VALLEY CLEAN ENERGY

Regular Meeting of the Valley Clean Energy Alliance
Board of Directors
Thursday, June 12, 2025 at 5:30 p.m.
City of Davis Community Chambers
23 Russell Boulevard, Davis, California 95616

Board Members will be attending in-person and public participation will be in-person and available via Zoom Webinar (video/teleconference). VCE will, to the best of its ability, provide hybrid and remote options for VCE meeting participants and to the public; however, VCE cannot guarantee these options will be available due to technical limitations outside of our control. For assurance of public comment, VCE encourages in-person and written public comments to be submitted as described below when possible. VCE, to the best of its abilities, will provide participation via the Zoom platform.

Accommodations for Persons with disabilities: Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Alisa Lembke, VCE Board Clerk/Administrative Analyst, as soon as possible and preferably at least two (2) working days before the meeting at (530) 446-2754 or Alisa.Lembke@ValleyCleanEnergy.org.

If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of VCEA staff who will distribute the information to the Board members and other staff.

Please note that the numerical order of items is for convenience of reference. Items may be taken out of order on the request of any Board member with the concurrence of the Board. Staff recommendations are advisory to the Board. The Board may take any action it deems appropriate on any item on the agenda even if it varies from the staff recommendation.

Members of the public who wish to listen to the Board of Director's meeting may do so with the video/teleconferencing call-in number and meeting ID code. Video / teleconference information below to join meeting:

Join meeting via Zoom:

a. **From a PC, Mac, iPad, iPhone, or Android device with high-speed internet. (If your device does not have audio, please also join by phone.)**
   https://us02web.zoom.us/j/86371420234
   Meeting ID: 863 7142 0234
b. **By phone:**
   One tap mobile:
   +1-669-444-9171,, 86371420234# US
   +1-669-900-9128,, 86371420234# US

Or Dial:
+1-669-444-9171 US
+1-669-900-9128 US
Meeting ID: 863 7142 0234

Public comments may be submitted electronically or during the meeting. Instructions on how to submit your public comments can be found in the PUBLIC PARTICIPATION note at the end of this agenda.

Board Members: Bapu Vaitla (City of Davis, Chair), Jesse Loren (City of Winters, Vice Chair), Lucas Frerichs (Yolo County), Tom Stallard (City of Woodland), Sheila Allen (Yolo County), Donna Neville (City of Davis), Tania Garcia-Cadena (City of Woodland), Richard Casavecchia (City of Winters)

Alternate Board Members: Angel Barajas (Yolo County), Mayra Vega (City of Woodland), Linda Deos (City of Davis), Albert Vallecillo (City of Winters)

5:30 p.m. Call to Order

1. **Welcome and Approval of the Agenda**
2. **Public Comment:** This item is reserved for persons wishing to address the Board on any VCE-related matters that are not otherwise on this meeting agenda or are listed on the Consent portion of the agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to two minutes per speaker, electronically submitted comments should be limited to approximately 300 words. Comments that are longer than 300 words will only be read for two minutes. All electronically submitted comments, whether read in their entirety or not, will be posted to the VCE website within 24 hours of the conclusion of the meeting. See below under **PUBLIC PARTICIPATION** on how to provide your public comment.

CONSENT AGENDA

3. **Approve April 10, 2025 Board meeting Minutes.**
4. **Receive 2025 long range calendar.**
5. **Receive Treasurer's reports: A) March 31, 2025 and B) April 30, 2025.**
6. **Receive legislative update provided by Pacific Policy Group.**
7. **Receive May 2025 regulatory update dated June 4, 2025 provided by Keyes & Fox.**
8. **Receive Community Advisory Committee April 24, 2025 and May 22, 2025 meeting/Strategic Plan Workshop meeting summaries.**
9. **Approve CC Power budget amendment. (Action)**
10. **Approve amendment to the AgFIT Pilot program agreement with PG&E. (Action)**

REGULAR AGENDA

11. **Summer preparedness outlook. (Information)**

12. **Receive Mid-year 2025 Financial update. (Discussion/Action)**
13. **Approve 2024 Net Margin allocation. (Discussion/Action)**
14. **Reappointment/appointment of Members to Community Advisory Committee (Annual). (Action)**
15. **Receive Recap of CalCCA 2025 Annual Conference. (Information)**
16. **Board Member and Staff Announcements:** Action items and reports from members of the Board, including announcements, AB1234 reporting of meetings attended by Board Members of VCE expense, questions to be referred to staff, future agenda items, and reports on meetings and information which would be of interest to the Board or the public.
17. **Adjournment/Announcement:** The Board will adjourn their regular meeting to Thursday, July 10, 2025 at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695.

PUBLIC PARTICIPATION: **Public Comments:** Public participation for this meeting will be done electronically via e-mail and during the meeting as described below.

Public participation via e-mail: If you have anything that you wish to be distributed to the Board and included in the official record, please e-mail it to VCE staff at Meetings@ValleyCleanEnergy.org . If information is received by 3:00 p.m. on the day of the Board meeting it will be e-mailed to the Board members and other staff prior to the meeting. If it is received after 3:00 p.m. the information will be distributed after the meeting, but within 24 hours of the conclusion of the meeting. Written public comments that do not exceed 300 words will be read by the VCE Board Clerk, or other assigned VCE staff, to the Board and the public during the meeting subject to the usual time limit for public comments [two (2) minutes]. General written public comments will be read during Item 2, Public Comment. *Written public comment on individual agenda items should include the item number in the "Subject" line for the e-mail and the Clerk will read the comment during the item.* All written comments received will be posted to the VCE website.

Verbal public participation during the meeting:

1) **If attending in person**, please complete a **Comment Card** and return it to the Board Clerk.
2) **If attending remotely via Zoom**, there are two (2) ways for the public to provide verbal comments:
   A. If you are attending by computer, activate the "participants" icon at the bottom of your screen, then raise your hand (hand clap icon) under "reactions". When called upon, you will be "unmuted" to allow to speak.
   B. If you are attending by phone only, you will need to press *9 to raise your hand. When called upon, press *6 to unmute your microphone.

VCE staff will acknowledge that you have a public comment to make during the item and will call upon you to make your verbal comment.

Public records that relate to any item on the open session agenda for a regular or special Board meeting are available for public review on the VCE website. Records that are distributed to the Board by VCE staff less than 72 hours prior to the meeting will be posted to the VCE website at the same time they are distributed to all members, or a majority of the members of the Board. Questions regarding VCE public records related to the meeting should be directed to Board Clerk Alisa Lembke at (530) 446-2750 or Alisa.Lembke@ValleyCleanEnergy.org. The Valley Clean Energy website is located at: https://valleycleanenergy.org/board-meetings/.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 3

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Approval of Minutes of April 10, 2025 meeting

DATE: June 12, 2025

RECOMMENDATION

Receive, review and approve the attached April 10, 2025 meeting Minutes.

Attachment: April 10, 2025 meeting Minutes

MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, APRIL 10, 2025

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting for Thursday, April 10, 2025 at 5:30 p.m. to be held at City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616. Chair Bapu Vaitla established that there was a quorum present and began the meeting at 5:30 p.m.

Board Members Present:	Bapu Vaitla (Chair), Jesse Loren (Vice Chair), Lucas Frerichs, Tania Garcia-Cadena, Donna Neville, Richard Casavecchia, Angel Barajas (Alternate – Yolo County)
Members Absent:	Tom Stallard, Sheila Allen

Welcome, Approval of the Agenda, Oaths of Office	Motion made by Director Frerichs to approve the April 10, 2025 regular meeting Agenda, seconded by Vice Chair Loren. Motion passed with Directors Tom Stallard and Sheila Allen absent.
Public Comment – General and Consent Items	Chair Vaitla opened up public comment on general and consent items. Bill Julian provided written and verbal public comments on Item 6 – Legislative update. Instead of reading his written public comment dated April 9, 2025, which had been provided to the VCE Board of Directors via email, Mr. Julian provided verbal public comment on Item 6 – Legislative update, specifically on Senate Bill 540 of which he opposes. He also provided handouts to each Board Member present and to the Board Clerk and reviewed those slides.
Approval of Consent Agenda / Resolution 2025-005 through 2025-006	Motion made by Director Barajas (Alt.) to approve the consent agenda items, seconded by Vice Chair Loren. Motion passed with Directors Stallard and Allen absent. The following items were: 3. approved February 13, 2025 Board meeting Minutes; 4. received 2025 long range calendar; 5. received Treasurer's reports: a) January 31, 20925 and b) February 28, 2025; 6. received legislative update provided by Pacific Policy Group; 7. received March 2025 regulatory update dated April 2, 2025 provided by Keyes & Fox;

8. received Community Advisory Committee February 27, 2025 and March 27, 2025 meeting summaries;
9. received customer participation update (1st Quarter 2025);
10. received VCE Grant activity update;
11. received Enterprise Risk Management Report (Bi-Annual);
12. reviewed and approved the updated VCE Load Management Standards Plan;
13. ratified Consultant Agreement with NewGen Strategies and Solutions for energy advisory services as Resolution 2025-005; and,
14. approved Third Amendment to Polaris (AgFIT Program) increasing the not to exceed amount as Resolution 2025-006.

Item 15: Receive and accept Calendar Year 2024 Audited Financial Statements.	VCE Chief Executive Officer Mitch Sears introduced this item and Mr. James Marta of James Marta & Company. Mr. Marta provided highlights of the 2024 financial audit findings. The Board, Mr. Marta and Staff discussed: recommendations, leases, collections, accounting practices, net position, and capital. There were no written or verbal public comments.
Item 16: Receive financial update. (Information)	VCE Chief Financial Officer Staff Edward Burnham provided a financial update highlighting the "prepay" bond issuance, investment grade credit rating and timeline, bond savings, process, S & P reserve guidelines, and rating expectations. Verbal Public Comment: Christine Shewmaker complimented VCE for moving towards achieving one of VCE's goals of an investment grade credit rating. She had a few questions on the uses of an investment grade credit rating and how it fits within VCE's Strategic Plan. VCE Staff answered Ms. Shewmaker's questions. There were no written public comments.
Item 17: Power Charge Indifference Adjustment (PCIA) / Rates workshop. (Information)	Mr. Sears introduced this item by providing an overview of the PCIA and Rates Workshop. Mr. Burnham reviewed the 2025 Operating Budget, Customer rates, including VCE's cost-based rate policy, forecasting and financial models. Mr. Burnham introduced Brian Dickman of NewGen Strategies and Solutions, who reviewed VCE's rate structure and provided information

on how, why and who determines PCIA, its effects on Customer rates, cost of service, and the current and future CCA landscape.

The Board and Staff discussed: portfolio cost and value, forecasting, PCIA policy proceedings, rates, net margin allocation, and next steps.

There were no written or verbal public comments.

Item 18: Board Member and Staff Announcements	There were no Board announcements. Director Frerichs asked that Staff provide an update at a future meeting on 1) VCE's programs and on 2) how expansion is going locally and with other CCAs. Mr. Sears reminded those present that the CalCCA 2025 Annual Conference is coming up at the end of April.
Announcement / Adjournment	Chair Vaitla announced that the Board's next scheduled meeting is on Thursday, May 8, 2025 at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. There being no further business, the meeting was adjourned at 6:40 p.m.

Alisa M. Lembke
VCEA Board Secretary

VALLEY CLEAN ENERGY ALLIANCE

Staff Report - Item 4

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Board and Community Advisory Committee 2025 Long-Range Calendar

DATE: June 12, 2025

Recommendation

Receive and file the 2025 Board and Community Advisory Committee long-range calendar listing proposed meeting topics. Please note that meeting locations and topics may change.

Attachment: 2025 Board and CAC long range calendar

VALLEY CLEAN ENERGY

2025 Meeting Dates and *Proposed* Topics
Board and Community Advisory Committee (CAC)
(Note: Meeting locations and Topics are subject to change)

MEETING DATE		TOPICS	ACTION
January 9, 2025 (Cancelled)	**Board (Woodland)**	• This meeting was cancelled.	
January 23, 2025 NO QUORUM, ITEMS MOVED TO FEBRUARY 27, 2025 MEETING	**Advisory Committee (Woodland)**	• 2025 CAC Task Group (s) formation (Annual) (R) • Customer Participation Update (4th Quarter 2024) (O) • 2024 Year in review: Customer Care & Marketing (Placeholder) (R) • Strategic Plan (O)	• Discussion/Action • Discuss/Action • Information • Discussion/Action
February 13, 2025	**Board (Davis)**	• Oaths of Office for Board Members (Annual - new Members only) (R) • Election of Officers for 2025 (Annual) (R) • Customer Participation Update (4th Quarter 2024) (O) • Receive CAC Year-end Task Group Reports (O) • 2024 Year-end review: Customer Care & Marketing (O) • Update to VCE Employee Handbook (Placeholder) (R) (historically Jan.) • Prepay (Placeholder) (O) • Annual Strategic Plan Report (R) (historically Jan.)	• Action • Nominations • Information • Information • Information • Action • Action • Information/Discussion • Discussion/Action
February 27, 2025	**Advisory Committee (Davis)**	• 2025 CAC Task Group (s) formation (Annual) (R) • Customer Participation Update (4th Quarter 2024) (O) • 2024 Year-end review: Customer Care & Marketing (Placeholder) (R) • Strategic Plan (O)	• Discussion/Action • Information • Information • Discussion/Action
~~March 13, 2025~~	**Board (Woodland)**	• This meeting was cancelled.	
March 27, 2025	**Advisory Committee (Woodland)**	• Approval of 2025 CAC Task Group "Charges" (R) (historically in Jan.) • Senate Bill 540 (Pathways Initiative & Regional Organization)	• Action • Information/Discussion

April 10, 2025	**Board (Davis)**	• Receive Enterprise Risk Management Report (Bi-Annual) (R) • Customer Participation update (1st Quarter 2025) (O) • Calendar Year 2024 Audited Financial Statements (James Marta & Co.) (placeholder) (R) • Load Management Standards Update (O) • Power Charge Indifference Adjustment (PCIA) / Rates Workshop (placeholder) (O) • VCE Grant activity update (O)	• Information • Information • Action • Information • Information • Information
April 24, 2025	**Advisory Committee (Davis)**	• Load Management Standards Update (O) • 2024 Net Margin Allocation (R) • Senate Bill 540 (Pathways Initiative & Regional Organization) • Customer Participation update (1st Quarter 2025) (O) • Introduction to Strategic Plan Major Update Roadmap/Timeline	• Information • Discussion/Action • Discussion/Action • Information • Information
April 28 - 30, 2025	**CalCCA Annual Conference (Irvine)**	VCE Staff and some Board and CAC members attending	
~~May 8, 2025~~ CANCELLED	**Board (Woodland)**	• Meeting cancelled.	
May 22, 2025	**Advisory Committee / Strategic Plan Workshop (Esparto)**	• Strategic Plan Workshop: Focus: Financial Strength/Rates and Procurement & Power Supply	• Information/Discussion
June 12, 2025	**Board (Davis)**	• Re/Appointment of Members to Community Advisory Committee (Annual) (R) • Mid-Year 2025 Financial Update (R) • 2024 Net Margin Allocation (R) • Summer Preparedness outlook (O) • Recap of CalCCA April 2025 Annual Conference (O)	• Action • Information • Discussion/Action • Information • Information
June 26, 2025	**Advisory Committee / Strategic Plan Workshop (TBD)**	• Summer Preparedness outlook (O) • Strategic Plan Workshop: Focus: Customers & Community and Decarbonization and Grid Innovation	• Information • Information/Discussion

*No meeting unless an urgent matter needs to be addressed

July 10, 2025	**Board Woodland**	• Customer Participation Update (2nd Quarter 2025) (O) • Legislative update provided by Pacific Policy Group (O) • AgFIT Pilot Program Update. (O)	• Information • Information • Information
July 24, 2025	**Advisory Committee (Woodland)**	• Review preliminary draft Strategic Plan Major Update and Survey Plan (O) • Power Portfolio Update (O)	• Information/Discussion/Action • Information
August 14, 2025	**Board (Davis)**	• Tentatively NO MEETING*	
August 28, 2025	**Advisory Committee (Davis)**	• Customer Participation Update (2nd Quarter 2025) (O) • Outreach and Marketing Plan update (O) (placeholder) • Review preliminary Strategic Plan Survey Results and Strategic Plan Recommendation (O) (placeholder)	• Information • Information • Information/Discussion/Action
September 11, 2025	**Board (Woodland)**	• Certification of 2024 Power Content Label (Annual) (placeholder) (R) • Outreach and Marketing Plan update (O) (placeholder) • Strategic Plan Major Update Workshop and Survey Results (O) • Capitalization Policy (placeholder)	• Action • Information • Information/Discussion/Action • Discussion/Action
September 25, 2025	**Advisory Committee (Woodland)**	•	•
October 9, 2025	**Board (Davis)**	• Enterprise Risk Management Update (Annual) (R) • Customer Participation Update (3rd Quarter 2025) (O) • Progress Update on Programs Plan and 2026 program concepts (O) • Legislative End of Session Update (O) • Adoption of Strategic Plan Major Update (O)	• Discussion/Action • Information • Information • Discussion/Action • Information • Discussion/Action
October 23, 2025	**Advisory Committee (Davis)**	• 2024 Power Content Label Outreach (placeholder) (O) • Customer Participation Update (3rd Quarter 2025) (O) • Legislative End of Session Update (O) • GHG Free Attributes (R) • Integrated Resource Plan (R)	• Information • Information • Information • Discussion/Action • Discussion/Action
November 13, 2025	**Board (Woodland)**	• 2026 Preliminary Operating Budget (R) • GHG Free Attributes (R) • Integrated Resource Plan (R)	• Information/Discussion • Discussion/Action • Discussion/Action

*No meeting unless an urgent matter needs to be addressed

		• Contract Renewals (R) • Adoption of Strategic Plan Major Update (placeholder) (O)	• Discussion/Action • Discussion/Action
~~November 27, 2025~~ **November 20, 2025** **(rescheduled to November 20 due to Thanksgiving holiday on Nov. 27th)**	**Advisory Committee (Woodland)**	• Review CAC Draft 2025 Task Group Year-end Reports (R) • Draft 2026 Legislative & Regulatory Platform (R)	• Discussion/Action • Discussion/Action
December 11, 2025	**Board (Davis)**	• Approve 2026 Operating Budget (Annual) and 2026 Customer Rates (R) • Receive VCE Grant/Program Annual Report (R) • 2026 Legislative & Regulatory Platform (R) • Contract Renewals (R)	• Discussion/Action • Information • Discussion/Action • Discussion/Action
~~December 25, 2025~~ **December 18, 2025** **(rescheduled to December 18 due to Christmas holiday on Dec. 25th)**	**Advisory Committee (Davis)**	• Approve 2025 Task Group Year-end Reports (R) • Power Portfolio Update (R) • Election of Officers for 2026 (Annual) (R)	• Discussion/Action • Information • Nominations
January 8, 2026	**Board (Woodland)**	• Oaths of Office for Board Members (Annual - new Members only) (R) • Election of Officers for 2026 (Annual) (R) • Customer Participation Update (4th Quarter 2025) (O) • 2025 Year in review: Customer Care & Marketing (R) • Receive 2025 Task Group Year-end Reports (R)	• Action • Nominations • Information • Information • Information
January 22, 2026	**Advisory Committee (Woodland)**	• Rates/Budget 2026 Update (O) • Customer Participation Update (4th Quarter 2025) (O) • 2026 CAC Task Group(s) formation (Annual) (R)	• Information • Information • Discuss/Action

PLEASE NOTE: ***April 28-30, 2025: CalCCA Annual Conference in Irvine, California***

CAC *PROPOSED* FUTURE TOPICS **Topics and Discussion dates may change as needed**	***ESTIMATED* MEETING DATE(S)**

*No meeting unless an urgent matter needs to be addressed

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 5 (a)

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer / Treasurer
Mitch Sears, Chief Executive Officer

SUBJECT: Monthly Treasurer's Report (Informational Item) – March 31, 2025

DATE: June 12, 2025

RECOMMENDATION:
Accept the Treasurer's report on VCE's cash, investments, debt, and unaudited financial statements (with comparative year to date information) and Actual vs. Budget year to date for the month ending March 31, 2025.

BACKGROUND & DISCUSSION:
The attached financial statements are prepared in a form to satisfy the debt covenants with River City Bank pursuant to the Line of Credit and are required to be prepared monthly.

The Financial Statements include the following reports:

- Statement of Net Position
- Statement of Revenues, Expenditures and Changes in Net Position
- Statement of Cash Flows

In addition, Staff is reporting the Actual vs. Budget variances year to date ending March 31, 2025.

Financial Statements for the period March 1, 2025 – March 31, 2025
In the Statement of Net Position, VCE, as of March 31, 2025, has a total of $57,725,733 in its checking, money market and lockbox accounts, $1,100,000 restricted assets for the Debt Service Reserve account, and $1,800,000 restricted assets related to supplier deposits. On March 31, 2025, VCE's net position was $67,729,864.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCE recorded $4,371,940 of revenue (net of allowance for doubtful accounts), of which $7,885,224 was billed in, and $3,520,129 represents estimated unbilled revenue. The cost of electricity for the March revenue totaled $6,087,586 For March, VCE's gross margin was approximately (35%) and the net loss totaled $2,243,860. The year-to-date change in net position was $4,466,152.

In the Statement of Cash Flows, VCE cash flows from operations were $2,170,5274 due to March cash receipts of revenues being more than the monthly cash operating expenses.

Bank Account Balances (as of 03/31/2025):

Operating Account:	$	30,150,338
Insured Cash Sweep Account:	$	29,359,366
Debt Service Account:	$	1,100,000
CAISO Operational Account:	$	5,453,273
Total Cash on Deposit	$	66,062,977

Note: VCE receives 4.45% interest earnings for the average balance on the ICS account and CAISO operational account equal to the Local Agency Investment Fund (LAIF) state investments rate. March 2025 earnings were $124,176.

VCE's Outstanding Loan Balances (as of 03/31/2025):

Valley Clean Energy Alliance has available at the financial institution a line of credit totaling $11,000,000 with $7,000,000 withdrawal limit, which expires on April 15, 2026. The related debt outstanding at the close of business on March 31, 2025 was $0. VCE has issued, but undrawn, letters of credit for a total of $3,897,000 for regulatory and power purchase requirements.

Actual vs. Budget Variances for the year to date ending March 31, 2025

Below are the financial statement line items with variances >$50,000 and 5%

- Electric Revenue – ($654,529) and 4% – Unfavorable variance due commercial customer billing being delayed by PG&E and lower load than forecasted mainly driven by agriculture.
- Purchased Power – $852,574 and 8% – Unfavorable mainly due to timing difference of anticipated renewable energy credit sales in Q1.
- Labor & Benefits $168,252 and 39% – Favorable Variance due to vacancy for additional budgeted positions.
- Financial Consultant $79,000 and 10% – Favorable Variance due to timing difference for investment grade credit rating.
- Banking Fees $125,000 and 100% – Favorable Variance due to timing difference for letter of credit renewals.
- Programs $1,015,769 – Favorable Variance due to timing differences in 2024 year end accruals and actual payments.

Attachments:

1) Financial Statements (Unaudited) March 1, 2025 to March 31, 2025 (with comparative year to date information.)
2) Actual vs. Budget for the year to date ending March 31, 2025

VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF MARCH 1 TO MARCH 31, 2025

PREPARED ON MAY 1, 2025

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
'MARCH 31, 2025
(UNAUDITED)

ASSETS		
Current assets:		
Cash and cash equivalents		57,729,733
Accounts receivable, net of allowance		8,307,252
Accrued revenue		3,439,524
Prepaid expenses		84,008
Inventory - Renewable Energy Credits		-
Other current assets and deposits		7,260,156
Total current assets		76,820,672
Restricted assets:		
Debt service reserve fund		1,100,000
Total restricted assets		1,100,000
TOTAL ASSETS	$	77,920,672
LIABILITIES		
Current liabilities:		
Accounts payable		271,663
Accrued payroll		154,373
Interest payable		-
Due to member agencies		(0)
Accrued cost of electricity		5,842,817
Other accrued liabilities		2,075,089
Security deposits - energy supplies		1,800,000
User taxes and energy surcharges		46,866
TOTAL LIABILITIES	$	10,190,808
NET POSITION		
Net position:		
Local Programs Reserve		1,085,585
Restricted		1,100,000
Unrestricted		65,544,279
TOTAL NET POSITION	$	67,729,864

VALLEY CLEAN ENERGY ALLIANCE

STATEMENT OF REVENUES, EXPENDITURES AND
MARCH 31, 2025
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING MARCH 31, 2025	YEAR TO DATE
OPERATING REVENUE		
Electricity sales, net	$ 4,371,940	$ 17,453,472
Other revenue	-	(73,470)
TOTAL OPERATING REVENUES	4,371,940	17,380,002
OPERATING EXPENSES		
Cost of electricity	6,087,586	12,200,573
Contract services	373,719	627,019
Staff compensation	195,221	415,456
General, administration, and other	83,450	30,003
TOTAL OPERATING EXPENSES	6,739,976	13,273,052
TOTAL OPERATING INCOME (LOSS)	(2,368,036)	4,106,950
NONOPERATING REVENUES (EXPENSES)		
Interest income	124,176	359,202
Interest and related expenses	-	-
Other Non Operating Revenues	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	124,176	359,202
CHANGE IN NET POSITION	(2,243,860)	4,466,152
Net position at beginning of period	69,973,723	63,263,712
Net position at end of period	$ 67,729,864	$ 67,729,864

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
MARCH 31, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING MARCH 31, 2025	YEAR TO DATE
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from electricity sales	$ 5,810,002	$ 18,101,686
Payments received from other revenue sources	-	(73,470)
Receipts for security deposits with energy suppliers	-	-
Payments to purchase electricity	(3,312,468)	(10,813,102)
Payments for contract services, general, and adminstration	(416,309)	(1,132,974)
Payments for member agency services	-	-
Payments for staff compensation	(34,875)	(94,823)
Return of security deposits to energy suppliers	-	-
Other cash payments	-	-
Net cash provided (used) by operating activities	2,046,351	5,987,318
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Principal payments of Debt	-	-
Interest and related expenses	-	-
Other Non Operating Revenue	-	-
Net cash provided (used) by non-capital financing activities	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of nondepreciable assets		
Acquisition of capital assets		
Net cash provided (used) by capital and related financing activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	124,176	359,202
Net cash provided (used) by investing activities	124,176	359,202
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,170,527	6,346,520
Cash and cash equivalents at beginning of period	57,030,697	57,030,697
Cash and cash equivalents at end of period	59,201,224	63,377,217
Cash and cash equivalents included in:		
Cash and cash equivalents	57,729,733	57,729,733
Restricted assets	1,100,000	1,100,000
Cash and cash equivalents at end of period	$ 58,829,733	$ 58,829,733

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
MARCH 31, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING MARCH 31, 2025	YEAR TO DATE
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (2,368,036)	$ 4,106,950
Adjustments to reconcile operating income to net cash provided (used) by		
Depreciation expense		
Increase (decrease) for uncollectible accounts	48,800	178,400
(Increase) decrease in net accounts receivable	915,739	418,914
(Increase) decrease in accrued revenue	409,587	9,774
(Increase) decrease in prepaid expenses	4,732	14,197
(Increase) decrease in inventory - renewable energy credits	-	-
(Increase) decrease in other assets and deposits	8,721	1,817
Increase (decrease) in accounts payable	32,139	(477,769)
Increase (decrease) in accrued payroll	27,879	2,899
Increase (decrease) in due to member agencies	-	-
Increase (decrease) in accrued cost of electricity	2,775,119	1,387,472
Increase (decrease) in other accrued liabilities	-	-
Increase (decrease) security deposits with energy suppliers	-	-
Increase (decrease) in user taxes and energy surcharges	-	-
Increase (decrease) in security deposits from energy suppliers	179,876	346,828
Increase (decrease) in user taxes due to other governments	11,797	(2,164)
Increase (decrease) in advances from public purpose programs	-	-
Net cash provided (used) by operating activities	$ 2,046,351	$ 5,987,318

VALLEY CLEAN ENERGY
2025 YTD ACTUAL VS. BUDGET
FOR THE YEAR TO DATE ENDING 03/31/25

Description	YTD Actuals	YTD Budget	YTD Variance	% over /-under
Total Revenues	$ 17,739,202	$ 18,528,000	$ (788,798)	-4%
Electric Revenue	$ 17,453,471	$ 18,108,000	$ (654,529)	-4%
Interest Revenues	$ 359,201	$ 240,000	$ 119,201	50%
Reimbursable Revenues	$ (73,470)	$ 180,000	$ (253,470)	-141%
Purchased Power	$ 12,200,574	$ 11,348,000	$ 852,574	8%
Purchased Power Base	$ 12,200,574	$ 10,808,000	$ 1,392,574	13%
Purchased Power Contingency 5%	$ -	$ 540,000	$ (342,029)	-63%
Labor & Benefits	$ 351,224	$ 525,000	$ (173,776)	-33%
Salaries & Wages/Benefits	$ 263,748	$ 432,000	$ (168,252)	-39%
Contract Labor	$ 59,700	$ 48,000	$ 11,700	24%
Human Resources & Payroll	$ 27,776	$ 45,000	$ (17,224)	-38%
Office Supplies & Other Expenses	$ 68,299	$ 119,100	$ (50,801)	-43%
Technology Costs	$ 24,156	$ 9,600	$ 14,556	152%
Office Supplies	$ 1,143	$ 3,000	$ (1,857)	-62%
Travel	$ 1,242	$ 1,500	$ (258)	-17%
CalCCA Dues	$ 41,160	$ 48,000	$ (6,840)	-14%
CC Power	$ -	$ 54,000	$ (54,000)	-100%
Memberships	$ 599	$ 3,000	$ (2,401)	-80%
Contractual Services	$ 595,397	$ 753,200	$ (157,803)	-21%
Other Contract Services (e.g. IRP)	$ -	$ 18,000	$ (18,000)	-100%
Don Dame	$ 860	$ 5,400	$ (4,540)	-84%
Wholesale Energy Services (TEA)	$ 219,776	$ 216,000	$ 3,776	2%
2030 100% Renewable & Storage	$ -	$ 7,500	$ (7,500)	-100%
Customer Support Call Center	$ 260,127	$ 241,500	$ 18,627	8%
Operating Services	$ 54,803	$ 30,000	$ 24,803	83%
Commercial Legal Support	$ 11,395	$ 6,000	$ 5,395	90%
Legal General Counsel	$ 5,488	$ 21,000	$ (15,512)	-74%
Regulatory Counsel	$ 5,798	$ 51,000	$ (45,202)	-89%
Joint CCA Regulatory counsel	$ -	$ 4,800	$ (4,800)	-100%
Legislative - (Lobbyist)	$ 16,500	$ 17,250	$ (750)	-4%
Accounting Services	$ -	$ 750	$ (750)	-100%
Financial Consultant	$ -	$ 79,000	$ (79,000)	-100%
Audit Fees	$ 20,650	$ 55,000	$ (34,350)	-62%
Marketing	$ 34,611	$ 93,000	$ (58,389)	-63%
Marketing Collateral	$ 34,611	$ 81,000	$ (46,389)	-57%
Community Engagement Activities & Sponsorships	$ -	$ 12,000	$ (12,000)	-100%
Programs	$ (152,296)	$ 863,500	$ (1,015,796)	-118%
Program Costs (Rebates, Incentives, etc.)	$ 24,340	$ 180,000	$ (155,660)	-86%
Member Agency Advisory Services	$ -	$ 39,000	$ (39,000)	-100%
AG Fit	$ (176,636)	$ 640,000	$ (816,636)	-128%
PIPP Program	$ -	$ 4,500	$ (4,500)	-100%
Rents & Leases	$ 5,850	$ 12,300	$ (6,450)	-52%
Hunt Boyer Mansion	$ 5,850	$ 6,300	$ (450)	-7%
Lease Improvement	$ -	$ 6,000	$ (6,000)	-100%
Other A&G	$ 97,527	$ 279,900	$ (182,373)	-65%
Development - New Members	$ -	$ 6,300	$ (6,300)	-100%
Strategic Plan Implementation	$ 17,664	$ 19,200	$ (1,536)	-8%
Strategic Plan Update & Community Focus Group	$ -	$ 30,000	$ (30,000)	-100%
PG&E Data Fees	$ 65,667	$ 75,000	$ (9,333)	-12%
Insurance	$ 14,196	$ 24,000	$ (9,804)	-41%
Banking Fees	$ -	$ 125,400	$ (125,400)	-100%
Miscellaneous Operating Expenses	$ 4,461	$ 3,000	$ 1,461	49%
Contingency	$ -	$ 60,000	$ (60,000)	-100%
	0	0		
TOTAL OPERATING EXPENSES	$ 13,205,648	$ 14,057,000	$ (851,352)	-6%
Interest on RCB Term loan	$ -	$ -	$ -	100%
NET INCOME	$ 4,533,554	$ 4,471,000		

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 5 (b)

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer / Treasurer
Mitch Sears, Chief Executive Officer

SUBJECT: Monthly Treasurer's Report (Informational Item) – April 30, 2025

DATE: June 12, 2025

RECOMMENDATION:
Accept the Treasurer's report on VCE's cash, investments, debt, and unaudited financial statements (with comparative year to date information) and Actual vs. Budget year to date for the month ending April 30, 2025.

BACKGROUND & DISCUSSION:
The attached financial statements are prepared in a form to satisfy the debt covenants with River City Bank pursuant to the Line of Credit and are required to be prepared monthly.

The Financial Statements include the following reports:

- Statement of Net Position
- Statement of Revenues, Expenditures and Changes in Net Position
- Statement of Cash Flows

In addition, Staff is reporting the Actual vs. Budget variances year to date ending April 30, 2025.

<u>Financial Statements for the period April 1, 2025 – April 30, 2025</u>
In the Statement of Net Position, VCE, as of April 30, 2025, has a total of $58,708,145 in its checking, money market and lockbox accounts, $1,100,000 restricted assets for the Debt Service Reserve account, and $1,800,000 restricted assets related to supplier deposits. On April 30, 2025, VCE's net position was $68,928,630.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCE recorded $5,369,403 of revenue (net of allowance for doubtful accounts), of which $5,345,015 was billed in, and $ 3,538,130 represents estimated unbilled revenue. The cost of electricity for the April revenue totaled $3,768,246 For April, VCE's gross margin was approximately 31% and the net income totaled $1,199,436. The year-to-date change in net position was $5,664,919.

In the Statement of Cash Flows, VCE cash flows from operations were $1,244,619 due to April cash receipts of revenues being more than the monthly cash operating expenses.

Bank Account Balances (as of 04/30/2025):

Operating Account:	$	30,528,037
Insured Cash Sweep Account:	$	29,464,722
Debt Service Account:	$	1,100,000
CAISO Operational Account:	$	5,665,957
Total Cash on Deposit	$	66,758,716

Note: VCE receives 4.45% interest earnings for the average balance on the ICS account and CAISO operational account equal to the Local Agency Investment Fund (LAIF) state investments rate. April 2025 earnings were $124,594.

VCE's Outstanding Loan Balances (as of 04/30/2025):

Valley Clean Energy Alliance has available at the financial institution a line of credit totaling $11,000,000 with $7,000,000 withdrawal limit, which expires on April 15, 2026. The related debt outstanding at the close of business on April 30, 2025 was $0. VCE has issued, but undrawn, letters of credit for a total of $3,897,000 for regulatory and power purchase requirements.

Actual vs. Budget Variances for the year to date ending April 30, 2025

Below are the financial statement line items with variances >$50,000 and 5%

- Electric Revenue – ($654,529) and 4% – Unfavorable variance mainly due to lower load than forecasted mainly driven by agriculture.
- Purchased Power – $735,820 and 5% – Favorable mainly due to lower load than forecasted mainly driven by agriculture.
- Labor & Benefits $192,259 and 33% – Favorable Variance due to vacancy for additional budgeted positions.
- CC Power Expenses $72,000 and 100% – Favorable Variance due to timing of annual billing cycle.
- Financial Consultant $81,000 and 100% – Favorable Variance due to timing difference for investment grade credit rating postponed.
- Banking Fees $125,000 and 100% – Favorable Variance due to timing difference for letter of credit renewals.
- Programs $1,033,117 – Favorable Variance due to timing differences in 2024 year end accruals and actual payments related to AgFIT closeout.

Attachments:

3) Financial Statements (Unaudited) April 1, 2025 to April 30, 2025 (with comparative year to date information.)
4) Actual vs. Budget for the year to date ending April 30, 2025

VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF APRIL 1 TO APRIL 30, 2025

PREPARED ON JUNE 3, 2025

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
APRIL 30, 2025
(UNAUDITED)

ASSETS	
Current assets:	
Cash and cash equivalents	58,708,145
Accounts receivable, net of allowance	7,588,603
Accrued revenue	3,538,131
Prepaid expenses	115,577
Inventory - Renewable Energy Credits	-
Other current assets and deposits	7,472,840
Total current assets	77,423,296
Restricted assets:	
Debt service reserve fund	1,100,000
Total restricted assets	1,100,000
TOTAL ASSETS	$ 78,523,296
LIABILITIES	
Current liabilities:	
Accounts payable	242,118
Accrued payroll	137,255
Interest payable	-
Due to member agencies	(0)
Accrued cost of electricity	5,267,494
Other accrued liabilities	2,082,277
Security deposits - energy supplies	1,800,000
User taxes and energy surcharges	65,521
TOTAL LIABILITIES	$ 9,594,665
NET POSITION	
Net position:	
Local Programs Reserve	1,085,585
Restricted	1,100,000
Unrestricted	66,743,045
TOTAL NET POSITION	$ 68,928,630

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENDITURES AND
APRIL 30, 2025
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING APRIL 30, 2025	YEAR TO DATE
OPERATING REVENUE		
Electricity sales, net	$ 5,369,403	$ 22,822,875
Other revenue	-	(73,470)
TOTAL OPERATING REVENUES	5,369,403	22,749,405
OPERATING EXPENSES		
Cost of electricity	3,768,246	15,968,820
Contract services	198,286	825,305
Staff compensation	153,332	569,458
General, administration, and other	174,696	204,700
TOTAL OPERATING EXPENSES	4,294,561	17,568,282
TOTAL OPERATING INCOME (LOSS)	1,074,842	5,181,123
NONOPERATING REVENUES (EXPENSES)		
Interest income	124,594	483,796
Interest and related expenses	-	-
Other Non Operating Revenues	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	124,594	483,796
CHANGE IN NET POSITION	1,199,436	5,664,919
Net position at beginning of period	67,729,194	63,263,712
Net position at end of period	$ 68,928,630	$ 68,928,630

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
APRIL 30, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING APRIL 30, 2025	YEAR TO DATE
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from electricity sales	$ 6,061,400	$ 24,163,086
Payments received from other revenue sources	-	(73,470)
Receipts for security deposits with energy suppliers	-	-
Payments to purchase electricity	(4,343,570)	(15,156,671)
Payments for contract services, general, and adminstration	(439,871)	(1,572,844)
Payments for member agency services	-	-
Payments for staff compensation	(33,340)	(128,832)
Return of security deposits to energy suppliers	-	-
Other cash payments	-	-
Net cash provided (used) by operating activities	1,244,619	7,231,268
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Principal payments of Debt	-	-
Interest and related expenses	-	-
Other Non Operating Revenue	-	-
Net cash provided (used) by non-capital financing activities	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of nondepreciable assets		
Acquisition of capital assets		
Net cash provided (used) by capital and related financing activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	124,594	483,796
Net cash provided (used) by investing activities	124,594	483,796
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,369,214	7,715,064
Cash and cash equivalents at beginning of period	58,829,733	58,829,733
Cash and cash equivalents at end of period	60,198,947	66,544,797
Cash and cash equivalents included in:		
Cash and cash equivalents	58,708,145	58,708,145
Restricted assets	1,100,000	1,100,000
Cash and cash equivalents at end of period	$ 59,808,145	$ 59,808,145

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
APRIL 30, 2025
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING APRIL 30, 2025	YEAR TO DATE
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 1,074,842	$ 5,181,123
Adjustments to reconcile operating income to net cash provided (used) by		
Depreciation expense		
Increase (decrease) for uncollectible accounts	53,300	231,700
(Increase) decrease in net accounts receivable	637,300	1,056,214
(Increase) decrease in accrued revenue	(98,607)	(88,833)
(Increase) decrease in prepaid expenses	5,775	19,972
(Increase) decrease in inventory - renewable energy credits	-	-
(Increase) decrease in other assets and deposits	(37,344)	(35,527)
Increase (decrease) in accounts payable	(29,545)	(507,313)
Increase (decrease) in accrued payroll	(17,118)	(14,219)
Increase (decrease) in due to member agencies	-	-
Increase (decrease) in accrued cost of electricity	(575,324)	812,148
Increase (decrease) in other accrued liabilities	-	-
Increase (decrease) security deposits with energy suppliers	-	-
Increase (decrease) in user taxes and energy surcharges	-	-
Increase (decrease) in security deposits from energy suppliers	212,684	559,512
Increase (decrease) in user taxes due to other governments	18,655	16,492
Increase (decrease) in advances from public purpose programs	-	-
Net cash provided (used) by operating activities	$ 1,244,619	$ 7,231,268

VALLEY CLEAN ENERGY
2025 YTD ACTUAL VS. BUDGET
FOR THE YEAR TO DATE ENDING 04/30/2025

Description	YTD Actuals	YTD Budget	YTD Variance	% over /-under
Total Revenues	$ 23,233,199	$ 24,530,000	$ (1,296,801)	-5%
Electric Revenue	$ 22,822,874	$ 23,965,000	$ (1,142,126)	-5%
Interest Revenues	$ 483,795	$ 325,000	$ 158,795	49%
Reimbursable Revenues	$ (73,470)	$ 240,000	$ (313,470)	-131%
Purchased Power	$ 15,968,820	$ 15,233,000	$ 735,820	5%
Purchased Power Base	$ 15,968,820	$ 14,508,000	$ 1,460,820	10%
Purchased Power Contingency 5%	$ -	$ 725,000	$ (387,704)	-53%
Labor & Benefits	$ 504,556	$ 700,000	$ (195,444)	-28%
Salaries & Wages/Benefits	$ 383,741	$ 576,000	$ (192,259)	-33%
Contract Labor	$ 84,258	$ 64,000	$ 20,258	32%
Human Resources & Payroll	$ 36,557	$ 60,000	$ (23,443)	-39%
Office Supplies & Other Expenses	$ 92,800	$ 185,100	$ (92,300)	-50%
Technology Costs	$ 30,532	$ 19,600	$ 10,932	56%
Office Supplies	$ 1,538	$ 4,000	$ (2,462)	-62%
Travel	$ 1,242	$ 21,500	$ (20,258)	-94%
CalCCA Dues	$ 58,660	$ 64,000	$ (5,340)	-8%
CC Power	$ -	$ 72,000	$ (72,000)	-100%
Memberships	$ 829	$ 4,000	$ (3,171)	-79%
Contractual Services	$ 796,286	$ 961,600	$ (165,314)	-17%
Other Contract Services (e.g. IRP)	$ -	$ 24,000	$ (24,000)	-100%
Don Dame	$ 1,270	$ 7,200	$ (5,930)	-82%
Wholesale Energy Services (TEA)	$ 294,148	$ 288,000	$ 6,148	2%
2030 100% Renewable & Storage	$ -	$ 10,000	$ (10,000)	-100%
Customer Support Call Center	$ 341,746	$ 322,000	$ 19,746	6%
Operating Services	$ 64,645	$ 40,000	$ 24,645	62%
Commercial Legal Support	$ 13,889	$ 8,000	$ 5,889	74%
Legal General Counsel	$ 4,997	$ 28,000	$ (23,003)	-82%
Regulatory Counsel	$ 11,861	$ 68,000	$ (56,139)	-83%
Joint CCA Regulatory counsel	$ -	$ 6,400	$ (6,400)	-100%
Legislative - (Lobbyist)	$ 22,000	$ 23,000	$ (1,000)	-4%
Accounting Services	$ -	$ 1,000	$ (1,000)	-100%
Financial Consultant	$ -	$ 81,000	$ (81,000)	-100%
Audit Fees	$ 41,730	$ 55,000	$ (13,270)	-24%
Marketing	$ 53,970	$ 124,000	$ (70,030)	-56%
Marketing Collateral	$ 53,940	$ 108,000	$ (54,060)	-50%
Community Engagement Activities & Sponsorships	$ 30	$ 16,000	$ (15,970)	-100%
Programs	$ (55,117)	$ 978,000	$ (1,033,117)	-106%
Program Costs (Rebates, Incentives, etc.)	$ 39,166	$ 240,000	$ (200,834)	-84%
Member Agency Advisory Services	$ -	$ 52,000	$ (52,000)	-100%
AG Fit	$ (94,283)	$ 680,000	$ (774,283)	-114%
PIPP Program	$ -	$ 6,000	$ (6,000)	-100%
Rents & Leases	$ 7,950	$ 16,400	$ (8,450)	-52%
Hunt Boyer Mansion	$ 7,950	$ 8,400	$ (450)	-5%
Lease Improvement	$ -	$ 8,000	$ (8,000)	-100%
Other A&G	$ 124,346	$ 331,600	$ (207,254)	-63%
Development - New Members	$ -	$ 8,400	$ (8,400)	-100%
Strategic Plan Implementation	$ 16,814	$ 25,600	$ (8,786)	-34%
Strategic Plan Update & Community Focus Group	$ -	$ 40,000	$ (40,000)	-100%
PG&E Data Fees	$ 87,561	$ 100,000	$ (12,439)	-12%
Insurance	$ 19,971	$ 32,000	$ (12,029)	-38%
Banking Fees	$ -	$ 125,600	$ (125,600)	-100%
Miscellaneous Operating Expenses	$ 6,597	$ 4,000	$ 2,597	65%
Contingency	$ -	$ 80,000	$ (80,000)	-100%
	0	0		
TOTAL OPERATING EXPENSES	$ 17,500,209	$ 18,613,700	$ (1,113,491)	-6%
Interest on RCB Term loan	$ -	$ -	$ -	100%
NET INCOME	$ 5,732,990	$ 5,916,300		

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 6

To: Board of Directors

From: Mark Fenstermaker, Pacific Policy Group

Subject: Legislative Update – Pacific Policy Group

Date: June 12, 2025

Pacific Policy Group, VCE's lobby services consultant, continues to work with Staff and the Community Advisory Committee's Legislative - Regulatory Task Group (LRTG) continues to meet and discuss legislative matters. Below is a summary:

The pace and importance of activity continues to elevate as the legislative session moves into June. This month includes critical deadlines on the policy front as well as in the budget process, both of which continue to be impacted by actions of the Trump Administration.

Legislators face a June 6 deadline to pass bills out of their house of origin, with nearly 700 individual pieces of policy to be considered during the week of June 2. SB 540 (Becker), the bill proposing to allow the CAISO's WEIM and EDAM markets to be governed by a regional organization, is one such bill needing to meet the June 6 deadline that is feeling the effects of the Trump Administration. The bill was amended in the Senate Judiciary Committee, and further amended in the Senate Appropriations Committee, to include language that would require California to automatically withdraw from the regional organization if certain actions, such as a weakening of the Renewable Portfolio Standard or a requirement to procure or subsidize coal, natural gas, or any other fossil generation resources located outside of California. Further amendments were taken to create Regional Energy Market Oversight Council that would approve or disapprove initial participation in the regional organization and determine at any other time if withdrawal is necessary. These amendments were put into the bill to address concerns that the Federal Energy Regulatory Commission (FERC), under the influence of the Trump Administration, would use tariffs filed by the regional organization to undermine California's clean energy policies. Negotiations continue regarding the amendments taken in the Senate to work through the balancing act of SB 540.

On the budget side, the federal government's actions are having a much bigger impact. On May 14, Governor Newsom released his May Revision to the FY 2025-26 budget that projects a $12 billion deficit. The Governor attributed the projected deficit to the economic uncertainty and loss created by tariffs imposed by the Trump Administration that has also caused a 1.2% reduction in projected capital gains revenues. During his May Revision press conference, Governor Newsom stated that his Administration will work with the Legislature to extend the state's Cap-and-Trade Program until 2045. He further mentioned that a key feature of balancing the budget, and part of the Cap-and-Trade negotiations, is to shift CALFIRE's operations costs to the Greenhouse Gas Reduction Fund (GGRF), which is where Cap-and-Trade auction revenue is deposited. This action will shift $1.54 billion from the General Fund to the GGRF in FY 2025-26.

VCE staff, the LRTG and PPG are currently examining the following bills and expect to evaluate more bills as they are identified as of interest to VCE and CCAs.

1. SB 540 (Becker) Regional Organization
Summary: The bill would authorize the ISO, on or after January 1, 2028, to implement tariff modifications accepted by the Federal Energy Regulatory Commission to operate the energy markets whose rules are governed by an independent regional organization if the governing board of the ISO adopts a resolution, as specified. The bill would require the ISO to maintain the necessary technical capability to operate energy markets, and would require the ISO to continue its functions and responsibilities as a balancing authority, as provided.

Additional Information
- Next Hearing: The bill is on the Senate Floor.
- VCE has yet to take an official position.
- CalCCA supports SB 540
- Bill language: SB 540

2. SB 254 (Becker) Affordability: Policy-Oriented and Wildfire Electric Reimbursement (POWER) Program
Summary: This bill proposes various policies related to electrical corporations, including changes to: wildfire mitigation regulatory framework, the allocation to customers of the Climate Credit, electric transmission infrastructure permitting and deployment, permitting of clean energy infrastructure, including energy storage facilities, and various proposals to address electricity utility bills, including prohibiting rate basing by electrical corporations of $15 billion in capital investments.

Additional Information
- Next Hearing: The bill is on the Senate Floor.
- VCE has yet to take an official position.
- CalCCA supports SB 254
- Bill language: SB 254

3. SB 332 (Wahab) Investor-Owned Utilities Accountability Act
Summary: Existing law vests the State Energy Resources Conservation and Development Commission (Energy Commission) with various responsibilities for developing and implementing the state’s energy policies. This bill would require the Energy Commission to select a research institute, as defined, to conduct a comparative analysis of the benefits and challenges of transitioning the electrical corporations to a public entity, nonprofit public benefit corporation, or mutual benefit corporation in order to identify a recommended model, as

provided. The bill would require the research institute to complete the analysis on or before January 1, 2029, and, upon completion, to submit the analysis to the Legislature and the Energy Commission. The bill would require the Energy Commission to make a draft of the analysis available to the public for comment before submitting the final draft to the Legislature, and would limit the cost of conducting the analysis to $5,000,000. This bill contains other related provisions and other existing laws.

Additional Information
- Next Hearing: The bill is on the Senate Floor.
- VCE has yet to take an official position.
- CalCCA has yet to take an official position.
- Bill language: SB 332

4. SB 283 (Laird) Energy Storage Systems
Summary: Existing law, the California Building Standards Law, establishes the California Building Standards Commission (commission) within the Government Operations Agency and sets forth its powers and duties, including approval and adoption of building standards and codification of those standards into the California Building Standards Code. Existing law requires the State Fire Marshal, before the next triennial edition of the California Building Standards Code adopted after January 1, 2025, to propose to the commission updates to the fire standards relating to requirements for lithium-based battery systems, as provided. This bill would require the commission and the Office of the State Fire Marshal to review and consider the most recently published edition of the National Fire Protection Association (NFPA) 855, Standard for the Installation of Stationary Energy Storage Systems, for incorporation into the next update of the California Building Standards Code adopted after July 1, 2026.

Additional Information
- Next Hearing: The bill passed the Senate and is awaiting referral to an Assembly policy committee.
- VCE has yet to take an official position.
- CalCCA has taken a position of support if amended.
- Bill language: SB 283

5. AB 706 (Aguiar-Curry) Battery Energy Storage Facilities
Summary: Existing law establishes in the Natural Resources Agency the Department of Forestry and Fire Protection (CAL FIRE), and makes CAL FIRE responsible for, among other things, fire protection and prevention, as provided. Existing law establishes the State Board of Forestry and Fire Protection in CAL FIRE to represent the state's interest in the acquisition and management of state forests and requires the board to maintain an adequate forest policy. The former Governor, Edmund G. Brown, Jr., issued Executive Order No. B-52-18 that, among other things, established a Forest Management Task Force, now known as the Wildfire and Forest Resilience Task Force, involving specified state agencies to create the action plan for wildfire and forest resilience. The executive order also established a Joint Institute for Wood Products Innovation, to be located within the state board. Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The California Renewables Portfolio Standard Program requires every electrical corporation to file with the

PUC a standard tariff for electricity generated by an electric generation facility, as defined, that qualifies for the tariff, is owned and operated by a retail customer of the electrical corporation, and is located within the service territory of, and developed to sell electricity to, the electrical corporation. The PUC refers to this requirement as the renewable feed-in tariff. The renewable feed-in tariff law, in part, requires the PUC to direct the electrical corporations, collectively, to procure at least 250 megawatts of cumulative rated generating capacity from developers of bioenergy projects that commence operation on or after June 1, 2013. Pursuant to this requirement, the PUC has established and revised the Bioenergy Market Adjusting Tariff (BioMAT) program. On March 18, 2016, the PUC issued Resolution E-4770 to order investor-owned utilities to each hold a solicitation for contract with facilities that can use biofuel from high hazard zones to address an Emergency Proclamation using the Bioenergy Renewable Auction Mechanism (BioRAM) program. This bill would establish the fire fuel reduction program to support sufficient procurement, transport, and beneficial use of forest biomass waste to reduce fuel for wildfires by up to 15,000,000 bone-dry tons of forest biomass waste per year. The bill would establish the FOREST and Wildfire Prevention Fund in the State Treasury, and would continuously appropriate the fund to the Natural Resources Agency for this program, as specified. By continuously appropriating moneys in the fund to the agency, the bill would make an appropriation. The bill would require the fire fuel reduction program to grant funding priority to BioRAM and BioMAT fleets in operation on or before January 1, 2031.

Additional Information

- Next Hearing: The bill is on the Assembly Floor.
- VCE has yet to take an official position.
- CalCCA supports AB 706.
- Bill language: AB 706

6. AB 942 (Calderon) Net Energy Metering

Summary: Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities are generally under the direction of their governing boards. Existing law requires each electrical utility, including each electrical corporation, local publicly owned electric utility, electrical cooperative, or other entity that offers electrical service, except as specified, to develop a standard contract or tariff that provides for net energy metering (NEM), which, among other things, compensates each eligible customer-generator, as defined, for the electricity it generated during a preceding 12-month period that exceeds the electricity supplied by the electrical utility through the electrical grid to the eligible customer-generator during that same period, as provided. Existing law requires each electrical utility to make the contract or tariff available to eligible customer-generators, upon request, on a first-come-first-served basis until the time that the total rated generating capacity used by those eligible customer-generators exceeds 5% of the electrical utility's aggregate customer peak demand, except as specified. This contract or tariff is commonly known as NEM 1.0. Existing law requires the commission to develop an additional standard contract or tariff, which may include NEM, for eligible customer-generators that are customers of large electrical corporations, as defined. Existing law requires each large electrical corporation to offer this standard contract or tariff to its eligible customer-generators beginning July 1, 2017, or before that date if ordered to do so by the commission because it has reached the above-mentioned 5% NEM 1.0 program limit, and prohibits limiting the amount of generating capacity or the number of new eligible customer-generators entitled to receive service pursuant to this standard contract or tariff, as specified. This contract or tariff is commonly known as NEM 2.0. Existing law authorizes the commission to revise the standard contract or tariff as appropriate to achieve specified objectives. Pursuant to its authority, the commission adopted Decision 22-12-056 (December 19, 2022), commonly known as the net billing tariff, that creates a successor tariff to the NEM 1.0 and 2.0 tariffs and includes specified elements, including, among other things, retail export compensation rates based on hourly avoided cost calculator values averaged across days in a month, as specified, and an avoided cost calculator plus adder, based on cents per kilowatt-hour exported, available during the first 5 years of the successor tariff, as specified, known as the avoided cost calculator plus glide path. This bill would, on and after January 1, 2026, for a customer that becomes a new eligible customer-generator by purchasing real property that contains a renewable electrical generation facility upon which a prior eligible customer-generator took service, require the new eligible customer-generator to take service under the then-current applicable tariff adopted by the commission after December 1, 2022, would disqualify the new eligible customer-generator from eligibility for the avoided cost calculator plus glide path, as specified, and would require the new eligible customer-generator to pay all nonbypassable charges that are applicable to customers that are not eligible customer-generators.

Additional Information

- Next Hearing: The bill will be heard in the Assembly Appropriations Committee.
- VCE has yet to take an official position.
- CalCCA has yet to take an official position.
- Bill language: AB 942

7. AB 303 (Addis) Battery Energy Storage Facilities

Summary: Existing law authorizes the CEC to certify, in lieu of any permit, certificate, or similar document required by any state, local, or regional agency, an energy storage system capable of storing 200 megawatt hours or more of energy. This bill would specify that the CEC certification process would not include battery energy storage systems. This bill would prohibit the authorization of a development project that includes a battery energy storage system capable of storing 200 megawatt hours or more of energy if the development project is located within 3,200 feet of a sensitive receptor or is located on an environmentally sensitive site (including agricultural land), as specified.

Additional Information

- Next Hearing: The bill was not heard in a policy committee and is now dead for the remainder of the 2025 session.
- VCE has yet to take an official position.
- CalCCA opposes AB 303
- Bill language: AB 303

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

To:	Board of Directors
From:	Keyes & Fox, Regulatory Consultant
Subject:	Regulatory Monitoring Report – Keyes & Fox
Date:	June 12, 2025

Please find attached Keyes & Fox's May 2025 Regulatory Memorandum dated June 4, 2025 an informational summary of the key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC).

Attachment: Keyes & Fox Regulatory Memorandum dated June 4, 2025

KEYES&FOX LLP | EQ Research

Valley Clean Energy Alliance

Regulatory Monitoring Report

To:	Valley Clean Energy Alliance (VCE) Board of Directors
From:	Sheridan Pauker, Partner, Keyes & Fox LLP Jason Hoyle, Director of Research, EQ Research, LLC
Subject:	Monthly Regulatory Update
Date:	June 4, 2025

Keyes & Fox LLP and EQ Research LLC are pleased to provide VCE's Board of Directors with this informational memo describing key California regulatory and compliance-related updates from the California Public Utilities Commission (CPUC) over the past two months.

NEW PG&E 2027 Phase 1 GRC

Background: Phase 1 General Rate Case (GRC) proceedings determine PG&E's overall revenue requirement and classification of costs by function for a set period (in this case, 2027-2030).

Recent Developments: On May 15, PG&E submitted its 2027 Phase 1 GRC Application. PG&E proposed a 2027 base revenue requirement of $9.847 billion for electric distribution, an increase of $991 million from 2026, or 11.2%. The proposed electric distribution revenue requirement is $10.605 billion for 2028, $11.373 billion for 2029, and $12.187 billion for 2030. The 2030 percentage increase (relative to 2026 revenue) is 37.6% for electric distribution.

Analysis: Under PG&E's proposal, by 2030 relative to present rates, non-CARE residential CCA customer rates would increase by 24.2%, CARE residential rates for CCA and other unbundled customers would increase by 43.2%, and average rates for all customer classes would increase by 23.3%. Additionally, among other issues of potential importance to the CCAs, PG&E proposes to retain the vintages of all its utility-owned generation eligible for the PCIA, although its generation investment plan contemplates a significant increase in hydro investments (concentrated in replacement of generating equipment and reservoir rehabilitation).

Next Steps: Protests and responses to the Application are due June 18.

Additional Information: Application (May 16, 2025); Docket No. A.25-05-009.

NEW PG&E 2026 ERRA Forecast

Background: The annual Energy Resource and Recovery Account (ERRA) forecast proceedings establish the amount of the Power Charge Indifference Adjustment (PCIA) and other non-bypassable charges (NBCs) for the following year, as well as fuel and purchased power costs associated with serving bundled customers that utilities may recover in rates.

Recent Developments: On May 15, PG&E filed its 2026 ERRA Forecast Application requesting a revenue requirement of approximately $2.7 billion. If approved, bundled rates would decrease by 6% on average, from $0.35364/kWh to $0.33253/kWh, while CCA distribution rates would increase by 3.9% on average, from $0.20381/kWh to $0.21180/kWh.

Analysis: N/A

Next Steps: Protests and responses to the Application are due June 18.

Additional Information: PG&E 2026 ERRA Forecast Application (May 15, 2025); Docket No. A.25-05-011.

RPS Rulemaking

Background: This proceeding addresses ongoing Renewables Portfolio Standard (RPS) requirements, including legislative mandates, and other matters related to the purchase of renewable energy. This proceeding is the forum for review of VCE's RPS Procurement Plan and RPS Compliance reports.

Recent Developments: On April 3, VCE's 2024 RPS Procurement Plan was formally approved. On April 9, the CPUC issued Resolution E-5376 extending the deadline for IOU procurement of Bioenergy Renewable Auction Mechanism (BioRAM) resources to July 1, 2025 and requiring IOUs to seek extensions of at least five years for existing contracts that expire before the start of 2029. On April 17, the CPUC issued a Ruling describing the requirements for Retail Sellers' 2025 RPS Procurement Plans. On May 21, the CPUC issued Draft Comment Resolution E-5392 on Annual update to administratively set fixed avoided-cost rates for the Renewable Market Adjusting Tariff (ReMAT) program pursuant to Commission Decision 20-10-005.

Analysis: The 2025 RPS Procurement Plans Ruling provides clarifications to RPS Plan requirements and reorganization of some RPS Plan sections. Also, in 2025 the new RPS Database System will be used for reporting quantitative data.

Next Steps: Draft RPS Plans are due June 30, comments on Draft RPS Plans are due July 28 and reply comments are due August 11, motions to update Draft RPS Plans are due August 11, and a proposed decision is expected in Q4 2024. Draft Comment Resolution E-5392 maybe heard as early as the June 26 Commission meeting and comments are due June 10.

Additional Information: Draft Comment Resolution E-5392 (May 21, 2025); Ruling on 2025 RPS Plans (Apr. 17, 2025); Resolution E-5376 (Apr. 9, 2025); Notice of RPS Plan Approval (Apr. 3, 2025); VCE Final 2024 RPS Procurement Plan (Jan. 22, 2025); D.24-12-035 (Dec. 24, 2024); Scoping Memo and Ruling (May 9, 2024); OIR (Feb. 1, 2024); Docket No. R.24-01-017.

Demand Flexibility

Background: This rulemaking was opened to update the CPUC's rate design principles and guidance for advancing demand flexibility, and to modify, consolidate, or eliminate existing dynamic rate pilots. Phase 1-Track A established an income-graduated fixed charge (IGFC) for residential rates for all investor-owned electric utilities in accordance with Assembly Bill 205 (Stats. 2022, ch. 61). Phase 1-Track B first adopted rate design and demand flexibility principles and then expanded VCE's AgFIT Pilot throughout PG&E distribution territory.

Recent Developments: On April 22, PG&E submitted AL 7558-E-A, replacing its previous April 2 advice letter, informing the Commission that PG&E's Expanded Ag Pilot achieved an enrollment level of 12.5 MW on February 17, 2025, an enrollment level of 25.0 MW on March 6, 2025, and an enrollment level of 37.5 MW on March 21, 2025. PG&E surpassed 50 MW of enrollment on March 28, 2025. VCE submitted a Response to PG&E's advice letter on April 22 raising concerns about PG&E's delay in submitting the advice letter and resulting lack of notice to stakeholders about the rapid enrollment of bundled-customer load and the resulting inequitable distribution of customer-funded incentives to serve PG&E's bundled customers and not in environmental and social justice (ESJ) communities. On April 25, the Final Evaluation of VCE's AgFIT Pilot was submitted to the CPUC. On May 7, PG&E submitted Advice Letter 7592-E, providing notice that it had enrolled 25 MW of load as of April 22 in the second dynamic rate pilot based on AgFIT that applies to certain commercial and industrial rates and residential electrification rates (Expanded Pilot 2).

Analysis: PG&E's surprisingly fast pace of enrollment of its bundled customers in the Expanded Ag Pilot, which includes just a single service point in an ESJ community, disproportionately allocates customer-funded incentives and other benefits of the pilot, such as bill savings, to PG&E's bundled customers at the expense of unbundled customers. A similar result is possible with Expanded Pilot 2. VCE called on the Energy Division to hold a workshop or stakeholder meeting to address this result.

Next Steps: A proposed decision on Track B Working Group 1 proposals regarding rate design for marginal generation capacity costs was expected by the end of 2024 but is delayed.

Additional Information: PG&E AL 7592-E (May 7, 2025); Final Evaluation VCE's AgFIT Pilot (Apr. 25, 2025); VCE Response to PG&E AL 7558-E-A (Apr. 22, 2025); PG&E AL 7558-E-A (Apr. 22, 2025); PG&E AL 7558-E (Apr. 2, 2025); VCE AL 20-E (Nov. 8, 2024) approved by Energy Division on Dec. 13, 2024); Disposition Letter on VCE AL 17-E (Sep. 3, 2024); D.24-01-032 (Jan. 26, 2024); Phase 1 Scoping Memo and Ruling (Nov. 2, 2022); OIR (Jul. 22, 2022); Docket No. R.22-07-005.

PCIA/ERRA Reform

Background: This Rulemaking considers updates and reforms to the Energy Resource and Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) rules and processes with the objectives of improving existing rules, mitigating rate volatility, and ensuring indifference among bundled and departing customers. The proceeding includes an expedited Track 1 to revise the resource adequacy (RA) market-price benchmark (MPB) calculation methodology and for the revised methodology to be used in the October 2025 MPBs, and a Track 2 will consider broader issues.

Recent Developments: On April 8, the CPUC issued a Scoping Memo in Track 1 defining the current scope to include RA Market Price Benchmark (MPB) -related issues such as whether to expand RA transactions used to calculate the RA MPB to include transactions that were previously executed, whether all RA types – local, flexible, and system – should be combined into a single RA MPB, and whether to eliminate data that are duplicative or not otherwise reflective of market-based transactions from RA MPB calculations. On May 23, the CPUC issued a Proposed Decision adopting changes to the calculation of the RA MPB. This decision implements revisions to the methodology the Commission uses when calculating the RA MPB utilized in calculating the PCIA. The first revision adopts a single RA MPB utilizing the time restriction on transaction data currently applicable to the local RA MPBs. The second revision removes affiliate, swap, and duplicative sleeve transactions from the calculation.

Analysis: Among Track 1 issues, both including long-term transactions instead of only transactions occurring in the delivery year and modifications to the treatment of RA MPBs in the PCIA are significant to CCAs because they not only affect the MPB values but also could alter the distribution of costs between bundled and unbundled customers via the PCIA. Track 1 changes will have an impact on PCIA charges beginning in 2026.

Next Steps: The Proposed Decision may be heard as early as the June 26 Commission meeting. Comments on the Proposed Decision are due June 12 and reply comments are due June 17.

Additional Information: Proposed Decision (May 23, 2025); Scoping Memo (Apr. 8, 2025); ALJ Ruling (Mar. 21, 2025); Ruling & Staff Report on RA MPB (Feb. 26, 2025); OIR (Feb. 26, 2025); Docket No. R.25-02-005.

RA Rulemaking (2025-2026)

Background: This proceeding considers resource adequacy (RA) requirements for LSEs and will address the 2025 and 2026 RA compliance years, local RA procurement obligations for the 2025-2028 compliance years, and further development of the 24-hour Slice-of-Day (SOD) framework. Track 3 is focused on remaining RA capacity issues, including what planning reserve margin (PRM) the Commission should require for LSE RA procurement obligations.

Recent Developments: On April 25, CalCCA released the analysis of its proposal for hourly RA transactions under the SOD framework which concludes that Californians could save over $180 million in a single year from the adoption of hourly RA transactions. On May 22, the CPUC issued a Proposed Decision adopting Local Capacity Requirements for 2026-2028, Flexible Capacity Requirements for 2026, refinements to the RA program, and closing the proceeding. The Proposed Decision's RA program refinements include adopting a 18% planning reserve margin (PRM), with an extension of the effective PRM procurement target of 1,260-2,300 MW for June-October months, for the 2026 and 2027 RA compliance year, modifying the RA measurement hours to align with the CAISO availability assessment hours, adopting modifications to align with the CAISO's Extended Day-Ahead Market operation, and incorporating the central procurement entity data reporting requirements into the annual RA compliance filing process. The Proposed Decision does not adopt CalCCA's proposal to allow slice-of-day trading, but authorizes Energy Division to prepare a report on whether transactability issues exist in Q2 2026.

Analysis: The proposed 18% PRM is slightly higher than the current PRM, but well below previous PRM proposals that ranged up to 23% in some months. CalCCA's proposal, which was not included in the Proposed Decision, to allow hourly RA transactions would have allowed a CCA with surplus RA resources in an hour to sell those to a CCA with a deficit of RA resources in that same hour. This proposal would have increased efficiency in the RA market, result in greater utilization of resources, and reduce RA compliance costs significantly while providing the same level of RA to the system.

Next Steps: The Proposed Decision may be heard as early as the June 26 Commission meeting. Comments on the Proposed Decision are due June 11 and reply comments are due June 16.

Additional Information: Proposed Decision (May 22, 2025); CalCCA Analysis (Apr. 25, 2025); Scoping Memo and Ruling (Dec. 18, 2023); OIR (Oct. 16, 2023); Docket No. R.23-10-011.

IRP Rulemaking

Background: This proceeding governs the biennial Integrated Resource Plan (IRP) process, including load serving entity (LSE) procurement requirements, the establishment of a variety of state- and LSE-level load and procurement forecasts, greenhouse gas (GHG) reduction targets, and ongoing reliability obligations.

Recent Developments: On April 24, PG&E submitted AL 7578-E requesting approval of revisions to the sales framework for RA resources in its bundled procurement plan. On April 29, the CPUC issued a Proposed Decision that would grant, with modifications, the Long Duration Energy Storage Council's Petition for Modification of D.21-06-035 and clarify that long-duration energy storage (LDES) procurement requirements must be met with resources that discharge output over 8 or more hours at their maximum capacity and not with de-rated resources discharging at a level below their maximum rated capacity. On April 29, the CPUC issued a Ruling requesting comments on the Reliable and Clean Power Procurement Program (RCPPP) Staff Proposal (Presentation, Summary of Comments). On May 29, Desert Community Energy (DCE) submitted AL 13-E requesting approval of a Mid-Term Reliability compliance swap with VCE.

Analysis: PG&E's AL 7578-E revises its methodology governing the sale of excess Resource Adequacy (RA) resources, which should increase the amount of RA available for purchase by other LSEs and help alleviate tight market conditions and support lower RA prices. The RCPPP is a long-term effort to further integrate procurement for RA, RPS, IRP, and GHG emission purposes in order to improve efficiency and facilitate LSE resource procurement. VCE's MTR Compliance swap will enable more efficient and cost-effective use of both CCAs' procured resources with VCE taking on about 3 MW of DCE's zero-emitting capacity obligation and DCE taking on about 2 MW of VCE's LDES obligation.

Next Steps: The Proposed Decision may be heard as early as the June 12 Commission meeting. Comments on the RCPP Staff Proposal are due July 15 and reply comments are due August 5. Information about the 2025 IRP filing is expected soon.

Additional Information: DCE AL 13-E (May 29, 2025); ALJ Ruling (May 15, 2025); Ruling (Apr. 29, 2025); Proposed Decision (Apr. 29, 2025); PG&E AL 7578-E (Apr. 24, 2025);) Petition for Modification of D.21-06-035; Amended Scoping Memo and Ruling (Correction/Clarification) (Apr. 18, 2024); Docket No. R.20-05-003.

Diablo Canyon Extension

Background: This rulemaking was opened to consider the potential extension of operations at the Diablo Canyon Nuclear Power Plant in accordance with Senate Bill 846 (Stats. 2022, Ch. 239). The initial phase of the proceeding is concluded. Phase 2 addresses the collection and use of volumetric performance fees by PG&E.

Recent Developments: On June 3, the CPUC issued a Second Revised Proposed Decision on Phase 2 that would continue use of the surplus performance fees for program investments, encourage the consideration of affordability in PG&E's Volumetric Performance Fee (VPF) spending plan, and require PG&E to estimate the number of customers participating in or benefitting from each VPF project. Revisions require additional reporting by PG&E related to work funded by VPFs.

Analysis: Part of the Diablo Canyon extended operations includes funding for program investments. The Proposed Decision provides additional guidance to PG&E regarding its selection of specific VPF programs and emphasizes the importance of increasing affordability and reducing upward pressure on rates. That guidance along with the new requirement that the quantity of customers participating in or benefitting from its VPF programs be included in its annual reporting should provide additional insight into the full scope of benefits provided from the plant's extension. The Proposed Decision (and subsequent revisions), however, did not adopt the VPF spending principles that CalCCA and other intervenors recommended. CalCCA's comments on the PD recommend the Commission adopt those principles.

Next Steps: The Revised Proposed Decision was held over to the June 12 Commission meeting.

Additional Information: REV. 2 (Jun. 3, 2025) (Proposed Decision on Phase 2 (Feb. 28, 2025); Phase 2 Scoping Memo and Ruling (Jun. 25, 2024); OIR (Jan. 20, 2023); Docket No. R.23-01-007.

Building Decarbonization

Background: This proceeding explores reduction of greenhouse gas (GHG) emissions associated with energy use in buildings. The current Phase 4 will consider whether modifications to electric line extension rules would assist under-resourced customers, electric baseline allowance modifications to encourage building decarbonization, and new programmatic approaches to building decarbonization.

Recent Developments: N/A

Analysis: A March 26 Proposed Decision authorizing $5 million annually for utility electric service line upsizing for under-resourced customers pursuing full electrification of a home or business, requiring measures to prevent unnecessary upsizing of electric lines is pending before the Commission.

Next Steps: The Proposed Decision was held over to the June 12 Commission meeting.

Additional Information: Proposed Decision (Mar. 26, 2025); Scoping Memo and Ruling (Jul. 1, 2024); OIR (Feb. 8, 2019); Docket No. R.19-01-011.

PG&E 2023 Phase 2 GRC

Background: Phase 2 General Rate Case (GRC) proceedings determine PG&E's marginal cost of service and revenue requirement allocation among customer classes for a set period (in this case, 2023-2026).

Recent Developments: The PAO filed a motion to amend the scoping memo to include the following issues from A.24-11-007: 1) Whether a new rate schedule tariff should be adopted for large-load transmission-level customers with the goal to better align their rates with cost-causation principles and limit the potential for shifting costs of stranded and underutilized investment to existing customers (i.e., ratepayers); 2) Whether large-load transmission-level customers that connect to the grid should be considered a separate customer class for ratemaking purposes; and 3) Whether the significant, forecasted load increases from large-load transmission-level customers that connect to the grid may increase generation cost of service for other customers, and which measures could be implemented to prevent generation rate increases for other customers. CalCCA submitted a response supporting the motion; PG&E submitted a response generally supporting the motion, but with modifications. On May 2, PG&E submitted AL 7588-E updating the March 2025 deadline for changing its legacy agricultural time-of-use rates to Metered Demand to the new deadline of December 31, 2027 (an extension which has already been approved by the Commission).

Analysis: The change to Metered Demand rates for some agriculture customers was initially adopted as part of the D.18-08-013 Agricultural Settlement Agreement, but implementation has been delayed several times for agricultural customers that would be impacted the most by the resulting bill increases, and will continue to be delayed until at least the end of 2027.

Next Steps: PAO testimony is due July 23, intervenor testimony is due August 25, and a proposed decision is expected in mid-2026.

Additional Information: PG&E AL 7588-E (May 2, 2025); Scoping Memo (Mar. 21, 2025); Application (Sep. 30. 2024); Docket No. A.24-09-014.

PG&E 2024 ERRA Forecast (Consolidated Track 2)

Background: See PG&E 2026 ERRA Compliance background. The April 2 Scoping Memo and Ruling consolidated all three major IOUs' ERRA forecast proceedings for the sole purpose of addressing issues related to the definition of and accounting for "fixed generation costs" in a Track 2.

Recent Developments: No recent developments.

Analysis: N/A

Next Steps: A proposed decision is expected in mid-2025.

Additional Information: Scoping Memo & Ruling (Oct. 11, 2024); ALJ Ruling on Track 2 schedule (May 1, 2024); Joint CCA Motion (Apr. 26, 2024); IOU Motion (Apr. 25, 2024); Scoping Memo and Ruling (Apr. 2, 2024); D.23-12-022 (Dec. 19, 2023); Scoping Ruling and Memo (Sep. 15, 2023); ERRA Trigger Application (Jul. 28, 2023); CalCCA Protest (Jun. 16, 2023); PG&E 2024 ERRA Forecast Application (May 15, 2023); Docket No. A.23-05-012.

PG&E 2024 ERRA Compliance

Background: The annual ERRA Compliance proceeding reviews the utility's compliance with CPUC-approved standards for generation-procurement and cost recovery activity occurring in the prior year, such as energy resource contract administration, least-cost dispatch, fuel procurement, and balancing account entries.

Recent Developments: On April 16, parties submitted the Joint Prehearing Conference Statement. PG&E disagrees with CalCCA's recommendation that the scope of the proceeding be expanded to include specific reference to whether PG&E made reasonable attempts to sell excess RA consistent with its Bundled Procurement Plan. On May 2, the Assigned Commissioner issued a Scoping Memo and Ruling in PG&E's 2024 ERRA Compliance proceeding.

Analysis: In several recent years, PG&E has counted a significant volume of excess RA resources towards its incremental reliability procurement targets. CalCCA has probed PG&E's RA sales activities to ensure PG&E is making reasonable attempts to sell its excess RA to other LSEs (including CCAs) before using that excess towards its own incremental reliability procurement obligations, and the scoped issues for this proceeding include the issue of whether PG&E administered RA procurement and sales consistent with its Bundled Procurement Plan and whether it made reasonable attempts to sell excess RA.

Next Steps: Intervenor testimony is due September 10, a status conference on the need for evidentiary hearings is set for November 14, and briefs are due in early 2026.

Additional Information: Scoping Memo and Ruling (May 2, 2025); Joint Prehearing Conference Statement (Apr. 16, 2025); Ruling (Mar. 27, 2025); PG&E 2024 ERRA Compliance Application (Feb. 28, 2025); Docket No. A.25-02-013.

PG&E 2023 ERRA Compliance

Background: See PG&E 2024 ERRA Compliance background.

Recent Developments: On May 2, the CPUC issued a Proposed Decision approving PG&E's 2023 ERRA Compliance Application and closing the proceeding. The Proposed Decision requires PG&E to report on several outages in its next (i.e., 2026) ERRA Compliance filing and for the company to "submit Bundled Procurement Plan-required independent evaluator reports for completed resource adequacy solicitations held during the quarterly reporting period in its quarterly compliance reports submitted to the Commission regardless of whether the solicitations award any transactions.".

Analysis: PG&E has since proposed confidential changes to the treatment excess RA sales in its Bundled Procurement Plan, which may increase the available supply of RA and relieve some price pressure in future years.

Next Steps: The Proposed Decision may be heard as early as the June 12 Commission meeting.

Additional Information: Proposed Decision (May 2, 2025); Joint Case Management Statement (Nov. 6, 2024); ALJ Ruling (Oct. 21, 2024); Scoping Memo and Ruling (Jun. 12, 2024); Joint Prehearing Conference Statement (Apr. 15, 2024); CalCCA's Protest (Apr. 5, 2024); PG&E 2023 ERRA Compliance Application (Feb. 28, 2024); Docket No. A.24-02-012.

PG&E 2022 ERRA Compliance

Background: See PG&E 2024 ERRA Compliance background.

Recent Developments: On April 23, the CPUC issued a Proposed Decision that approves the partial party settlement agreement between PG&E and the PAO, and does not adopt CalCCA's recommendations related to PG&E's excess RA sales.

Analysis: Although the Proposed Decision does not agree with CalCCA's arguments that PG&E did not comply with its obligations, it agreed with CalCCA that excess RA solicitations and market efforts are important issues that affect utilities, LSEs, and ratepayers. The Proposed Decision would take CalCCA's proposal to revisit the RA-related issues under advisement, and it notes the recent ERRA/PCIA Reform OIR that was approved at the Commission's February 20 meeting contained references to possible consideration of these issues.

Next Steps: The Proposed Decision may be heard as early as the June 12 Commission meeting.

Additional Information: Proposed Decision (Apr. 23, 2025); ALJ Ruling (Sep. 3, 2024); ALJ Ruling (Jul. 26, 2024); ALJ Ruling (May 22, 2024); ALJ Ruling (May 16, 2024); ALJ Ruling (Apr. 16, 2024); PG&E and CalAdvocates' Joint Motion for Settlement (Mar. 7, 2024); CalCCA Motion (Mar. 1, 2024); ALJ Ruling (Feb. 15, 2024); ALJ Ruling (Sep. 25, 2023); Scoping Memo and Ruling (Jun. 2, 2023); PG&E 2022 ERRA Compliance Application and Notice of Availability (Feb. 28, 2023); Docket No. A.23-02-018.

PG&E 2021 ERRA Compliance

Background: See PG&E 2024 ERRA Compliance background.

Recent Developments: On May 12, the CPUC issued a Proposed Decision approving PG&E's 2021 ERRA recovery request with the exception of $46 million in disallowed recovery related to a forced outage at Diablo Canyon and mismanagement of the Vantage Wind PPA, and about $300,000 in disallowances related to 2021 Public Safety Power Shutoff events.

Analysis: N/A

Next Steps: The Proposed Decision may be heard as early as the June 26 Commission meeting.

Additional Information: Proposed Decision (May 12, 2025); ALJ Ruling (Nov. 9, 2023); ALJ Ruling (Sep. 27, 2023); ALJ Ruling on schedule (Jan. 6, 2023); Assigned Commissioner's Scoping Memo and Ruling (Aug. 9, 2022); PG&E 2021 ERRA Compliance Application (Feb. 28, 2022); Docket No. A.22-02-015.

Diablo Canyon 2026 Rates & VPF

Background: During the period of extended operations for the Diablo Canyon Nuclear Plant, PG&E submits an annual application forecasting its costs, market revenues from CAISO, net costs allocated to ratepayers of each large IOU, and its plan for use of volumetric performance fees (VPFs) in the upcoming calendar year.

Recent Developments: Responses and protests to the Application were filed May 1. A prehearing conference was held May 30.

Analysis: N/A

Next Steps: A scoping memo is expected.

Additional Information: Application (Mar. 28, 2025); Docket No. A.25-03-015.

Provider of Last Resort Rulemaking

Background: A Provider of Last Resort (POLR) is the utility or other entity that has the obligation to serve all customers (PG&E currently serves in this role for VCE's service area). Phase 1 of this proceeding concluded in April 2024 and addressed POLR service requirements, cost recovery, and options to maintain GHG emission reductions in the event of an unplanned customer migration to the POLR. Phase 2 builds on Phase 1 to set the requirements and application process for non-IOU entities to serve as the POLR. Phase 3 will address specific issues not resolved in Phase 1 or 2.

Recent Developments: On May 12, PG&E submitted Advice Letter (AL) 7596-E with updated CCA Financial Security Requirements and submitted a supplemental filing (AL 7596-E-A) on May 28. On May 28, the ALJ issued a Ruling providing parties the opportunity to comment on the CPUC guidance necessary to establish a procedural pathway to review non-IOU applications for POLR status.

Analysis: There is some uncertainty regarding the extent of the Commission's jurisdiction over a non-IOU serving as a POLR, whether there are any non-IOUs interested in serving as a POLR, and the Commission has proposed an application-based process that would allow interested non-IOUs to apply for POLR status and address requirements in more detail at that time.

Next Steps: Opening comments on the ALJ Ruling are due by June 13, and reply comments are due by June 20. A ruling on the need for legal briefs is expected in mid-2025 and resolution of the Threshold Questions is expected in Q2 2025, after which the primary topic areas will be addressed.

Additional Information: ALJ Ruling (May 28, 2025); PG&E AL 7596-E and 7596-E-A (May 12 & 28, 2025); Scoping Memo and Ruling (Oct. 24, 2024); ALJ Ruling (Aug. 6, 2024); Joint CCA Advice Letter on new registration (Jul. 17, 2024); Joint CCA Advice Letter on financial modeling and reporting guidelines (Jul. 1, 2024); D.24-04-009 / Appendix (Apr. 22, 2024); OIR (Mar. 25, 2021); Docket No. R.21-03-011.

PG&E 2026 Cost of Capital

Background: Cost of capital proceedings are held every three years to establish a utility's return on equity (ROE) and overall rate of return (ROR). The Commission established a uniform cost of capital mechanism for the large investor-owned utilities that includes a review 3-year cycle and provides for formula-based interim adjustments based on a bond market index.

Recent Developments: On March 20, PG&E submitted an Application to adjust its cost of capital. PG&E proposed to maintain its existing capital structure at about 48% debt and 52% equity, increase in its ROE from the current 10% to

11.3%, and increase its cost of debt from 4.31% to 5.05%. Under the proposal, the Company's overall rate of return would increase from 7.28% to 8.31%. On May 29, an ALJ Ruling set the prehearing conference for June 25.
Analysis: N/A
Next Steps: Prehearing conference is scheduled for June 25.
Additional Information: ALJ Ruling (May 29, 2025); Application (Mar. 20, 2025); Docket No. A.25-03-010.

Utility Safety Culture Assessments
Background: This rulemaking will define safety culture concepts and determine how the safety culture of PG&E and other utilities in California will be assessed and evaluated. The CPUC's Office of Energy Infrastructure Safety will conduct annual wildfire safety-specific assessments of investor-owned utilities as required by AB 1054, and an independent third-party evaluator will conduct safety culture assessments every five years per SB 901. Phase 1 of this proceeding focused on developing safety culture assessments for the large electric and natural gas IOUs, and Phase 2 will develop safety culture assessments for small multi-jurisdiction utilities and the gas storage operators.
Recent Developments: On May 22, the Safety Policy Division announced that the kick-off meeting of the Utility Safety Culture Working Group will be held on June 12. A prehearing conference was held May 27.
Analysis: N/A
Next Steps: The kick-off meeting of the Utility Safety Culture Working Group will be held on June 12. PG&E's first third-party evaluation is scheduled for August 1, 2028. Annual reports are due August 1 of each year between third-party evaluations.
Additional Information: D.25-01-031 (Jan. 23, 2025); ALJ Ruling (Jun. 10, 2024); ALJ Ruling (May 8, 2023); Scoping Ruling with procedural schedule (Apr. 28, 2022); Order Instituting Rulemaking (Oct. 7, 2021); Docket No. R.21-10-001.

EV Rates & Infrastructure
Background: This rulemaking is the successor to R.18-12-006 and will focus on issues related to 1) timely energization of electric vehicle (EV) charging, 2) transportation electrification grid planning to support charging infrastructure deployment, 3) deployment of behind-the-meter (BTM) charging infrastructure to support state goals, 4) vehicle-grid integration (VGI), and 5) ongoing transportation electrification policy development and collaboration.
Recent Developments: No recent developments.
Analysis: N/A
Next Steps: N/A
Additional Information: PG&E AL 7504-E (Feb. 21, 2025); Final Resolution E-5358 (Dec. 26, 2024); PG&E Semi-Annual VGI Report (Sep. 13, 2024); Resolution E-5326 (Jul. 17, 2024); Letter granting extension (Jun. 5, 2024); ALJ Ruling (Jun. 3, 2024); Vehicle-Grid Integration Forum Report (May 21, 2024); Resolution E-5314 (Apr. 19, 2024); Scoping Memo and Ruling (Apr. 12, 2024); Draft Resolution E-5314 (Mar. 8, 2024); ALJ Ruling (Dec. 27, 2023); OIR (Dec. 20, 2023); Docket No. R.23-12-008.

PG&E Billing System Modernization
Background: This proceeding addresses PG&E's plan to upgrade its legacy billing system, some portions of which date back to the mid-1990s. PG&E proposed a three-stage upgrade that would ultimately be complete in Q4 2029 and cost an estimated $761.3 million.
Recent Developments: No recent developments.
Analysis: N/A
Next Steps: Intervenors' testimony is due June 30, rebuttal testimony is due July 30, and a proposed decision is expected in Q1 2026.
Additional Information: Scoping Memo (Mar. 27, 2025); Joint Prehearing Conference Statement (Jan. 17, 2025); Application (Oct. 23, 2024); Docket No. A.24-10-014.

Clean Power SF Municipalization
Background: The City and County of San Francisco (SF or City) filed this Petition for a determination by the CPUC of just compensation for acquisition by the City of PG&E property (PG&E distribution system within SF transmission assets needed for operational control, a substation and related assets pursuant to Public Utilities Code §1401-1421. Briefing was filed in August of 2022.
Recent Developments: No recent developments.
Analysis: N/A
Next Steps: The remaining schedule depends in part on comments from parties in response to the Ruling.
Additional Information: ALJ Ruling (Jan. 24, 2025); ALJ Ruling (Oct. 28, 2024); ALJ Ruling requesting comments (Mar. 27, 2024); Amended Scoping Memo and Ruling (Dec. 22, 2023); Petition (Jul. 27, 2021); Docket No. P.21-07-012.

Other Dockets

The following table identifies other tracked dockets that are closed or inactive.

Docket	Name	Status
R.19-09-009	Microgrids	D.24-11-004 adopting implementation rules for multi-property microgrid tariffs and closing the proceeding was issued November 18. Proceeding reopened for pending Application for Rehearing.
R.23-03-007	Wildfire Fund NBC 2024-2026	The CPUC issued D.24-12-001 (Dec. 9, 2024) adopting a $5.95/MWh Wildfire NBC for 2025 - a slight increase from the 2024 WF NBC charge of $5.61/MWh.
A.22-05-002	Demand Response Programs (2023-2027)	D.24-04-006, issued April 24, 2024, ended the Demand Response Auction Mechanism (DRAM) pilot programs of PG&E, SCE, and SDG&E and closed the proceeding. Proceeding reopened by Petition for Modification (Feb. 2025).
A.21-06-021	PG&E 2023 Phase 1 GRC	This proceeding is inactive, but it remains open to provide further guidance on metrics relevant to auditor reports, to consider revising the energization cost recovery mechanism, and to establish reporting requirements for reviewing the reasonableness of PG&E's interim rate recovery in its next GRC.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 8

TO:	Board of Directors
FROM:	Alisa Lembke, Board Clerk / Administrative Analyst
SUBJECT:	Summary of Community Advisory Committee (CAC) April 24, 2025 Meeting and May 22, 2025 Meeting / Strategic Plan Workshop
DATE:	June 12, 2025

This report summarizes the Community Advisory Committee's meeting held in person and via Zoom webinar on Thursday, April 24, 2025 and May 22, 2025 Meeting and Strategic Plan Workshop.

Thursday, April 24, 2025:

A. **Strategic Plan update – discussion and timeline roadmap:** Staff provided an overview of the process of updating the Strategic Plan. Staff and the Strategic Plan Task Group have provided administrative updates and developed a preliminary draft plan to make substantive edits to VCE's goals and objectives. Staff reviewed the major update timeline, which includes public workshops, surveys and CAC and Board meeting schedules, and next steps. Staff informed those present that the CAC's next meeting is scheduled for Thursday, May 22, 2025; thereafter, a VCE Strategic Plan Workshop will be held in Esparto.

B. **2024 Net Margin Discussion and receive feedback from CAC:** Staff reviewed the background of the 2024 Net Margin and presented several 2024 Net Margin allocation scenarios. Staff discussed how the net margin is determined and distributed; rate setting; affordability and rate competitiveness; the effects of discounted rates and programs on Customer opt-out rate; the effects of Net Energy Meter (NEM) Customers who over generate on the net margin; and, the factors used and differences between the allocation scenarios.

C. **Senate Bill 540 – Received additional information, discuss and seek recommendation from the CAC:** Staff provided an overview of this item, and reminded those present that VCE can take a position on Senate Bill (SB) 540 of support, oppose or no position. Staff provided a brief summary of regional and western markets; the history of wholesale electricity markets that have led to SB 540; what SB 540 does and does not do; and, reviewed answers to key questions raised at the CAC's March 27, 2025 meeting. Carl Linvill, Bill Julian and Christine Shewmaker provided public comment. The CAC made a recommendation to the Board that VCE oppose Senate Bill 540 (7-1-0).

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Thursday, May 22, 2025 Meeting and Strategic Plan Workshop (held in Esparto):

A. **Regular meeting:** The CAC held their regular meeting where they were provided with updates from the Task Groups and Staff and approved a few Consent items. They convened their regular meeting and reconvened into the Strategic Plan Update Workshop.

B. **Strategic Plan (SP) Workshop:** Staff provided an overview of Community Choice Agreegations (CCA's), VCE, and VCE's Strategic Plan (SP) . Staff reviewed, discussed and received feedback on SP's Goals 1 (Financial Strength) and 2 (Procurement and Power Supply). Staff announced that the next SP Workshop will be held following the CAC's June 26, 2025 meeting (location to be determined) and will focus on Goals 3 and 4 of the Strategic Plan.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 9

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer

SUBJECT: Budget Amendment for California Community Power Projects Exploration and Execution

DATE: June 12, 2025

RECOMMENDATION

1. Approve 2025 Budget Increase of $108,000 for California Community Power's annual budgeted expenses from $216,000 annually to $324,000.

BACKGROUND & ANALYSIS

On April 8, 2021 through VCE Board Resolution 2021-010, the Board approved application to join California Community Power (CC Power), a joint powers agency comprised of several CCAs to facilitate joint procurement of power projects and services. The purpose of California Community Power or "CC Power" Joint Powers Authority is to acquire energy, capacity, storage or other energy products on a scale that the individual members most likely would not be able to achieve on their own.

On December 12, 2024, the Board approved the VCE 2025 Budget (Calendar Year) including estimated $175,000 in annual dues and $41,000 for projects for an annual total of $216,000.

CC Power is on a July to June fiscal year (FY) Budget and recently approved its 2025-2026 FY budget. CC Power's FY 2025-2026 Budget includes an additional $190,000 in estimated costs for new or soon-to-launch projects for a FY annual total of $406,000 ($34,000 monthly). Examples of CC Power expenses include normal operating costs, WoodMac Data & Reports, and project costs for long duration storage, geothermal origination, GreenGen Storage, RA Optimization tool, and wind projects. Many of these efforts benefit from economies of scale and would be outside VCE's ability to pursue in a cost effective manner.

CONCLUSION

Staff is seeking approval budget amendment of $108,000 for 2025 CC Power Expenses.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 10

TO: Board of Directors

FROM: Mitch Sears, Chief Executive Officer
Rebecca Kuczynski, Chief Customer Officer

SUBJECT: Amendment for PG&E/VCE Agreement for Agricultural Flexible Irrigation Technology (AgFIT) Pilot Program

DATE: June 12, 2025

RECOMMENDATION
Approve resolution to extend the existing agreement with Pacific Gas & Electric for the Agricultural Flexible Irrigation Technology (AgFIT) Pilot Program.

BACKGROUND AND ANALYSIS
In December 2024, the VCE Board of Directors approved a budget amendment for the final costs associated with the implementation and close-out of the Agricultural Flexible Irrigation Technology (AgFIT) Pilots. Because of data access delays impacting the close of the pilot, staff is still finalizing invoices to be paid by PG&E. In order to continue to recoup expenses from PG&E, VCE must sign an amendment to its agreement with PG&E. As shown in the redline Attachment 1 (page 7, Section 4.1 Term), the recommended amendment is limited to an extension of the time to complete the agreement – all other major provisions remain unchanged.

FISCAL IMPACT
The amendment to the PG&E/VCE agreement is anticipated to have a net-neutral effect on VCE's budget, as the contract amendment does not have a dollar amount change.

Attachments
1. Amended agreement (Redline on page 7, Section 4.1 Term)
2. Resolution 2025-XXX

AGREEMENT FOR THE DYNAMIC RATE PILOT FOR AGRICULTURAL PUMPING

This Agreement for the Dynamic Rate Pilot for Agricultural Pumping ("**Agreement**") is dated as of April __, 2022 (the "**Effective Date**") and is made by and among Valley Clean Energy Alliance, a California joint powers authority ("**VCE**") and Pacific Gas and Electric Company, a California corporation ("**PG&E**") (each of VCE and PG&E are individually referred to herein as a "**Party**" and collectively as the "**Parties**"). This Agreement governs the rights and responsibilities of the Parties with respect to the Dynamic Rate Pilot for Agricultural Pumping approved by the California Public Utilities Commission ("**CPUC**") in Decision 21-12-015 (as may be amended or modified by CPUC from time to time, the "**Pilot Decision**") (the "**Pilot**").

WHEREAS:

A. In August 2020, California experienced a series of rolling blackouts caused by inadequate energy supply, an extreme heat wave, and market factors. The CPUC, the California Independent System Operator ("**CAISO**") and the California Energy Commission ("**CEC**") issued a Root Cause Analysis of the reasons for the outages, and concluded that additional supply and demand measures were required to avoid a repeat of the 2020 experience. The power outages triggered CPUC initiation of R.20-10-011 "Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Reliable Electric Service in California in the Event of an Extreme Weather Event in 2021" (the "**Reliability OIR Rulemaking**").

B. In the Reliability OIR Rulemaking, VCE proposed to test the use of dynamic rates to provide incentives for agricultural customers to pump water when it is least costly to do so. VCE's proposal for a dynamic pilot rate for agricultural pumping loads in VCE's service territory was approved by the Pilot Decision and will be administered by VCE. The Pilot Decision approved a budget of $2.5 million for certain activities in the Pilot from which $2.275 million shall be disbursed by PG&E to VCE pursuant to the terms of this Agreement and $225,000 shall be disbursed for PG&E's contract with TeMix (as defined below).

C. On January 31, 2022, VCE, Polaris Energy Services (**"Polaris**") and TeMix Inc. ("**TeMix**") submitted a petition for modification ("**VCE PFM**") to the Pilot Decision requesting an additional $690,000 to cover VCE's administrative costs and, if the CPUC determines that VCE is required to prepare semiannual Demand Response Emerging Technology Program reports, an additional $200,000 to cover VCE's costs to prepare such reports.

D. On March 4, 2022, PG&E submitted a response to VCE petition for modification and as of the Effective Date the issues pertaining to increases to the Pilot budget approved in the Pilot Decision that were raised by the VCE PFM and PG&E's response thereto remain pending before the CPUC.

E. Substantially concurrently with the execution and delivery of this Agreement, including Exhibit A incorporated herein, (i) TeMix and PG&E will enter into a contract (the "**PG&E-TeMix Contract**") pursuant to which TeMix has agreed to assist PG&E in establishing the delivery component of the Pilot rate and to provide shadow bill calculations for the distribution services provided by PG&E to PG&E for PG&E's review and (ii) TeMix and VCE will enter into a contract (the "**VCE-TeMix Contract**") pursuant to which TeMix has agreed to provide shadow bill calculations for the electricity and other services provided by VCE which comprise the remainder of the Pilot rate, among other services pursuant to the Pilot Decision.

NOW THEREFORE, in consideration of the foregoing, the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. PILOT ROLES AND RESPONSIBILITIES

1.1 VCE's Role and Responsibility in the Pilot.

Except for the matters specifically identified in Section 1.2 of this Agreement or as set forth in the Pilot Decision or any CPUC resolutions related thereto as PG&E's responsibilities, the Parties hereby seek to clarify that, pursuant to the Pilot Decision, VCE shall have primary responsibility for administering the Pilot, including pursuant to Ordering Paragraphs 51-53 and 56-57 of the Pilot Decision. VCE hereby acknowledges and agrees that it is responsible for carrying out the Pilot in compliance with this Agreement, applicable law, the Pilot Decision, any CPUC orders or resolutions related thereto and any other rules or regulations of any governmental authority having jurisdiction over VCE. Without limiting the generality of the foregoing:

(a) VCE assumes responsibility for contracting with any contractors or subcontractors to the extent necessary for the implementation of VCE's responsibilities under the Pilot Decision and shall have sole oversight responsibility over any contractor or subcontractor hired in relation to the Pilot by VCE (or its contractors or subcontractors), including without limitation Polaris and Temix for its responsibility on the generation component of the dynamic rate.

(b) VCE assumes responsibility for calculation, preparation and provision of the generation shadow bill in accordance with the Pilot Decision.

(c) VCE will be responsible for submitting invoices documenting VCE's expenses incurred in administering the Pilot to the Energy Division of the CPUC (the "**Energy Division**") for approval in accordance with Section 2. VCE will submit a copy to PG&E via PG&E's account payable system Taulia solely for payment processing purposes after Energy Division approves the invoices in writing by e-mail which is provided to VCE and PG&E.

(d) VCE assumes responsibility for issuance of the bill savings realized by participating customers with respect to the delivery component of the Pilot rate in the customers' shadow bills. VCE assumes responsibility for ensuring that correct payment is promptly made to each customer of all amounts to which such customer is entitled under the Pilot.

(e) To the extent PG&E or TeMix require information, documentation or data from VCE or its customers in order to calculate and verify the delivery portion of the

Pilot rate, VCE shall promptly, and in any event within ten (10) business days following request therefor from PG&E, or TeMix on behalf of PG&E, deliver to PG&E and TeMix such requested information, documentation or data in order to enable PG&E to timely and efficiently comply with its responsibilities under Section 1.2.

(f) Upon PG&E's selection of the independent evaluator in accordance with Section 1.2(b), VCE shall, and shall cause its contractors (including Polaris and TeMix) to, provide all data which the independent evaluator considers necessary to complete the evaluation criteria as specified in the Pilot Decision. VCE shall (and shall cause Polaris and TeMix to) make its management and employees involved in the Pilot available for interviews at such times and as may be reasonably requested by the independent evaluator.

(g) VCE assumes responsibility for addressing all customer questions and complaints (whether brought up to the CPUC, PG&E or to VCE directly). If any such customer disputes names or otherwise involves PG&E, VCE shall promptly provide notice of such dispute to PG&E, and shall cause its contractors and subcontractors (including TeMix) to provide to PG&E all information reasonably requested by PG&E that may be necessary for PG&E to evaluate and respond to any billing disputes brought by customers over the delivery portion of the Pilot rate. VCE will provide such support as may be reasonably requested by PG&E in connection with the resolution of any dispute related to the delivery component of the Pilot bill credit.

(h) Within two (2) Business Days, VCE shall make all necessary records and documents available to PG&E in connection with PG&E's review of VCE's implementation of the customer eligibility requirements as specified in the Pilot Decision for PG&E's compliance purposes.

(i) VCE acknowledges that PG&E will validate VCE's customer's eligibility prior to making any payments to VCE with respect to such customer and VCE agrees to provide to PG&E information and documentation as reasonably requested by PG&E in order to enable PG&E to do so. If a request from a customer to be enrolled in the Pilot is received within five (5) business days of a billing cycle ("**Upcoming Cycle**"), the Pilot rate change for shadow billing shall not take effect until the billing cycle that follows the Upcoming Cycle. If such request is received more than five (5) business days before the Upcoming Cycle, then it may take effect starting with the first day of the Upcoming Cycle.

1.2 PG&E Role and Responsibility in the Pilot.

Except for the matters set forth in the Pilot Decision or any CPUC resolutions related thereto as PG&E's responsibilities, PG&E shall only be responsible for the following items with respect to the Pilot:

(a) PG&E will be responsible for providing the delivery component of the Pilot rate and bill calculations for eligible customers in accordance with the Pilot Decision for TeMix to develop the shadow distribution bill, and PG&E may enter into an agreement with TeMix in order to perform these functions.

(b) PG&E shall contract an independent evaluator and submit a midterm and final evaluation of the Pilot in accordance with the requirements of the Pilot Decision, including by reasonably consulting VCE during the selection of the independent evaluator and the evaluation management process, including, but not limited to consultation on selection criteria. PG&E shall provide written notice to VCE setting forth the name and contact details of the independent evaluator.

(c) Upon receipt of an invoice from VCE, in accordance with Section 2.2(a)(ii) below, that reflects the delivery shadow bill calculations provided by TeMix PG&E will remit funds to VCE to reimburse VCE for payments or credits to customers of customer savings as between the delivery component of the OAT and the Pilot rate in accordance with Section 2. PG&E shall in no event be responsible for any lost checks/payments to the customer, or any issues where the wrong amount is paid to the customer.

(d) Upon invoice approval by the Energy Division in writing by e-mail and receipt of invoice from VCE in accordance with Section 2.2(a)(ii) below, PG&E will remit funds to VCE in accordance with Section 2 to reimburse VCE for expenses incurred by VCE in administering the Pilot and authorized by the Pilot Decision or any CPUC resolutions related thereto.

(e) PG&E will reasonably support VCE with resolution of any customer disputes over the calculation of the delivery component of the Pilot rate or annual payments or bill credits for savings realized by customers after netting monthly calculations of the differences between the customer's OAT and the customer's Pilot rate with respect thereto.

2. PAYMENT AND INVOICING

2.1 Maximum Contract Amount

(a) The maximum amount of payments that may become due from PG&E to VCE under this Agreement for VCE expenses for integration and automation of pumping loads with the Pilot price signal, and vendor fees, systems & technology and VCE's administrative expenses shall not exceed $2.275 million (the "**Pilot Budget Maximum Amount**"); provided that (i) upon the CPUC's decision on the VCE PFM, PG&E shall issue a change order to increase the Pilot Budget Maximum Amount increased by the amount of additional administrative costs the CPUC authorizes to be paid to VCE (such amount, the "**Pilot Administration Amount**"), which amount shall not exceed $890,000, and (ii) the Pilot Budget Maximum Amount may be further modified by a contract change order to this

Agreement which shall be executed by the Parties in accordance with Section 5.6 or Section 5.14.

(b) The maximum amount under this Agreement that may become due from PG&E to VCE for payments or credits to customers for the difference between the shadow bill for the delivery component of the Pilot rate and the customers' OAT distribution bill is $1,000,000; provided, that to the extent that either Party forecasts that this amount will be exceeded due to savings realized by customers and payable by PG&E pursuant to the Pilot Decision, the Parties shall agree to an amendment to this Agreement to increase the initial maximum amount to reflect the then mutually agreed estimated amount to be paid by PG&E to VCE.

Table 1: Budget Line Items[1]

Deliverable	Amount
Integration and automation of pumping loads with the pilot price signal	$1,000,000
Vendor fees, Systems & Technology	$1,275,000
Pilot Administration Amount	[*Pending CPUC approval*]
Payments based on comparison of shadow billing for delivery component of Pilot rate versus OAT delivery rate bill	Actual amounts to be calculated based on customer usage under the Pilot rate during Pilot, not to exceed $1,000,000 without Agreement amendment pursuant to Section 2.1(b).

2.2 VCE Invoices

(a) Invoice submission:

(i) VCE will submit its invoices to the Energy Division (based on frequency agreed between VCE and the Energy Division) for approval by the Energy Division of payment of compensation and expenses earned for Pilot activities authorized by the Pilot Decision. Concurrently with the submission of an invoice to the Energy Division, VCE shall submit a copy of its invoice and supporting documentation to PG&E.

(ii) Upon receipt of an e-mail approval of VCE's invoice from the Energy Division, VCE shall submit an invoice to Taulia (PG&E's online invoice submission tool), which shall be received directly by PG&E's Accounts Payable Department. PG&E shall make payment to VCE in accordance with Section 2.2(b) below, the Pilot Decision and any CPUC resolutions or orders in relation thereto. If the CPUC does not approve VCE's invoice in full, VCE shall not submit such invoice to PG&E. If the CPUC does not approve VCE's invoice in full, VCE may only submit the approved amount to PG&E's Taulia system.

(iii) Should PG&E determine that the VCE invoice submittal to Taulia does not meet the invoice submittal requirements of this Agreement, PG&E will

[1] Subject to Sections 2.1(a) and 2.1(b).

notify VCE of the deficiencies or return the invoice to VCE with noted deficiencies. VCE shall resubmit the invoice correcting such deficiencies.

(b) Payment of Approved Invoices: PG&E shall make payments on invoices after the Energy Division has approved such invoices and provided its approval to PG&E in writing, which may include electronic mail. Payment by PG&E to VCE shall be made on net 10-day terms after receipt of said written approval from Energy Division and receipt of VCE's invoices submitted in accordance with Section 2.2(a) above.

(c) Final invoice: The final invoice by VCE shall be marked "FINAL" and must be received by PG&E within ninety (90) calendar days after the completion of the Pilot, if Energy Division has approved the invoice. PG&E will not be liable for payment of any late invoices that are received by PG&E beyond the 90 days.

2.3 Billing Customers on OAT

PG&E shall continue to run the billing process for the customer's OAT in accordance with the VCE-CCA Community Choice Aggregator Service Agreement executed on January 24, 2018 (PG&E Electric Form 79-1029) and PG&E Electric Rule 23, which will be unaffected by the Pilot and this Agreement. Participants will continue to pay their current VCE and PG&E bill under the OAT. Nothing in the Pilot or this Agreement, changes, modifies or in any way alters VCE or PG&E's rights to pursue full payment of the OAT bill from the customer. Further, nothing in this Agreement or under the Pilot affects PG&E rights or responsibilities to correct OAT bills for customers participating in the Pilot.

3. INDEMNIFICATION AND LIMITATION OF LIABILITIES

3.1 Indemnification:

(a) VCE shall indemnify, hold harmless and defend CPUC and PG&E, and each of their affiliates, subsidiaries, parent company, officers, managers, directors, agents, and employees from and against all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) ("**Liabilities**"), which arise from VCE's, or VCE's contractor's, or subcontractor's, negligence or willful misconduct in connection with (i) the performance of, or failure to perform, this Agreement or (ii) the Pilot. This indemnity shall not apply to the extent caused by or arising out of the negligence or willful misconduct of the CPUC or PG&E, or their officers, managers, agents or employees.

(b) PG&E shall give VCE written notice with respect to any Liabilities asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. VCE shall, on PG&E's request, defend any action, claim, or suit asserting a claim which might be covered by Section 3.1, using counsel acceptable to PG&E. VCE shall pay all costs and expenses incurred by PG&E in enforcing this Section 3.1, including reasonable attorney's fees. To the extent necessary, each Party was represented by counsel in the negotiation and execution of this Agreement.

3.2 Limitation on Liability.

(a) PG&E's total liability to VCE under or in connection with this Agreement, whether in contract or in tort (including breach of warranty, negligence and strict liability in tort), shall in no event exceed the sum of all amounts payable by PG&E to VCE under Section 2 hereof.

(b) In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability.

(c) The limitations of liability set forth in clauses (a) and (b) of this Section 3.2 shall not apply with respect to any of the following: (i) damages or losses attributable to the intentional torts or gross negligence of such Party; or (ii) third party claims that are the subject of indemnification obligations pursuant to Section 3.1 or by the indemnification provisions in any nondisclosure agreement relating to the disclosure of confidential information between the Parties or as set forth on Exhibit A hereto.

4. TERM AND TERMINATION

4.1 Term: The term of this Agreement shall commence as of the date written above and will continue through ~~May~~ December 31, 2025 (or such other date as may be authorized by the CPUC) unless otherwise terminated pursuant to Section 4.2.

4.2 Termination: A Party shall have the right to terminate this Agreement at any time if:

(a) The other Party becomes insolvent, generally does not pay its un-disputed debts as they become due, makes a general assignment for the benefit of creditors, or commences any action seeking reorganization or receivership under any bankruptcy, insolvency, reorganization or similar law for the relief of creditors or affecting the rights or remedies of creditors generally;

(b) The other Party breaches this Agreement and such breach is not remedied within thirty (30) calendar days of written notice thereof; or

(c) A Party becomes aware of an imminent threat to public safety that is likely to be caused by its continued performance under this Agreement where such public safety threat arises from or is related to the other Party's performance or actions under this Agreement or with respect to the Pilot.

5. MISCELLANEOUS

5.1 PG&E Standard Terms and Conditions: PG&E's standard terms and conditions set forth on Exhibit A shall apply to this Agreement and are hereby incorporated into this Agreement by this reference.

5.2 Governing Law And Jurisdiction: This Agreement and performance under it will be governed by and construed in accordance with the substantive Laws of the State of California and the United States of America without regard to Choice of Law principles. The Parties consent to the exclusive jurisdiction of, and venue in, the Superior Court of the State of California, San Francisco County for all litigation which may be brought with respect to the terms of, and the transactions and relationships contemplated by this Agreement.

5.3 Independent Status: In assuming and performing the obligations of this Agreement, nothing contained herein shall be construed as constituting any relationship between the Parties, other than the Parties' duties to perform their respective obligations set forth in this Agreement. Nothing in this Agreement is intended to establish a partnership, joint venture, employment or agency relationship between the Parties and neither VCE nor PG&E's employees, agents, representatives, contractors or subcontractors (collectively, "**Representatives**") are authorized to bind the other Party or make any representations on its behalf. Neither Party shall be eligible for any benefits which the other Party may provide its employees, contractors or consultants. All persons and entities, if any, hired by a Party shall be employees or contractors of such Party and shall not be construed as employees or agents of the other Party in any respect.

5.4 Other Contracts: Nothing in this Agreement shall create any contractual relations between one Party's contractors and the other Party.

5.5 Assignment: Neither Party may assign any of its rights, voluntarily or involuntarily, whether by operation of law or any other manner, or delegate any performance under this Agreement, without the prior written consent of the other Party and/or by CPUC decision, ruling or resolution. Any purported assignment or delegation of performance in violation of this provision is void. Subject to the foregoing, this Agreement is binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties.

5.6 CPUC Authority To Modify/Regulatory Review: This Agreement shall at all times be subject to changes or modifications required by the CPUC or requested by either Party to the extent necessary in order to comply with any changes that the CPUC makes to the Pilot during the term of this Agreement. Either Party may provide written notice to the other Party requesting such changes and the Parties shall enter into good faith negotiations to make the minimum changes to this Agreement necessary to comply with such CPUC requirement or Pilot modification. To the extent the Parties are unable to mutually agree to such changes within sixty (60) days after receipt of such notice, then either Party may terminate this agreement upon written notice to the other Party.

5.7 Representations and Warranties:

(a) VCE and its authorized agents represent and warrant that (a) VCE has full power, right and authority to execute this Agreement and to perform all of its obligations hereunder, and the execution of this Agreement has been duly and validly approved through all requisite actions on its part; and (b) VCE will implement this Agreement consistent with and in compliance with the Pilot Decision, all applicable federal, state, CPUC and local status, regulations, laws, administrative decisions, rulings and guidelines.

(b) PG&E and its authorized agents represent and warrant that (a) PG&E has full power, right and authority to execute this Agreement and to perform all of its obligations hereunder, and the execution of this Agreement has been duly and validly approved through all requisite actions on its part; and (b) PG&E will implement this Agreement consistent with and in compliance with the Pilot Decision, all applicable federal, state, CPUC and local status, regulations, laws, administrative decisions, rulings and guidelines.

5.8 Attorneys' Fees: Each Party shall be responsible for paying its own attorneys' fees and other costs associated with the negotiation, execution and delivery of this Agreement and performance of its obligations under this Agreement.

5.9 No Third-Party Beneficiary: The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor or permitted assignee of a Party to this Agreement.

5.10 Notices:

(a) All formal notices, requests, demands, approvals and communications under this Agreement (other than routine operational communications) (collectively, "**Notices**") will be in writing and may be served either (i) in person, (ii) via e-mail, or (iii) by registered or certified mail or air freight services that provide proof of delivery, with postage or shipping fees prepaid, and addressed to the Party to be served as follows:

In the case of PG&E:

Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA, 94612
Attn: Andrew Au
Email: A1az@pge.com

with a copy to:

Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA, 94612
Attn: Albert Chiu
Email: AKC6@pge.com

In the case of VCE:

Valley Clean Energy Alliance
604 2nd St,
Davis, CA 95616
Attn: Rebecca Boyles
Email: rebecca.boyles@valleycleanenergy.org

with copies to:

Mitch Sears
Interim General Manager
Valley Clean Energy Alliance
604 2nd St,
Davis, CA 95616
Email: mitch.sears@valleycleanenergy.org

Sheridan Pauker
Partner
Keyes & Fox LLP
580 California Street, 12th Floor
San Francisco, CA 94104
Email: spauker@keyesfox.com

(b) A Notice given as described above (i) by e-mail will be recognized and shall be deemed received on the business day on which such Notice was transmitted if received before 5 p.m. Pacific prevailing time (and if received after 5 p.m., on the next business day) and (ii) by overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party.

(c) A Party may from time to time change its address or designee for notification purposes by giving the other Party prior written notice of the new address or designee in the manner provided above and the date on which it will become effective.

5.11 No Provision Interpreted Against Drafter: Ambiguities are to not to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement.

5.12 Severability: If any provision of this Agreement is held invalid by a court with jurisdiction over the parties to this Agreement, such provision will be deemed to be restated to reflect as nearly as possible the original intentions of the Parties in accordance with applicable law, and the remainder of this Agreement will remain in full force and effect.

5.13 Survival: Any provision of this Agreement that contemplates or governs performance or observance subsequent to termination or expiration of this Agreement will survive the expiration or termination of this Agreement for any reason. Without limiting the foregoing, the following provisions shall survive the termination of this Agreement:

Sections 2, 3, 5.2 through 5.5, 5.8 through 5.15 and Sections 2, 3, 5 and 6 of the attached Exhibit A PG&E Standard Terms and Conditions.

5.14 Entire Agreement; Amendments: This Agreement constitutes the entire agreement between the Parties with respect to its subject mailer and merges, integrates and supersedes all prior and contemporaneous agreements and understandings between the Parties, whether written or oral, concerning its subject matter. No modification or amendment to this Agreement will be effective unless it is expressly set forth in writing and duly executed by the Parties.

5.15 Counterparts: This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which will together constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by e-mail (including pdf or any electronic signature complying with the federal ESIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civ. Code Section 1633.1, et seq.) or other applicable law) will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by e-mail will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date first written above.

Valley Clean Energy Alliance	**Pacific Gas and Electric Company**
By: ______________________	By: ______________________
Name: Mitch Sears	Name:
Title: Executive Officer	Title:

EXHIBIT A
PG&E'S STANDARD TERMS AND CONDITIONS

1. PG&E and Critical Facility Access.

(a) Physical Access. It is not contemplated that VCE will require access to PG&E facilities to perform any obligations under this Agreement, in the event such access is necessary, VCE will be provided and must comply with PG&E's Drug and Alcohol Policy and any other safety procedures as may be requested by PG&E.

(b) NERC/CIP Critical Facilities. It is not contemplated that VCE will require access to any PG&E's Critical Facilities as defined by NERC/CIP. If such access becomes necessary, additional security related requirements will apply.

2. Intellectual Property and Use Rights.

(a) OWNERSHIP OF DELIVERABLES. Each Party shall own all data, reports, information, manuals, computer programs or other written, recorded, photographic or visual materials, or other deliverables created, developed or produced by such Party including without limitation produced by such Party in the performance of the Agreement, including without limitation the data provided by PG&E with respect to the distribution component of the Pilot rate and the data provided by VCE with respect to the remaining components of the Pilot rate, energy usage data and customer specific information ("**Deliverables**"). Neither Party shall retain title to or an ownership interest in the other Party's Deliverables.

(b) USE RIGHTS. With respect to Deliverables of a Party, such Party grants to the other Party, subject to the terms of this Agreement, a non-exclusive and royalty free right and license to use such Deliverables and the preexisting rights owned by the granting Party in such Deliverables solely to the extent required to perform such other Party's obligations under this Agreement and the Pilot Decision. For the avoidance of doubt, to the extent the foregoing license granted by VCE to PG&E applies to any intellectual property of TeMix, such license of such TeMix intellectual property shall be non-sublicensable and non-transferable.

(c) NO PUBLICITY. Except to the extent consistent with description of the Parties' roles and responsibilities set forth in the Pilot Decision, any Energy Division dispositions pursuant thereto or as otherwise already included in the public domain, neither Party shall include the name, any reference to this Agreement, or any reference to the other Party's purchase or use of any products or services provided by the Party, in such Party's publicity or advertisement, including internet, without the prior written consent of an officer of the other Party.

3. Confidentiality and Data Security.

(a) In performing its obligations under this Agreement each Party (the "**Receiving Party**") may have access to, or be provided with, Personal Information or Confidential Information by the other Party (the "**Disclosing Party**"). Except with respect to third parties providing services to the Receiving Party under this Agreement or the Pilot, the Receiving Party agrees not to disclose or otherwise make available any Confidential Information to any person or entity without the Disclosing Party's written consent and shall use such Confidential Information only for the purpose of performing its obligations under the Pilot Decision and this Agreement. The Receiving Party also agrees it shall not collect, use, retain or disclose personal information, as defined in California Civil Code Section 1798.140(o)(1), it obtains from the Disclosing Party pursuant to this Agreement ("**Personal Information**") for any purpose other than for the specific purpose of performing its obligations under the Pilot Decision or this Agreement. Personal Information shall not be sold ("sale" meaning of CA Civil Code 1798.140(t)(1)) under any circumstances. "**Confidential Information**" shall mean:

(i) a Customer's personal identifiable information, energy use data, billing data, account information, including demand response program information, and information relating to their facilities, equipment, processes, products, specifications, designs, records, data, software programs, finances, technologies, trade secrets, marketing plans or manufacturing processes or products; and

(ii) information about the Disclosing Party's employees and business operations, informational or technological practices, ratemaking, legislative matters, reports, strategies, analysis, specifications, designs, records, data, software programs, technology platforms, finances, computer models, trade secrets, vendor pricing and other related documentation or information related to the Disclosing Party, its parent company, subsidiaries, affiliates, third parties, suppliers, contractors and subcontractors; and

(iii) any confidential information of any third party disclosing such confidential information to the Disclosing Party in the course of such third party's engagement, business, or other relationship with the Disclosing Party or its parent, subsidiary, or affiliated companies; and

(iv) Personal Information; and

(v) any other data or information that the Disclosing Party has specifically identified as Confidential Information.

"**Confidential Information**" does not include information that (a) was properly in the possession of the Receiving Party or its Representatives at the time of disclosure; (b) is or becomes publicly known through no fault of the Receiving Party or its Representatives; (c) was independently developed by the Receiving Party or it Representatives without access to any Confidential Information or (d) that the Disclosing Party agrees in writing is not Confidential Information.

(b) Upon request by the Disclosing Party, the Receiving Party will delete or destroy any Confidential Information obtained from the Disclosing Party or in performing its obligations under this Agreement, unless the Receiving Party documents that it is lawfully prohibited from deleting or destroying such Confidential Information.

(c) If the Receiving Party is in doubt about whether certain information is Confidential Information, the Receiving Party agrees to treat such information as Confidential Information.

(d) The Receiving Party agrees to use the Confidential Information strictly for the purpose of carrying out its obligations under this Agreement and will restrict access to the Confidential Information to those Representatives with a need to know basis, upon which Representatives must agree in writing to safeguard, handle, use, and store, if required, the Confidential Information with no less restrictive obligations as the requirements under this Agreement.

(e) The Receiving Party agrees to implement and maintain, and to cause its Representatives to implement and maintain, reasonable security procedures and practices to protect the unauthorized disclosure, destruction, and/or use of the Confidential Information.

(f) If the Receiving Party is required by law, court order, or governmental authority to produce any Confidential Information, the Receiving Party must, to the extent legally permitted, provide the Disclosing Party prompt written notification of the request and shall cooperate with the Disclosing Party's efforts in regard thereto, including electing to seek a protective order or other appropriate relief. Provided such written notification is provided, the Receiving Party's legal requirement to produce any Confidential Information, shall not result in liability under this Agreement or any attachments hereto.

(g) Nothing in this Section 3 of Exhibit A shall (i) be deemed to require that the Disclosing Party make any Confidential Information available to the Receiving Party or its Representatives or (ii) limit the Receiving Party's or its Representatives obligations to handle such Confidential Information in accordance with all applicable laws, CPUC orders or resolutions and any other rules or regulations of any governmental authority having jurisdiction over the Receiving Party.

(h) The Parties acknowledge and agree that PG&E will not be required to provide Personal Information or other PG&E Confidential Information to VCE or its Representatives under this Agreement. In connection with the Pilot, Personal Information accessible by VCE will be covered pursuant to applicable CPUC regulations, approved tariffs, and applicable procedures and that any Confidential Information or Personal Information that PG&E provides to TeMix will be provided subject to the applicable provisions of the PG&E-TeMix Contract.

4. Insurance Requirements.

VCE shall procure, and cause its contractors and subcontractors performing work in connection with the Pilot, to procure insurance that satisfies the following requirements:

(a) Commercial General Liability. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage occurrence form, with no coverage deletions. The limit shall not be less than $1,000,000 -per occurrence for bodily injury, property damage and personal injury. If coverage is subject to a general aggregate limit, this aggregate limit shall be twice the occurrence limit. Within thirty (30) days after the Effective Date, coverage shall be amended (i) by "Additional Insured" endorsement to add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of work performed by or for the SP (utilize ISO Form CG2010 11/85 or equivalent); and (ii) be endorsed to specify that such insurance is primary and that any insurance or self-insurance maintained by PG&E is in no way available for contribution.

(b) Business/Personal Auto. Coverage shall be as broad as the Insurance Services Office (ISO) Business Auto Coverage covering Automobile Liability code 1 "any auto." The limit for Business Auto shall not be less than $1,000,000 each accident for bodily injury and property damage. The limit for Personal Auto shall not be less than the minimum limits set forth by the Department of Motor Vehicles, but no less than $300,000 each accident.

(c) Professional Liability Insurance. Errors and Omissions Liability insurance if appropriate for VCE's or such contractor's or subcontractor's profession. Coverage shall be for a professional error, act or omission arising out of the scope of services shown in the Agreement. The limit shall not be less than $1,000,000 each claim/$2,000,000 aggregate. The Parties acknowledge and agree that (i) as of the Effective Date, professional liability insurance is not appropriate for one of VCE's contractors, Polaris Energy Services, Inc., given the nature of such contractor's business and (ii) the compliance by TeMix of its obligations to procure such insurance in accordance with the terms of the PG&E-Temix Contract shall satisfy VCE's obligations with respect to TeMix under this clause (c).

(d) Cyber Security and Privacy Liability Insurance. The Parties acknowledge and agree that (i) as of the Effective Date VCE is not required to procure, or cause its contractors (other than TeMix) or subcontractors to procure, cyber security and privacy liability insurance, (ii) TeMix is obligated to obtain and maintain cyber security and privacy liability insurance under the terms of the PG&E-TeMix Contract and (iii) the compliance by TeMix of its obligations to procure the insurance referred to in clause (ii) of this sentence shall satisfy VCE's obligations with respect to TeMix under this clause (d). If at any time after the date of this Agreement (i) VCE requests that PG&E provide any Confidential Information to VCE, or its contractors or subcontractors, (ii) the CPUC orders PG&E to provide any Confidential Information to VCE, or its contractors or subcontractors, or (iii) the CPUC modifies the Pilot in any way which requires PG&E to provide, or necessitates the provision by PG&E of, any Confidential Information to VCE, or its contractors or subcontractors, then prior to any disclosure of such Confidential Information by PG&E to any such entities, VCE shall, and shall cause the applicable contractors or subcontractors to, to obtain cyber risks insurance providing coverage for at least the following perils and losses: (A) unauthorized use of or access to a computer system containing or giving access to PG&E Confidential Information; (B) damage to or destruction of electronic data; (C) cyber extortion and the payment of extortion demands; (D) defense of any regulatory action involving a breach of privacy or cybersecurity in connection with PG&E Confidential Information; (E) failure to protect PG&E Confidential Information from disclosure; and (F) costs of notifying affected individuals and providing credit monitoring for up to one year, whether or not required by applicable law. The policy(s) limits of liability shall be as mutually agreed by PG&E and VCE and shall be reasonable in light of the nature and extent of the Confidential Information expected to be disclosed by PG&E, but in any event shall not be less than $1,000,000 per occurrence and $1,000,000 in the aggregate. Any self-insured retention is subject to the prior written approval of PG&E. PG&E, its affiliates, subsidiaries, parent company, and PG&E's directors, officers, agents and employees shall be named as additional insureds under this policy. If the policy includes a "blanket endorsement by contract," the following language added to the certificate of insurance will satisfy PG&E's additional insured requirement: "PG&E, its affiliates, subsidiaries, and parent company, and PG&E's directors, officers, agents and employees with respect to liability arising out of the work performed by or for the VCE's are additional insureds under a blanket endorsement.

(e) Other Insurance Requirements. VCE shall have, and shall ensure that any contractor or subcontractor has, all insurance required by clauses (a), (b) and (c) above in place by the Effective Date, or with respect to TeMix, by the dates required by the terms of the PG&E-Temix Contract. Upon PG&E's request, VCE shall furnish, or cause to be furnished, certificates of insurance, declaration pages and endorsements of all required insurance. Certificates of insurance and endorsements shall be signed and submitted by authorized personnel that issue certificates of insurance and endorsements on the insurer's behalf. The insurer shall deliver notification to PG&E in accordance with the policy provisions if any of the above-described policies are cancelled before the stated expiration date. PG&E may inspect the original policies or require complete certified copies at any time. The minimum liability insurance requirements established in this Agreement are not a representation by PG&E that the insurance limits are sufficient, nor do these requirements in any way limit VCE's liability under this Agreement.

5. Safe Work Practices and Requirements.

Each Party is the applicable "controlling employer" with respect to the covenants it undertakes to perform under this Agreement as defined under Cal OSHA and will remain responsible for all fines and liability arising from such Party's or its agents' or contractors' violations applicable law.

6. Record Retention Requirements.

Each Party shall ensure that documents and records resulting from the performance of its obligations under this Agreement and the Pilot Decision be maintained, preserved and stored to meet legal, regulatory, safety, data security and privacy standards as set forth in this Agreement. Each Party shall, and require its Representatives to keep accurate records, books of accounting, non-financial documentation, collectively referred to as "**Retained Records**" defined below, to substantiate and verify each payment request, performance obligation and right under this Agreement with respect to the Pilot. These Retained Records must be complete, accurate, and available upon the request of the other Party. The requirements for Retained Records are as follows:

(a) Retained Records shall include, but shall not be limited to, to the extent relevant to a Party's performance of its obligations under this Agreement and the Pilot Decision, signed customer agreements, equipment lists, installation details, photographs, commissioning testing results, energy/bill savings calculations, customer energy usage analyses, reports, shadow bills, rate and shadow bill calculations, records pertaining to the independent evaluation, including without limitation communications and agreements with the independent evaluator, and customer complaints, and any other documentation to verify such Party's, or its Representatives records, licenses, and workforce standard certifications, each, as applicable, payment information and records, and any other documentation supporting and validating compliance with any provision under this Agreement.

(b) Retained Records must be stored, maintained, and have back up system of unsubmitted electronic documentation in the event the originals are lost or destroyed, for them to be available to be produced at all times in accordance with the terms of this Agreement. Unless otherwise expressly required by the CPUC, or any other governmental agency, each Party shall produce the Retained Records electronically, or in an identified format, within five (5) days of the other Party's reasonable written request therefor.

(c) All Retained Records must be securely stored, legible, and organized to allow for easy identification to make them available for review, copies, production and prevent them from being lost or destroyed in accordance with the CA Consumer Protection Privacy Act statutory requirements during the term of the Agreement and three (3) years after the Agreement's expiration or termination.

(d) All Retained Records must be in an electronic form as follows:

- PDF, CAD, or TIFF for drawings and diagrams;
- Native File Format or PDF for all other documents; and
- Machine readable form.

(e) Records are to be treated as Confidential Information and such records are subject to the Confidentiality provisions under this Agreement.

7. Additional Responsibilities.

(a) Each Party is solely responsible for the quality, performance, safety and function of its products and the performance obligations it delivers to its customers. The other Party makes no representations or warranties to any person, including Customers, with respect thereto.

(b) Each Party is solely responsible for managing and successfully performing, completing, and delivering its required tasks under the Pilot and this Agreement. Each Party shall ensure its contractors and agents comply with all requirements under this Agreement applicable to their respective Representatives rendering services. Each Party is liable for any breach or non-compliance with the terms of this Agreement attributable to any of their respective Representatives.

(c) There is no employment relationship between VCE and PG&E or between a Party's Representatives and the other Party. Each Party is responsible for all wages, salaries, fees, costs, and other amounts due to its internal workforce and contractors and for all applicable tax withholdings, unemployment insurance premiums, pension and social welfare plan contributions, and other employer obligations.

(d) In performing the services under this Agreement and the Pilot, each Party shall comply with all applicable consumer protection, data privacy, and data protection laws and regulations, including, but not limited to, consumer privacy laws (e.g., CA Civil Code S.1798.82 and S. 1798.81.5).

(e) PG&E shall be responsible for the accuracy of any PG&E data that it provides to VCE in connection with PG&E's obligations under this Agreement. Except as expressly provided in this clause (e), PGE hereby disclaims any and all express or implied warranties of any kind, including, without limitation, any warranty of merchantability, fitness for a particular purpose, or non-infringement.

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2025-___

RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CLEAN ENERGY ALLIANCE AMENDING THE AGREEMENT BETWEEN PACIFIC GAS AND ELECTRIC (PG&E) AND VALLEY CLEAN ENERGY ALLIANCE FOR THE AGRICULTUAL FLEXIBLE IRRIGATION TECHNOLOGY (AGFIT) PILOT

WHEREAS, the Valley Clean Energy Alliance ("VCE") was formed as a community choice aggregation agency ("CCA") on November 16, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 et seq., among the County of Yolo, and the Cities of Davis and Woodland, to reduce greenhouse gas emissions, provide electricity, carry out programs to reduce energy consumption, develop local jobs in renewable energy, and promote energy security and rate stability in all of the member jurisdictions. The City of Winters, located in Yolo County, was added as a member of VCE and a party to the JPA in December of 2019;

WHEREAS, On December 2, 2021, the California Public Utilities Commission issued decision 21-12-015 authorizing VCE's proposed "Agricultural Flexible Irrigation Technology (AgFIT)" three-year dynamic rate pilot program, to be made available to customers taking electric service on irrigation pumping tariffs, including program funding for a total of $3,190,000;

WHEREAS, On September 8, 2022, the Board of Directors of the Valley Clean Energy Alliance adopted an Amendment to the 2022 Budget to increase program revenues for AgFIT by $1,200,000 and program expenditures for AgFIT by $1,200,000 for the costs associated with implementation of the AgFIT program in 2022.

WHEREAS, the Board of Directors of Valley Clean Energy Alliance adopted 2023 and 2024 AgFIT program revenues and program expenditures as part of the annual budget adoption process.

WHEREAS, delays in access to data have slowed down the process of the final accounting close-out, and VCE is still in the process of submitting invoices to PG&E;

NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance hereby adopts and authorizes the CEO or his designee to take all actions necessary to execute an Amendment to the 2022 VCE/PG&E AgFIT Agreement to close out the final costs associated with implementation of the AgFIT program.

PASSED, APPROVED AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the ________ day of ________ 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Bapu Vaitla, VCE Chair

____
Alisa M. Lembke, VCE Board Secretary

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 11

To: Board of Directors

From: Gordon Samuel, Chief Operating Officer

Subject: Summer Preparedness Outlook

Date: June 12, 2025

Please find attached a report prepared by The Energy Authority (TEA), VCE's provider of portfolio management, scheduling coordinator, load forecasting, and credit support services.

The report provides an assessment of California's Summer 2025 market conditions.

TEA will be attending the Board's meeting to review highlights of their market conditions assessment.

Attachment: 2025 California Summer Market Conditions Assessment, TEA, June 2025

Valley Clean Energy

2025 California Summer Market Conditions Assessment

Prepared by The Energy Authority (TEA), June 2025

CAISO Grid Conditions Summary

The California Independent System Operator's (CAISO) 2025 Summer Loads and Resources assessment indicates improved grid reliability due to accelerated resource development and capacity margins that exceed demand and reserve requirements.

California is expected to have sufficient capacity for this summer. This is mostly attributed to 5,534 MW of capacity of added solar, battery, and hybrid expected to be operational by June 30, 2025. The forecasted peak load is 46,094 MW, which is minimally less than last year with the peak expected to occur in September at hour ending 18. June through August expect above normal temperatures across the West especially in the Intermountain West. There is also an increased chance of above-normal temperatures through August and September. Previously moved into the state's strategic reliability reserves pool, some gas-fired once-through cooling generators have had their retirements deferred to Dec 31, 2026, and will remain part of the strategic reliability reserve. Both probabilistic assessment and multi-hour stack assessment indicate there are sufficient resources to achieve a reasonable margin above the Planning Reserve Margin (PRM) required to achieve a Loss of Load Expectation of 0.1 (LOLE).

The CAISO's fleet of emergency resource programs, such as the State Power Augmentation Project (SPAP) and the Electricity Supply Strategic Reliability Reserve Program (ESSRRP) remain stable from last year. The ESSRRP combined with available emergency assistance on the interties remains constant, totaling approximately 3,450 MW. These programs generally trigger based on various CAISO emergency notifications and add emergency capacity and reserve resources to support the grid specifically during extreme events, as outlined in CAISO's Emergency Procedure 4420[1]. Additionally, demand-side programs administered by the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) like the Demand Side Grid Support Program (DSGS) and the Distributed Electricity Backup Assets (DEBA) program focus on load reduction as a means of ensuring grid reliability. These initiatives collectively contribute to improving grid conditions and enhancing overall system preparedness for the summer of 2025.

While TEA's analysts generally support the CAISO's observations included in its Summer 2025 Assessment, four key areas of uncertainty call for tempered confidence in the CAISO's ability to maintain reliable operations during the summer 2025 season:

- Potential for coincident heat event or wildfires to stress inter-regional deliveries;
- Potential over-confidence in expected level of intertie imports, limited at less than 5,500 MW from June – September hours ending 17 – 23 in the probabilistic analysis, given west-wide

capacity and energy market conditions as well as ongoing challenges with CPUC Import Resource Adequacy (RA) policy;

- Potential for state-of-charge management of storage fleet by individual resources to deliver sub-optimal dispatch availability over evening peak hours; and
- Potential for uncertainty in Western Energy Imbalance Market (WEIM) transfers during tight regional or west-wide system conditions to challenge real-time market stability.

CAISO Grid Conditions – Deeper Dive

New Generation

The CAISO expects a total of 5,535 MW of installed capacity to be added to the grid by June 30, 2025 including about 1,600 MW of battery and 350 MW of solar. Of that, 2,163 MW are planned additions expected to reach commercial operation (COD) between April 1, 2025 and June 30, 2025.

Resource Additions	Battery	Wind	Solar	Biofuel	Hybrid	Total Nameplate Capacity
September 1 to December 31, 2024	1,385	219	469		404	**2,478**
January 1 to April 1, 2025	595	0	299		0	**894**
April 1 to June 30, 2025 (Expected)	1,654		354	5	150	**2,163**
Total	**3,634**	**219**	**1,122**	**5**	**554**	**5,534**

(Table 1.2, p. 5 - "Actual and expected additions from September 1, 2024 through June 30, 2025 (MW)")

Particularly of note for 2025 is the battery additions. Battery storage resources can provide ancillary services and load following in both charging and discharging modes. The model treats batteries as such and co-optimizes battery charging and discharging across time intervals to minimize system costs or meet specified objectives (such as minimizing depth verses duration of shortfalls), while adhering to operational constraints.

Deliverability	Full Capacity		Interim Deliverability		Partial Deliverability		Energy Only		Total	
Fuel Type	**NDC**	**NQC**	**NDC**	**NQC**	**NDC**	**NQC**	**NDC**	**NQC**	**NDC**	**NQC**
Battery	7,062	6,986	2,886	2,811	476	325	84	0	10,507	10,122
Biogas	232	170	0	0	0	0	19	0	251	170
Biomass	421	324	0	0	0	0	5	0	426	324
Distillate	110	110	0	0	0	0	0	0	110	110
Geothermal	1,297	1,155	0	0	162	102	0	0	1,459	1,257
Hybrid	576	396	1,437	969	8	7	0	0	2,021	1,372
Hydro	9,060	6,449	0	0	2	0	17	0	9,079	6,449
Natural Gas	25,885	24,939	417	414	704	624	4	0	27,010	25,977
Nuclear	2,300	2,280	0	0	0	0	0	0	2,300	2,280
Other	273	26	0	0	0	0	0	0	273	26
Solar	12,106	4,808	2,744	1,029	2,568	547	1,986	0	19,405	6,385
Waste Heat	35	24	0	0	0	0	0	0	35	24
Wind	6,059	1,338	230	57	0	0	6	0	6,295	1,394
Total	**65,415**	**49,005**	**7,714**	**5,280**	**3,920**	**1,605**	**2,120**	**0**	**79,170**	**55,891**

(Table 1.1, p. 2, Technical Appendix - "Existing resources by fuel type and deliverability status (excludes tie-generators)")

Hydro Generation

Weather conditions such as temperature, cloud cover, and precipitation directly affect system operations by influencing hydro output, renewable generation, and load. The forecasts for summer 2025 indicate above normal temperatures across the Western US. The Intermountain West and Pacific Northwest are most likely to be above average with a risk of heat dome conditions. This has a direct effect on the hydro generation in CA and the Pacific Northwest and the availability of surplus power to export into the CAISO. These weather patterns are expected to lead to below normal runoff volumes, and as a result less hydro generation, in eastern Washington, northern Idaho, and portions of the Upper Columbia River Basin. The National Weather Service's 2025 National Hydrologic Assessment states that a series of atmospheric rivers in December through March led to above normal snow conditions and runoff volumes in southern Oregon and Northern California. However, central California and Nevada should expect near to below normal runoff volumes. Overall, an average water year can be expected in California with the potential for somewhat limited imports from the Pacific Northwest.

For analysis purposes, the CAISO is using an average hydro profile based on the 2018 hydro year in its probabilistic study.

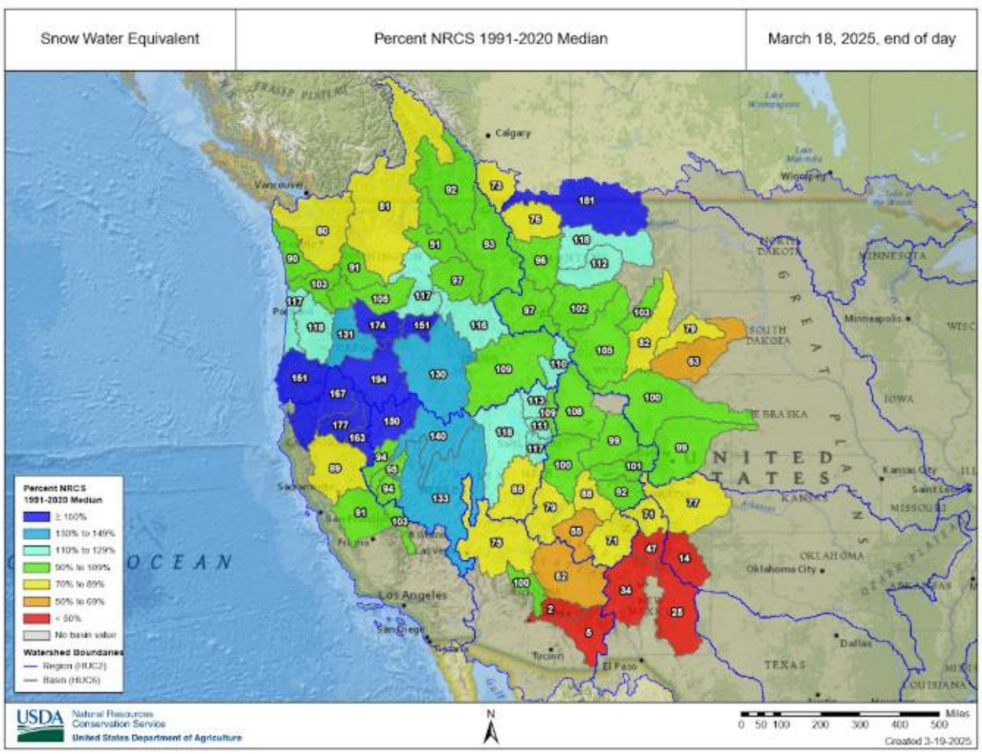
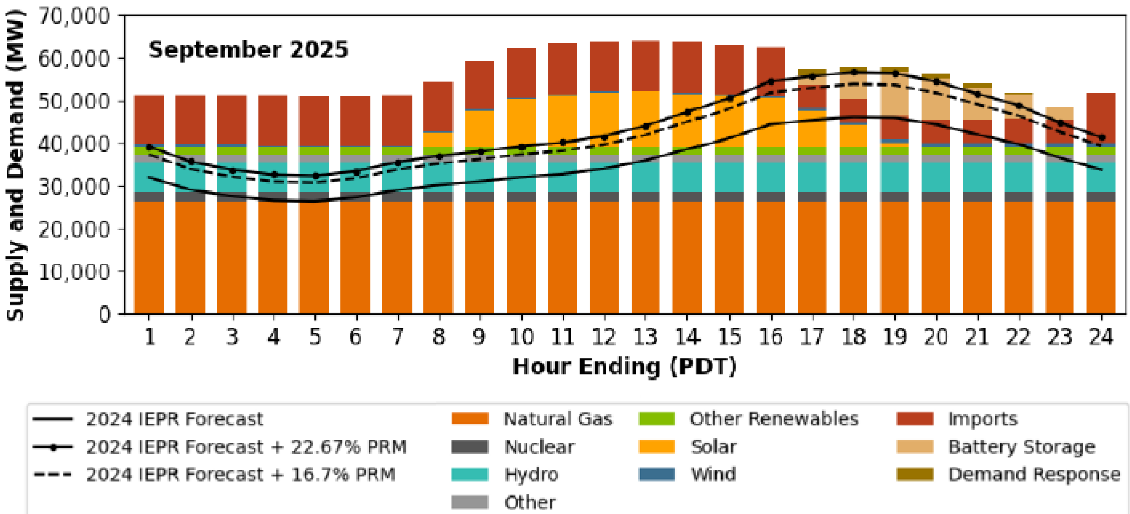


Figure 5: Snow Water Equivalent Percent of Median (NRCS) (NWS)

Stack Analysis of Available CAISO Resources

The CAISO's 2025 summer multi-hour stack analysis evaluates the availability of all Resource Adequacy (RA) eligible resources during peak hours across each summer month. It shows that the system maintains a healthy reserve margin above the 22.67% planning threshold needed to meet reliability standards, even during the most stressed periods. The analysis uses realistic assumptions for each resource type, including historic wind and solar profiles, battery discharge limits, and demand response availability. September emerges as the most critical month due to high demand and reduced solar output, though the system still maintains adequate surplus. Overall, the analysis confirms that resource availability is sufficient to meet hourly peak loads and reserves throughout the summer, assuming normal operating conditions.



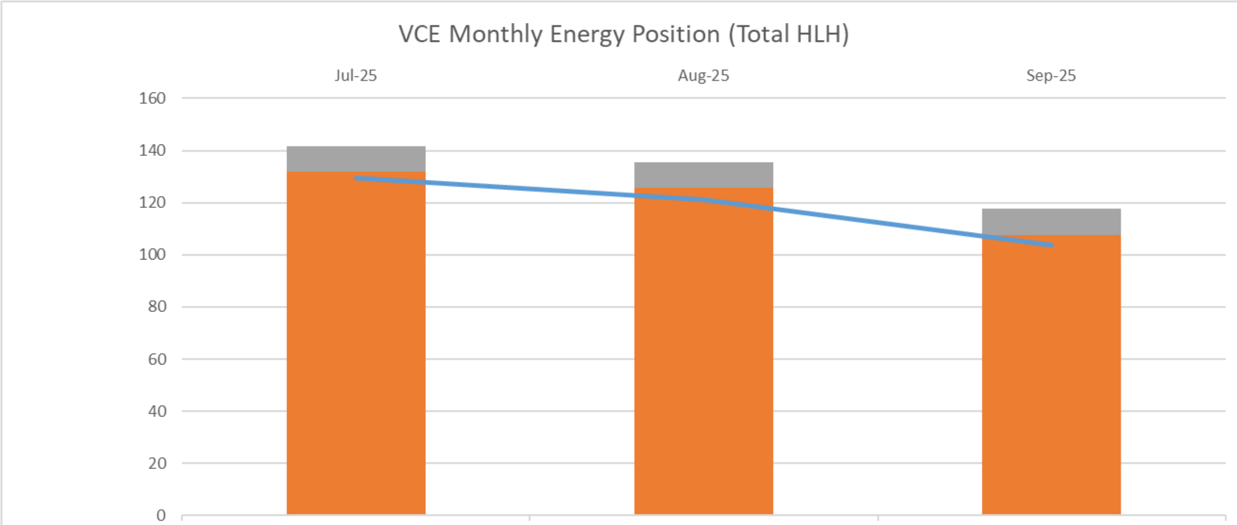
(Figure 1.7, p. 11 – "Multi-hour stack analysis for September peak day")

Valley Clean Energy Summer 2025 Readiness

As part of VCE's risk guidelines, a review of their summer-time energy hedges, RA compliance, and resource status is performed. A short summary of VCE's work in ensuring local and statewide grid reliability is described below.

Energy Hedging

VCE utilizes a programmatic approach to hedging that incrementally fills energy deficits through bilateral procurement from market counterparties. The program is designed to ensure VCE is appropriately hedged to levels set in VCE's energy risk management policy for summer periods prior to the onset. This approach means that VCE's exposure to volatile energy prices that may occur during summer heat events is significantly mitigated. Care is taken to ensure load variation is accounted for when determining the appropriate hedge volumes. As of early June 2025, VCE has met all of its targeted procurement of energy hedges for Q3 2025, with more than the minimum 80% and less than the maximum 130% of its expected load contracted for in all months of Q3. VCE's average around the clock hedge percentage in Q3 2025 is 94%. The chart below shows VCE's Peak Q3 energy position:



	Jul-25	Aug-25	Sep-25
HLH Hedge	10	10	10
HLH PPA	132	126	108
HLH Load	130	121	104
HLH % Hedged	109%	112%	113%

Note: HLH in the figure refers to heavy load hours, defined as Monday through Saturday, hour ending 0700 through hour ending 2200.

Resource Adequacy

VCE actively monitors its resource adequacy position (RA) and pursues forward procurement of RA-only products or generation resources through Power Purchase Agreements (PPAs) to meet its assigned RA obligations. Like many similarly situated entities, VCE has been historically impacted by delays in the online date of resources that has made RA position management challenging. Further complicating this matter has been the extreme illiquidity in RA markets, which are opaque and require a combination of both formal and informal solicitation approaches to secure this product. However, due to VCE's initiative entering into long term PPAs with a number of renewable developers, the portfolio is well situated for the coming years. VCE is fully compliant and has met its Resource Adequacy Requirements for Summer 2025 and the rest of the calendar year.

New Resources

VCE continues to pursue new clean capacity resources and has approximately 30 MW of new capacity resources in development that it has contracted for. While different types of new resources provide different degrees of carrying capacity on the grid, VCE's goals for resource procurement will provide it with a substantial amount of clean energy in the years to come. This will not only provide support to the power grid, but will also reduce costs to VCE.

Existing Resources

The majority of VCE's existing fleet of resources are expected to provide summer energy and capacity. VCE has long term Power Purchase Agreements in place for approximately 300 MW of solar and storage resources. These contracts put VCE in a very stable position to meet its own RA requirements as well as sell surplus into the market to offset costs. VCE also contracts for resource adequacy from energy storage and demand response resources that help to ensure grid reliability during critical periods.

Public Safety Power Shutoffs

VCE staff has developed protocols regarding communication with its scheduling coordinator, TEA, as well as with PG&E in anticipation of PSPS events that may impact the region.

Volatile Incoming Pricing Event Response (VIPER)

TEA and VCE staff have developed protocols regarding communication and consideration of additional market activity to reduce VCE's financial exposure in the case of anticipated high price events due to high temperatures and high loads or other events that may lead to high prices in CAISO and the Western markets.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 12

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer
Mitch Sears, Chief Executive Officer

SUBJECT: 2025 VCE Mid-Year Financials Update

DATE: June 12, 2025

RECOMMENDATION

Continue current customer rate discounts of 5% for all and 10% for CARE/FERA customers for the remainder of 2025.

Overview

This report provides a mid-year financial update for 2025 actuals and the anticipated outcomes of recent regulatory developments for 2026, particularly the California Public Utilities Commission's (CPUC) decisions in the 2025 Power Charge Indifference Adjustment (PCIA) and Energy Resource Recovery Account (ERRA) proceedings. Based on current forecasts and regulatory outcomes, staff recommend maintaining VCE's existing rate discounts for the remainder of 2025.

DISCUSSION & ANALYSIS

VCE has taken a discipled fiscal approach and built a solid long-term renewable energy portfolio which has positioned it well to offer competitive rates and renewable content energy while maintaining regulatory compliance. As of mid-year, 2025, VCE remains in a stable financial position as forecasted.

Key highlights include:

- Revenues are tracking slightly lower than projections with a normalized load and weather conditions.
- Operating expenses remain within budget, with power costs benefiting from favorable market and load usage conditions.
- Cash reserves are healthy and exceed the Board-approved minimum thresholds.

While VCE's financial position has improved significantly since Covid-19, recent regulatory proposed decisions on PCIA and lower power market prices have created upward pressure on the Power Charge Indifference Adjustment (PCIA). Based on these likely regulatory outcomes, staff in not recommending an increase in customer discounts at this time. The energy market remains uncertain, with risks from summer peak demand, wildfire-related costs, and additional CPUC regulatory decisions being primary drivers.

Preserving financial flexibility is essential to navigate these uncertainties without compromising service or stability. Increasing discounts now could erode the financial cushion needed for rate stability and future investments in renewable energy, local programs, and grid resilience. A consistent and predictable rate structure helps build customer trust and supports long-term retention. Maintaining current discounts provides VCE with the ability to continue to meet its strategic goals (e.g. rate affordability, renewable goals, etc.), without sacrificing long-term sustainability.

Reasons for Maintaining Robust Cash Reserves:

- **Credit Rating and Financing Costs:** Strong reserves support VCE's creditworthiness, which is essential for securing favorable terms in power procurement contracts and future financing. A higher credit rating reduces borrowing costs and enhances VCE's ability to invest in long-term clean energy initiatives.

- **Rate Stabilization:** Cash reserves act as a financial buffer against market volatility, regulatory changes, and unexpected cost increases. This stability allows VCE to avoid sudden rate hikes and maintain competitive/discounted rates for customers, which is especially important in a dynamic energy market.

- **Regulatory Compliance and Risk Management:** Adequate reserves ensure compliance with financial risk management policies and provide flexibility to respond to unforeseen events, such as extreme weather impacts or supplier defaults.

Timeline/Next Steps

- October CPUC Meeting – Receive updated marker price benchmarks and PG&E's updated ERRA forecasts for PCIA and generation rates.
- November Board Meeting - Incorporate updated load forecasts and power costs into the 2026 preliminary Budget
- December Board Meeting - Provide updated year-end financial report and with recommendations for 2026 rate adjustments

CONCLUSION

Staff recommend maintaining the current rate discounts for all customer classes through the end of 2025. This approach supports stability, customer satisfaction, and VCE's long-term financial sustainability.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 13

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer

SUBJECT: Allocation of 2024 Net Margin

DATE: June 12, 2025

RECOMMENDATION
Adopt a resolution approving the allocation of the $26.9M 2024 Audited Net Margin between cash reserves, local program reserve (LPR), and Customer Dividends program as follows:

1. $9,106,000 (34%) of Net Margin to operational cash reserves;
2. $12,284,000 (46%) of Net Margin to rate stabilization reserves;
3. $1,624,000 (6%) of Net Margin to the Local Programs Reserve (LPR).
4. $3,856,000 (14%) of Net Margin designated to the Dividends Program in the form Rate Credits

OVERVIEW
Each Spring the Board considers allocation of the previous year's net margin based on guidelines adopted in 2019. This report presents the various options the Board has in determining how to allocate the estimated net margin for 2024. In April, staff presented this information to the Community Advisory Committee (CAC) for feedback which is summarized later in this report. VCE's audit of the 2024 fiscal year has been completed and financial statements were presented to the Board at their April 10, 2025 meeting. Taking into account VCE's Dividend Program guidelines, as well as available and forecast cash reserves, Staff concluded that the following allocation met VCE's policy objectives for VCE's 2024 net margin of $26.9 million:

- Minimum required allocation of $247,000 to the Local Programs Reserve (LPR)
- Minimum required allocation of $9,106,000 to Operational Reserves
- Minimum required allocation of $12,009,000 to Rate Stabilization Reserves
- Discretionary Allocation (After Cash Reserves) of $5,509,000

BACKGROUND AND ANALYSIS
The Board adopted the VCE Rate Structure and Dividend Program Guidelines on June 17, 2019, to guide the allocation of the audited net margin for each year. The guidelines can be found here.

Key aspects of the Dividend Program are:

- Every year, the audited Net Margin (Less Principal Debt Payments) is to be allocated amongst Cash Reserves, Local Programs Reserve, and Customer Dividends, at the

Board's discretion

- Require a minimum 5% net margin before considering if any dividends are paid

Based on the estimated 2024 Financial Statements, the conditions above have been met. Staff will present the final recommendation of the allocation of net margin to the Board on June 12, 2025. As noted, when the Board adopted the Dividend Program Guidelines, a 5% minimum net margin is in the lower range of typical net margin goals for the utility sector and most other industries.

<u>Dividend Program Formula</u>

The adopted Dividend Program formula recommends allocating the net margin as follows:

- Net margin up to 5% is to be allocated as follows:
  - At least 5% (of the 5%) goes to Local Programs Reserve (LPR) for program implementation
  - The balance goes to cash reserves
- Net margin above 5% is to be allocated as follows:
  - At least 75% to cash reserves – Operational and Stabilization
  - Remainder allocated amongst customer dividends and LPR

Staff applied the Dividend Program formula above to VCE's 2024 audited net margin. The following table summarizes the analysis.

Table 1 – 2024 Audited Net Margin Summary

Description		2024 Financials ($1,000s)		Avg. Days Cash ($1,000s)	
Electricity Sales		98,929		197	
Operating Expense		71,948			
Operating Margin		26,981			
Principal Debt Payments		-			
Adjusted Net Margin less principal Debt Payments		26,981			
Adjusted Net Margin Percentage		27.27%			
Allocation Amount <=5%		4,946			
Allocation Amount > 5%		22,035			
2025 Beginning Reserves Balance		26,395		134	
Allocation of Net Margin up to 5%	**Percentage**	**Allocation Amount**	**Operating Days Cash**	**Total Operating Days Cash**	
Operating Reserves Allocation	95%	4,699	24	158	Minimum
Local Programs Allocation	5%	247	1	0	Minimum
Allocation of Net Margin above 5%	**Percentage**	**Allocation Amount**			
Allocation to Operating Reserves	20%	4,407	22	180	Minimum
Allocation to Rate Stabilization Reserves	55%	12,009	61	61	Minimum

As shown in Table 4, VCE's minimum allocations result in $245,000 to LPR, $0 to dividends, and the balance to operational and rate stabilization reserves. The estimated discretionary allocation amount for 2024 is $5,283,000.

///

Discretionary Allocation Considerations

A range of scenarios exist for the allotment of discretionary allocations – three within that range are presented in the tables below. Based on the current and forecasted cash reserves for 2024 and 2025, Staff is considering a recommendation of Scenario 1 to allocate a majority of the discretionary allocation to customer dividends and programs. VCE will meet the minimum reserve targets with the 2024 allocation and continue to contribute additional reserves in 2025. All scenarios described later in this report provide for additional program funds, dividend funds in the form of additional rate discounts, and reach reserve targets of 180+ days of cash on hand for VCE to obtain its initial investment grade credit rating in 2025. Staff is considering the allocation of reserve funds to be held for future discounts at our current levels as current forecasts are expecting increases in PCIA rates and decreases in PG&E rates.

Staff considered the following key factors related to this preliminary recommendation.

- Power Costs - Staff anticipates ongoing power cost increases and regulatory pressures related to changing resource adequacy requirements (increased costs = decreased days cash on hand)
- VCE's current 180-day cash reserve target is a minimum for investment grade credit rating.
- VCE's current 60-day rate stabilization reserve target is a minimum for rate variability.

Staff considered the following allocation scenarios. Note: the "25%" starting amount in each scenario is the remaining amount of the total net margin above 5% after 75% has been allocated to cash reserves per the Dividend Program guidelines (see Dividend Program Formula above). For example, in Scenario 1, zero percent would be allocated to "Operating Reserves" because the 180-day cash reserve target has already been met.

Allocation Scenarios

Staff analyzed three basic scenarios related to the allocation of discretionary funds to help inform its recommendation and the Board decision.

Scenario 1: Balanced Allocation (Staff Recommended)

	Percentage	Allocation Amount	Operating Days Cash	Total Operating Days Cash	
Discretionary Allocation (After Cash Reserves)	**25%**	**5,509**	**28**	**0**	Maximum
Allocation to Operating Reserves	0%	-	0	180	
Allocation to Rate Stabilization Reserves	5%	275	1	62	
Local Programs (Targeted 2025/26 Spend)	25%	1,377	7		
Customer Dividends (Targeted 2025/26 Spend)	70%	3,856	20		

Scenario 2: Increased Rate Stabilization

	Percentage	Allocation Amount	Operating Days Cash	Total Operating Days Cash	
Discretionary Allocation (After Cash Reserves)	**25%**	**5,509**	**28**	**0**	Maximum
Operating Reserves Allocation	0%	-	0	180	
Allocation to Rate Stabilization Reserves	15%	826	4	65	
Local Programs (Targeted 2025/26 Spend)	25%	1,377	7		
Customer Dividends (Targeted 2025/26 Spend)	60%	3,305	17		

Scenario 3: Equal Allocation

	Percentage	Allocation Amount	Operating Days Cash	Total Operating Days Cash	
Discretionary Allocation (After Cash Reserves)	25%	5,509	28	0	Maximum
Operating Reserves Allocation	25%	1,377	7	187	
Allocation to Rate Stabilization Reserves	25%	1,377	7	68	
Local Programs (Targeted 2025/26 Spend)	25%	1,377	7		
Customer Dividends (Targeted 2025/26 Spend)	25%	1,377	7		

Notes: (1) a 1% dividend would be approximately $1.50/month reduction in the average residential customer bill and an approximately $3.75/month reduction in the average small commercial customer bill; (2) anecdotal information from other CCAs indicate that these levels of customer dividends/discounts while helpful in communicating a CCA's value do not have significant effects on customer retention or new customer recruitment.

Based on the cash reserve forecast in the coming years, Staff is recommending the Board allocate the discretionary allocation Scenario 1. Key factors in the staff's analysis of these options include:

- Cash Reserves Allocation. VCE's strategic goal of obtaining its initial investment credit rating by 2028 will require a minimum of +180 days of operating cash reserves and +60 days of rate stabilization reserves.
- Customer Dividend Allocation. Available funds for dividends would be designated to maintain, if possible, our current customer 5% rate discount for all customers and 10% for CARE/FERA customers beyond the current budget cycle.

Community Advisory Committee (CAC) Consideration

The staff presented to the CAC at its April 24, 2025 meeting for discussion and feedback based on estimated results. CAC feedback was aligned with the recommended scenario 1 providing customer dividends in the form of rate credits, continuing to build programs, and building cash reserves towards the minimum 180+ cash reserve targets.

CONCLUSION

Staff believe that all scenarios represent a disciplined and financially prudent approach to building reserves and preserving long-term rate relief. The longer-term outlook (2025+) shows increased power cost stability due to VCE's fixed price long-term renewable power purchase contracts and VCE's recent prepay transaction savings. However, current forecasts from analysts show significant changes in PCIA (increasing) and PG&E rates (decreasing) due to regulatory changes in market price benchmarks.

ATTACHMENT:

1. Resolution 2025-XXX – Allocation of 2024 Net Margin

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2025 - ___

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CLEAN ENERGY ALLIANCE APPROVING THE RECOMMENDED ALLOCATION OF NET MARGIN FOR THE AUDITED YEAR ENDED DECEMBER 31, 2024

WHEREAS, Valley Clean Energy ("VCE") was formed as a community choice aggregation agency ("CCA") on November 16, 2016, under the Joint Exercise of Power Act, California Government Code section 6500 et seq., among the County of Yolo, and the Cities of Davis and Woodland, to reduce greenhouse gas emissions, provide electricity, carry out programs to reduce energy consumption, develop local jobs in renewable energy, and promote energy security and rate stability in all of the member jurisdictions. The City of Winters, located in Yolo County, was added as a member of VCE and a party to the JPA in December of 2019; and,

WHEREAS, the Board adopted a Rate Structure & Dividend Program Guidelines (Dividend Program) on June 17, 2019, to be effective starting at the beginning of the following fiscal year on July 1, 2019; and

WHEREAS, the Dividend Program guides how audited positive Net Margin for each fiscal year can be allocated amongst operational and rate stabilization cash reserves, customer dividends, and local program reserve (LPR), at the Board's discretion; and

WHEREAS, VCE staff analyzed the allocation options for Board consideration based on the final, audited Net Margin for the year ended December 31, 2024.

NOW, THEREFORE, the Board of Directors of Valley Clean Energy resolves as follows:

1. For the audited year ended December 31, 2024, allocate the Net Margin of $26.9 million as follows: $1,624,000 to local program reserve, $3,856,000 to cash dividends, $9,106,000 to operational reserves and $12,284,000 to rate stabilization reserves.

PASSED, APPROVED AND ADOPTED, at a regular meeting of Valley Clean Energy, held on the ____ day of _______________, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Bapu Vaitla, VCE Chair

____
Alisa M. Lembke, VCE Board Secretary

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 14

TO: Board of Directors

FROM: Mitch Sears, Chief Executive Officer
Gordon Samuel, Chief Operating Officer
Alisa Lembke, VCE Board Clerk/Administrative Analyst

SUBJECT: Consider Reappointment and Appointment to Jurisdiction seats on Community Advisory Committee

DATE: June 12, 2025

RECOMMENDATION

1. Consider appointment/reappointments to each jurisdiction seat for a three (3) year term to expire 2028 (Class 1); and,
2. Continue to solicit candidates for vacant unincorporated Yolo County jurisdiction seat.

BACKGROUND/ANALYSIS

The Board at their September 9, 2021 meeting, adopted a revised Community Advisory Committee (CAC) structure with eleven total members: eight jurisdictional members (two per jurisdiction) and three additional seats for At-large members intended to fill specific subject matter expertise/experience areas.

Class 1 appointments expire in June 2025 representing the jurisdiction seats: Davis, Woodland, Winters and unincorporated Yolo County. All four (4) incumbent CAC Members are seeking reappointment. Staff advertised on VCE's website, through local newspapers and social media seeking applicants for all jurisdiction seats. No new applications were received.

Several applications were on file from residents of the cities of Davis and Woodland, who had previously applied for consideration for appointment to CAC seats. Staff contacted those applicants with one resident interested in being considered for appointment to the City of Davis seat: Mark Murray. Mr. Murray's application is summarized below:

- Mark Murray is interested in expanding and promoting the community's efforts to be the model for clean energy; he is a proponent and participant of solar energy, electric vehicles, electric heat pump, and the promotion of the economic benefits for homeowners to go electric; and, he has over 35 years of experience in researching, developing, advocating and monitoring public policy in the environmental, waste reduction and recycling realms and has served on numerous advisory bodies.

Consistent with past practice, staff provided Mr. Murray's application to the jurisdiction Board Members (City of Davis), for their review and consideration for recommendation.

CAC Member Rahul Athalye is currently seeking for reappointment to the City of Davis seat. In addition, the following CAC Members are seeking reappointment:

- David Springer (Winters)
- Mark Aulman (Woodland)
- Cynthia Rodriguez (unincorporated Yolo County)

CONCLUSION

Staff recommends the Board consider:

1. Reappointment of the following for a three (3) year term to expire 2028 (Class 1);
    - Winters Rep. – David Springer
    - Woodland Rep. – Mark Aulman
    - Yolo County Rep. – Cynthia Rodriguez;
2. Consider appointment of either Rahul Athalye or Mark Murray to the City of Davis seat for a three (3) year term to expire 2028 (Class 1); and,
3. Have Staff continue to solicit candidates for vacant unincorporated Yolo County jurisdiction seat until filled.

Below is a listing of the other "classes" and expiration terms:

<u>CLASS 2 - term expires in June 2026:</u>

Winters Rep. – Jennifer Rindahl
Woodland Rep. – Diccon Westworth
Davis Rep. – Ari Halberstadt
Yolo County Rep. – **Vacant**

<u>CLASS 3 - term expires in June 2027:</u>

At-Large - Lorenzo Kristov
At-Large - Keith Taylor
At-Large – Danielle Ballard

<u>Attachment</u>

1. CAC City of Davis Application (Mark Murray Redacted)

Return to:

Valley Clean Energy
604 Second Street
Davis, CA 95616

VALLEY CLEAN ENERGY
COMMUNITY ADVISORY COMMITTEE
APPLICATION

Received on:

5/16/24 AMLembke

PERSONAL DATA SHEET

Name: Murray, Mark
Last First Middle

Are you at least 18 years old? yes

Home Address: [redacted]
Number/Street

Davis, CA 95616
City/State/Zip

Email Address: [redacted]

[redacted] Daytime Phone

[redacted] Evening/Weekend Phone

Business Title or Occupation: Executive Director

Company/Organization: Californians Against Waste

Address: [redacted]
Street Address

[redacted]
City, State and Zip

Which Valley Clean Energy jurisdiction do you reside in?

- ☑ City of Davis
- ☐ City of Woodland
- ☐ County of Yolo (Unincorporated)
- ☐ City of Winters

If you do not reside in Valley Clean Energy's jurisdictions, please include a separate statement to address why you are applying for this committee.

Are you seeking to fill an At-Large Seat? ☐ Yes ☐ No

Background Information:

Why do you wish to serve as a member of the VCE Community Advisory Committee?

As a long-time Environmental Advocate and resident of Davis/Yolo County I am interested in expanding and promoting our community's efforts to model 'Clean Energy' for other communities in California and across the country. At home we have invested in the transition to Clean Energy with Solar, EV and most recently Electric Heat pump. While we made these changes on their environmental merits, I am increasingly enthusiastic about promoting the very real economic benefits for homeowners, as well as the opportunity to grow our community's 'resiliance' from PG&E.

What experience/perspective would you bring to the committee? Please reference the professional sector and related professional experience below for At-Large member applications in this section.

For 35 years I have worked professionally in the non-profit environmental sector, and for the last 25+ years as the Executive Director of Californians Against Waste. In this capacity I have researched, developed, advocated, and monitored public policy in the environmental, waste reduction and recycling realm.

I have helped craft one hundred plus state laws, dozens of local ordinances as well as a couple of Statewide ballot measures.

In 1988-89, I worked on the successful campaign to close the Rancho Seco nuclear power plant.

I have served on multiple, local, state and Federal advisory bodies.

Please list your previous and present governmental and civic experience. Indicate when, position and duties:

Global Electronics Council, Sustainability Technical Committee, 2023 to present.
Campaign Committee, Plastic Pollution Reduction Act, 2022 Ballot (withdrawn)
Campaign Chair, Yes on Prop 67, 2016 Ballot, Plastic Bag Ban
Advisory Board, California Environmental Voters, 1996-2014
Board Member, Planning & Conservation League, 1995-2000.
Member, National Recycling Congress, 1988-Present.
Member, California Resource Recovery Association, 1988-Present.
Member, Northern California Recyclers Association, 1997-Present.
Member, Sacramento County Keifer Landfill Citizens Advisory Committee, 1995-97.
Member, U.S. EPA Recycling Advisory Committee, 1994-1996.
Member, Sacramento City Recycling Advisory Committee, 1988-1994.
Board Member, Sacramento Local Conservation Corp, 1990-1994.
Board Member, Environmental Council of Sacramento, 1988-1992.
Member, California Beverage Container Recycling Advisory Committee (Appointed by Assembly Speaker Willie Brown), 1989-1994.
Candidate, Sacramento City Council, 1989.
Campaign Chairman, No on Measure F, 1988 (Successful campaign to defeat ballot measure aimed at ending green waste composting program).

List any special training or experience you have that you feel would benefit your committee service:

For nearly 35 years, Mark has been the primary advocate behind much of California’s nation-leading waste reduction and recycling policy. Beginning in 1987, Mark helped guide the implementation of California’s unique ‘market-based’ beverage container recycling law. Due in large part to Mark’s creativity, political expertise and persistence, the program has evolved into the largest, most successful and cost effective recycling incentive program in the country. Mark has helped develop and enact dozens of innovative and successful waste reduction and recycling policies that have helped cut California’s waste in half, while creating green jobs and economic development in the process.

Do you have any interests or associations which might present a conflict of interest?
If yes, please explain:

Not that I'm aware of

What do you feel are your most important qualifications?

Experienced environmental policy understanding and advocacy. A proven consensus builder with many, many years of experience on multi-stakeholder advisory and governing bodies.

What do you see as some of the significant issues facing the community in the next few years that might pertain to Valley Clean Energy's Community Advisory Committee?

Helping community members to stay committed to renewables/transition to solar as state financial incentives are phased down/out, and PG&E continues to pursue higher electric rates.

What do you hope to accomplish as a committee member?

I'm a satisfied and enthusiatic advocate for pragmatic transition to renewables/Clean energy. And I have a track record of successfully working with conservatives & business community on conservation policy. I would like the opportunity to apply those skills and experience extending the mission of Valley Clean Energy!

I am aware of the obligations and responsibilities of this committee and am willing and able to fulfill this commitment should I be appointed: (Initial here: mm)

Please attach your resume or any additional information or statements which you feel would be helpful to the Valley Clean Energy Board of Directors in reviewing your qualifications.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, the information contained herein will be made available to the general public upon request. I further understand that if appointed, I may be required to take the oath of office and may be subject to requirements for filing financial disclosure statements.

[redacted]

Please Sign Here ____________ Date

NOTE: This document is a public record and may be disclosed/released pursuant to the California Public Records Act.

FOR OFFICIAL USE ONLY

Applications will be kept on file for two years. This application will expire on: 5/16/2026

Date of appointment by the Valley Clean Energy Board: ____________

Length of term: ____________

Is this a re-appointment? ________________________