



**AGENDA**  
**COMMUNITY ADVISORY COMMITTEE MEETING**  
**THURSDAY, JANUARY 18, 2024**  
**1:00 P.M.**

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EXCEPT AS PERMITTED BY GOVERNMENT CODE SECTION 54953(F), MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE MAY PARTICIPATE IN THE JANUARY 18, 2024, MEETING AT THE LOCATION SHOWN BELOW.

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

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

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

How to Submit Public Comment:

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). For detailed public comment instructions, [please visit this page](#). Please note that live remote public comment will not be taken unless required by Government Code section 54953(f). If required, it will be announced by the Chair. Members of the public should attend in person or provide written comment to ensure they can provide public comment.

For written comments, state the agenda item number that you are commenting on and limited 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.*

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

*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 (Any private remote meeting attendance will be noticed or approved at this time)**

**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 21, 2023, 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. Recommend Board Ratification of Generation Rates Effective February 1, 2024, Consistent with Prior Board Direction (Staff Recommendation: Approve) **pg. 11**

**COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

4. Welcome and Orientation to Sonoma Clean Power Authority (Staff Recommendation: Receive and File) **pg. 13**
5. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 15**
6. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 29**
7. Receive the 2023 Annual Report (Staff Recommendation: Receive and File) **pg. 31**

**COMMITTEE MEMBER ANNOUNCEMENTS**

**ADJOURN**

## COMMONLY USED ACRONYMS AND TERMS

CAC	SCP's Community Advisory Committee, advises the Board of Directors
CAISO	California Independent Systems Operator - the grid operator
Carbon Free	Carbon-free resources are sources of power that have no greenhouse gas emissions, but are considered renewable in California, such as large hydroelectric and nuclear
CCA	Community Choice Aggregator - a public power provider (generation only)
CEC	California Energy Commission
CleanStart	SCP's default power service
CPUC	California Public Utilities Commission
DER	Distributed Energy Resource (e.g. rooftop solar)
ERRA	Energy Resource Recovery Account - PG&E's primary generation rate case at the CPUC
EverGreen	SCP's premium 100% renewable, 100% local energy service, and the first service in the United States providing renewable power every hour of every day. Sign up today!
Geothermal	A locally available, low-carbon baseload renewable resource
GHG	Greenhouse gas
GRC	General Rate Case -PG&E's primary delivery rate case at the CPUC
GridSavvy	GridSavvy Rewards are available to SCP customers for reducing household energy use when needed to help California ensure reliable low-emission power. GridSavvy Rewards are also available with smart devices (e.g. smart thermostat, EV charger, battery storage, etc.). Both are a form of demand response.
IOU	Investor-Owned Utility (e.g., PG&E)
IRP	Integrated Resource Plan - balancing energy needs with energy resources
JPA	Joint Powers Authority
MW	Megawatt is a unit of power and measures how fast energy is being used or produced at one moment.
MWh	Megawatt-hour is a unit of energy and measures how much energy is used or produced over time.
NEM	Net Energy Metering. NEM is a billing mechanism that credits solar energy system owners for the electricity they add to the grid.
NetGreen	SCP's net energy metering program
PCIA	Power Charge Indifference Adjustment - The PCIA is a charge to ensure that both PG&E, Direct Access, and CCA customers pay for the above market costs for electric generation resources that were procured by PG&E on their behalf prior to departing. "Above Market" refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.
RA	Resource Adequacy - a required form of capacity that helps ensure there are sufficient power resources available when needed. It acts as insurance for the grid when demand is high to keep the lights on.
RPS	Renewables Portfolio Standard refers to renewable energy sources which qualify to meet state requirements and include biomass & biowaste, geothermal, small hydroelectric, solar and wind.
SCPA	Sonoma Clean Power Authority
TOU	Time-of-Use, used to refer to rates that differ by time of day and season.

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**DRAFT MEETING MINUTES  
COMMUNITY ADVISORY COMMITTEE MEETING  
THURSDAY, DECEMBER 21, 2023  
1:00 P.M.**

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**CALL TO ORDER**

(1:03 p.m. - Video Time Stamp: 00:02:17)

Vice Chair Quinlan called the meeting to order.

Chair Morris and Member Lipp noticed that they would be participating in the meeting via teleconference under AB 2449 for just cause.

Committee Members present: Chair Morris, Vice Chair Quinlan, and Members Fenichel, Hollinshead, Kelly, Wells, Nicholls, Booth, and Lipp. Member Dowd was absent with prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Ryan Tracey, Director of Planning and Analytics; and Brant Arthur, Program Manager.

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

(1:06 p.m. - Video Time Stamp: 00:05:21)

Public Comment: None

**COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR**

(1:06 p.m. - Video Time Stamp: 00:05:51)

1. Approve October 19, 2023, Draft Community Advisory Committee Meeting Minutes
2. Receive Geothermal Zone Update
3. Approve Community Advisory Committee Meeting Dates for 2024 Calendar Year

4. Recommend that the Board Approve and Delegate Authority to the CEO or his Designee to Execute Fourth Amendment to Contract with Calpine Energy Solutions, LLC to add \$1,104,682 for an Amount Not-to-Exceed \$3,074,682 through June 1, 2025

Public Comment: None

Motion to approve the December 21, 2023, Community Advisory Committee Consent Calendar by Member Nicholls

Second: Member Wells

Motion passed by roll call vote.

AYES: Morris, Quinlan, Fenichel, Hollinshead, Kelly, Wells, Nicholls, Booth, Lipp

ABSENT: Dowd

## **COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

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

(1:08 p.m. - Video Time Stamp: 00:07:33)

Stephanie Reynolds, Director of Internal Operations, advised the Community Advisory Committee (Committee) they would be receiving a statement of interest to complete and return before the February 15, 2024, meeting. In these statements, Committee members may express interest in serving as Chair or Vice Chair of the Committee. Vice Chair Quinlan encouraged all members to consider serving as Chair or Vice Chair. Director Reynolds discussed the stipends for Committee Members and stated they were approved by the Board of Directors, effective immediately. She then discussed that SCP has entered escrow on a new building located at 421 E St., Santa Rosa. She also mentioned the new connected electric vehicle charging pilot program. Mike Koszalka, COO, discussed the October financials. He explained that SCP has received the audit for FY 22/23 which shows SCP's reserves at 95% as of June 30, 2023, but he added that SCP has since surpassed 100% of the long-term reserve target.

Vice Chair Quinlan asked why the "Miscellaneous Income" line in the financials showed 34% but the "Investment Returns" line showed 180% and COO Koszalka explained that since the last fiscal year ended, the year-to-date values

for the small number of reported months have greater variability and can be high.

Geof Syphers, CEO, thanked all the outgoing members of the Committee for their service. Member Wells thanked SCP staff and the Committee for the opportunity to serve. Member Hollinshead also thanked the Committee and staff for the opportunity and reiterated the need to address climate change. Member Fenichel thanked everyone for the experience of serving.

Member Wells asked if the electric vehicle program was designated for residential or if was it available for commercial property and Brant Arthur, Program Manager, responded that it was primarily residential, but it could be used for workplace charging in the future. Chair Morris thanked the departing Members for their service. Member Lipp asked if vehicle to grid charging had been discussed and CEO Syphers responded that it had.

Public Comment: None

6. Receive Legislative Regulatory Updates and Provide Feedback as Appropriate  
(1:40 p.m. - Video Time Stamp: 00:39:16)

Neal Reardon, Director of Regulatory Affairs, gave an update on the Pepperwood Preserve remote grid and said it was an example of how PG&E and SCP could work well together. He stated that the 100% renewable microgrid was now live. CEO Syphers added that this is an example of a testing ground for remote grids and explained that what SCP learns here will help the larger grid.

Vice Chair Quinlan asked why Pepperwood would have to continue paying rates to PG&E and Director Reardon explained that this is how the remote grids were established with no cost to the customer and PG&E owning the asset and guaranteed an annual rate of return. Member Fenichel asked if this was less expensive than burying lines and Director Reardon explained that it was and that PG&E had analyzed it regarding fire liability. Member Wells stated that the important part of the remote grid analysis is the fact that SCP and PG&E are working together on the project.

Director Reardon gave an update on the Diablo Canyon Nuclear Power Plant and stated that its extension is now set to proceed for the next few years.

Vice Chair Quinlan asked how Diablo Canyon affects the PCIA and Director Reardon answered that it would lower the PCIA and would be a net financial gain for SCP customers. Member Booth asked if it could be extended again,

and Director Reardon responded that it could be extended. CEO Syphers added that the extension was done because it was deemed necessary to keep the lights on in California.

Public Comment: None

### **COMMITTEE MEMBER ANNOUNCEMENTS**

(2:18 p.m. - Video Time Stamp: 01:17:28)

None

### **ADJOURN**

(2:18 p.m. - Video Time Stamp: 01:17:42)

The meeting was adjourned by unanimous consent.





## 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: January 18, 2024**

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### **Background**

The Geothermal Opportunity Zone (GeoZone) is SCP's initiative to guide the development of local geothermal power that is compatible with community values and enables SCP to phase-out its dependence on natural gas power plants for reliability. The Community Advisory Committee (Committee) meetings are a regularly scheduled public forum for the community to receive updates and provide input on the GeoZone. The updates provided to the CAC each month, and minutes from any discussion are posted on SCP's website at <https://sonomacleanpower.org/geozone-public-updates>. Staff incorporates any feedback received from the Committee presentation into the monthly updates to the Board of Directors. Additional background on the GeoZone can be found on the GeoZone webpage at <https://sonomacleanpower.org/geozone>.

### **No Substantive Updates**

There are no substantive updates on the GeoZone following the December 21<sup>st</sup> Committee meeting. A GeoZone item is being left as a discrete item in the agenda as an invitation for the Committee or public the opportunity to share input.

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**Staff Report - Item 03**

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**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, 2024, Consistent with Prior Board Direction

**Date:** January 18, 2024

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**Recommended Action**

Staff is notifying the Community Advisory Committee of a generation rate change shown in Attachment 1 that will be implemented February 1, 2024. This rate adjustment falls under the Board of Directors' rate setting parameters approved on November 2, 2023. Rates are now set so that SCP customer total bills have a target of 7% below PG&E's bundled service total bills effective February 1, 2024.

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

**Background**

The Sonoma Clean Power Board of Directors voted on November 2, 2023, 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, 2024, using the following parameters:

- Return 60% of excess reserves to ratepayers in 2024 and 2025 in the form of rate reductions such that the savings relative to PG&E's bundled customers is expected to be about the same in both calendar years of 2024 and 2025 based on then-current regulatory filings and known market information.

- Reset all rate classes so SCP collects sufficient revenues to cover all current costs net of the reserve overcollection, and such that customer total bills have an equal target percentage difference from PG&E's bundled service total bills.
- Per policy, staff will return to the Board following rate implementation to have the final rate tables ratified by the Board in the next meeting.

### **Discussion**

PG&E updated the PCIA as well as their generation and delivery rates on January 1, 2024. The SCP rates effective February 1, 2024, shown in Attachment 1 are set so that SCP customer total bills have a target of 7% below PG&E's bundled service total bills.

While increasing SCP's total bill savings for customers from between 4% and 5% up to 7% is a positive action, staff caution against calling this "good news" for the simple reason that PG&E's January delivery cost increases are so large that total electric bills are still going up.

### **Attachments**

- SCP Rate Schedule Effective February 1, 2024, 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: Geof Syphers, Chief Executive Officer**  
**Issue: Welcome and Orientation to Sonoma Clean Power Authority**  
**Date: January 18, 2024**

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**This is an opportunity for the Community Advisory Committee members to introduce themselves and learn more about Committee work and the Sonoma Clean Power Authority.**

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**Staff Report - Item 05**

**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 18, 2024**

**NEW FACES AT SCP**

January brings two new faces to SCP. Miles Horton is working directly with CEO Syphers as Legislative Policy Manager. Greg Alesandro is joining the Internal Operations team as IT Systems Manager. Welcome to the team!

**CURRENT ENROLLMENT NUMBERS (1/10/2024)**

**Current EverGreen Enrollment by TOT**

COUNTY	SCP Meters	EverGreen Meters	EverGreen %
<b>SONOMA</b>	<b>200,285</b>	<b>3,624</b>	<b>1.81%</b>
WINDSOR INC	8,756	152	1.74%
UNINC SONOMA CO	64,076	1,005	1.57%
SONOMA INC	5,619	85	1.51%
SEBASTOPOL INC	4,040	181	4.48%
SANTA ROSA INC	69,513	1,196	1.72%
ROHNERT PARK INC	17,310	242	1.40%
PETALUMA INC	24,290	615	2.53%
COTATI INC	3,482	124	3.56%
CLOVERDALE INC	3,199	24	0.75%
<b>MENDOCINO</b>	<b>30,103</b>	<b>451</b>	<b>1.50%</b>
WILLITS INC	2,154	21	0.97%
UNINC MENDOCINO CO	24,264	359	1.48%
POINT ARENA INC	294	30	10.20%
FORT BRAGG INC	3,391	41	1.21%
<b>Total</b>	<b>230,388</b>	<b>4,075</b>	<b>1.77%</b>

## ENERGY USE BY JURISDICTION

The table below shows the energy use for the previous 12 months, broken down by jurisdiction. Section 4.7.5 of the Third Amended JPA titled, "Special Voting Requirements for Certain Matters," specifies the requirements necessary for two-thirds and weighted voting. Weighted voting is rarely used and only at the demand of one or more members of the Board of Directors. Each year, in January, Exhibit B of the JPA is updated with data reflecting energy usage for the past twelve months by jurisdiction and the number of voting shares is adjusted accordingly. The Community Advisory Committee does not have a weighted voting option, as they represent customers from all jurisdictions.

TOWN_OR_TERRITORY	Energy use (MWh) 12/1/2022- 12/1/2023	Voting Shares
CLOVERDALE INC	27,710	1
COTATI INC	25,160	1
PETALUMA INC	238,830	11
ROHNERT PARK INC	154,400	7
SANTA ROSA INC	579,820	27
SEBASTOPOL INC	28,600	1
SONOMA INC	42,570	2
UNINC SONOMA CO	665,320	31
WINDSOR INC	74,400	3
SONOMA CO. TOTAL	1,836,810	
FORT BRAGG INC	33,530	
POINT ARENA INC	2,530	
WILLITS INC	32,200	
FORT BRAGG, POINT ARENA, WILLITS SUBTOTAL	68,260	3
UNINC MENDOCINO CO	246,130	11
MENDOCINO CO TOTAL	314,390	
SONOMA + MENDOCINO CO TOTAL	2,151,200	100

## COMMITTEE MEMBER INFORMATION FORMS

In preparation for the February meeting, all Committee Members will be completing information forms sharing their goals for the year and if they have an interest in serving as Chair or Vice Chair for the next 12 months. The vote to appoint the Chair and Vice Chair is scheduled to take place at the February meeting.



## **SHARING WAYS TO SAVE**

In response to recent rate increases and higher than average energy bills, the Marketing, Programs, and Customer Service teams have been working together to educate our customers on simple, cost-free ways to cut down on energy use and lower their bills. Some of these outreach methods include a December 10<sup>th</sup> Press Democrat Close to Home letter from CEO Syphers, simple tips on our web page, and our own SCP newsletter, the Clean Power Quarterly. Links to all three are below.

- <https://sonomacleanpower.org/news/close-to-home-taking-control-of-winter-energy-bills>
- <https://sonomacleanpower.org/news/simple-ways-to-save>
- <https://sonomacleanpower.org/news>

## **MONTHLY COMPILED FINANCIAL STATEMENTS THROUGH NOVEMBER 30, 2023**

The year-to-date change in net position is over projections by approximately \$13,061,000. Year-to-date revenue from electricity sales is under budget by less approximately 3% and cost of energy is under budget projections by approximately 15%. Year-to-date electricity sales reached \$120,836,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached \$234,517,000, which indicates growth as SCP continues to make progress towards its financial goals. Approximately \$163,190,000 is set aside for operating reserves.

## **BUDGETARY COMPARISON SCHEDULE THROUGH NOVEMBER 30, 2023**

The accompanying budgetary comparison includes the 2023/24 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, 2023/24 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 slightly under budget by approximately 3% at the end of the reporting period.

The cost of electricity is less 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 2023 Financial Statements
- 2024 Committee Member Statement Form

## **UPCOMING MEETINGS**

- Board of Directors - February 1, 2024
- Community Advisory Committee - February 15, 2024
- Board of Directors - March 7, 2024
- Community Advisory Committee - March 21, 2024



## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Sonoma Clean Power Authority

Management is responsible for the accompanying Budgetary Comparison Schedule for the Operating Fund of Sonoma Clean Power Authority (a California Joint Powers Authority) for the period ended November 30, 2023, 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 5, 2024

**SONOMA CLEAN POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE - OPERATING FUND**  
**Five Months Ended November 30, 2023**

	2023/24 YTD Budget	2023/24 YTD Actual	2023/24 YTD Budget Variance (Under) Over	2023/24 YTD Actual / Budget %	2023/24 Budget	2023/24 Budget Remaining
<b>REVENUE AND OTHER SOURCES:</b>						
Electricity (net of allowance) *	\$ 123,448,068	\$ 119,774,576	\$ (3,673,492)	97%	\$ 243,952,000	\$ 124,177,424
Evergreen Premium (net of allowance)	1,214,576	1,061,026	(153,550)	87%	2,689,000	1,627,974
CEC Grant	425,000	-	(425,000)	0%	470,000	470,000
Investment returns	1,310,000	2,473,102	1,163,102	189%	3,540,000	1,066,898
Miscellaneous Income	857,363	263,292	(594,071)	31%	2,058,000	1,794,708
Total revenue and other sources	127,255,007	123,571,996	(3,683,011)	97%	252,709,000	129,137,004
<b>EXPENDITURES AND OTHER USES:</b>						
<b>CURRENT EXPENDITURES</b>						
Cost of energy and scheduling	94,297,744	80,044,423	(14,253,321)	85%	193,762,000	113,717,577
Data management	1,116,667	1,030,863	(85,804)	92%	2,680,000	1,649,137
Service fees- PG&E	412,500	412,319	(181)	100%	990,000	577,681
Personnel	3,370,000	3,183,402	(186,598)	94%	8,346,000	5,162,598
Energy Center, marketing & communications	1,277,741	903,290	(374,451)	71%	3,061,000	2,157,710
Customer service	140,000	73,298	(66,702)	52%	220,000	146,702
General and administration	545,399	559,499	14,100	103%	1,360,000	800,501
Legal	197,917	52,691	(145,226)	27%	475,000	422,309
Regulatory and compliance	191,667	161,033	(30,634)	84%	460,000	298,967
Accounting	107,367	123,650	16,283	115%	309,000	185,350
Legislative	91,667	40,000	(51,667)	44%	220,000	180,000
Other consultants	255,083	98,059	(157,024)	38%	624,000	525,941
Industry memberships and dues	336,517	291,055	(45,462)	86%	695,000	403,945
Program implementation	2,400,711	1,264,635	(1,136,076)	53%	8,101,000	6,836,365
Program - CEC grant	1,200,000	1,097,953	(102,047)	91%	1,712,000	614,047
Total current expenditures	105,940,980	89,336,170	(16,604,810)	84%	223,015,000	133,678,830
<b>OTHER USES</b>						
Capital outlay	250,000	110,578	(139,422)	44%	600,000	489,422
Total expenditures, other uses	106,190,980	89,446,748	(16,744,232)	84%	223,615,000	134,168,252
Net increase (decrease) in available fund balance	\$ 21,064,027	\$ 34,125,248	\$ 13,061,221		\$ 29,094,000	\$ (5,031,248)

\* Represents sales of approximately 866,000 MWh for 2023/24 YTD actual.

RESERVES	Current Balance	Long-Term Targeted	% of Long-Term Target
Operating Reserve (as of June 30, 2023)	\$ 163,190,000	\$ 171,080,000	95%

**SONOMA CLEAN POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE - OPERATING FUND (CONTINUED)**  
**RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE**  
**TO CHANGE IN NET POSITION**  
**Five Months Ended November 30, 2023**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 34,125,248
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(579,073)
Add back capital asset acquisitions	110,578
Change in net position	\$ 33,656,753



## 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, 2023, 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 5, 2024

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of November 30, 2023

### ASSETS

#### Current assets

Cash and cash equivalents	\$ 63,248,707
Accounts receivable, net of allowance	23,254,868
Other receivables	1,633,582
Accrued revenue	12,965,874
Prepaid expenses	1,336,055
Deposits	10,234,595
Investments	123,911,042
Total current assets	<u>236,584,723</u>

#### Noncurrent assets

Other receivables	1,142,033
Land	860,520
Capital assets, net of depreciation	17,066,345
Deposits	846,256
Total noncurrent assets	<u>19,915,154</u>
Total assets	<u>256,499,877</u>

### LIABILITIES

#### Current liabilities

Accrued cost of electricity	13,324,090
Accounts payable	1,070,192
Advances from grantors	2,860,771
Supplier security deposits	804,000
Other accrued liabilities	1,049,178
User taxes and energy surcharges due to other governments	669,927
Total current liabilities	<u>19,778,158</u>

#### Noncurrent liabilities

Supplier security deposits	2,205,121
Total liabilities	<u>21,983,279</u>

### NET POSITION

Investment in capital assets	17,921,630
Unrestricted	216,594,968
Total net position	<u>\$ 234,516,598</u>

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Five Months Ended November 30, 2023**

**OPERATING REVENUES**

Electricity sales, net	\$ 119,823,957
Evergreen electricity premium	1,061,026
Grant revenue	213,911
Total operating revenues	121,098,894

**OPERATING EXPENSES**

Cost of electricity	80,044,423
Contract services	3,395,672
Staff compensation	3,183,402
Program rebates and incentives	1,726,998
Other operating expenses	985,675
Depreciation	579,073
Total operating expenses	89,915,243
Operating income	31,183,651

**NONOPERATING REVENUES (EXPENSES)**

Interest and investment returns	2,473,102
Nonoperating revenues (expenses), net	2,473,102

**CHANGE IN NET POSITION**

	33,656,753
Net position at beginning of year	200,859,845
Net position at end of period	\$ 234,516,598



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS Five Months Ended November 30, 2023

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 123,941,192
Receipts from grantors	432,506
Other operating receipts	1,392,574
Payments to electricity suppliers	(79,652,155)
Payments for other goods and services	(4,553,629)
Payments of staff compensation	(3,138,539)
Tax and surcharge payments to other governments	(1,548,458)
Payments for program rebates and incentives	(2,345,793)
Deposits and collateral paid	<u>(1,350,000)</u>
Net cash provided (used) by operating activities	<u>33,177,698</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(113,967)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	1,829,421
Proceeds from certificates of deposit matured	25,000,000
Purchase of investments	<u>(62,095,231)</u>
Net cash provided (used) by investing activities	<u>(35,265,810)</u>

Net change in cash and cash equivalents	(2,202,079)
Cash and cash equivalents at beginning of year	<u>65,450,786</u>
Cash and cash equivalents at end of period	<u>\$ 63,248,707</u>

### SUPPLEMENTAL CASH FLOW INFORMATION

Capital acquisitions included in accounts payable and other liabilities	\$ 5,235
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**SONOMA CLEAN POWER AUTHORITY**

**STATEMENT OF CASH FLOWS**

**(Continued)**

**Five Months Ended November 30, 2023**

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

Operating income (loss)	\$ 31,183,651
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	579,073
(Increase) decrease in:	
Accounts receivable, net	1,913,642
Other receivables	430,419
Accrued revenue	(356,039)
Prepaid expenses	137,752
Deposits	(1,445,538)
Increase (decrease) in:	
Accrued cost of electricity	(2,451,910)
Accounts payable	56,435
Advances from grantors	(213,911)
Accrued liabilities	2,927,776
User taxes due to other governments	(49,852)
Supplier security deposits	466,200
Net cash provided (used) by operating activities	<u>\$ 33,177,698</u>

Click or tap to enter a date.

1. Name:
2. Please provide a brief bio:

3. Current term dates: \_

4. 2024 Goals for the Community Advisory Committee:

5. I am interested in serving as Chair or Vice Chair of the Committee for the next 12 months\* (February 2024 through January 2025).

Yes

No

\*The formal nominations and appointments of Chair and Vice Chair will take place in February 2024.

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## Staff Report - Item 06

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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:** January 18, 2024

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### Requested Action

Receive legislative and regulatory updates and provide feedback as appropriate.

### Regulatory Updates

#### CPUC Denies CalCCA's Application for Rehearing of Resource Adequacy Decision Preventing CCA Expansion

On December 18<sup>th</sup> the CPUC approved a Decision denying CalCCA's Application for Rehearing of D.23-06-029. That underlying Decision, issued in June of 2023, disallows CCAs which incurred a citation for failing to procure sufficient Resource Adequacy (RA) from expanding service for two calendar years. The result of D.23-06-029 prevented the communities of Atascadero and Stockton from receiving CCA service from 3CE and AVA Community Energy, respectively.

In justifying this Decision, the CPUC cites their own broad authority to enforce RA requirements and underscores the importance of RA compliance to ensure grid reliability. The assigned judge also rejected CalCCA's argument that this rule is discriminatory and favors IOUs (which are not subject to the same rule) and that the CPUC should restructure its RA enforcement beyond the current penalty framework.

The remaining procedural option to CalCCA is to submit a Petition for Writ of Review, which is due in the appellate court on January 17, 2024.

## Legislative Update

Cottie Petrie Norris is now Chair of the Assembly Utilities and Energy Committee.

Staff continue to expect to see a follow-up bill to revisit and refine the Income Graduated Fixed Charge. Recall, this was a law passed with AB 205 (2022) that directs the CPUC to change a fundamental aspect of how electric bills are calculated. Instead of charging on the basis of how *much* electricity a household uses, the new law directs the CPUC to charge flat rates on the basis of a household's income, with middle and upper income households paying much more than low-income households – regardless of their usage. The law only pertains to PG&E's delivery costs and would not directly impact charges for power generation or SCP's rates and revenues. However, it could have a significant impact on many of our customers. Most concerning, middle-income customers who live in small apartments or energy efficient homes or who have solar power would likely see large increases in electric bills. Because the impacts of AB 205 were not understood when the bill passed in 2022, there are now conversations in Sacramento about exploring options for some kind of delay in implementation, a cap on how much bills could increase, or other similar approaches to try to limit the harm to customers, and retain some of the value of promoting conservation that could be lost.

While bills are getting introduced daily, there are no high priority bills to flag yet.

In December, the Legislative Analyst's Office forecast a \$68 billion deficit in 2024, however, the Governor recently released his draft budget reflecting a smaller \$37.9 billion shortfall. The draft budget uses a combination of \$13 billion from reserves, \$8 billion in direct cuts, and billions more in delays and borrowing to close the gap. The Governor is proposing that most areas of the budget have some reduction in 2024 spending, including electric vehicles, equitable building decarbonization, wildfire mitigation, extreme heat measures, and community and coastal resilience.



**Staff Report - Item 07**

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

**From: Kate Kelly, Director of Public Relations and Marketing  
April Varellas, Brand Manager**

**Issue: Receive the 2023 Annual Report**

**Date: January 18, 2024**

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**No written materials for this report. A presentation will be given at the meeting.**