sum of which would appear as a

single line item on customer bills. PG&E states that rates would not be impacted by this transaction and that it would avoid diluting existing shareholders, including the Fire Victim Trust established in their most recent bankruptcy.

SCP staff will closely monitor this Application to ensure that if it were adopted neither customers nor the climate would be adversely impacted.

### **Legislative Update**

Since the last report on September 15, 2022, the Federal legislative session has ended. Any updates will be provided verbally at the meeting on October 20, 2022.



## Staff Report - Item 08

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**To:** Sonoma Clean Power Authority Community Advisory Committee

**From:** Brant Arthur, Program Manager  
Rebecca Simonson, Director of Programs

**Issue:** Receive Overview of Workplace Electric Vehicle Charging Research Project Proposal and Provide Feedback as Appropriate

**Date:** October 20, 2022

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### Recommendation

This is an informational item. No action is required.

### Background

SCP staff is proposing to launch a Workplace Electric Vehicle Charging Research project. This project will invite local employers to partner with SCP to provide and manage adjustable output (aka 'grid-enabled') electric vehicle (EV) chargers at their workplaces.

The purpose is to determine how to deliver a cost-effective workplace charging program that supports grid reliability while focusing on providing access to charging for disadvantaged and low-to-moderate income (LMI) employees who may not have charging capability at home. The research project will help SCP test various dispatching strategies and hardware configurations in anticipation of eventually running a larger regional initiative.

Workplace charging is needed for two reasons:

- Charging during the day when solar power is plentiful helps support our region's climate goals, aids with grid reliability, and increases our ability to adopt more EVs; and
- Provides access to charging for drivers who live in apartments, condominiums, and rental housing, or otherwise aren't able to install charging infrastructure at

home. This is critical to aid California's goal of phasing out the sale of gasoline-powered cars by 2035.

The growth of residential and utility solar generation statewide means there is an abundance of locally-produced renewable energy during the day, which could be beneficial to the grid when coupled with workplace EV charging.

A recent study on reducing the grid impacts of deep EV adoption found that, "shifting drivers from home to daytime charging improves all metrics of grid impact including ramping, use of non-fossil fuel generation, storage requirements and emissions;" and that, "the grid can support more EVs in scenarios with more daytime charging."<sup>1</sup>

Disadvantaged and low-income communities have historically received a smaller share of funding for clean vehicles, according to California EV rebate data.<sup>2</sup> Often these communities also have a higher amount of multi-family housing, which have rarely provided charging for residents.

One opportunity to offer charging for these residents is to provide reliable and affordable charging at the workplace. Research shows that an employee with access to workplace charging is six times more likely than the average worker to drive electric.<sup>3</sup>

In order to learn more about the benefits of workplace charging, and develop strategies to install and manage chargers at more high-impact charging locations, SCP proposes to offer a turnkey workplace charging installation that will attract partners to the research project.

The goals of the proposed program are to:

- Provide affordable EV charging options for those unable to charge at home.
- Support up to 4 locally owned businesses with less access to EV expertise and capital funding.

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<sup>1</sup> Powell, S., Cezar, G.V., Min, L. et al., "Charging infrastructure access and operation to reduce the grid impacts of deep electric vehicle adoption," Nature Energy, September 24, 2022, <https://doi.org/10.1038/s41560-022-01105-7>

<sup>2</sup> California Air Resources Board, "CVRP Rebate Statistics," <https://cleanvehiclerebate.org/eng/rebate-statistics>

<sup>3</sup> U.S. Department of Energy, "Workplace Charging Challenge," January, 2017, [https://www.energy.gov/sites/prod/files/2017/01/f34/WPCC\\_2016%20Annual%20Progress%20Report.pdf](https://www.energy.gov/sites/prod/files/2017/01/f34/WPCC_2016%20Annual%20Progress%20Report.pdf)



- Gather experience on managing workplace charging installations in order to inform the development of a scalable program for FY 24/25.

Proposed offering to participating employers:

- No to low-cost direct installation of managed chargers, including 10-20 Level 2 charger ports per commercial site and necessary infrastructure and sitework to support the chargers.
- Charger maintenance and management software for 5 years.
- Provide estimated EV charging electricity costs for site.
- Connect hosts of sites that are reviewed but not selected for the research project with Electric Vehicle Infrastructure Training Program (EVITP) electricians and relevant infrastructure incentives (e.g., PG&E's EV Charge 2 and Inflation Reduction Act rebates) to support installation.

SCP proposes to issue an RFP for evaluation of potential workplace sites, design and construction of charging infrastructure, and long-term monitoring and maintenance of the charging stations.

## **Discussion**

Staff proposes to develop and refine a list of potential site partners in collaboration with local government partners and the SB 535 disadvantaged community map.

Criteria for site selection may include:

- Number of employees who work on-site at predictable times during the day.
- Amount of additional electrical upgrades required.
- Demonstrated willingness to partner with SCP, including sharing EV awareness and EV rebate information with employees.
- Location in a low-income community or rural census tract (also making sites eligible for the 30% Alternative Fuel Vehicle Refueling Property Credit) or employing high numbers of low-income people.
- Location in a census tract block group with over 75% low-wage workers.
- Likelihood that sites could be operational by the end of 2023.

SCP staff plans to develop a research plan to collect the information required to design a successful workplace charging program for more participants. Research questions from the plan may include:

- What managed charging strategies can meet the EV charging needs of employees while maximizing the use of abundant renewable energy and minimize stress on the grid?
- Should SCP develop new rates to incentivize daytime EV charging?
- How can site hosts best manage demand for chargers from a growing number of employees driving EVs?
- What is needed to help employees accept time-of-use or demand response (GridSavvy) limitations on charging?
- What are the best dispatch methods and algorithms for adjusting the rates of charging throughout the day?

### **Fiscal Impact**

Staff estimates that the research project could cost up to \$560k for planning and installation at 4 sites, averaging 15 ports per site for an approximate total of 60 level 2 charger ports, with 5 years of management and maintenance. The final budget would be determined in the RFP process, with any resulting agreement to come to the Community Advisory Committee for review and Board for approval.

The new chargers would provide an opportunity to collect Low Carbon Fuel Standard (LCFS) credits that can be monetized and re-invested in transportation electrification efforts. This will help staff establish a track record for collecting commercial LCFS credits while building a budget over time for more electrification. LCFS revenue of \$330-\$650/port per year may be possible over time as employees increase their use of EVs, with a total approximate revenue of up to \$390k for 60 level 2 charger ports over 10 years (depending on the market for LCFS credits).

The fiscal impact may also be reduced by selecting sites based on their eligibility for the Alternative Fuel Vehicle Refueling Property Credit, which was updated under the Inflation Reduction Act to provide a 30% credit, up to \$100,000 per location, for charging installations in rural and low-income communities starting in 2023.



## **Staff Report - Item 09**

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**To: Sonoma Clean Power Authority Community Advisory Committee**  
**From: Geof Syphers, CEO**  
**Issue: Discuss Future Opportunities for Distributed Renewable and Storage Resources Within the Sonoma Clean Power Service Territory**  
**Date: October 20, 2022**

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### **Recommendation**

This is the continuation of a discussion at the request of the Community Advisory Committee on exploring future SCP activities that could further accelerate the development of small-scale 1 to 10 MW solar arrays and storage resources in Sonoma and Mendocino Counties. No action.