



**AGENDA  
COMMUNITY ADVISORY COMMITTEE MEETING  
THURSDAY, APRIL 17, 2025  
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 APRIL 17, 2025, MEETING AT THE LOCATION SHOWN BELOW.

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

MEMBERS OF THE PUBLIC MAY PARTICIPATE IN THE MEETING AT THE ABOVE PHYSICAL 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)**

**COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR**

- 1. Approve March 20, 2025, Draft Community Advisory Committee Meeting Minutes (Staff Recommendation: Approve) **pg. 5**
- 2. Receive Monthly Financial Report (Staff Recommendation: Receive and File) **pg. 13**
- 3. Recommend the Board of Directors Approve the Proposed Annual Budget for Fiscal Year 2025-2026 (Staff Recommendation: Approve) **pg. 31**

**COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

- 4. Receive Internal Operations Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 47**
- 5. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 51**
- 6. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. 59**

**COMMITTEE MEMBER ANNOUNCEMENTS**

**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.)

**ADJOURN**

## COMMONLY USED ACRONYMS AND TERMS

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

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**DRAFT MEETING MINUTES  
COMMUNITY ADVISORY COMMITTEE MEETING  
THURSDAY, MARCH 20, 2025  
1:00 P.M.**

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**CALL TO ORDER**

(1:02 p.m. - Video Time Stamp: 00:02:34)

Chair Lipp called the meeting to order.

Committee Members present: Chair Morris, Vice Chair Kelly and Members Hollinshead, Soto, Dowd, Hagen, Heffler, and Nicholls. Members Wang and Morris were absent with prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Garth Salisbury, Chief Financial Officer & Treasurer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Miles Horton, Legislative Policy & Community Engagement Manager; Sean Dalton, Events Manager,

**COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR**

(1:03 p.m. - Video Time Stamp: 00:03:34)

1. Approve February 20, 2025, Draft Community Advisory Committee Meeting Minutes
2. Receive Monthly Financial Report
3. Receive Geothermal Opportunity Zone Update

Public Comment: None

Motion to approve the March 20, 2025, Community Advisory Committee Consent Calendar by Member Dowd

Second: Member Nicholls

Motion passed by roll call vote.

AYES: Lipp, Hollinshead, Soto, Dowd, Kelly, Hagen, Heffler, Nicholls

ABSENT: Wang, Morris

## **COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR**

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

(1:08 p.m. – Video Time Stamp: 00:08:12)

Stephanie Reynolds, Director of Internal Operations, recommended that members review SCP’s annual report and provided updates on the Smart Thermostat Direct Install Program and the GridSavvy Program. Geof Syphers, CEO, shared that earlier in the week, SCP staff visited Covelo in Mendocino County to meet with members of the Round Valley Tribes. CEO Syphers also noted that both the City of Clearlake and the City of Lakeport have requested feasibility studies for expanding SCP service to their cities. CEO Syphers mentioned that Lake County had previously requested a feasibility study, but the costs were prohibitive at the time. CEO Syphers emphasized that the expansion process is being approached carefully, and that SCP staff would present data to the Board of Directors (Board) and the Community Advisory Committee (Committee).

Chair Lipp noted that Lake County residents cannot access CPUC assistance for installing electrical appliances and recommended that SCP consider this and potential assistance options as they plan for expansion. Vice Chair Kelly asked for a high-level description of what would make expansion feasible, and CEO Syphers replied that the economics of the service and its impact on existing customers are key considerations. Member Dowd expressed concern that an agreement to build in Lake County could lead to unforeseen cost increases. Member Nicholls noted that the expansion timeline is longer than the previous expansion to Mendocino County. CEO Syphers explained that the timeline is governed by new CPUC rules requiring SCP to procure prescribed amounts of energy in advance of adding a territory and the earliest service could begin in Lake County would be January 2027

Public Comment: None

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

(1:31 p.m. - Video Time Stamp: 00:31:09)

Neal Reardon, Director of Regulatory Affairs, discussed gas line mapping and mentioned that SCP had submitted comments on SB 1221 advocating transparency, affordability, and climate goals.

Chair Lipp asked if there was any consideration given to pilot communities for undergrounding and retaining the same level of service as other ratepayers. Director Reardon said it would be important for implementation and a lack of coordination could be an issue. Member Nicholls asked if natural gas becomes obsolete can the service lines be used for undergrounding and CEO Syphers explained that reusing the lines would be difficult.

Miles Horton, Legislative Policy & Community Engagement Manager, discussed 3 bills that SCP is supporting in California's legislative Assembly Bills 526 (Papan), 527 (Papan), and 531 (Rogers). The bills are currently waiting for referrals to committee. Mr. Horton then discussed SCP's Lobby Days on March 4<sup>th</sup> and 11<sup>th</sup> in Sacramento where the team met with key legislators and staff, including the chairs of relevant committees, and discussed geothermal and transmission issues.

Member Heffler asked where opposition for these bills would come from, and CEO Syphers explained that environmental issues are usually brought up. Member Heffler then asked if Governor Newsom was changing the rules regarding solar energy and Director Reardon answered that he would be discussing this in the future.

Public Comment: None

6. Receive an Update on Educational Partnerships and Youth Workforce Development Efforts

(1:49 p.m. - Video Time Stamp: 00:49:25)

Sean Dalton, Events Manager, gave an update on SCP's educational partnerships and developments in the youth workforce.

Chair Lipp said that he liked seeing all this information given together and Vice Chair Kelly said that these partnerships were critical to SCP's mission. Member Nicholls asked what SCP was doing for West Sonoma County and Mr. Dalton answered that there was a lot of work done with Sonoma Water in that area. Vice Chair Kelly mentioned that SCP should work with school districts for all

electric programs and SCP should investigate loans for electrification. Member Soto stated that SCP is a model for internship programs.

Public Comment: None

7. Receive an Update on Events and Community Engagement Efforts

(2:16 p.m. - Video Time Stamp: 01:16:52)

Mr. Dalton then gave an update on SCP's events and community engagement efforts.

Vice Chair Kelly asked if workshops held at the Customer Center were recorded and Mr. Dalton said they were and collected on SCP's website. Chair Lipp asked if SCP was working on making these available at priority locations in difficult to serve areas and Mr. Dalton said yes, but SCP was always trying to improve its outreach.

Public Comment: David Harris discussed EVs and limitations on holding meeting at the Customer Center.

8. Review and Provide Feedback on the Draft Annual Budget for Fiscal Year 2025-2026

(2:32 p.m. - Video Time Stamp: 01:32:19)

Garth Salisbury, Chief Financial Officer & Treasurer, mentioned that this was the Committee's first look at the draft budget. The Committee will get an additional chance to review the draft budget and make a recommendation to the Board. The Board would also review the draft budget at two public meetings before voting to adopt it. He discussed revenues and expenditures. CEO Syphers explained the need to keep a reserve for events like the September 2023 heat event. CFO Salisbury then explained SCP's capital outlays and fund balances.

Vice Chair Kelly asked what the dollar figure was for 7% rate savings and CEO Syphers said that it was about \$50 million. Member Nicholls asked staff for an estimation of PCIA increases and CEO Syphers responded that there will probably be a large true-up and there is a large PCIA increase in the forecast.

*2:53 p.m. Member Nicholls exited the meeting.*

Public Comment: David Harris discussed the PCIA.



9. Recommend the Board of Directors Approve Proposed Energy Project Selection Criteria

(2:57 p.m. - Video Time Stamp: 01:57:37)

CEO Syphers began the discussion of the item by giving a brief history of how the request for this item came from the Board and he mentioned that the Board wanted input from the Committee. He mentioned that this was a second draft and staff were trying to balance labor benefits and local projects. CEO Syphers discussed the selection criteria and added that the CPUC is a driver for project purchases because of procurement mandates. CEO Syphers said that it is difficult to add mandates because it can increase costs, but he added that some CCAs have adopted policies like this. He said that the goal of the policy is for SCP to try and meet some of labor's demands but also listen to local developers.

Chair Lipp explained to the Committee that he was looking for a high-level conversation and didn't want to get hung up on details. Vice Chair Kelly added that he didn't want to let perfection be the enemy of progress when discussing the policy. CEO Syphers explained that in drafting the policy there was a balance between allowing the highest standards but not losing bidders.

Member Dowd stated that a lot of work had been put into this policy, but he would like SCP to stay flexible. Member Hollinshead asked what the downside to postponing the adoption of this policy was and CEO Syphers responded that the ambiguity is not good. Member Soto asked how often it would be reasonable to revisit the policy and CEO Syphers said that it would be better to review as often as possible. Vice Chair Kelly asked how SCP's current portfolio would compare to implementation and CEO Syphers explained that the differences with large projects would be small, but small and out of state projects would be affected. Chair Lipp expressed concerns that priority workers would be left out of small projects, and he was concerned that this policy wouldn't help the community. CEO Syphers explained that he worried that lowering the level of MWs required for small projects would limit the amount of bids SCP received on projects. Member Hollinshead asked if this item could be tabled, and CEO Syphers said that was up to the Chair of the Board.

Public Comment: Holly Adams discussed the policy as it relates to her company SunZia and her comment is attached to these minutes.

Motion to recommend the Board of Directors approve proposed Energy Selection Criteria by Member Dowd

Second: Member Heffler

Motion passed by roll call vote.

AYES: Soto, Dowd, Hagen, Heffler

NOES: Lipp, Kelly

ABSTAIN: Hollinshead

ABSENT: Wang, Morris, Nicholls

### **COMMITTEE MEMBER ANNOUNCEMENTS**

(3:47 p.m. - Video Time Stamp: 02:47:28)

Member Hollinshead announced that the Climate Action Committee of Mendocino County would be hosting all-electric home tours on April 26, 2025, in Ukiah. Member Soto announced that he had attended lunch with Adam Jorge, Senior Decarbonization Policy Manager, and they discussed Sonoma State University's Decarbonization policies.

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

(3:48 p.m. - Video Time Stamp: 02:48:37)

Public Comment: Tim Frank discussed the Procurement policy, and his comment is attached to these minutes.

### **ADJOURN**

(3:49 p.m. - Video Time Stamp: 02:49:17)

The meeting was adjourned by unanimous consent.

Dear SCP Community Advisory Committee, Pattern Energy would like to submit comments below for Agenda Item 9 regarding the Energy Project Selection Criteria.

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

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

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

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

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

**Holly Adams**

Vice President of Origination

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The Workforce and EJ alliance proposal is for preferences, except for owned projects, so aligns well with many of the comments here.

Tim Frank



## Staff Report - Item 02

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**To:** Sonoma Clean Power Authority Community Advisory Committee  
**From:** Garth Salisbury, Chief Financial Officer & Treasurer  
Chris Golik, Senior Finance Manager  
**Issue:** Receive Monthly Financial Report  
**Date:** April 17, 2025

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### Monthly Financial Report

The Financial Report is to inform the Community Advisory Committee (Committee) of monthly financial results and investment activity. The unaudited monthly financial statements that were previously provided as part of the Internal Operations Report will now be provided in the Monthly Financial Report. Additionally, the Monthly Financial Report will include an Investment Report which is a summary of investments and investment activity in SCP's portfolio. The Investment Report and associated attachments are to inform the Committee pursuant to the requirements of SCP's Financial Policy B.5 Investments and Government Code Section 53607. This is an informational item only.

### Monthly Compiled Financial Statements (January 31, 2025)

The year-to-date change in net position is more than projections by approximately \$50,343,000. Year-to-date revenue from electricity sales is over budget by approximately 11% and cost of energy is under budget projections by approximately 18%. Year-to-date electricity sales reached \$170,556,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$289,853,000. Approximately \$231,889,000 is set aside for operating reserves as of June 30, 2024.

### Budgetary Comparison Schedule (January 31, 2025)

The accompanying budgetary comparison includes the 2024/25 budget approved by the Board of Directors. The budget is formatted to make comparisons for both the

annual and the year-to-date perspective. The first column, 2024/25 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration of the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates, and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers exceeded the budget by approximately 11% at the end of the reporting period.

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

The cost of electricity was less than the budget-to-date by approximately 18%. 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. Current actual costs exceed the original budget due to onboarding costs of the new data manager.

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

## **Monthly Investment Report**

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

### Monthly Obligation to Report on New Investment Transactions

Government Code Section 53607 and SCP's Investment Policy require SCP to report to the Board and stakeholders any investment transactions (defined as purchases, sales or exchanges of securities) made during the month as soon as is practicable after the end of the month. Given the scheduling of the SCP's Committee meetings during the third week of the month, the investment report will indicate investment transactions that occurred the prior month (March 2025). SCP currently maintains bank accounts and

investments at River City Bank (RCB), Summit State Bank, the State of California Local Agency Investment Fund (LAIF) and USBank. Active individual securities are held at both RCB and USBank. Staff will provide Statements of Investments as required throughout the year.

## **Reportable Activities**

### USBank

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

### River City Bank

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

### State of California Local Agency Investment Fund

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

## **Attachments**

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



## ACCOUNTANTS' COMPILATION REPORT

Management  
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of January 31, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the seven months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

*MAHER ACCOUNTANCY*

San Rafael, CA  
March 13, 2025



# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF NET POSITION

As of January 31, 2025

### ASSETS

#### Current assets

Cash and cash equivalents - unrestricted	\$ 126,461,186
Cash and cash equivalents - restricted for grant purposes	2,046,643
Accounts receivable, net of allowance	20,539,363
Other receivables	2,264,130
Accrued revenue	12,924,385
Prepaid expenses	924,637
Deposits	6,126,464
Investments	59,087,211

Total current assets 230,374,020

#### Noncurrent assets

Cash and cash equivalents - unrestricted	56,000,000
Investments	67,681,597
Other receivables	980,546
Deposits	16,256
Capital assets, net of depreciation	17,955,695

Total noncurrent assets 142,634,094

Total assets 373,008,114

### LIABILITIES

#### Current liabilities

Accrued cost of electricity	19,276,174
Accounts payable	1,035,111
Advances from grantors	2,046,643
Other accrued liabilities	2,053,128
User taxes and energy surcharges due to other governments	728,280
Supplier security deposits	636,000

Total current liabilities 25,775,338

#### Noncurrent liabilities

Supplier security deposits	1,380,121
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Total liabilities 27,155,459

### DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	<u>56,000,000</u>
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### NET POSITION

Investment in capital assets	17,955,695
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Unrestricted	<u>271,896,960</u>
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Total net position \$ 289,852,655

**SONOMA CLEAN POWER AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Seven Months Ended January 31, 2025**

**OPERATING REVENUES**

Electricity sales, net	\$ 168,653,509
Evergreen electricity premium	1,902,825
Miscellaneous income	2,296,916
Grant revenue	335,733
Total operating revenues	<u>173,188,983</u>

**OPERATING EXPENSES**

Cost of electricity	106,532,643
Contract services	5,385,280
Staff compensation	6,214,612
Program rebates and incentives	1,485,928
Other operating expenses	1,361,493
Depreciation	836,744
Total operating expenses	<u>121,816,699</u>
Operating income	<u>51,372,283</u>

**NONOPERATING REVENUES (EXPENSES)**

Investment income	<u>8,961,755</u>
Nonoperating revenues (expenses), net	<u>8,961,755</u>

**CHANGE IN NET POSITION**

Net position at beginning of year	229,518,617
Net position at end of period	<u><u>\$ 289,852,655</u></u>

# SONOMA CLEAN POWER AUTHORITY

## STATEMENT OF CASH FLOWS Seven Months Ended January 31, 2025

### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 176,464,525
Receipts of security deposits	3,762,000
Other operating receipts	2,745,166
Payments to electricity suppliers	(110,410,908)
Payments for other goods and services	(6,735,315)
Payments for staff compensation	(6,113,435)
Payments for program rebates and incentives	(1,457,895)
Payments of taxes and surcharges to other governments	(2,197,844)
Net cash provided (used) by operating activities	<u>56,056,294</u>

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	<u>(219,467)</u>
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### CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	7,759,693
Proceeds from sales and maturities of investments	148,547,134
Purchase of investments	(97,318,950)
Net cash provided (used) by investing activities	<u>58,987,877</u>

Net change in cash and cash equivalents	114,824,704
Cash and cash equivalents at beginning of year	<u>69,683,125</u>
Cash and cash equivalents at end of period	<u>\$ 184,507,829</u>

### Reconciliation to the Statement of Net Position

Cash and cash equivalents - unrestricted (current)	126,461,186
Cash and cash equivalents - restricted (current)	2,046,643
Cash and cash equivalents - unrestricted (noncurrent)	56,000,000
Cash and cash equivalents	<u>184,507,829</u>

**SONOMA CLEAN POWER AUTHORITY**

**STATEMENT OF CASH FLOWS**

**(Continued)**

**Seven Months Ended January 31, 2025**

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

Operating income (loss)	\$ 51,372,283
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	836,744
(Increase) decrease in:	
Accounts receivable, net	1,631,184
Other receivables	86,381
Accrued revenue	2,050,234
Prepaid expenses	(32,631)
Deposits	(3,471,104)
Increase (decrease) in:	
Accrued cost of electricity	2,146,522
Accounts payable	(17,473)
Advances from grantors	(335,733)
Accrued liabilities	1,328,957
User taxes due to other governments	28,929
Supplier security deposits	432,000
Net cash provided (used) by operating activities	<u>\$ 56,056,294</u>

**NONCASH INVESTING ACTIVITIES**

Unrealized appreciation and timing differences in investment income	\$ 1,202,062
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## 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 seven months ended January 31, 2025, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of Sonoma Clean Power Authority.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

*Maher Accountancy*

San Rafael, CA  
March 13, 2025

**SONOMA CLEAN POWER AUTHORITY**  
**BUDGETARY COMPARISON SCHEDULE - OPERATING FUND -**  
**Seven Months Ended January 31, 2025 -**

	2024/25 YTD Budget	2024/25 YTD Actual	2024/25 YTD Budget Variance (Under) Over	2024/25 YTD Actual / Budget %	2024/25 Budget	2024/25 Budget Remaining
<b>REVENUE AND OTHER SOURCES:</b>						
Electricity (net of allowance) *	\$ 151,718,686	\$ 168,653,509	\$ 16,934,823	111%	\$ 239,147,000	\$ 70,493,491
Evergreen Premium (net of allowance)	1,575,000	1,902,825	327,825	121%	2,700,000	797,175
Investment returns	4,200,000	8,961,755	4,761,755	213%	7,200,000	(1,761,755)
Miscellaneous Income	583,100	399,233	(183,867)	68%	1,000,000	600,767
Total revenue and other sources	<u>158,076,786</u>	<u>179,917,322</u>	<u>21,840,536</u>	<u>114%</u>	<u>250,047,000</u>	<u>70,129,678 -</u>
<b>EXPENDITURES AND OTHER USES:</b>						
<b>CURRENT EXPENDITURES</b>						
Cost of energy and scheduling	127,276,617	104,299,227	(22,977,390)	82%	221,586,000	117,286,773
Data management	1,563,333	2,096,369	533,036	134%	2,680,000	583,631
Service fees- PG&E	577,500	569,601	(7,899)	99%	990,000	420,399
Personnel	6,585,685	6,214,612	(371,073)	94%	11,490,000	5,275,388
Energy Center, marketing & communication:	1,970,802	1,375,780	(595,022)	70%	3,379,000	2,003,220
Customer service	153,250	71,059	(82,191)	46%	220,000	148,941
General and administration	1,063,912	968,446	(95,466)	91%	1,832,000	863,554
Legal	277,083	79,760	(197,323)	29%	475,000	395,240
Regulatory and compliance	268,333	239,795	(28,538)	89%	460,000	220,205
Accounting	206,000	205,900	(100)	100%	312,000	106,100
Legislative	128,333	105,000	(23,333)	82%	220,000	115,000
Other consultants	314,317	187,600	(126,717)	60%	535,000	347,400
Industry memberships and dues	518,434	393,047	(125,387)	76%	888,000	494,953
Program implementation	5,865,585	1,940,344	(3,925,241)	33%	10,136,000	8,195,656
Total current expenditures	<u>146,769,184</u>	<u>118,746,540</u>	<u>(28,022,644)</u>	<u>81%</u>	<u>255,203,000</u>	<u>136,456,460</u>
<b>OTHER USES</b>						
Capital outlay	650,000	169,513	(480,487)	26%	1,150,000	980,487
Total expenditures, other uses	<u>147,419,184</u>	<u>118,916,053</u>	<u>(28,503,131)</u>	<u>81%</u>	<u>256,353,000</u>	<u>137,436,947</u>
Net increase (decrease) in available fund balance	<u>\$ 10,657,602</u>	<u>\$ 61,001,269</u>	<u>\$ 50,343,667</u>		<u>\$ (6,306,000)</u>	<u>\$ (67,307,269)</u>

\* Represents sales of approximately 1,295,000 MWh for 2024/25 YTD actual.

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

**SONOMA CLEAN POWER AUTHORITY -  
 BUDGETARY COMPARISON SCHEDULE - OPERATING FUND (CONTINUED) -  
 RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE -  
 TO CHANGE IN NET POSITION -  
 Seven Months Ended January 31, 2025 -**

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 61,001,269
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(836,744)
Add back capital asset acquisitions	<u>169,513</u>
Change in net position	<u><u>\$ 60,334,038</u></u>

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

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



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

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

**Sonoma Clean Power**  
**Statement of Transactions at USBank**  
 March 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq./Disp. Yield	Amount	Purchased/Sold Interest	Total Amount	Net Realized Gain/Loss
Buy	3/21/2025	00287YD2	600,000	ABBVIE INC 4.65 03/15/2028	101	4.35	604,788	1,938	(606,726)	\$ -
Buy	3/17/2025	02589BAE0	400,000	AMXCA 2024-3 A 4.65 07/15/2027	101	4.35	(403,031)		(403,135)	
Buy	3/13/2025	06051GHO5	500,000	BANK OF AMERICA CORP 3.97 4.02/07/2030		4.92	(483,395)	1,987	(485,382)	-
Buy	3/13/2025	3137FKUP9	500,000	FHMS K-087 A2 3.771 12/25/2028		4.26	(491,055)		(491,683)	
Buy	3/13/2025	3137FLN91	336,000	FHMS K-091 A2 3.505 03/25/2029		4.29	(326,261)		(326,654)	
Buy	3/18/2025	3137FO3Z4	1,000,000	FHMS K-101 A2 2.524 10/25/2029		4.41	(922,578)	1,192	(923,770)	
Buy	3/7/2025	31846V203	20,075,429	FIRST AMER:GVT OBLG Y		3.97	(20,075,429)		(20,075,429)	
Buy	3/12/2025	36271VAD9	300,000	GMALT 2025-1 A3 4.66 02/21/2028	101	4.30	(301,887)	1,165	(303,052)	-
Buy	3/13/2025	43814VAC1	800,000	HAROT 2025-1 A3 4.57 09/21/2029	100	4.41	(802,656)	3,250	(805,906)	
Buy	3/20/2025	459058LR2	600,000	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	100	4.20	(597,960)		(597,960)	
Buy	3/13/2025	46647PEB8	500,000	JPMORGAN CHASE & CO 5.012 01/23/2030	101	4.86	(502,615)	3,481	(506,096)	-
Buy	3/17/2025	47786WAD2	400,000	JDOT 2024-B A3 5.2 03/15/2029	101	4.49	(405,531)		(405,647)	
Buy	3/11/2025	532457CQ9	700,000	ELI LILLY AND CO 4.2 08/14/2029		4.36	(695,464)	2,205	(697,669)	
Buy	3/17/2025	571748CA8	500,000	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	100	4.69	(499,050)		(499,179)	
Buy	3/11/2025	756109CC6	300,000	REALTY INCOME CORP 3.4 01/15/2030		4.73	(282,867)	1,587	(284,454)	
Buy	3/21/2025	857477CW1	500,000	STATE STREET CORP 4.729 02/28/2030	100	4.61	(502,065)	1,511	(503,576)	
Buy	3/11/2025	89236TMR8	300,000	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	100	4.56	(299,823)	1,213	(301,036)	
Buy	3/18/2025	912797MS3	500,000	UNITED STATES TREASURY 10/02/2025		4.17	(488,910)		(488,910)	
Buy	3/14/2025	912797ND5	500,000	UNITED STATES TREASURY 05/01/2025		4.30	(497,188)		(497,188)	
Buy	3/14/2025	91282CEN7	500,000	UNITED STATES TREASURY 2.75 04/30/2027		3.96	(487,715)	5,090	(492,805)	
Buy	3/18/2025	91282CEW7	500,000	UNITED STATES TREASURY 3.25 06/30/2027		4.02	(491,680)	3,456	(495,136)	
Buy	3/14/2025	91282CGV7	500,000	UNITED STATES TREASURY 3.75 04/15/2026	100	4.06	(498,359)	7,727	(506,086)	
Buy	3/11/2025	91282CHA2	500,000	UNITED STATES TREASURY 3.5 04/30/2028		3.97	(493,086)	6,333	(499,419)	
Buy	3/18/2025	91282CHH7	500,000	UNITED STATES TREASURY 3.5 04/30/2028		4.05	(492,012)	6,671	(498,683)	
Buy	3/18/2025	91282CHX7	500,000	UNITED STATES TREASURY 4.125 06/15/2026		4.10	(500,117)	5,270	(505,387)	
Buy	3/14/2025	91282CHX2	500,000	UNITED STATES TREASURY 4.375 08/31/2028		4.00	(506,055)		(506,887)	
Buy	3/14/2025	91282CJT9	500,000	UNITED STATES TREASURY 4.0 01/15/2027		3.97	(500,215)	3,204	(503,419)	
Buy	3/18/2025	91282CJT9	500,000	UNITED STATES TREASURY 4.0 01/15/2027		4.06	(499,473)	3,425	(502,898)	
Buy	3/11/2025	91282CJV4	500,000	UNITED STATES TREASURY 4.25 01/31/2026		4.11	(500,605)	2,289	(502,895)	
Buy	3/11/2025	91282CKA8	800,000	UNITED STATES TREASURY 4.125 02/15/2027		3.95	(802,375)	3,099	(805,474)	
Buy	3/21/2025	91282CKA8	500,000	UNITED STATES TREASURY 4.25 02/28/2029		3.96	(503,125)	1,039	(504,164)	
Buy	3/18/2025	91282CKD2	500,000	UNITED STATES TREASURY 4.25 02/28/2029		4.08	(497,676)	1,398	(499,074)	
Buy	3/14/2025	91282CLG4	500,000	UNITED STATES TREASURY 3.75 08/15/2027		3.95	(497,676)	8,125	(495,859)	
Buy	3/18/2025	91282CLN9	500,000	UNITED STATES TREASURY 3.5 09/30/2029		4.10	(487,734)	7,933	(504,144)	
Buy	3/14/2025	91282CLP4	500,000	UNITED STATES TREASURY 3.5 09/30/2026		4.01	(496,211)	5,738	(507,520)	
Buy	3/18/2025	91282CLO2	350,000	UNITED STATES TREASURY 3.875 10/15/2027		4.03	(348,660)	4,230	(354,398)	
Buy	3/11/2025	91282CMD0	500,000	UNITED STATES TREASURY 4.375 12/31/2029		4.03	(507,520)		(511,750)	
Buy	3/21/2025	91282CMS7	1,500,000	UNITED STATES TREASURY 3.875 03/15/2028		3.94	(1,497,480)		(1,498,428)	
Buy	3/12/2025	92970OAE5	300,000	WFCIT 2024-2 A 4.29 10/15/2029		4.21	(300,867)		(301,832)	
Sell	3/16/2025	31846V203	(20,104,640)	FIRST AMER:GVT OBLG Y		3.95	20,104,640		20,104,640	

Attachment 5: Statement of Investments Held at River City Bank

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

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

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

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

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

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

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

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



## Staff Report - Item 03

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

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

**Issue:** Recommend the Board of Directors Approve the Proposed Annual Budget for Fiscal Year 2025-2026

**Date:** April 17, 2025

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### Recommendation

Recommend the Board of Directors Approve the Proposed Fiscal Year 2025-2026 Annual Budget.

### Summary

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

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

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

## **Background**

Staff presents a budget for Fiscal Year 2025-2026 that continues to fulfill SCP's adopted goals for providing electricity from very low greenhouse gas sources, investing in renewables, operating the Customer Center, beginning to utilize the local investment fund, and delivering a broad set of customer services and incentives.

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

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

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

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

It is important to note that this forecast is based on the best information available currently, and that the PCIA fee is extremely difficult to forecast for several reasons. First, the PCIA can be influenced by PG&E's decisions, for example, whether to offer excess resource adequacy (RA) into the market or not. Those decisions impact the PCIA fee on our customers and are made solely at the discretion of the investors of a company that has a history of working to oppose CCAs. Second, the regulatory rules of how the PCIA is calculated can change rapidly and will likely continue to change over the coming years. A proposal to radically increase the PCIA is currently pending



at the CPUC, for example. And finally, the PCIA is highly dependent on the market price of natural gas power and capacity, which itself fluctuates significantly with the commodity price of gas. For these reasons, staff will regularly update the Committee and Board on the PCIA as new information becomes available.

## **Rate Setting**

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

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

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

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

## **Budget Overview**

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

- Procure a supply portfolio of electricity generation that meets the Board's adopted plans and policies. Note that a detailed review of SCP's long-term procurement plan will occur as part of updating the agency's Integrated Resource Plan late in 2025.
- Emphasize customer incentives and education that help cut the use of gasoline and natural gas, as these actions are often the most affordable ways to cut greenhouse gas emissions today.

- Expand customer outreach through improved market research and listening to our various communities.
- Expand community education activities.
- Increase emphasis on ensuring all of SCP's communities know about and have access to incentives and education.
- Promote the Customer Center and further develop the Center into a valuable community resource.

### **Proposed Budget**

The Proposed Budget is presented in the form that will be used for adoption in May and then is followed by supplemental information. The budget categories are intentionally general enough to allow some measure of staff discretion, without requiring frequent budget adjustments.

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

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

Notes on the Proposed Budget Table:

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

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

## **Information Only - Supplemental to the Proposed Budget**

### **Revenues and Other Sources**

The primary source of income is from the retail sale of electricity to CleanStart and EverGreen customers. Customers of both services provide all the Electricity Sales revenue. EverGreen costs 2.5 cents per kWh over the price of CleanStart and provides 100% renewable energy from sources in Sonoma and Mendocino Counties. The EverGreen premium pays for the purchase of local sources of renewable geothermal and solar and is not intended to produce surplus income.

The total sales estimate is based on 86% of eligible customers and load participating in SCP. The net financial performance of SCP is not sensitive to small changes in the rate of participation because a majority of expenses are proportional to the load served. In other words, income and expenses generally tend to go up and down together.

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

Staff estimates uncollectable billings at 2.1%.

### **Expenditures**

#### **Product**

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

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

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

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

Major amounts of SCP's customer load are also served by customer-owned solar arrays. Small amounts also reduce the load of other SCP customers through NetGreen and Solar Billing Plan overproduction. However, none of this production is reportable on SCP's Power Content Label because it is treated as a load reduction rather than supply energy under California regulations.

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

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

Scheduling Coordinator services are provided by Northern California Power Agency. The charges for this service are included together with energy and resource adequacy in the budget. After electric power is scheduled for delivery to customers and ultimately consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true up occurs through the settlement process, or "settlements." Settlements also entail addressing several other market and regulatory requirements. The impact on budgeting is that invoices and credits occur several months (and sometimes for up to two years) following a given month of service.

Data Management includes a broad scope of services provided by contract through Sacramento Municipal Utility District (SMUD), including billing data validation, bill coordination with PG&E, billing management of special programs (e.g., NetGreen, Solar Billing Plan, and ProFIT), call center services and billing technical support, customer enrollment database management, move-in/move-out services, CAISO

data preparation, WREGIS data preparation, and many support functions related to data reporting.

Service Fees to PG&E consist of a charge of \$0.35 per account per month (including a \$0.21 per account service fee and a \$0.14 per account meter data management fee). There are also numerous small fees associated with data requests. The fees cover PG&E's costs associated with additional data processing and bill coordination and are mandatory and regulated by the California Public Utilities Commission (CPUC).

## **Personnel**

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

## **Marketing and Communications**

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

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

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



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

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

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

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

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

### **Customer Service**

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

## Customer Noticing

There are several kinds of official mailed notices SCP provides to its customers. Outside of enrollment rollouts, the following notices are mailed out to applicable customers:

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

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

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

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

## **Other Professional Services**

### Legal

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

## Regulatory & Compliance

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

## Accounting

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

## Legislative

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

## Other Consultants

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

## **Industry Memberships and Dues**

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

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

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

## **Programs**

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

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

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

### **Other Uses**

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

### **Debt Service**

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

### **Net Increase / (Decrease) in Available Fund Balance**

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

## THREE-YEAR OUTLOOK

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

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



## Staff Report - Item 04

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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 Report and Provide Feedback as Appropriate

**Date:** April 17, 2025

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### **PROGRESS ON LAKE COUNTY REQUESTS FOR SERVICE**

The Cities of Clearlake and Lakeport have officially requested SCP to study the feasibility of extending service to those cities. They are the only incorporated cities in Lake County. The research is now underway and could be extended to include the County unincorporated areas if the County Board of Supervisors request to be included. If all parties eventually agree to extend service, the soonest date that would be practical is likely in the summer of 2027.

### **421 E STREET - OFFICE UPDATE**

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

### **MARKETING AND COMMUNITY RELATIONS**

#### *Helping local food banks*

In response to \$500 million in federal funding cuts impacting food banks in Sonoma and Marin counties, Sonoma Clean Power is making an additional round of donations to food banks within our service territory. These contributions are in addition to our

traditional holiday-season donations and reflect our ongoing commitment to supporting community well-being during times of heightened need.

### *KZST Studio Naming Rights*

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

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

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

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

## **PROGRAMS UPDATES**

### *Workplace Charging Research Project - Open for New Applications*

Following the successful implementation of the first round of Workplace Charging Research Project that began in 2024, SCP has streamlined the process and is now accepting applications from a new set of local employers through **April 25, 2025**. The updated program focuses on smaller workplace installations with 4 charging ports per site, testing ways to minimize costs through reduced ADA requirements and shared circuit options. Full program details are available at <https://sonomacleanpower.org/programs/workplace-charging>.



Eligible sites could receive four GridSavvy-compatible Level 2 EV chargers, up to \$20,000 in installation rebates (\$5,000 per port), and a professional site assessment (valued at \$7,000). The research aims to develop a cost-effective workplace charging program supporting grid optimization while providing charging access for employees without home charging options.

Eligible participants must be SCP customers, have sufficient electrical capacity, and begin installation by December 31, 2025. Questions can be directed to [programs@sonomacleanpower.org](mailto:programs@sonomacleanpower.org).

### **UPCOMING MEETINGS**

- Board of Directors - May 8, 2025 (off cycle, due to CalCCA annual conference)
- Community Advisory Committee - May 15, 2025
- Board of Directors - June 5, 2025
- Community Advisory Committee - June 12, 2025 (off cycle due to Juneteenth holiday closure)

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## Staff Report - Item 05

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

**From:** Neal Reardon, Director of Regulatory Affairs  
Miles Horton, Legislative Policy & Community Engagement Manager  
Geof Syphers, Chief Executive Officer

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

**Date:** April 17, 2025

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### Requested Action

Receive legislative and regulatory updates and provide feedback as appropriate.

### Regulatory Updates

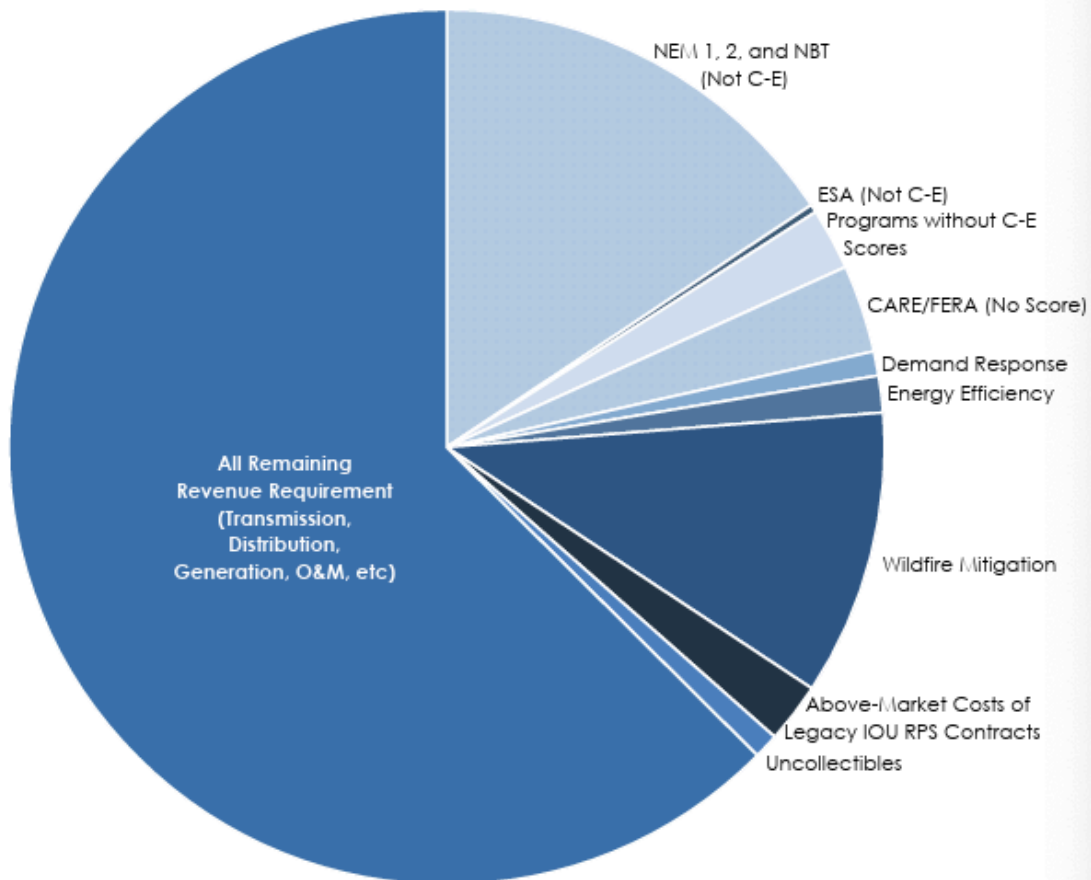
California Public Utilities Commission Staff Issue Response to Governor Newsom's Executive Order on Affordability

CPUC staff issued a [response](#) to Governor Newsom's [Executive Order](#) to mitigate the rising costs of electricity service. The Executive Order directed the CPUC to perform a cost-benefit analysis of current programs and rules. Following this analysis, staff were instructed to take specific action, including:

- Recommend changes to statute that would reduce costs without compromising public health and safety, reliability, or the 2045 GHG-free goal
- Under existing authority, modify or sunset programs that are not cost-effective or well-utilized, return funds to ratepayers
- Work with CARB to maximize effectiveness of Climate Credit, especially for CARE customers
- Work with Safety to maximize effectiveness of wildfire safety processes and procedures

CPUC staff's response holistically evaluated many programs and drivers of customer costs. Below is a graphic from the CPUC report showing the contribution of various costs to rates:

## Section 1 - Response to Executive Order Request to Review Programs



Some media outlets have mischaracterized this staff response as a pending decision at the CPUC to lower Net Energy Metering (NEM) compensation. There is no such proposal under consideration at the CPUC, which recently reformed NEM rates by adopting the Net Billing Tariff (NBT). This new tariff provides a much lower payment to customers for energy exported to the grid and applies to all customers who submitted interconnection applications after April 15, 2023. However, there is a potential that these ideas lead to future reductions in NEM compensation for legacy solar customers. Conceivably, legislators could see the CPUC staff report as

inspiration for future policy changes, particularly in response to broad pressure to lower rates. The CPUC itself could also start proceedings to consider adopting rule changes that enact some of the recommendations.

The specific ideas CPUC staff shared about revising NEM and lowering its impact on non-participating customers include the following:

- Fund NEM with non-ratepayer sources like taxes
- Change NEM to:
  - Shorten NEM legacy period from current 20 years
  - Pay NEM customers the retail rate that was in place when they signed up for NEM instead of the higher retail rates today
  - Increase fixed charge for NEM and NBT customers
  - Tie 20-year legacy period to the customer, but not the system, so when customers move their NEM system transitions to NBT

SCP staff will continue to monitor developments that may impact the ability of our customers to generate their own clean energy and affordable rates for all customers. If any of the staff concepts suggested on NEM or other drivers of retail costs are evaluated in a formal proceeding or legislation SCP staff will bring them to this Board for feedback and direction.

## **Legislative Updates**

Sonoma Clean Power is sponsoring three geothermal bills in the California Legislature this year, in partnership with Fervo Energy, the International Union of Operating Engineers, and others: Assembly Bills 526 (Papan), 527 (Papan), and 531 (Rogers). AB 526 & 531 recently passed the Utilities and Energy Committee with unanimous, bipartisan support. Now, all three bills will be heard in the Assembly Natural Resources Committee on April 21, pending final confirmation of the schedule. SCP staff are engaging with a wide variety of stakeholders and potential supporters and opponents.

Sonoma County Supervisor James Gore currently serves as President of the National Association of Counties (NACo). In early April, NACo organized a tour of the U.S. Department of Energy's Utah FORGE project and the adjacent Fervo Energy Cape Station project to see next-generation geothermal energy in action. SCP board

member and Sonoma County Supervisor Lynda Hopkins and Miles Horton from the SCP staff were able to join Supervisor Gore and the NACo team on the tour, where participants learned a great deal of valuable information that will help with enacting SCP's sponsored legislation as well as advancing the GeoZone effort more broadly.

### **Attachments**

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



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

April 10, 2025

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

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

Dear Chancellor García and Esteemed Trustees,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

Sincerely,



Geof Syphers, CEO

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

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## Staff Report - Item 06

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

**From:** Ryan Tracey, Director of Planning & Analytics  
Geof Syphers, Chief Executive Officer  
Miles Horton, Legislative Policy & Community Engagement Manager  
Claudia Sisomphou, Public Affairs & Advocacy Manager

**Issue:** Receive Geothermal Opportunity Zone Update

**Date:** April 17, 2025

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### Background

The Geothermal Opportunity Zone (GeoZone) is SCP's initiative to secure affordable, reliable clean energy for our customers by building 600 megawatts of new geothermal power capacity in Sonoma and Mendocino Counties. This will eventually enable SCP to phase out its dependence on natural gas power plants for reliability. The Community Advisory Committee (Committee) meetings are a regularly scheduled public forum for the community to receive updates and provide input on the GeoZone. The updates provided to the Committee each month, and minutes from any discussion are posted on SCP's website at <https://sonomacleanpower.org/geozone-public-updates>. Staff incorporate any feedback received from the Committee presentation into the monthly updates to the Board of Directors. Additional background on the GeoZone can be found on the GeoZone webpage at <https://sonomacleanpower.org/geozone>.

### Cyrq Termination

In the March Committee meeting, staff briefed the Committee that all three GeoZone partners have shared that their agreed-to milestones in SCP's GeoZone cooperation agreement were at-risk given projects risks and delays. Cyrq Energy's project was particularly at risk, given its earlier milestones and need to secure support from an existing site host. Cyrq Energy has also undergone leadership changes and pivoted their corporate strategy away from emerging technologies to focus on maintaining their existing assets. Following the Committee meeting, staff learned that the key staff

member supporting Cyrq's involvement in the GeoZone left the company.

Given the circumstances, staff asked the Board in their April meeting to approve terminating the cooperation agreement with Cyrq to allow SCP to refocus efforts on sustaining momentum on geothermal legislation, partnerships and local community outreach. The Board approved the staff's recommendation.

Staff have collected lessons learned from the partnership with Cyrq to start planning the structure and requirements of potential new public-private partnerships in the GeoZone, including opportunities to support and expand the capabilities of existing resources at The Geysers. As part of that effort, staff have begun reaching out to Calpine. Calpine has expressed an interest in continuing to discuss opportunities with SCP beyond the scope of the Cyrq project while it continues to honor its contractual relationship to supply geothermal power from The Geysers to SCP.

### **Geothermal Rising Exhibit**

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

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

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



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

April 4, 2025

Cyrq Energy Inc. (n/k/a Cyrq Energy, LLC)  
Attn: Mark Sudbey  
15 W South Temple, Suite 1900  
Salt Lake City, UT 84101

Re: *Mutual Termination of GeoZone Cooperation Agreement between Sonoma Clean Power Authority and Cyrq Energy Inc.*

Dear Mr. Sudbey:

This letter is to request your written acknowledgement of the mutual termination of the GeoZone Cooperation Agreement (“Agreement”) between Sonoma Clean Power Authority (“SCPA”) and Cyrq Energy Inc. (“Cyrq”), effective as of March 2, 2023, pursuant to Section 2.2.1 of the Agreement.

SCPA and Cyrq has been working together to further the Agreement’s objectives since March 2023. However, we understand that at this point it has been determined that further efforts under the Agreement are not in our shared best interests. Accordingly, we seek your mutual agreement to terminate the Agreement so that SCPA and Cryq can pursue other opportunities.

Pursuant to Section 2.3 of the Agreement, this voluntary, mutual agreement does not affect the validity of Sections 8.2, 10, 13, 14 and 15.2 and any other provisions that survive termination for the period set forth in the Agreement.

IT IS AGREED THAT, UNDER SECTION 2.2.1 OF THE GEOZONE COOPERATION AGREEMENT BETWEEN SONOMA CLEAN POWER AUTHORITY AND CYRQ ENERGY INC. EFFECTIVE AS OF MARCH 2, 2023 (“AGREEMENT”), THE AGREEMENT IS HEREBY TERMINATED BY MUTUAL WRITTEN CONSENT OF THE PARTIES EFFECTIVE AS OF THE DATE OF THE FINAL EXECUTION HEREOF.

\_\_\_\_\_  
Geof Syphers, Chief Executive Officer  
Sonoma Clean Power Authority  
Date:

\_\_\_\_\_  
Mark Sudbey, Chief Executive Officer  
Cyrq Energy, LLC  
Date:

cc: Curt R. Ledford, Davison Van Cleve, P.C., [cr1@dvclaw.com](mailto:cr1@dvclaw.com)