



**AGENDA
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, JANUARY 19, 2023
1:00 P.M.**

******AB 2449******

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

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

CONSISTENT WITH THE PROVISIONS OF AB 2449, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE MAY PARTICIPATE IN THE JANUARY 19, 2023, MEETING REMOTELY OR IN PERSON AT THE LOCATION SHOWN BELOW.

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

For Those Participating Remotely:

- Webinar link: <https://us06web.zoom.us/j/89591222887>
- Telephone number: 1 (669) 444-9171
- Meeting ID: 895 9122 2887

How to Submit Public Comment When Participating Remotely:

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 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 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 December 15, 2022, Draft Community Advisory Committee Meeting Minutes (Staff Recommendation: Approve) **pg. 5**
2. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. 9**
3. Authorize Remote Teleconference Meetings of the Community Advisory Committee Pursuant to AB 2449 (Staff Recommendation: Approve) **pg. 13**
4. Recommend Board Ratification of Generation Rates Effective February 1, 2023, Consistent with Prior Board Direction (Staff Recommendation: Approve) **pg. 15**

COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

5. Nominate and Appoint a Chair and Vice Chair of the Community Advisory Committee for 2023 (Staff Recommendation: Nominate and Approve) **pg. 17**
6. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 19**
7. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 31**
8. Receive Power Procurement Update (Staff Recommendation: Receive and File) **pg. 35**

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, DECEMBER 15, 2022
1:00 P.M.**

******AB 361******

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

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

CONSISTENT WITH THE PROVISIONS OF AB 361 WHICH SUSPENDED CERTAIN REQUIREMENTS OF THE BROWN ACT, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE PARTICIPATED IN THE DECEMBER 15, 2022, MEETING IN PERSON AND BY REMOTE ATTENDANCE.

CALL TO ORDER

(1:03 p.m. - Video Time Stamp: 00:03:33)

Chair Quinlan called the meeting to order.

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

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Neal Reardon, Director of Regulatory Affairs; Stephanie Reynolds, Director of Internal Operations; Kate Kelly, Director of Public Relations and Marketing; and Monica Arroyo, Customer Service Representative.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(1:04 p.m. - Video Time Stamp: 00:04:23)

Public Comment: None

COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

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

1. Approve November 17, 2022, Draft Community Advisory Committee Meeting Minutes

2. Approve Community Advisory Committee Meeting Dates for 2023 Calendar Year

Public Comment: None

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

Second: Member Dowd

Motion passed by roll call vote

AYES: Quinlan, Morris, Hollinshead, Johnson, Dowd, Kelly, Nicholls, Booth

ABSENT: Fenichel, Wells, Lipp

BOARD OF DIRECTORS REGULAR CALENDAR

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

(1:06 p.m. - Video Time Stamp: 00:06:18)

Stephanie Reynolds, Director of Internal Operations, introduced Monica Arroyo, Customer Service Representative who discussed SCP customer inquiries.

Chair Quinlan inquired as to the type of interactions they receive and Ms. Arroyo answered that most phone calls are from upset customers but said that they often calm down after she explains SCP's services to them. Vice Chair Morris then asked about the call volume SCP representatives receive and Michael Koszalka, Chief Operating Officer, answered that SCP receives about 2,000 inquiries a year.

Director Reynolds then introduced Kate Kelly, Director of Public Relations and Marketing, who gave a Sonoma Clean Power (SCP) holiday update including Snoopy Skating Events and Snoopy's Home Ice's forthcoming electric Zamboni. Director Reynolds then mentioned that the CAC will be making nominations for Chair and Vice Chair at the next meeting.

CEO Syphers discussed SCP's financials and he mentioned that California Community Power has officially launched its search for a general manager. He then mentioned that SCP's HQ being awarded the North Bay Business Journal's "Top Business Projects" award. Finally, he mentioned that as of March 1, 2023, the Governor's COVID-19 Emergency Orders will end, and SCP will be returning to in-person public meetings.

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

(1:43 p.m. - Video Time Stamp: 00:43:35)

Neal Reardon, Director of Regulatory Affairs, discussed the changes that the CPUC edited into their new Net Energy Metering (NEM) proposal. First, it would only impact future solar customers, and secondly, the decision will only affect exports to the grid. CEO Syphers mentioned there were no legislative updates. The proposal is expected to be voted on by the CPUC the day of this meeting, December 15, 2023.

Member Booth asked if there was a date specific to define “future solar” customers and Director Reardon responded that it is April 15, 2023.

Public Comment: None

COMMITTEE MEMBER ANNOUNCEMENTS

(1:49 p.m. - Video Time Stamp: 00:49:37)

Member Booth discussed support National Renewable Energy Laboratory support for solar resilience.

ADJOURN

(1:50 p.m. - Video Time Stamp: 00:50:26)

The meeting was adjourned by unanimous consent.

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Staff Report - Item 02

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: January 19, 2023

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

Staff are actively negotiating draft cooperation agreements for the three selected private partners: Eavor Inc., Chevron New Technologies, and Cyrq Energy. Each cooperation agreement will be presented to the CAC and Board for approval before execution. Staff expect that at least one, and as many as all three agreements will be ready to present to the CAC for the February 16th meeting.

Department of Energy Long-Duration Storage Grant

In consultation with SCP, Cyrq Energy submitted a Letter of Intent to the Department of Energy's (DOE) Office of Clean Energy Demonstrations in December 2022 for their [long-duration storage funding opportunity](#). The letter is a prerequisite for submitting a full grant funding application in March 2023. Staff will be working closely with Cyrq to prepare the final application, with a specific focus on describing the community

benefits and stakeholder engagement opportunities of a GeoZone project.

Cyrq's GeoZone project involves installing thermal storage at an existing dry steam generating unit at the Geysers. The project will charge by heating thermal mass during the day when geothermal output is in lower demand and then discharge in the evening by using the heated mass to superheat steam produced from the wellfield—resulting in greatly enhanced output. Cyrq is the lead project applicant and is joined by SCP, Babcock & Wilcox (technology provider), and EthosEnergy (turbine experts).

Because of the novel ability of Cyrq's technology to create valuable flexibility in geothermal output, SCP will be asking its member jurisdictions and community organizations for letters of support for the DOE grant.

Site Host Opportunities

A key focus of SCP and development partners is identifying potential site hosts for GeoZone projects. Although establishing site control for projects is a responsibility of GeoZone partners, SCP's relationship with community members has proved valuable in networking potential site hosts with GeoZone partners. Any parties interested in hosting a GeoZone project are encouraged to contact SCP staff at GeoZone@sonomacleanpower.org.

Other News

- SCP's GeoZone partner Eavor signed their first [Power Purchase Agreement](#) in the United States with NV Energy in Nevada. Eavor will build a facility that is dispatchable and can provide over 16 MW during high-need hours. The agreement is dependent on successful results from a 7-10 km deep calibration well.
- Chevron New Energies [announced the creation of a joint venture](#) with Baseload Capital of Sweden to develop geothermal projects in the United States. Baseload Capital's expertise is on the development of low-temperature conventional resources. The joint venture does not specifically impact GeoZone but will accelerate Chevron's hands-on learning on developing domestic geothermal projects.
- Several contracts for new local geothermal capacity with other electric providers were recently announced:
 - **Bottle Rock:** Open Mountain Energy is building a 7 MW binary

geothermal plant at the site of the idle Bottle Rock power plant in Lake County with an expected commissioning date of June 2024. Marin Clean Energy has executed a 21-year offtake agreement with Open Mountain Energy. Open Mountain Energy is the developer of the Fish Lake project in Nevada procured earlier in 2022 by SCP through CC Power.

- **Incremental Geysers:** Calpine is expanding its wellfield to increase Geysers generation by 25 MW. The steam will be delivered to existing steam turbine generators with expected commissioning in June 2025. Marin Clean Energy and Clean Power Alliance have executed 20-year offtake agreements for the project output that will be used to meet their CPUC mid-term reliability order obligations. Marin Clean Energy and Clean Power Alliance each purchased 100 MW of existing capacity from the Geysers alongside the new capacity.
- The California Energy Commission (CEC) notified SCP that it is not currently interested in partnering with SCP on a potential application to the DOE's Grid Resilience and Innovation Partnership (GRIP) Programs grant. The CEC is specifically interested in focusing on opportunities specifically geared towards benefiting tribal communities. Although there are opportunities to develop a GeoZone project that benefits tribal communities, it is too early to narrow the GeoZone's focus. SCP or its GeoZone partners may consider applying for the GRIP grant separately.

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Staff Report - Item 03

To: Sonoma Clean Power Authority Community Advisory Committee
From: Geof Syphers, CEO
Issue: Authorize Remote Teleconference Meetings of the Community Advisory Committee Pursuant to AB 2449
Date: January 19, 2023

Requested Action

Authorize remote teleconference meetings of the Community Advisory Committee pursuant to AB 2449.

Summary of the Item

On September 16, 2021, the Governor signed AB 361, which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees. AB 2449 was approved by the Legislature and took effect on January 1st. AB 2449 incorporates the AB 361 requirements.

In order to continue to qualify for AB 361's waiver of in-person meeting requirements, the Committee must, within thirty (30) days of its first meeting under AB 361, and every thirty (30) days thereafter, make findings that (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees. This item would make the necessary findings based on the continued statewide declaration of emergency due to the COVID-19 pandemic and related state and local health orders.

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Staff Report - Item 04

To: Sonoma Clean Power Authority Community Advisory Committee

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

Issue: Recommend Board Ratification of Generation Rates Effective February 1, 2023, Consistent with Prior Board Direction

Date: January 19, 2023

Recommended Action

Staff is notifying the Community Advisory Committee of a generation rate change shown in Addendum 1 that will be implemented February 1, 2023. This rate adjustment falls under the Board of Directors' rate setting parameters approved on December 1, 2022. Rates are now set so that SCP customer total bills are 5% below PG&E's bundled service total bills effective February 1, 2023.

Staff request the Committee recommend the Board ratify these rates at their next meeting.

Background

The Sonoma Clean Power Board of Directors voted on December 1, 2022, 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, 2023, using the following parameters:

- SCP customer total bills set to 5% below PG&E's bundled service total bills
- All rate classes are reset so SCP customer total bills have an equal percentage difference from PG&E's bundled service total bills
- Requires that staff return to the Board following rate implementation to have the final rate tables ratified

Discussion

PG&E updated the PCIA as well as their generation and delivery rates on January 1, 2023. The SCP rates effective February 1, 2023, shown in Addendum 1 are set so that SCP customer total bills are 5% below PG&E's bundled service total bills.

Attachments

- SCP Rate Schedule Effective February 1, 2023, available at [this link](#) or by request to the Clerk of the Board



Staff Report - Item 05

To: Sonoma Clean Power Authority Community Advisory Committee

From: Geof Syphers, CEO
Stephanie Reynolds, Director of Internal Operations

Issue: Nominate and Appoint a Chair and Vice Chair of the Community Advisory Committee for 2023

Date: January 19, 2023

Recommendation

Staff requests the Committee nominate and appoint a Chair and Vice Chair for 2023.

Background

The Community Advisory Committee (CAC) has traditionally appointed a Chair and Vice Chair for the Committee each calendar year.

A short form was sent to all Committee Members to complete with a brief bio of themselves and goals for the Committee. The form also asked if that Member intends to continue through the end of the current term and if there is interest in serving as Chair or Vice Chair for the upcoming 12 months. The forms were distributed to all Members of the Committee and completed forms are attached to this report.

Attachments

- CAC Member Statement Forms - 2023, available at [this link](#) or by request from the Clerk of the Board

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Staff Report - Item 06

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: January 19, 2023

CHANGE TO EV CHARGER INCENTIVE FOR 2023

For the past 5 years, Sonoma Clean Power has supported early adoption of transportation electrification, offering free EV (electric vehicle) charging equipment for our customers. In response to the increased adoption of EVs in our service territory, we are updating our EV charger incentive in early 2023 to encourage enrollment in our GridSavvy Rewards smart device program. The GridSavvy Rewards EV Charger program option allows SCP to automatically manage charging of enrolled EV charging equipment during periods of stress to the grid caused by high demand.

We will continue to offer Level 2 EV chargers at 50% off the retail price of the equipment, equivalent to approximately \$350 savings applied at the time of purchase through the GridSavvy Rewards webstore. An enrollment incentive of \$250 will be available to SCP customers who enroll and activate their EV charger in the GridSavvy Rewards EV Charger option. A participating customer will pay up to \$100 for an EV charger (total value of approximately \$650) dependent on the model they select. All SCP customers will remain eligible to access the 50% discount but only those who enroll and activate their equipment in GridSavvy Rewards will be provided the enrollment incentive. Additionally, enrolled SCP customers may qualify for an ongoing bill credit of \$5 per month while participating in GridSavvy Rewards with their eligible EV chargers. Terms and conditions apply.

PARTICIPATION RATES

Meters and Participation by TOT

COUNTY	Eligible	SCP	% Part.	% Opt Out
SONOMA	226,668	199,992	88.2%	11.8%
WINDSOR INC	9,978	8,786	88.1%	11.9%
UNINC SONOMA CO	73,733	64,188	87.1%	12.9%
SONOMA INC	6,450	5,654	87.7%	12.3%
SEBASTOPOL INC	4,425	4,041	91.3%	8.7%
SANTA ROSA INC	77,623	68,990	88.9%	11.1%
ROHNERT PARK INC	19,308	17,214	89.2%	10.8%
PETALUMA INC	27,356	24,361	89.1%	10.9%
COTATI INC	3,875	3,515	90.7%	9.3%
CLOVERDALE INC	3,920	3,243	82.7%	17.3%
MENDOCINO	38,487	30,767	79.9%	20.1%
WILLITS INC	2,736	2,201	80.4%	19.6%
UNINC MENDOCINO CO	31,330	24,865	79.4%	20.6%
POINT ARENA INC	343	295	86.0%	14.0%
FORT BRAGG INC	4,078	3,406	83.5%	16.5%
Total	265,155	230,759	87.0%	13.0%

Current EverGreen Enrollment by TOT

COUNTY	SCP Meters	EverGreen Meters	EverGreen %
SONOMA	199,992	3,456	1.73%
WINDSOR INC	8,786	49	0.56%
UNINC SONOMA CO	64,188	987	1.54%
SONOMA INC	5,654	80	1.41%
SEBASTOPOL INC	4,041	172	4.26%
SANTA ROSA INC	68,990	1,179	1.71%
ROHNERT PARK INC	17,214	235	1.37%
PETALUMA INC	24,361	608	2.50%
COTATI INC	3,515	123	3.50%
CLOVERDALE INC	3,243	23	0.71%
MENDOCINO	30,767	434	1.41%
WILLITS INC	2,201	20	0.91%
UNINC MENDOCINO CO	24,865	356	1.43%
POINT ARENA INC	295	16	5.42%
FORT BRAGG INC	3,406	42	1.23%
Total	230,759	3,890	1.69%

CHANGES IN PARTICIPATION RATES OVER THE PAST 12 MONTHS

COUNTY	Town/Territory	01/03/22	12/30/22	Difference
MENDOCINO	Total	30,804	30,767	(37)
	FORT BRAGG INC	3,354	3,406	52
	POINT ARENA INC	297	295	(2)
	UNINC MENDOCINO CO	24,943	24,865	(78)
	WILLITS INC	2,210	2,201	(9)
SONOMA	Total	198,783	199,992	1,209
	CLOVERDALE INC	3,228	3,243	15
	COTATI INC	3,515	3,515	0
	PETALUMA INC	24,135	24,361	226
	ROHNERT PARK INC	17,070	17,214	144
	SANTA ROSA INC	68,258	68,990	732
	SEBASTOPOL INC	4,027	4,041	14
	SONOMA INC	5,664	5,654	(10)
	UNINC SONOMA CO	64,110	64,188	78
	WINDSOR INC	8,776	8,786	10
Total		229,587	230,759	1,172

FINANCIAL STATEMENTS FROM FISCAL YEARS ENDING JUNE 30, 2021, AND JUNE 30, 2022

Pisenti & Brinker will be presenting their independent report of SCP's financial statements at the February 2, 2023, Board of Directors meeting. The report was completed with financial statements prepared by Maher Accountancy and may be accessed through [this link](#) or by request from the Clerk of the Board.

MONTHLY COMPILED FINANCIAL STATEMENTS

The year-to-date change in net position is more than projections. Year-to-date revenue from electricity sales exceeded budget by 12% and cost of energy exceed budget projections by 15%. Year-to-date electricity sales reached \$120,584,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$156,575,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals. Approximately \$95,207,000 is set aside for operating reserves as of June 30, 2022.

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 12% at the end of the reporting period. The cost of electricity is more than the budget-to-date by approximately 15%. 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

- November 2022 Financials

UPCOMING MEETINGS

- Board of Directors - February 2, 2023
- Community Advisory Committee - February 16, 2023
- Board of Directors - March 2, 2023
- Community Advisory Committee - March 16, 2023



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, 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 !
January 9, 2023 !

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2022

ASSETS

Current assets

Cash and cash equivalents	\$ 67,615,175
Accounts receivable, net of allowance	26,686,013
Other receivables	2,333,027
Accrued revenue	13,287,854
Prepaid expenses	1,426,332
Deposits	7,345,211
Investments	34,674,293
Total current assets	<u>153,367,905</u>

Noncurrent assets

Land	860,520
Capital assets, net of depreciation	18,222,462
Deposits	846,256
Total noncurrent assets	<u>19,929,238</u>
Total assets	<u>173,297,143</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	10,692,232
Accounts payable	852,260
Advanced from grantors	3,074,682
Other accrued liabilities	1,439,725
User taxes and energy surcharges due to other governments	664,092
Total current liabilities	<u>16,722,991</u>

NET POSITION

Investment in capital assets	19,082,982
Unrestricted	137,491,170
Total net position	<u>\$ 156,574,152</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Five Months Ended November 30, 2022

OPERATING REVENUES

Electricity sales, net	\$ 119,494,849
Evergreen electricity premium	1,089,576
Grant revenue	190,086
Total operating revenues	<u>120,774,511</u>

OPERATING EXPENSES

Cost of electricity	86,690,042
Contract services	3,718,142
Staff compensation	2,853,491
General and administration	782,726
Program rebates and incentives	483,998
Depreciation	565,469
Total operating expenses	<u>95,093,868</u>
Operating income (loss)	<u>25,680,643</u>

NONOPERATING REVENUES (EXPENSES)

Investment earnings (loss)	<u>(233,050)</u>
Nonoperating revenues (expenses), net	<u>(233,050)</u>

CHANGE IN NET POSITION

	25,447,593
Net position at beginning of period	<u>131,126,559</u>
Net position at end of period	<u><u>\$ 156,574,152</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS Five Months Ended November 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 122,436,027
Receipts from grantors	3,414,695
Other operating receipts	1,999,652
Payments to electricity suppliers	(92,075,169)
Payments for other goods and services	(5,417,233)
Payments for staff compensation	(2,795,995)
Tax and surcharge payments to other governments	(1,501,073)
Payments for program rebates and incentives	(1,667,306)
Net cash provided (used) by operating activities	<u>24,393,598</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(160,039)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>278,074</u>
Net cash provided (used) by investing activities	<u>278,074</u>

Net change in cash and cash equivalents	24,511,633
Cash and cash equivalents at beginning of year	<u>43,103,542</u>
Cash and cash equivalents at end of period	<u>\$ 67,615,175</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
Five Months Ended November 30, 2022

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

Operating income (loss)	\$ 25,680,643
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	565,469
Revenue adjusted for provision for uncollectible accounts	2,585,694
(Increase) decrease in:	
Accounts receivable	(2,367,797)
Other receivables	(672,780)
Accrued revenue	143,955
Prepaid expenses	1,534,911
Deposits	(1,882,230)
Increase (decrease) in:	
Accrued cost of electricity	(6,211,067)
Accounts payable	(449,469)
Advanced from grantors	3,074,682
Accrued liabilities	2,177,910
User taxes due to other governments	(11,323)
Supplier security deposits	225,000
Net cash provided (used) by operating activities	<u>\$ 24,393,598</u>



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 November 30, 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
January 9, 2023

SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Five Months Ended November 30, 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
REVENUE AND OTHER SOURCES:						
Electricity (net of allowance) *	\$ 106,243,150	\$ 119,494,849	\$ 13,251,699	112%	\$ 244,400,000	\$ 124,905,151
Evergreen Premium (net of allowance)	1,005,050	1,089,576	84,526	108%	2,312,000	1,222,424
CEC Grant	589,167	190,086	(399,081)	32%	1,414,000	1,223,914
Investment income	158,333	(233,050)	(391,383)	-147%	380,000	613,050
Miscellaneous Income	427,083	-	(427,083)	0%	1,025,000	1,025,000
Total revenue and other sources	108,422,783	120,541,461	12,118,678	111%	249,531,000	128,989,539
EXPENDITURES AND OTHER USES:						
CURRENT EXPENDITURES						
Cost of energy and scheduling	75,278,778	86,690,042	11,411,264	115%	171,380,000	84,689,958
Data management	1,115,417	1,118,558	3,141	100%	2,677,000	1,558,442
Service fees- PG&E	407,917	406,565	(1,352)	100%	979,000	572,435
Personnel	3,084,406	2,853,491	(230,915)	93%	7,650,000	4,796,509
Energy Center, marketing & communications	1,127,859	892,367	(235,492)	79%	2,557,000	1,664,633
Customer service	127,922	88,302	(39,620)	69%	291,000	202,698
General and administration	466,499	479,792	13,293	103%	1,140,000	660,208
Legal	179,167	102,601	(76,566)	57%	430,000	327,399
Regulatory and compliance	216,583	122,253	(94,330)	56%	460,000	337,747
Accounting	107,500	107,040	(460)	100%	258,000	150,960
Legislative	91,667	40,000	(51,667)	44%	220,000	180,000
Other consultants	237,917	138,195	(99,722)	58%	571,000	432,805
Industry memberships and dues	242,500	259,711	17,211	107%	560,000	300,289
Program implementation	2,674,761	607,432	(2,067,329)	23%	6,025,000	5,417,568
Program - CEC grant	1,741,667	622,050	(1,119,617)	36%	4,180,000	3,557,950
Total current expenditures	87,100,560	94,528,399	7,427,839	109%	199,378,000	104,849,601
OTHER USES						
Capital outlay	250,000	52,780	(197,220)	21%	600,000	547,220
Total Expenditures, Other Uses	87,350,560	94,581,179	7,230,619	108%	199,978,000	105,396,821
Net increase (decrease) in available fund balance	\$ 21,072,223	\$ 25,960,282	\$ 4,888,059		\$ 49,553,000	\$ 23,592,718
<i>* Represents sales of approximately 900,000 MWh for 2022/23 YTD actual.</i>						
RESERVES						
Operating Reserve (as of June 30, 2022)	\$ 95,207,000	\$ 152,948,000	62%			

SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
Five Months Ended November 30, 2022

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 25,960,282
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(565,469)
Add back capital asset acquisitions	<u>52,780</u>
Change in net position	<u><u>\$ 25,447,593</u></u>



Staff Report - Item 07

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: January 19, 2023

Requested Action

Receive legislative and regulatory updates and provide feedback as appropriate.

Regulatory Updates

California Energy Commission Approves \$2.9B Investment in Zero Emission Vehicle (ZEV) Support

On December 14, 2022, the California Energy Commission (CEC) approved a plan for \$2.9 billion in funding for new electric vehicle (EV) charging and hydrogen refueling infrastructure in the State. CEC staff estimate that these funds will double the state's charging network from 80,000 publicly available chargers to 170,000, keeping the state on track to achieve its goal of 250,000 chargers installed by 2025.

The plan approved today includes:

- \$1.7 billion for medium- and heavy-duty ZEV infrastructure
- \$900 million for light-duty EV charging infrastructure
- \$118 million for ZEV manufacturing
- \$90 million for hydrogen refueling infrastructure
- \$97 million for emerging opportunities such as aviation, locomotive, marine vessels and vehicle-grid integration

- \$15 million zero- and near-zero-carbon fuel production and supply
- \$15 million for low-carbon fuels
- \$10 million for workforce development

The funds will become available over the next four years and distributed to projects through a mix of competitive funding solicitations and direct funding agreements. Projects include direct incentive and rebate programs for individuals and businesses. At least half of the funding will benefit low-income and historically disadvantaged communities on the front lines of the climate crisis.

As background, California surpassed one million zero emission vehicles sales in 2021. With only 10 percent of the nation's cars, California now accounts for over 40 percent of all zero-emission cars in the country. In addition, the State leads the country with the highest level of public funding, most extensive public charging network, and largest EV market share percentage of 18% of all new car registrations.

New CPUC Commissioner

Karen Douglas, 49, of Davis, has been appointed to the California Public Utilities Commission. Douglas served Senior Advisor for Energy in the Office of Governor Gavin Newsom since 2022. She was a California Energy Commission Member from 2008 to 2022. Douglas was Director of the California Climate Initiative for the Environmental Defense Fund from 2005 to 2008. She held several positions at the Planning and Conservation League from 2001 to 2005, including Acting Executive Director and General Counsel. Douglas earned a Juris Doctor degree from Stanford Law School and a Master of Public Policy degree in Environmental Policy from the University of Colorado Boulder.

Legislative Update

The California legislature is back in session with 34 incoming freshman lawmakers, including Damon Connolly representing Southern Sonoma County and all of Marin. The following leadership posts and committee assignments were made:

Assembly

Speaker: Anthony Rendon (D-Lakewood)

Republican Leader: James Gallagher (R-Yuba City)

Speaker pro Tempore: Chris Ward (D-San Diego)

Assistant Speaker pro Tem: Stephanie Nguyen (D-Elk Grove)

Majority Leader: Eloise Gómez Reyes (D-Grand Terrace)

Assistant Majority Leader: Gregg Hart (D-Santa Barbara)

Assistant Majority Leader: Matt Haney (D-San Francisco)

Majority Whip: Lori Wilson (D-Suisun)

Assistant Majority Whip: Josh Lowenthal (D-Long Beach)

Assistant Majority Whip: Pilar Schiavo (D-Chatsworth)

Democratic Caucus Chair: Mike Gipson (D-Carson)

Senate

The Senate has reappointed Senator Toni Atkins as the Senate President Pro Tem and appointed Senator Mike McGuire as Majority Leader. Senator Brian Jones has been appointed Senate Republican Leader.

For the Senate Committee on Energy, Utilities and Communications, the following appointments have been made:

Steven Bradford (D-Gardena), Chair

Brian Dahle (R-Bieber), Vice-Chair

Angelique Ashby (D-Sacramento)

Josh Becker (D-Menlo Park)

Anna M. Caballero (D-Merced)

Bill Dodd (D-Napa)

María Elena Durazo (D-Los Angeles)

Susan Talamantes Eggman (D-Stockton)

Lena A. Gonzalez (D-Long Beach)

Shannon Grove (R-Bakersfield)

Mike McGuire (D-Healdsburg)

Dave Min (D-Irvine)

Josh Newman (D-Fullerton)

Susan Rubio (D-Baldwin Park)

Kelly Seyarto (R-Murrieta)

Nancy Skinner (D-Berkeley)

Henry I. Stern (D-Los Angeles)

Scott Wilk (R-Santa Clarita)

The committee has expanded from 14 to 18 members.

The Assembly has not yet released their committee membership.

Federal

The House of Representatives on December 23, 2022, passed and sent to President Joe Biden a \$1.7 trillion omnibus fiscal year 2023 appropriations bill that boosts funding for the Department of Energy by 3.7 percent, to about \$46.5 billion, including increased research and development funds for energy efficiency, renewables, and nuclear and fossil energy. The DOE proposed tightening efficiency standards on lightbulbs to speed the transition to LEDs. The U.S. Postal Service plans to put 66,000 electric delivery trucks on the streets by 2028.

Other States

Washington and Oregon joined California in banning the sale of new gasoline vehicles by 2035.



Staff Report - Item 08

To: Sonoma Clean Power Authority Community Advisory Committee

From: Carter Bell, Quantitative Analyst
Hannah Rennie, Senior Market Analyst
Deb Emerson, Managing Director, Power Procurement

Issue: Receive Power Procurement Update

Date: January 19, 2023

Staff will provide an update on recent power supply contracting in the meeting.