



**AGENDA
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, OCTOBER 15, 2026
1:00 P.M.**

EXCEPT AS PERMITTED BY GOVERNMENT CODE SECTION 54953.8.3, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE MAY PARTICIPATE IN THE OCTOBER 15, 2026, 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. 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 54953.8.3. 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 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 September 17, 2026, Draft Community Advisory Committee Meeting Minutes (Staff Recommendation: Approve) **pg. 5**
2. Receive Geothermal Opportunity Zone Update (Staff Recommendation: Receive and File) **pg. 9**

COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

3. Receive Internal Operations Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg. 13**
4. Receive Monthly Financial Report (Staff Recommendation: Receive and File) **pg. 15**
5. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) **pg.27**
6. Recommend the Board of Directors Approve and Delegate Authority to the Chief Executive Officer or Their Designee to Execute an Agreement with Brown and Caldwell for the Laguna Wastewater Treatment Plant Biogas Energy Expansion Feasibility Project through December 31, 2027, with a Not-to-Exceed Amount of \$287,652 (Staff Recommendation: Approve) **pg. 31**

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, SEPTEMBER 17, 2026
1:00 P.M.**

CALL TO ORDER

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

Chair Lipp called the meeting to order.

Committee Members present: Chair Lipp, Vice Chair Heffler, Members Pollard, Wang, Young, Hagen, Baird, and Nicholls. Members Hollinshead, Soto, and Morris were absent.

Staff present: Garth Salisbury, Chief Financial Officer and Treasurer; Ryan Tracey, Chief Strategy Officer; Stephanie Reynolds, Director of internal Operations; Neal Reardon, Director of Policy; Miles Horton, Legislative Policy & Community Engagement Manager; Kimberly Beltran, Technical Programs Manager; Karen Flores, Clerk of the Board

COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

(1:04 p.m. - Video Time Stamp: 00:03:45)

1. Approve July 16, 2026, Draft Community Advisory Committee Meeting Minutes
2. Receive Monthly Financial Report
3. Recommend the Board of Directors Approve Resolution 2026-01 Delegating Investment Authority to the Treasurer
4. Approve Community Advisory Committee Meeting Dates for 2027 Calendar Year
5. Recommend the Board of Directors Adopt Resolution 2026-02 Attesting to the Accuracy of Sonoma Clean Power Authority's 2025 Power Source Disclosure Annual Report

Public Comment: None

Motion to approve September 17, 2026, Community Advisory Committee Consent Calendar by Member Nicholls

Second: Vice Chair Heffler

Motion passed by roll call vote

AYES: Lipp, Heffler, Pollard, Wang, Young, Hagen, Baird, Nicholls

ABSENT: Hollinshead, Soto, Morris

COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

6. Receive Internal Operations Report and Provide Feedback as Appropriate

(1:05 p.m. – Video Time Stamp: 00:05:27)

Stephanie Reynolds, Director of internal Operations, highlighted Sonoma Clean Power's (SCP) recognition as a North Bay Business Journal Best Places to Work and reviewed historical participation and opt-out rate trends for SCP customers.

Public Comment: None

7. Receive Geothermal Opportunity Zone Updates

(1:12 p.m. – Video Time Stamp: 00:11:55)

Ryan Tracey, Chief Strategy Officer, reported ongoing progress in identifying new GeoZone partners, evaluating emerging geothermal technologies, and advancing geothermal planning efforts through state grant-funded activities and interagency collaboration. Updates were also provided on transmission opportunities through regulatory developments supporting geothermal resources.

Public Comment: None

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

(1:38 p.m. – Video Time Stamp: 00:38:05)

Neal Reardon, Director of Policy, updated the Committee on regulatory and rate-setting proceedings. He highlighted advocacy by Community Choice Aggregators (CCAs) and CalCCA to address customer cost impacts and participate in utility regulatory processes, including recent developments involving the Power Charge Indifference Adjustment (PCIA) and utility rate proposals. Staff will continue to monitor these matters and provide updates.

Miles Horton, Legislative Policy & Community Engagement Manager, provided an update on ongoing geothermal energy advocacy efforts, including progress toward securing state funding for geothermal exploration and development initiatives in California. Mr. Horton also provided an update on AB 2111 (Papan) and AB 2369 (Rogers) which are pending action by the Governor, as well as efforts related to CEQA and geothermal project development.

Public Comment: None

9. Recommend the Board of Directors Approve and Delegate Authority to the Chief Executive Officer or His Designee to Execute an Agreement with Uplight, Inc. for Ongoing Demand Response (DR) Provider Services through December 31, 2029, with a Not-to-Exceed Amount of \$2,594,831

(2:18 p.m. – Video Time Stamp: 00:52:25)

Kimberly Beltran, Technical Programs Manager, presented a recommendation to approve and authorize an agreement with Uplight for continued administration of Sonoma Clean Power's demand response programs through 2029. The presentation included an overview of demand response program activities, participant growth, and program performance. Ms. Beltran also discussed planned program enhancements, including expanded technology offerings, customer engagement improvements, and operational efficiencies, and noted that the proposed agreement would support ongoing program goals and related grant commitments.

Public Comment: None

Motion to Recommend the Board of Directors Approve and Delegate Authority to the Chief Executive Officer or His Designee to Execute an Agreement with Uplight, Inc. for Ongoing Demand Response (DR) Provider Services through December 31, 2029, with a Not-to-Exceed Amount of \$2,594,831 by Vice Chair Heffler

Second: Member Nicholls

Motion passed by roll call vote.

AYES: Lipp, Heffler, Pollard, Wang, Young, Hagen, Baird, Nicholls

ABSENT: Hollinshead, Soto, Morris

COMMITTEE MEMBER ANNOUNCEMENTS

(2:18 p.m. - Video Time Stamp: 01:18:25)

None.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(2:18 p.m. - Video Time Stamp: 01:18:35)

Public Comment: None

ADJOURN

(2:19 p.m. - Video Time Stamp: 01:18:57)

The meeting was adjourned by unanimous consent.



Staff Report – Item 02

To: Sonoma Clean Power Authority Community Advisory Committee

From: Ryan Tracey, Chief Strategy Officer
Geof Syphers, Chief Executive Officer
Miles Horton, Legislative Policy & Community Engagement Manager
Claudia Sisomphou, Director of Community & Governmental Relations

Issue: Receive Geothermal Opportunity Zone Update

Date: October 15, 2026

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>.

Partner Updates

Staff are expecting to finish GeoZone 2.0 workshops with prospective partners in the first half of November. As shared in last month's meeting, the Bureau of Land Management (BLM) is holding a lease auction on October 27th that includes several large parcels in Sonoma County. Several prospective partners have asked to hold workshops following the results of the auction. After finishing partnership workshops, staff will evaluate which proposals present the best opportunity to support GeoZone and meet the guidelines for GeoZone agreements set by the Board. Any new GeoZone partnerships that arise from these workshop discussions will be presented to the Committee and subject to Board approval.

There are no updates on SCP's partnership with Eavor. As shared last month, staff are working with Eavor on prospecting site opportunities in advance of Eavor's deadline to seek a third-party project investor by March 2027.

Proactive Planning Sonoma-Mendocino Geothermal Planning Grant

SCP, Sonoma County, and Mendocino County were awarded a grant to support proactive regional planning for geothermal development by the CEC. The team finalized its itinerary for an in-person Central Oregon field trip, which will be completed just before the Committee meeting. The itinerary includes visiting the Quaise Energy drill site, the Mazama Energy drill site, and visiting with Deschutes County, Economic Development for Central Oregon (EDCO), and the Oregon Water Resources Department.

California Public Utilities Commission (CPUC) 2027-2028 Transmission Plan

Staff continue to work through the California Public Utilities Commission (CPUC) and California Independent System Operator (CAISO) to prioritize transmission for in-state geothermal opportunities. A key consideration is what role a proposed 2 gigawatt (GW) transmission line to Utah geothermal resources could play in meeting the state's need for clean firm capacity (the High West Transmission Project). In opening comments on the state's latest portfolio, two additional countervailing opportunities were highlighted:

- **In-state Geothermal Interest:** Hexagon Energy shared they are actively developing 13 projects across Shasta, Siskiyou, Modoc, and Lassen counties that could deliver as much as 2.5 GW of in-state geothermal potential by 2032. EGX Energy shared they are developing a 100 MW project in Lake County that could be expanded to 400 MW by 2034. Zanskar, Ormat, and XGS Energy also provided support for interest in Northern California geothermal development. Many of these projects would benefit from reconfiguration of the planned 500 kV transmission line planned for Humboldt offshore wind.
- **Walker River Transmission Line:** PG&E and LS Power proposed the CPUC consider evaluating a 500 kV line between Tesla substation in the Greater Bay Area and the Walker River substation southeast of Reno as an option to improve access to Northern Nevada geothermal resources. If approved, this transmission line could reduce the prioritization of infrastructure to support in-state geothermal resources.

SCP has submitted opening comments and plans on submitting reply comments that continue to progress planning infrastructure for in-state capacity. Specifically, SCP is advocating for a reconfiguration of the 500 kV Humboldt line paired with new transmission capacity to Northeastern California—which unlocks in-state opportunities while also improving connectivity for Northern Nevada, should out-of-state resources be needed.

Geothermal Trade Organization

As shared in the October board meeting, staff are evaluating the opportunity of supporting the formation of a California geothermal trade organization. SCP envisions an organization that includes both developers and buyers that is focused on supply-side solutions to supporting geothermal development in the state. SCP sees an opportunity to both build on recent momentum, with the success of securing \$20 million in state funding, and the opportunities afforded by a new administration—which may be interested in long-term projects to build state infrastructure.

Agency Goals

The GeoZone activities are directly related to the 2026 agency goal to continue progress on the GeoZone, which SCP sees as a key initiative in supporting deployment of technology that will be critical to meeting long-term climate goals, addressing affordability, and providing reliability while creating local economic opportunities. The lease sale will occur on October 27th, 2026.

Attachments

- None.

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Staff Report – Item 03

To: Sonoma Clean Power Authority Community Advisory Committee
From: Stephanie Reynolds, Director of Internal Operations
Issue: Receive Internal Operations Report and Provide Feedback as Appropriate
Date: October 15, 2026

SUCCESSFUL WORKSHOP AT THE CUSTOMER CENTER

Sonoma Clean Power, the Building Decarbonization Coalition (BDC), and industry partners met on September 16th, for a free, practical workshop on the upcoming Bay Area Air District Zero-Emission Appliance Rule (Rule 9-6) and how it will impact residential water heater replacements beginning in 2027. In attendance, about 35 contractors, plumbers, and installers learned about heat pump water heater solutions, installation considerations, space-constrained applications, licensing requirements, and available rebates and incentives. The session included expert presentations, Q&A, and networking opportunities.

Commercial & Industrial Battery Energy Storage Pilot

The Capital Projects & Engineering team is evaluating a pilot to determine whether SCP-owned and operated behind-the-meter (BTM) battery energy storage systems (BESS) at Commercial & Industrial (C&I) sites can simultaneously provide meaningful customer bill savings and quantifiable procurement cost reductions to benefit all SCP customers. C&I customer outreach conducted to date has indicated strong interest in the potential bill savings and resiliency benefits of battery storage; however, many customers have expressed uncertainty regarding technology providers and a preference to avoid the responsibility of owning, operating, and maintaining battery assets. In response, the pilot will explore a model under which SCP would own and manage the battery systems while participating customers would enroll through a subscription or participation fee structure. Staff will release a solicitation next month to partner with a third party for technical and commercial assistance to evaluate candidate C&I sites, evaluate ownership and operating models, assess customer savings structures, and develop decision-ready project business cases to install BESS at select C&I sites. The pilot is expected to launch in 2027 and advance up to five projects totaling at least 1 MWh of battery storage capacity. Lessons learned from the pilot will be used

to evaluate the potential for a larger-scale C&I customer battery offering in the future. Staff will provide the Board with updates as the pilot development efforts progress.

SUPPORTING DOWNTOWN SANTA ROSA

SCP recently offered a series of notary clinics for downtown businesses and property owners. This was done in conjunction with the Downtown Action Organization ("DAO"), which is a non-profit that oversees the Santa Rosa Downtown Community Benefit District which includes all SCP buildings and the Business One Stop Shop (BOSS). Beau Anderson, SCP's Building Operations & IT Manager Beau Anderson, serves on the DAO Board of Directors as Secretary and coordinated the clinics to assist with new requirements for "No Trespassing" forms that need to be on-file with the City of Santa Rosa's Police Department to authorize police action for trespassing or failure to leave a property. Thanks to SCP's Clerk of the Board, Karen Flores, over 30 forms were notarized at no cost to attendees.

In addition, the Board President of a local non-profit was connected with our Commercial Accounts team to identify ways to save energy and reduce their monthly bill through SCP's free [Commercial Energy Assistance Program](#).

The notary clinics were a great way to support our downtown community while providing valuable outreach & potential savings to local businesses.

Upcoming Meetings

- Board of Directors – November 5, 2026
- Community Advisory Committee – November 19, 2026
- Board of Directors – December 3, 2026
- Community Advisory Committee – December 17, 2026

Agency Goals

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

Attachments

- None.

Staff Report – Item 04

To: Sonoma Clean Power Authority Community Advisory Committee

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

Issue: Receive Monthly Financial Report

Date: October 15, 2026

S&P Global Credit Rating

Following a ratings review meeting with S&P in August; S&P Global Ratings has affirmed SCP's "A" credit rating and revised its outlook from "Stable" to "Positive". This outcome reflects SCP's conservative fiscal planning, strong management and governance by the CEO and Board, and an effective power procurement strategy that has proactively addressed Power Charge Indifference Adjustment (PCIA)-related challenges. The full report from S&P Global is available at [this link](#) or by request to the Clerk of the Board, and the press release can be found at:

<https://www.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3630099>.

Monthly Financial Report

The Financial Report is to inform the Community Advisory Committee (Committee) of monthly financial results and includes a summary of investments and investment activity in SCP's portfolio. The Investment Report and associated attachments are to inform the Board, Committee, and stakeholders 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 (July 31, 2026*)

The year-to-date change in fund balance is more than projections by approximately \$1,950,000. Year-to-date revenue from electricity sales is less than budget by approximately 2% and cost of energy is under budget projections by approximately 9%. Year-to-date electricity sales reached \$19,027,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$231,281,000*. Approximately \$385,853,000 is set aside for operating reserves as of July 31, 2026. SCP has been returning funds to customers since January 2026, and at least \$52,000,000 is expected to be returned from July 2026 through June 2027.

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

**The draft financial statements for July 2026 reflect the proposed GASB 62 revenue deferral into the Rate Stabilization Fund from fiscal year 2025/26 based on management estimates and is subject to SCP Board approval. Net Position has been reduced by the proposed revenue deferral of \$57,500,000.*

Budgetary Comparison Schedule (July 31, 2026)

The accompanying budgetary comparison includes the 2026/27 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, 2026/27 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates, and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is under budget by less than approximately 2% at the end of the reporting period.

The cost of electricity was less than the budget-to-date by approximately 9%. Variation in this account is typically due to fluctuating market cost of energy on open position purchases as well as supplier delivery delays.

Major operating categories of Data Management fees and PG&E Service fees are based on the customer account totals.

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

Monthly Investment Report

This report is to verify and report in writing to the Committee 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, Committee, 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, Committee, 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 (September 2026).

SCP currently maintains bank accounts and investments at River City Bank (RCB), Summit State Bank, the State of California Local Agency Investment Fund (LAIF), USBank, and J.P. Morgan. Active individual securities are held at RCB, USBank and J.P. Morgan. 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 September 30th, CAM managed about \$94 million of SCP's reserves. All investments directed by CAM are held at SCP's custodian, USBank. All investments held as of September 30, 2026, at USBank appear as Attachment 3 with new holdings purchased in September highlighted. USBank transaction details for the month of September, including sales and maturities of securities, are in Attachment 4. Additionally, the September 2026 account statement prepared by CAM is in Attachment 5.

River City Bank

A detailed statement of the investments held at River City Bank as of September 30, 2026, appears as Attachment 6. River City Bank transaction details for the month of September, including purchases and maturities of securities, are in Attachment 7.

State of California Local Agency Investment Fund

The LAIF investment balance as of September 30, 2026, appears as Attachment 8.

J.P. Morgan

The J.P. Morgan investment balance as of September 30, 2026, appears as Attachment 9.

Agency Goals

SCP's Financial Report, and more broadly, its financial decisions, support three of the Agency's 2027 goals.

1. Maintain SCP's 'A' credit rating to support cost-effective power procurement, and work to establish a pathway for an upgrade to A+.
2. Recommend how SCP can continue to improve its governance practices.
3. Recommend and take all necessary actions to sustain competitive customer rates and strong customer service.

Attachments

- Attachment 1 – July 2026 Financial Statements
- Attachment 2 – July 2026 Budgetary Statement
- Attachment 3 – September 2026 Statement of Investments Held at USBank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 4 – September 2026 Statement of Transactions at USBank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 5 – September 2026 USBank Account Statement prepared by CAM, available at [this link](#) or by request to the Clerk of the Board
- Attachment 6 – September 2026 Statement of Investments Held at River City Bank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 7 – September 2026 Statement of Transactions at River City Bank, available at [this link](#) or by request to the Clerk of the Board
- Attachment 8 – September 2026 Statement of Investments Held at the Local Agency Investment Fund, available at [this link](#) or by request to the Clerk of the Board
- Attachment 9 – September 2026 Statement of Investments Held at J.P. Morgan, available at [this link](#) or by request to the Clerk of the Board



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of July 31, 2026, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the month then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

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

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

Maher Accountancy

San Rafael, CA
September 22, 2026

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of July 31, 2026

ASSETS

Current assets

Cash and cash equivalents	\$ 215,646,285
Accounts receivable, net of allowance	12,912,999
Other receivables	5,904,000
Accrued revenue	10,510,150
Prepaid expenses	1,790,291
Deposits	956,034
Investments	97,752,342
Total current assets	<u>345,472,101</u>

Noncurrent assets

Investments	81,294,373
Loan receivable	3,879,219
Other receivables	729,946
Capital assets, net of depreciation	23,161,509
Total noncurrent assets	<u>109,065,047</u>
Total assets	<u>454,537,148</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	22,458,039
Accounts payable	1,798,849
Other accrued liabilities	1,645,756
User taxes and energy surcharges due to other governments	570,976
Supplier security deposits	30,000
Total current liabilities	<u>26,503,620</u>

Noncurrent liabilities

Supplier security deposits	1,752,721
Total liabilities	<u>28,256,341</u>

DEFERRED INFLOWS OF RESOURCES

Rate stabilization fund	<u>195,000,000</u>
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NET POSITION

Investment in capital assets	23,161,509
Unrestricted	208,119,298
Total net position	<u><u>\$ 231,280,807</u></u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
One Month Ended July 31, 2026

OPERATING REVENUES

Electricity sales, net	\$ 18,746,732
Evergreen electricity premium	274,822
Liquidated damages	55,515
Total operating revenues	<u>19,077,069</u>

OPERATING EXPENSES

Cost of electricity	16,840,007
Contract services	835,430
Staff compensation	1,040,644
Program rebates and incentives	104,457
Other operating expenses	188,751
Depreciation	75,297
Total operating expenses	<u>19,084,586</u>
Operating income	<u>(7,517)</u>

NONCAPITAL SUBSIDIES

Grant revenue	<u>10,062</u>
Total noncapital subsidies	<u>10,062</u>
Operating income and noncapital subsidies	<u>2,545</u>

NONOPERATING REVENUES (EXPENSES)

Investment income	986,559
Charitable contribution	(100,000)
Nonoperating revenues (expenses), net	<u>886,559</u>

CHANGE IN NET POSITION

	889,104
Net position at beginning of year	230,391,703
Net position at end of period	<u><u>\$ 231,280,807</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

One Month Ended July 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 17,283,155
Receipts of security deposits and liquidated damages revenue	55,515
Receipts from wholesale sales and other operating activities	121,451
Payments to electricity suppliers	(15,440,464)
Payments for other goods and services	(1,054,342)
Payments for staff compensation	(1,344,602)
Payments for program rebates and incentives	(99,077)
Payments of taxes and surcharges to other governments	(284,608)
Net cash provided (used) by operating activities	<u>(762,972)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	<u>(11,397)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	1,081,187
Proceeds from sales and maturities of investments	634,739
Purchase of investments	<u>(1,342,346)</u>
Net cash provided (used) by investing activities	<u>373,580</u>

Net change in cash and cash equivalents	(400,789)
Cash and cash equivalents at beginning of year	<u>216,047,074</u>
Cash and cash equivalents at end of period	<u><u>\$ 215,646,285</u></u>

NONCASH INVESTING ACTIVITIES

Change in fair value of investments	\$ (42,486)
Change in interest receivable	\$ (52,142)

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS

(Continued)

One Month Ended July 31, 2026

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

Operating income (loss)	\$ (7,517)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	75,297
Noncapital subsidies	10,062
Charitable contribution considered an operating activity for cash flow purposes only	(100,000)
(Increase) decrease in:	
Accounts receivable, net of allowance	(1,612,781)
Other receivables	(838,586)
Accrued revenue	(387,102)
Prepaid expenses	77,108
Increase (decrease) in:	
Accrued cost of electricity	1,315,387
Accounts payable	204,526
Other accrued liabilities	523,758
User taxes due to other governments	(23,124)
Net cash provided (used) by operating activities:	<u>\$ (762,972)</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

Management is responsible for the accompanying Budgetary Comparison Schedule for the Operating Fund of Sonoma Clean Power Authority (a California Joint Powers Authority) for the month ended July 31, 2026, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

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

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

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

Maher Accountancy

San Rafael, CA
September 22, 2026

SONOMA CLEAN POWER AUTHORITY
BUDGETARY COMPARISON SCHEDULE - OPERATING FUND
One Month Ended July 31, 2026

	2026/27 YTD Budget	2026/27 YTD Actual	2026/27 YTD Budget Variance (Under) Over	2026/27 YTD Actual / Budget %	2026/27 Budget	2026/27 Budget Remaining
REVENUE AND OTHER SOURCES:						
Electricity (net of allowance)	\$ 19,046,263	\$ 18,752,247	\$ (294,016)	98%	\$ 193,575,000	\$ 174,822,753
Revenue from (to) Rate Stabilization Fu	-		-		46,703,000	46,703,000
Evergreen Premium (net of allowance)	266,000	274,822	8,822	103%	3,192,000	2,917,178
CEC Grant Proceeds	357,856	10,062	(347,794)	3%	2,133,000	2,122,938
Investment returns	1,298,754	986,559	(312,195)	76%	13,546,000	12,559,441
Total revenue and other sources	20,968,873	20,023,690	(945,183)	95%	259,149,000	239,125,310
EXPENDITURES AND OTHER USES:						
CURRENT EXPENDITURES						
Cost of energy and scheduling	18,464,466	16,790,007	(1,674,459)	91%	219,788,000	202,997,993
Data managemen	285,000	293,214	8,214	103%	3,420,000	3,126,786
Service fees- PG&	83,000	83,703	703	101%	996,000	912,297
Personn	1,155,304	1,040,644	(114,660)	90%	14,009,000	12,968,356
External relatio	322,729	233,566	(89,163)	72%	3,883,000	3,649,434
Customer servic	49,500	15,832	(33,668)	32%	220,000	204,168
General and administrati	261,043	136,094	(124,949)	52%	2,715,000	2,578,906
Leg	45,417	50,259	4,842	111%	545,000	494,741
Regulatory and complian	30,000	28,301	(1,699)	94%	360,000	331,699
Accountin	26,000	28,488	2,488	110%	362,000	333,512
Legislati	25,667	23,000	(2,667)	90%	220,000	197,000
Other consultar	196,308	102,693	(93,615)	52%	953,000	850,307
Industry memberships and du	92,708	52,661	(40,047)	57%	1,114,000	1,061,339
Customer energy solutio	537,550	180,827	(356,723)	34%	5,347,000	5,166,173
Total current expenditures	21,574,692	19,059,289	(2,515,403)	88%	253,932,000	234,872,711
OTHER USES						
Capital outl:	381,800	2,024	(379,776)	1%	5,217,000	5,214,976
Total expenditures, other	21,956,492	19,061,313	(2,895,179)	87%	259,149,000	240,087,687
Net increase (decrease) in available fund balance	\$ (987,619)	\$ 962,377	\$ 1,949,996		\$ -	\$ (962,377)
<i>* Represents sales of approximately 164,000 MWh for 2026/27 YTD actual.</i>						
RESERVES	Balance	Long-Term Targeted	% of Long-Term Target			
Reserves and Rate Stabilization Funds	\$ 385,853,000	\$ 253,932,000	152%			

SONOMA CLEAN POWER AUTHORITY
BUDGETARY COMPARISON SCHEDULE - OPERATING FUND (CONTINUED)
RECONCILIATION OF NET INCREASE IN AVAILABLE FUND BALANCE
TO CHANGE IN NET POSITION
One Month Ended July 31, 2026

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 962,377
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(75,297)
Add back capital asset acquisitions	<u>2,024</u>
Change in net position	<u><u>\$ 889,104</u></u>



Staff Report – Item 05

To: Sonoma Clean Power Authority Community Advisory Committee

From: Neal Reardon, Director of Policy
Miles Horton, Legislative Policy and Community Engagement Manager
Geof Syphers, Chief Executive Officer

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

Date: October 15, 2026

Requested Action

Receive legislative and regulatory updates and provide Feedback as appropriate.

Regulatory Updates

CPUC Provides Zero Value to CCA Customers for Legacy Renewable Energy Investments

On September 17th, the California Public Utilities Commission (CPUC) unanimously voted to value pre-2019 banked renewable energy credits (RECs) at \$0 in Power Charge Indifference Adjustment (PCIA) calculations. This means that despite paying to generate the renewable energy, customers who later joined a CCA will receive \$0 when the utility uses those RECs for compliance with state law.

For context, PCIA is a charge that for-profit utilities in California are allowed to place on all customers within their distribution territory. This means all customers in PG&E's territory, regardless of whether they buy generation from PG&E, a for-profit energy provider, or a CCA, will be charged this fee. The IOUs are permitted to charge this fee to prevent them from suffering any unavoidable losses on long-term contracts they signed which are worth less than the contract cost. The PCIA was a provision in AB 117 (Migden, 2001), which created the community choice aggregation option. The stated intent is to ensure "indifference", that is, to protect any group of customers – CCA or utility – from being economically harmed by the other. However, the implementation of this complex and opaque fee which can cost over 1 billion dollars in bad years remains a source of controversy.

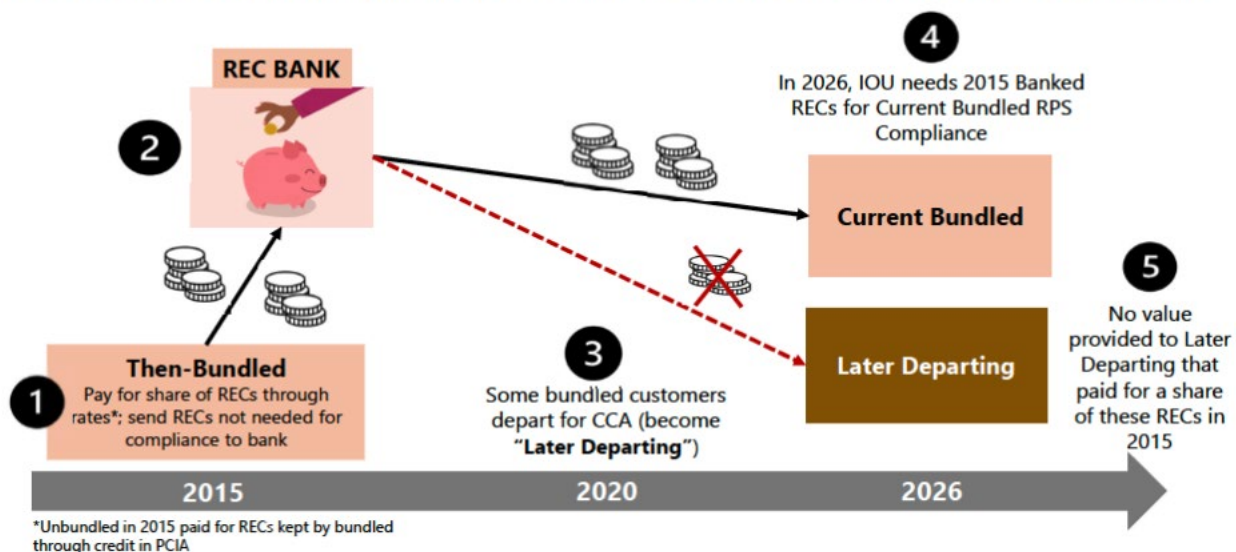
PG&E's "bundled" customers are charged for the utility's total costs and receive generation service in return. CCA customers, however, don't receive any of the energy or other attributes

from the utility portfolio they pay PCIA towards. Instead, they receive a financial credit for the value of those utility resources they're being charged for but not using. The value granted to CCA customers changes every year based on observed market prices for various attributes, including RECs. So, when market prices are high, PG&E charges a lower PCIA fee on CCA customers. When market prices are low, PG&E charges a higher PCIA fee on CCA customers.

All load-serving entities in California are required to provide a certain percentage of renewable energy to meet Renewable Portfolio Standard requirements. Failure to do so can result in multi-million-dollar financial penalties. RECs are the required instrument to demonstrate compliance – each one representing a megawatt hour of renewable energy. As most renewable facilities generate an amount of energy that varies with hours of sunshine or amount of wind, compliance is structured over a multi-year period. If a load serving entity buys more RECs than needed due to an especially sunny year or lower overall energy demand than expected, they can store those RECs in a bank for future use. PG&E's declining load over the past decade as customers left to join CCAs created a large excess of RECs, the utility no longer needed for compliance and instead put in a bank. Beginning in 2025, they began withdrawing from the bank but *only* provided those RECs to their bundled generation customers. Thus, customers who departed PG&E's service after 2019 – when the PCIA calculation was modified – have been charged for the cost to generate RECs but receive no benefit. Following protests by CCA representatives over this inequitable use of the bank, the CPUC opened a proceeding to evaluate how these RECs should be allocated and valued. This Decision concludes that Track of the proceeding.

The CalCCA graphic below depicts the scenario:

Pre-2019 Banked REC Cost Shift to 2026 Bundled Customers



The majority of Sonoma Clean Power's customers who departed from PG&E service in either 2014 or 2017, prior to the broad PCIA revision implemented in 2019. This means the banked

REC issue at hand in Track 2 does not pose a significant impact on SCP's customers. SCP staff, however, contributed to CalCCA's advocacy on this topic as it is financially impactful to our sister CCAs and creates a critical precedent on customer equity.

CalCCA's press release on the adopted decision is provided as an attachment.

Legislative Updates

As previously reported, SCP secured two major victories on the legislative front this year: the passage of SCP's sponsored bill to reform how electric transmission is planned in California with AB 2111 (Papan), and \$20 million of state funding to help jumpstart California's geothermal industry! AB 2234 (Papan), legislation modernizing the definition of "geothermal exploratory project" for purposes of environmental review, was also sponsored by SCP and signed into law.

Unfortunately, AB 2369 (Rogers), which would have created more of a market for "energy-only" resources and allowed significantly more clean energy to connect to our existing grid, was vetoed. SCP staff are exploring the potential for a broader effort on this issue across the legislative, regulatory, and CAISO fronts.

Despite unanimous support in the Senate and strong 65-9 support in the Assembly, Governor Newsom also vetoed AB 1761 (Rogers) that would have improved transparency of how the Power Charge Indifference Adjustment (PCIA) is calculated. The bill proposed amending the Public Utilities Code to require the CPUC and IOUs to disclose all data used to calculate PCIA costs, including cost inputs, forecasting assumptions, and methodologies. Greater transparency would allow CCAs to check PG&E's math and better advocate for fairness. While this Governor chose to veto AB 1761, staff will continue to advocate for transparency, accuracy and fairness for all fees customers must pay.

SCP staff are now turning our attention to developing legislative priorities for the 2027-2028 session that advance our goals of tackling the climate crisis, providing affordable electricity to ratepayers, and continuing to build coalitions with a wide range of allied groups across organized labor, the environmental movement, and beyond.

Agency Goals

Our legislative efforts align well with several agency goals, including advancing clean firm power such as geothermal (Goal 4) and continuing to develop SCP's leadership in the realm of transmission and interconnection (Goal 10).

Attachments

- Attachment 1 – CalCCA [Press Release](#) on CPUC Decision Granting Zero Value to CCA Customers

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Staff Report – Item 06

To: Sonoma Clean Power Authority Community Advisory Committee

From: Rebecca Simonson, Director of Capital Projects & Engineering
Patrick Le, Capital Projects Engineer

Issue: Recommend the Board of Directors Approve and Delegate Authority to the Chief Executive Officer or Their Designee to Execute an Agreement with Brown and Caldwell for the Laguna Wastewater Treatment Plant Biogas Energy Expansion Feasibility Project through December 31, 2027, with a Not-to-Exceed Amount of \$287,652

Date: October 15, 2026

Recommendation

Staff requests that the Community Advisory Committee recommend the Board of Directors approve delegating authority to the Chief Executive Officer or their designee to execute an agreement with Brown and Caldwell for the Laguna Wastewater Treatment Plant Biogas Energy Expansion Feasibility Project through December 31, 2027, with a not-to-exceed amount of \$287,652.

Background

As part of SCP's efforts to find local energy resource investments that can produce revenues to offset customer rates, SCP entered into a partnership with the City of Santa Rosa Water ("Santa Rosa Water") in October 2025 to explore expanding biogas energy production at Santa Rosa Water's Laguna Wastewater Treatment Plant ("LTP"). The partnership was formalized through an executed Term Sheet to conduct an in-depth feasibility study and any subsequent detailed engineering design to evaluate opportunities to develop, improve, or expand biogas operations at the LTP. See Attachment A.

The LTP currently operates four 1.1 MW engine-generators. Two engines allow for biogas-fueled generation, however two can only utilize pipeline natural gas. The facility currently flares a portion of the biogas produced during wastewater treatment when available engine capacity is insufficient to utilize the biogas. The feasibility study will evaluate opportunities to increase biogas utilization and renewable energy generation,

including the potential addition of one or two 1.1 MW biogas-fueled engine-generators, which could increase facility generation capacity by approximately 1.1 MW to 2.2 MW.

The goals of the project are to increase renewable power produced, reduce wasted biogas flaring, reduce energy costs for Santa Rosa Water, produce revenues to help offset SCP customer rates, and reduce greenhouse gas emissions.

SCP will lead the feasibility study and, if the results are favorable and support the project goals described above, pursue the design, permitting, construction, and ownership of the facility. SCP will work collaboratively with Santa Rosa Water to develop the scope of work for each project phase and ensure consistency with Santa Rosa Water's operational requirements. Subject to project feasibility, SCP intends to provide the capital funding for and ultimately own the facility. If the project is constructed, Santa Rosa Water would compensate SCP for project costs, including this contract, and provide operations and maintenance services through a mutually negotiated energy offtake agreement or another funding mechanism to be determined.

Discussion

SCP issued a Request for Qualifications and Proposals ("RFQ/P") in June 2026 to solicit competitive proposals from qualified firms for the LTP Biogas Energy Expansion Feasibility Project. Proposals were received in August 2026 and evaluated jointly by SCP and Santa Rosa Water. Brown and Caldwell was selected based on its extensive experience with similar projects, familiarity with the LTP, proposed technical approach, and the qualifications of its project team.

SCP has negotiated the Professional Services Agreement included as Attachment 2. The scope of work is divided into two phases.

Phase 1 will establish baseline facility conditions, develop and evaluate conceptual design alternatives, and perform technical and economic feasibility analyses for up to three alternatives selected by SCP and Santa Rosa Water. Upon completion of Phase 1, SCP and Santa Rosa Water will determine whether any alternative should advance to further design.

Phase 2 will consist of preliminary engineering design for the selected alternative, together with refined technical, economic, and implementation analyses to support future project development decisions.

Fiscal Impact

The agreement has a total not-to-exceed amount of \$287,652 through December 31, 2027. Funding for this amount is included in SCP's approved FY 2026-27 budget.

This not-to-exceed amount only includes Phase 1 currently. The Phase 2 budget will be determined following completion of Phase 1 and selection of a preferred project alternative, if any. Staff will return to the Committee and Board for approval of an amendment to the Agreement before authorizing Phase 2 work.

The not-to-exceed amount also includes a 15% contingency for Additional Services that may be required during the course of the feasibility study that were not anticipated in the scoping of the contract.

Agency Goals

This contract addresses SCP Board of Directors goal to develop local investments with the purpose of generating revenues to lower ratepayer costs over time. This project will result in a local clean energy generation asset that will produce energy revenues for SCP.

Attachments

- Attachment 1 – Executed Term Sheet between SCP and Santa Rosa Water-Executing In-depth Feasibility Study and Detailed Engineering Design for Biogas System Improvements on behalf of the City of Santa Rosa, available at [this link](#) or by request to the Clerk of the Board
- Attachment 2- Professional Services Agreement with Brown and Caldwell for The Laguna Wastewater Treatment Plant Biogas Energy Expansion Project, available at [this link](#) or by request to the Clerk of the Board